



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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Arm River

[The committee met at 15:31.]

The Chair: — Good afternoon. Welcome to the minister, officials, and members of the committee. Just for your information, the members of the committee: myself, Ken Cheveldayoff, I'll serve as the Chair this afternoon; Steven Bonk; Fred Bradshaw; Noor Burki; Terry Jenson; Dana Skoropad; and Doyle Vermette. Substituting today we'll have Jennifer Bowes substituting for Doyle Vermette and Muhammad Fiaz substituting for Steven Bonk I believe.

Today the committee will be considering the estimates for the Public Service Commission. After a recess from 5:30 to 6:30, the minister from Crown Investments Corporation and his officials will join us for consideration of estimates and supplementary estimates for debt reduction, sinking fund, and interest payments.

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

Subvote (PS01)

The Chair: — We will begin with the 2024-25 estimates for vote 33, Public Service Commission, central management and services, subvote (PS01). Minister Duncan is here with his officials. I will remind officials to identify themselves before they speak and not to touch the microphones. The Hansard operator will turn them on for you.

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

Hon. Mr. Duncan: — Thank you very much. Good afternoon to committee members. We're pleased to be here to discuss estimates for the Public Service Commission as, Mr. Chair, you indicated. I will take a few moments to introduce the officials that are here with me. To my right is Greg Tuer, Chair of the Public Service Commission. To my left is Pat Bokitch, assistant Chair of the Public Service Commission. As well, joining us here in the Chamber, Claudia Burke, assistant Chair of the PSC [Public Service Commission]; Rebecca Kayumba, acting executive director of corporate services; Carolyn Lewis, executive director of human resource service centre; Greg Linzmeyer, director of equity, diversity and inclusion; and David Keogan is my chief of staff, and he's joining us as well.

Now the Public Service Commission, or PSC, is a central agency for government, providing human resource services for executive government as well as some agencies, boards, and commissions. The Public Service Commission has a strong focus on employee recruitment and retention, which has been a growing challenge for many ministries.

Ensuring that we have the right people in the right roles to deliver on the growth plan initiatives is a top priority for the Public Service Commission. The Government of Saskatchewan currently has more than 11,000 employees to serve citizens across the province, and as a central human resource agency for government, the Public Service Commission provides leadership support and policy direction to all ministries to enable a high-performing and innovative professional public service.

We have human resource business partner teams embedded within ministries to serve their HR [human resources] needs, and these teams bring HR expertise and perspectives to specific ministry initiatives. This approach recognizes the unique business of each ministry and ensures their HR professionals are fully integrated in their business, which helps them provide strategic HR decisions.

I'd just like to highlight a few of the recent initiatives undertaken by the Public Service Commission. PSC is putting an intentional focus on Indigenous recruitment through the development of an Indigenous recruitment, retention, and inclusion framework and action plan.

In November a memorandum of understanding was signed between the Government of Saskatchewan and Métis Nation-Saskatchewan. This agreement formalizes, expands, and enhances the relationship between parties and will help identify opportunities to educate the provincial public service about Métis.

The Public Service Commission has a dedicated talent team to support the Ministry of Corrections, Policing and Public Safety's unique recruitment needs to ensure the ministry has the people that it needs.

The Public Service Commission has also launched a mental health strategy and action plan to build awareness and reduce stigma in the workplace around mental health.

The Public Service Commission's plan for 2024-25 is consistent with previous years, and the five areas of strategic priority remain the same. They are effective leadership; a high-performing organization; an inclusive workforce; health, safety, and wellness; and the public service being engaged and high performing.

The Public Service Commission's plan is aligned with the growth plan to ensure government has the workforce needed to deliver on provincial priorities to meet the needs of citizens.

The Public Service Commission provides this support to the Government of Saskatchewan through payroll and benefits administration; consulting support for labour relations; organizational development; employee recruitment and development; compensation and classification; and diversity, equity, and inclusion, and leads collective bargaining on behalf of the Government of Saskatchewan.

The plan also supports the deputy minister to the Premier's priorities for the public service, which are building strong teams, communication and collaboration, employee development, accountability, managing performance, and support the mental health and well-being of all of our staff in government.

Our first area of focus, effective leadership, is about ensuring the Government of Saskatchewan has the leadership required to deliver on our commitments. Effective leaders provide clarity of purpose, inspire and engage employees to be their best, and deliver on government's goals safely and effectively. This includes proactive and targeted recruitment of strong leaders and ensuring senior leaders are supported and well positioned to

achieve our goals. The Public Service Commission has supports and training in place to help build strong teams and leaders such as the practices of an effective executive team framework, middle manager excellence, and leadership development programs.

The second area of focus is high-performing organization. High-performing organizations become this way by design not by default. This includes proactive and targeted recruitment for pivotal and hard-to-recruit positions; implementing the multi-year learning and development strategy for government; and ensuring managers have the resources, tools, and supports to be effective in their roles. We'll continue to build on our corporate culture guided by our commitment to excellence and core values. The goal is to have engaged and productive employees who are valued and appreciated.

Our third strategic goal is building an inclusive workplace. We know that having a diverse and inclusive workplace makes us a better public service and allows us to better understand and meet the needs of our citizens.

The fourth area of focus of our plan is health, safety, and wellness. In order to have productive employees, you must have healthy employees both physically and mentally.

The public service being engaged and high performing is our fifth area, and it focuses on the Public Service Commission's work. This includes enhancing our one-team approach to client service, culture, and decision making and ensuring that the Public Service Commission has the workforce we need to successfully execute our plan.

In the past the Public Service Commission made significant progress on many of our plan initiatives. The Public Service Commission continues to strengthen relationships with educational and community-based organizations to identify and attract Indigenous talent.

In response to recommendation no. 57 of the Truth and Reconciliation Calls to Action, government offers mandatory Indigenous awareness training to employees. To date more than 8,000 employees have completed this training. Along with the mandatory Indigenous awareness training, there is more in-depth training for employees in ministries such as Health, Social Services, and Corrections, Policing and Public Safety. Many ministries are also making 4 Seasons of Reconciliation training available to their employees.

The Government of Saskatchewan is committed to an inclusive workforce that includes persons with disabilities. We remain focused on increasing summer student employment opportunities and targeted recruitment for students experiencing a permanent disability. We continue to implement our government's multi-year inclusion strategy and action plan to help build a more diverse workforce.

Last year the Public Service Commission established the employee well-being and inclusion branch by combining our integrated health, safety, and wellness branch with the diversity and inclusion work that was being done in our talent branch. This allows us to continue the momentum of the work being done and find new opportunities to apply a diversity and inclusion lens to our programming, such as psychological safety.

There is a robust inclusion tool kit available for employees and managers. This tool kit provides practical tools for managers to help them develop an inclusive workplace and hire a diverse workforce. In addition to the tool kit, PSC coordinates a government-wide inclusion community of practice. This group is made up of leaders from each ministry's inclusion committee, and these employees are dedicated to leading inclusion work within their ministries.

An important part of our diversity and inclusion efforts is an online self-declaration portal that allows employees to declare their diversity category at any time during their employment. This initiative is helping us more accurately reflect our diversity numbers and allows diverse employees to self-identify for training and development opportunities.

The Government of Saskatchewan is committed to ensuring workplace health, safety, and wellness for all of its employees. Recently the Public Service Commission has developed an employee mental health strategy and action plan to support mental health at all levels of government and build awareness and reduce stigma around mental health and mental illness.

The goal of the employee mental health strategy and action plan is to engage senior leaders to model the way, champion program resources, and create psychologically safe workplaces; engage and support managers and supervisors to have conversations about mental health in the workplace and how to create healthy workplaces; and engage employees in a mental health campaign to build awareness, reduce stigma, promote positive mental health practices, and encourage inclusion.

As part of the employee mental health action plan, an employee mental health campaign is under way. The PSC is responsible for the government-wide employee and family assistance program that provides counselling, resources, and 24-7 service availability. It also provides support and resources for managers to help them create psychologically safe workplaces as the mental and physical health of employees continues to be a high priority for government.

In closing, the focus of the Public Service Commission for the 2024-25 fiscal year is to continue to progress on our plan. And we have developed a budget that will allow us to focus on our priorities. In order to achieve its goals, the Government of Saskatchewan needs the strategic advice, support, and guidance of the Public Service Commission to ensure we have the right people with the right skills delivering the right programs and services to the citizens of Saskatchewan.

I'm proud of the Public Service Commission's accomplishments and confident in the work that is planned for the coming year. The Public Service Commission's work helps ministries meet their goals in building strong communities and growing a stronger Saskatchewan.

And with that, Mr. Chair, we'd be pleased to take committee's questions.

The Chair: — Thank you very much, Mr. Minister. Just to update the committee, Mr. Nathaniel Teed will be substituting in for Noor Burki this afternoon. With that I would turn it over to the opposition members for questioning.

Ms. Bowes: — Thank you, Mr. Chair. Welcome to the minister and his officials. Thanks for the overview from the minister. I have some questions stemming from your opening remarks. Interested to learn a bit more about some of those initiatives. And I'm going to move right into my questioning, Mr. Chair.

To start off, I note there has been a \$260,000 budget reduction for the PSC this year, with employee relations and strategic human resource services receiving an increase of \$719,000 and the human resource service centre receiving a substantial reduction of 954,000. Would you please explain the rationale for these changes, as well as the implications of these changes?

Hon. Mr. Duncan: — Thank you, Ms. Bowes, for the question. So in 2016 the PSC went through a significant reorganization that saw some work functions and the associated FTEs [full-time equivalent] moved from the business partner teams to the centres of excellence. At that time the budget was not fully adjusted or rebased for those changes, and as a result the PSC has transferred money between subvotes for several years since then.

The repeated transfers between subvotes have seen money go from the human resource consulting services subvote (PS03) and the human resource service centre, that's (PS06) subvote, to the employee relations and strategic human resource services (PS04) subvote.

[15:45]

Last year a total of \$900,000 was transferred between the subvotes. 400,000 was moved out of human resource consulting services, and 500,000 was moved out of the human resource service centre. Both of these areas saw higher than expected employee churn. The receiving subvote was employee relations and strategic human resource services. This subvote contains the centres of excellence, which have seen increased demand taking on some staffing functions and providing consulting to clients for increasingly common specialized issues like accommodations.

Previous treasury board analysts have questioned the repeated transfer between the subvotes, so rebasing the budget helps to address this issue. And I'll just finally note that the PSC has historically underspent on goods and services in certain subvotes, so rebasing the budget helps to address this issue as well.

Ms. Bowes: — Okay. Thank you. And just in regards to part of your answer, you had mentioned that both areas have higher-than-average employee churn. And what do you attribute that to?

Hon. Mr. Duncan: — Thank you for the question. I think it's really just a function of the labour market that we're in right now in Saskatchewan. Human resource specialists are really in high demand inside and outside of government, and so that's really where we're seeing a lot of that churn.

Ms. Bowes: — Okay. And then I was curious. What exactly is the role of the human resource service centre?

Hon. Mr. Duncan: — Thank you for the question. The human resource service centre provides the HR administration, payroll, and benefit services to government employees and to some external agencies. Staff also maintain a number of government-wide information technology systems and the associated costs of

those systems, including MIDAS [multi-informational database application system] HR-payroll, benefits, PSC Client, as well as Taleo, which is a staffing recruitment technology. And there's a few others. If you want, I can get into those details, but that's a broad overview.

Ms. Bowes: — Thanks. And how many staff does the HRSC [human resource service centre] employ?

Hon. Mr. Duncan: — I'm sorry, Ms. Bowes, could you just repeat?

Ms. Bowes: — How many staff does the HRSC employ?

Hon. Mr. Duncan: — It's approximately 118 FTEs.

Ms. Bowes: — Okay. And has there been a reduction in those FTEs? Were there any layoffs as a result of the budget reduction?

Hon. Mr. Duncan: — There have been no layoffs. There is a decrease of 3.3 FTEs but that's a part of that rebasing, so those FTEs would have been assigned to different areas within the subvotes.

Ms. Bowes: — Okay. And any plans for layoffs, the reductions?

Hon. Mr. Duncan: — No, there are not.

Ms. Bowes: — Do you have service standards in the HRSC?

Ms. Lewis: — Hi, my name is Carolyn Lewis, and I'm the executive director for the human resource service centre. Thank you for your question. We have a number of service standards that we have in place that guide our service delivery to our clients. The service standards will differ depending on the specific transaction, right, and potentially different legislative requirements that might govern the timelines required.

Ms. Bowes: — Thanks. And I'm not sure if you'd like to take this or the minister, but how will the budget reduction to the HRSC impact service delivery to employees?

Hon. Mr. Duncan: — We don't anticipate that it will have an effect in terms of being able to maintain the service standards. It's really just a matter of, as a part of the rebasing, the money's following where the work has been taking place within the commission.

Ms. Bowes: — And do you track payroll error amounts, rates, and overpayments in the HRSC?

Ms. Lewis: — Yes, we do track that information.

Ms. Bowes: — How have rates for each of those areas changed over time, say over the past five years?

Ms. Lewis: — As far as the percentage of overpayments, it does stay at a relatively small percentage of our payroll, and it has stayed constant or pretty continuous throughout the last few years.

Ms. Bowes: — Okay. And in terms of that percentage, do you know approximately what that percentage would be for

overpayments?

Ms. Lewis: — It is under 1 per cent, right. Our total annual payroll is \$1.06 billion, so it's a large payroll with a small percentage of overpayment.

Ms. Bowes: — Thanks. Yeah, thank you for that. Moving on to a different topic, what is the minister's role with respect to collective bargaining?

Hon. Mr. Duncan: — Ms. Bowes, thank you for the question. I think you're aware I have the statutory authority to provide direction to the Public Service Commission. That's typically through work that's done with the secretariat as well as the public sector bargaining committee. I'm a member of the bargaining committee. And typically that's where the direction is provided to the PSC in terms of bargaining with our various unions.

Ms. Bowes: — Thanks. Can you give me an update as to the status of bargaining for all agreements?

Hon. Mr. Duncan: — Thank you for the question. With respect to the two bargaining units that the Public Service Commission kind of deals with, we are currently in conciliation with SGEU [Saskatchewan Government and General Employees' Union], and bargaining is ongoing with CUPE [Canadian Union of Public Employees].

Ms. Bowes: — And what does the minister expect going forward for each of these two agreements?

Hon. Mr. Duncan: — Thank you for the question. I guess in my role as Minister Responsible for the PSC, I'm appreciative of the work that's been done by both sides at the bargaining table, and I'm confident and optimistic that we will come to an agreement with both unions.

Ms. Bowes: — In terms of the SGEU bargaining, what would you describe as the reason for the need for conciliation?

Hon. Mr. Duncan: — Thank you for the question. I think I'll probably in this respect try to limit my comments, just to say that SGEU declared an impasse earlier this year. But I will decline to go into too many details in terms of what's being discussed at the bargaining table.

Ms. Bowes: — Okay. And aside from these two agreements, of the remaining collective agreements with the PSC, are the rest of them still active, expired?

[16:00]

Ms. Bokitch: — Pat Bokitch, assistant Chair. So the Public Service Commission is responsible for two key agreements, the CUPE and SGEU that you referenced. Those are relevant for executive government and ministries. The commission has also been asked to lead bargaining in other tables for outside agencies.

Ms. Bowes: — Okay. And can you comment on the bargaining status for those other organizations or agencies?

Ms. Bokitch: — Because we're bargaining on behalf of other agencies through their lead executive teams, likely best that those

agencies comment on the status of their bargaining.

Ms. Bowes: — And can you list the organizations and agencies?

Ms. Bokitch: — Sure. In addition to SGEU and CUPE: the Sask Arts Board, Sask Crop Insurance, Conexus Arts Centre — two different agreements for that organization — Legal Aid Commission, and the Water Security Agency.

Ms. Bowes: — Thanks. And can the minister comment in terms of your expectations for resolution of . . . you know, for each of the expired agreements?

Hon. Mr. Duncan: — Thanks for the question, Ms. Bowes. I guess I would just say, broadly speaking in my role as Minister Responsible for the Public Service Commission, I certainly believe that the best deals are found at the table. And you know, my expectation is that we would see our outstanding CBAs [collective bargaining agreement] negotiated at the table and agreements signed. But beyond that I would just say that, you know, our role is to provide that support particularly to a number of the tables. And we're certainly hopeful that bargaining will conclude on a number of tables and we can move forward with new agreements.

Ms. Bowes: — Thanks. And does the Public Service Commission have any wage mandates for 2024-25?

Hon. Mr. Duncan: — Thank you, Mr. Chair and Ms. Bowes. I guess I would just comment on that or in response to that. I'd just say that because we are at one table in conciliation and bargaining is ongoing at a number of other tables, I'll just respect the confidentiality of what's taking place at those tables, and I'll just defer an answer on that one.

Ms. Bowes: — All right. And can you then let us know, were there any wage mandates in the past fiscal year?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. I guess I would again decline to answer that question just on the fact that our agreements, particularly the PSC agreements, would have expired in '22, and so in the last fiscal year we would have been either at the table or preparing to go to the table.

Ms. Bowes: — How many contracts were settled in the last fiscal year? And what were the settlements for each of the bargaining units?

Hon. Mr. Duncan: — There were no contract negotiations concluded in the '23-24 fiscal year.

Ms. Bowes: — Okay. Coming back to negotiations with SGEU as you mentioned, which represents approximately 11,000 members working in government ministries and agencies across the province, you had mentioned that there was an impasse that had been reached. And my understanding is that SGEU has been without a contract since September 2022.

If you're not able to comment or decline to comment much further on the current state of bargaining, I guess I would ask . . . You know, these government employees were on the front lines during the pandemic, responding every day to the mental health and addictions crisis and helping communities while responding

to wildfires. So why won't the province provide salary increases in step with the rising cost of living or address contract provisions to support mental health needs for these workers?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. I would just preface my comment by saying that we appreciate the work that is done and has been done by members of the civil service. We have, I believe, a shared interest in ensuring that we do have a healthy, both physically and mentally, healthy workforce.

I would just say that with respect to the point in time that we are in, in terms of these negotiations we believe that a fair offer has been tabled in terms of monetary. There's also other non-monetary items that have been discussed at the bargaining table, and we are hopeful that we'll have a mutually agreeable and successful conclusion to the negotiations.

Ms. Bowes: — Okay. What approach has the PSC taken to address cost of living in collective agreements, and how many agreements have included some kind of indexation?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. Again I won't get too far into too many details in terms of what has been discussed at the table, other than to say that, as I said before, the SGEU table, that is currently in conciliation. And negotiations with CUPE are ongoing. I won't go into detail in terms of what has been put at the table in terms of monetary or non-monetary, other than to say that we believe that it is a fair offer. But I won't this afternoon get into details in terms of what's been tabled at any of those particular tables.

Ms. Bowes: — Okay. You know, as we well know, MLA [Member of the Legislative Assembly] salaries have been tied to cost of living for many years and continue to be tied to cost of living, although there is now a cap on the increases we receive. Do you believe that it is fair that MLAs receive increases that are tied to cost of living, but not members of the civil service?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. You know, I would just say that this is why we have a collective bargaining process, so that both sides can sit down and come to an agreement that is fair for all sides. You know, I would just say with respect, as you will know, in our role as MLAs we don't have a bargaining table that we bargain with, and so there has to be some sort of formula to set whatever wage or remuneration is for members of the Legislative Assembly. This is a long-standing practice that goes back to, I believe a long-standing public servant, Art Wakabayashi, who was asked by Premier Calvert to come up with a formula for members of the Legislative Assembly.

[16:15]

You're correct in saying that it has been changed, most recently to put a cap in terms of what remuneration increases would look like for members of the Legislative Assembly. But again, I think everybody recognizes that we don't have a way to bargain that, and so that was the decision that was made and continues to be the way that MLA remuneration is set, whereas our civil service employees have the ability to be represented by a union at a bargaining table. And so, you know, I appreciate your comment and the sentiment, but you know, I would also point out that there

is a distinction between how remuneration is negotiated.

Ms. Bowes: — Yes. I am, you know, well aware that there's a distinction in how those two sets of wages and salaries are established. But my question was, do you think that it's fair that elected MLAs receive these automatic increases that are tied to cost of living while civil servants do not have this luxury?

Hon. Mr. Duncan: — Well thank you, Ms. Bowes, for the question. I don't think it's a matter of me weighing in on whether it's fair or not. I think it's the reality of the fact that our public servants have the ability to negotiate, and in some cases end up . . . You know, if you look at previous collective bargaining agreements, you know, there may be years where what they have agreed upon and negotiated may at the end of the year be seen as being, you know, whatever . . . If you want to use consumer price index or inflation rate, some years it may be above that. Some years it may be below that. But I think that's just a function of the collective bargaining system. And so I, you know, I don't think it's necessarily for me to weigh in on whether that's fair or not. It's the way it is.

Ms. Bowes: — Okay. Moving on, I understand Public Service Commission conducted a government-wide culture survey in September of 2021 to gather feedback from employees on factors and elements that impact their work experiences. Will the minister provide me with a copy of those survey results?

Hon. Mr. Duncan: — Thank you, Ms. Bowes. I don't have a copy of the '21 survey. Frankly, I wouldn't have been minister at the time, so I'm not aware of the results of the '21, but I'll take your request under advisement.

Ms. Bowes: — Okay. And do you commit to providing a copy of those results then?

Hon. Mr. Duncan: — Thank you, Ms. Bowes, for the question. I will take, undertake to provide that information to you.

Ms. Bowes: — Thank you. And can I get a time frame on when that might be provided?

Hon. Mr. Duncan: — I can't give you a time frame at this point. I haven't seen the '21. I wouldn't have been the minister. So I, you know, I'll have to confer with my officials and find out when we'll be able to provide that for you.

Ms. Bowes: — Understanding that you were not the minister at the time that this survey was administered, I would ask that you let your officials answer the following questions related to the survey. Was the 2021 employee engagement and culture survey a regularly administered survey, or was it a one-off?

Hon. Mr. Duncan: — Thanks for your question. The surveys began in 2018. The intent is to conduct them on a regular basis, so typically every two years, although with the onset of the pandemic that changed the schedule. But the plan is that they would be on a relatively regular basis that they'd be conducted.

Ms. Bowes: — Okay. And so then was 2021 the last survey that was conducted?

Hon. Mr. Duncan: — No, it was 2023. So 2018 and then 2021

and then 2023. Just 2020 would have been the normal year to do it, but because of the pandemic it was put off till 2021.

Ms. Bowes: — Thanks. And then I guess, yeah, understanding that it's been taken two additional times other than 2021, I would kind of revise my ask to provide results for all three years.

Have there been measurable increases or decreases in employee engagement since the last time the survey was conducted and in between surveys?

[16:30]

Hon. Mr. Duncan: — Thank you, Ms. Bowes, for the question. Sorry, we're just trying to track that down. In a general sense, my officials are saying that participation in the survey increased between the '21 survey and the 2023 survey. We're just trying to get from officials that are back at the head office what those numbers may have looked like, including going back to what participation could look like, or would have looked like in 2018. So, sorry, I don't have those numbers in front of us. We're endeavouring to get those for you. But participation did increase between '21 and '23, is what I'm being told.

Ms. Bowes: — Thank you. How has the PSC used the results from these surveys to implement improvements and assess progress for the improvements?

Mr. Tuer: — Thanks for the question. Greg Tuer, Chair of the Public Service Commission. We address the survey results in a couple of manners. We have a corporate culture engagement community of practice. So that has representatives, or a culture champion from each ministry. So that group gets together on a regular basis to discuss, you know, what are some of the themes that we see across government, what might some actions be taken. In addition to that, each ministry receives their results and they work through their own action plan.

And so for example, for the Public Service Commission in previous surveys, things like communication from senior leadership might have been something that came up as a theme where we could improve. Our executive team would work with our culture and engagement committee within our ministry to come up with our own action plan for how we can do things better in our own home. And then in addition to that, if there are themes sort of corporately we would use that to see, do we need to make any changes to programming or things like that.

Ms. Bowes: — Okay, thanks. And does the PSC, do they oversee each ministry's action plan, or is that left to the ministries?

Mr. Tuer: — Thank you for the question. Yes. So again PSC oversees the community of practice, so we provide leadership there. The other work we do . . . And this is done largely in partnership between our organizational development branch and then those HR business partner teams that the minister referred to earlier who are embedded within ministries. So members from those business partner teams would assist the executive leadership team of those ministries in coming up with their action plans, and you know, following them through to see what kind of progress they've made. And then of course the next round of surveys would help us determine, did we hit the mark or not.

Ms. Bowes: — Okay, thank you. And does the PSC disseminate the survey and analyze the data, or do you contract that out to a firm?

Hon. Mr. Duncan: — It's done by the Public Service Commission in-house. And, Ms. Bowes, just on my previous answer: in 2018, 54 per cent was the survey response rate. In 2021 it went to 63 per cent, and in 2023 it went to 70 per cent.

Ms. Bowes: — Okay, thank you. For each of the past five years, how much have you invested in professional development?

Hon. Mr. Duncan: — Thanks for the question, Ms. Bowes. We don't have numbers for the close of the '23-24 fiscal years, but I can give you '22-23 as an example. So there's two primary leadership development programs for executive across government. In the '22-23 fiscal year, in terms of executive education, the commission spent \$107,000. And as a part of the enhancing management talent portfolio, it was 118,000. So just roughly over 225,000 was spent on those two leadership streams.

As a part of ongoing professional development, you know, I'll just give you a couple of examples. Certainly we have the Indigenous awareness training that thousands of employees will participate in each year. There's respect in the workplace training — again tens of thousands of employees will go through that training. As well there is Johnson-Shoyama Graduate School in leadership training that we do send a number of government employees in. And there's also a corporate mentorship program that provides opportunities for employees at all levels of executive government to create relationships, focus on professional development, and share knowledge.

And so again, in '22-23 it was just over \$225,000 that was invested in professional development.

Ms. Bowes: — Thank you. And is there, for in-scope employees, are there opportunities for professional development outside of government?

Mr. Tuer: — Thank you for the question. So the short answer is yes. Longer answer: all Government of Saskatchewan employees participate in a work and learning planning process each year, and through that process both the competencies that are required to appropriately carry out the duties of that position as well as the learning and development needs of that individual employee are included in that planning process and those discussions with managers.

So depending on your role, there might be specific technical learning that you need to do, and it would be up to the organization to support them through that. Or many of the examples that the minister just shared, all employees in government are able to take advantage of. So yeah, absolutely they are.

Ms. Bowes: — Thanks. And what sort of feedback are you receiving from employees and managers regarding your professional development investment?

Mr. Tuer: — Thank you for the question. So each course would have individual feedback mechanisms. So you know, typically people would attend the course and they would receive a survey

a couple of days after. I think broadly, the Public Service Commission, we regularly check in with ministries and ministry executives to make sure that the corporate learning and development that we're providing is meeting the mark. And of course, as new competencies or skills emerge that we need in this market place, then we would take that feedback and use that to tailor what we're providing corporately.

Ms. Bowes: — Okay. And I guess in terms of like feedback on, you know, the total investment as opposed to like course by course, what sort of feedback do you receive there?

Mr. Tuer: — Thank you. So I mean, this is anecdotal at this point, but absolutely. We do get very positive feedback about many of those courses that the minister shared. In fact for some of those classes there's a long wait-list to get in, and if anything we've heard from people that they're encouraging us to provide them more often so that people can get in too.

In addition to my previous answer, we also have a corporate learning oversight committee that's made of a number of ADMs [assistant deputy minister] and senior officials that we bring together, again just as another opportunity to determine whether or not the learning and development that we're providing corporately is meeting the mark and to help us plan for any new learning that we might provide to government.

[16:45]

Ms. Bowes: — I understand that the voluntary turnover rate in the Government of Saskatchewan was 6.6 per cent in 2021-22 and 7.3 per cent in '22-23, and that these rates represented increases of 2.7 per cent and 0.7 per cent over the previous year. These rates substantially exceed the Conference Board of Canada's national average for the public service, which in '21-22 was 3.4 per cent. Used to be close to the national average for government turnover rates, but these rates are now far off national averages. In fact, turnover rates in the Government of Saskatchewan have increased every year since 2016-17, except for '20-21, likely due to the pandemic.

Your annual report indicates that increased labour market demand from outside of the public service sector and changing needs and expectations of employees could have contributed to the increase of the voluntary turnover this year. So my question is, why are so many Government of Saskatchewan workers choosing to leave the public service?

Hon. Mr. Duncan: — Ms. Bowes, I don't think there's really, you know, one single factor that I or my officials could point to. I think it's a number of factors. I think, you know, certainly first and foremost the baby boomer group is starting to retire. And this certainly is a generation of individuals who would have been much more predisposed to staying with a single career much longer than say the younger generation that is coming along, where there's changing expectations and attitudes in terms of staying in a single profession or for a single employer for, you know, a significant length of their career.

So I think that's one of the factors. I think the other factor too, and we've already talked about this this afternoon, is just we are in a very strong labour market. Saskatchewan's unemployment rate and job postings continue to be in a very good position if

you're looking to market your skills with another employer. And so that's one of the areas that we have to ensure that we are competitive.

And you know, it goes back to our previous discussion about ensuring that we are putting fair offers on the table when it comes to collective bargaining to ensure that we are putting the public service in a good position to recruit and retain the employees that we do have.

I think there's also as well, and the numbers may over time prove this out even further, is just there likely was some pent-up demand during COVID for people that may have been looking to change careers or to change who their employer is or was during the pandemic but decided to opt for stable employment in the period of uncertainty and the unknowns of the pandemic. And so we're likely seeing some of that pent-up demand for changing careers that was perhaps delayed for a year or two during the pandemic.

And so we will likely see those numbers I would say kind of sort themselves out over the next year or so as people that may have been thinking about leaving government employment decided to stay perhaps a little bit longer than they normally otherwise would have just for the sake of having stable employment and stable income during the pandemic.

Ms. Bowes: — Okay, thanks. And as minister are you concerned about the turnover rates? And what steps are you taking to reduce that rate?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. You know, I think I would just make a couple of comments with respect to your question. You know, for quite a significant amount of time I think that the turnover rate within government was probably lower than would be sector or industry norm, and so, you know, there's lots of literature that says that between 5 and 9 per cent of voluntary turnover is a healthy rate of turnover for an organization.

But there's a number of things that we are trying to do and are working on. I mentioned some of those in my opening comments. I won't really re-cavass many of those other than to talk a little bit about what we already have talked about in terms of the support that we provide for learning and development opportunities for our workforce to ensure that they remain engaged, that they have the skills that they need to excel in their roles, as well as equipping managers and leaders with the knowledge and training that they need to hire and retain their staff.

There is work going on within the Public Service Commission to develop talent pools of hard-to-recruit positions, development of sourcing strategies for pivotal positions within the public sector.

There's also, you know, I would just say that there's . . . You know, it'd be my view that it takes a special person to work in the public service. There's a certain ethos that goes along with people that want to step forward and serve their fellow citizens. And so you know, we work on . . . as an example, there's pilot work being done on social media to connect with potential employees to find people that have not only talent, but to connect them with a role in the public service and really trying to match

up the, you know, talented workforce that we do have in this province with the opportunity to take on the challenge, and you know, I think exhibit that ethos of wanting to serve your fellow citizens.

So you know, I certainly think that it's a calling to serve the public, and so you know, we're looking at ways to try to ensure that people know that there are opportunities within the public service.

And I would say too going back to, I think, our previous discussion and previous question of just ensuring that we have competitive wages, salaries, and benefits to ensure that we are competitive in terms of retaining and recruiting people to the public service.

So you know, I don't think it's any one thing. I think it's a number of factors and strategies that the Public Service Commission is working on to ensure that we have a healthy workforce and that we have people that are in the right position with the right training, and ensuring that we have leaders that have the skills necessary as well to manage and hire and retain the people that work for the Government of Saskatchewan.

Ms. Bowes: — Okay. Can you tell me, is the voluntary turnover rate plus the retirement rate higher than current recruitment numbers?

Mr. Tuer: — Thanks for the question. So we don't actually track sort of the percentage of vacant positions, so we don't have that data here. What I would say though generally is there . . . I mean there are certain occupations or on an occupation-by-occupation basis you're going to see different levels of turnover, different levels of retirement.

You know, we have some positions that we feel are hard to recruit and we implement specific strategies to try and to address that. In some other positions we have a surplus of people applying. So it's kind of hard to make a generalization, but there is no question that there are . . . In pockets in the public service we have positions that are very difficult to recruit. And that's where some of those recruitment strategies and other mechanisms that we have would come into play to support those hiring managers to get the people they need to deliver their programs.

Ms. Bowes: — Thanks. And how does your recruitment strategy for hard-to-recruit positions differ from other openings?

[17:00]

Ms. Bokitch: — Thank you for your question. Just a response to that. What's unique about hard-to-recruit positions, and it's really the approach and analysis of the situation for those specific positions. Some of the considerations might be geographic location, particular educational requirements, demands of the job, those sorts of things.

And so following that analysis and the development of the recruitment strategy, targeted approaches might involve partnerships with educational facilities to bring information about Government of Saskatchewan careers and the specific roles. It might be working with them to tailor some of those

programming and make adjustments in what's available to potential employees regarding the geographic needs there, be it use of our northern workforce approach.

So just a current example that's in the works is corrections workers — multiple facilities across the province. Looking at those geographic realities, where might we be competing for talent in those locations for those types of roles, and how do we build those relationships with post-secondary institutions and some of the sources of candidates there, including where we have an opportunity to focus on diversity candidates as well.

Ms. Bowes: — Thanks. And what platforms do you use for hard-to-recruit positions? And as well how much is spent on advertising for hard-to-recruit positions?

Mr. Tuer: — I'll answer part of your question while we're waiting for the cost number, but in terms of platforms, the vast majority of our jobs are posted on our Government of Saskatchewan careers site. So that would be spot number one. We also have a number of corporate LinkedIn recruiter licences and we used those extensively. So that is a cost that the Public Service Commission bears.

But again for a specific occupation, if it was an engineering position or something, we might go to specific trade journals or, you know, if there's a professional association, we would advertise with them. Those costs would be borne by the hiring ministry and so we don't track those costs but we can get you the cost of our LinkedIn contract.

Ms. Bowes: — Just while we're waiting on that, do you routinely conduct exit interviews with departing employees, and do you roll up this information to gain information from across government?

Ms. Bokitch: — Thank you for the question. Just to follow up on the previous question regarding costs for platforms. So currently 63,370 is what we spend on LinkedIn supports for job slots and our recruiter licence.

Mr. Tuer: — Your follow-up question about the exit interviews. So as a matter of course we don't have a government-wide exit interview process; however it is an HR best practice and we do encourage ministries and managers, when employees are leaving, to talk to employees to try and ascertain what the reason is that they're leaving. But I mean, I guess the short answer is no, we don't have a government-wide program at this point.

Ms. Bowes: — Thanks. Maybe just some unsolicited advice. It might be something to consider given the rates of turnover. And I guess, are you making any changes to recruitment processes in response to the high rates of turnover? Anything that you consider doing differently?

Ms. Bokitch: — Thank you for that question. So a couple of initiatives. We touched on one already regarding support for corrections workers. That includes the development of a workforce plan, which is beyond just recruitment but also around internal learning and development and career progressions, given the widespread geographic locations those workers are required in.

The other initiative that we're undertaking is use of talent pools through LinkedIn, and so that is a proactive type of open solicitation of interest in very specific roles. It gives us an opportunity to make contact with candidates and prepare a pipeline of talent as it's needed given a level of turnover.

Ms. Bowes: — Thank you. Minister, how will the public service adapt to compete with the private sector to recruit the best and brightest? I understand you said, you know, public service is a calling; it takes a special kind of person. But what kind of strategies do you have in mind?

Hon. Mr. Duncan: — Thanks, Ms. Bowes, for the question. I won't, just for the sake of time, knowing that you probably have more questions than we have time . . . So I won't go over some of the things that we've already discussed this afternoon.

But I will say that, aside from what we've already talked about in terms of ensuring that we have competitive recruitment and retention offerings that we can offer to our existing employees and to potential new employees, you know, I'll just also mention that, you know, ensuring that we have strong relationships with our post-secondary institutions.

So you know, a variety of offerings that have been made in terms of trying to connect students through, you know, summer student hiring that ministries do across the province to potentially pique the interest of somebody that may have an interest in serving the public, or maybe at that time in their life maybe don't have an interest, but having an experience working in the public service may pique their interest in terms of wanting to serve the public. So just ensuring that we have, you know, career fairs and offerings for students, ensuring that we have that connection with our post-secondary educational institutions.

[17:15]

Now I would just . . . And I won't belabour the point, but I would just say that while it is a challenge for the public service, and I know the PSC is up to the challenge, you know, I would just say that this is also . . . It's not a bad problem to have, ensuring that we have ample opportunity for people in this province, including young people, to pursue a career in Saskatchewan, whether that be in the public service or perhaps not in the public service.

But it certainly is providing a challenge for the public service today, ensuring that we can maintain the services and enhance the services that we provide to the public while ensuring that we have a well-qualified and trained workforce, but knowing that we are in competition not only here in Saskatchewan with other organizations both public and private, but it is a competitive world out there.

And so you know, I would just say that I'm confident in the work that the public service is doing to ensure that we do have a talented and trained workforce to provide the services that the people of this province depend on and rely on each and every day.

Ms. Bowes: — Thanks. I had a question about — this is a number of years back, a couple, two, three maybe — the student leadership internship program, which was eliminated. Do you feel that that has had an impact on ability to recruit for public

service positions?

Hon. Mr. Duncan: — Sorry, Ms. Bowes. Sorry, just a clarification. Are you referencing the previous Gradworks program? Is that what you're referencing?

Ms. Bowes: — No, I believe those were two separate programs to my knowledge.

Hon. Mr. Duncan: — Right. Gradworks would have been in the Crown sector.

Ms. Bowes: — Right.

Hon. Mr. Duncan: — What's the program that you're referencing as a part of the PSC?

Ms. Bowes: — I hope I'm getting the acronym right and I'm remembering correctly. Please correct me if I'm wrong, but I thought it was SLIP [Saskatchewan Legislative Internship Program]. Is that right, or am I . . .

Hon. Mr. Duncan: — Oh, no. So the SLIP program . . . I think the one that you're referencing was the old Legislative Internship Program.

Ms. Bowes: — Yes.

Hon. Mr. Duncan: — So that wasn't a part of the PSC. That would have been under the auspices of the legislature.

Ms. Bowes: — For sure, but I mean I think having that experience here in the legislature, you know, potentially could have led to sparking an interest in roles, for instance, in the public service. And do you think then that's had any impact, or just in terms of awareness of the legislature and the functions of the legislature and possible opportunities for employment here?

Hon. Mr. Duncan: — Thanks for the question, Ms. Bowes. You know, I don't know if I can speak to what impact, if any, there would have been on the end of the SLIP internship program.

But there is, I believe . . . Through the Master's of Public Administration program, there is the Johnson-Shoyama internship program that does provide for internships for those students to be embedded essentially in the public service. It's part of . . . can be a part of . . . I don't think it's mandatory. I think it's an optional part of their education that they can complete some of their coursework through an internship within the public service.

And so I think that there are opportunities for young people to be exposed to being a public servant, and my understanding is that it's very well received as a part of the program, the MPA [Master of Public Administration] program.

Ms. Bowes: — Okay, thank you. And as you had referenced earlier, in addition, the elimination of the Gradworks program back in . . . I think it was 2016. Do you believe that this has had a negative impact on government's ability to recruit for the public service?

Hon. Mr. Duncan: — Thanks, Ms. Bowes. If you're here after

the break when CIC [Crown Investments Corporation] and my officials from CIC are here, we can discuss some of the exciting work that we are doing with engaging with students in the Crown sector through some new programs.

So you know, I can't speak to the impact that the ending of the Gradworks program at CIC would have had. But I will say that one of the challenges in the past with any of these internship programs is, because we had such stable, relatively low turnover rates within the civil service in the past, it was often difficult for these interns to find full-time work in the public service after they completed their internship and their education. And so I think if there is . . . And again, you know, there's . . . Turnover can be healthy. And I think the numbers that we're seeing, the literature would say that we are in — you know, relatively speaking — a pretty healthy spot when it comes to turnover.

But one of the benefits of having higher than traditional turnover within the civil service is that any of these programs, whether it be the Johnson-Shoyama internship or ones that we may discuss after the break, one of the benefits is that that turnover does allow for those interns to complete their education, complete their internship, and more likely find full-time employment in the public service or in the Crown sector and hopefully begin a fruitful and lengthy career working for the people of Saskatchewan.

The Chair: — Committee members, I'll just remind you we've got about five minutes left in the time allocated today. Okay.

Ms. Bowes: — Moving on, regarding complaints from public sector workers. *The Public Interest Disclosure Act* was proclaimed on September 1st, 2011. The purpose of this Act is to enhance confidence in government institutions and the public service by facilitating disclosure and investigation of alleged wrongdoings in government institutions and to strengthen protection for public servants who do disclose.

In 2022-23 there were only three disclosures made, which could suggest several things. It could suggest there's a lack of awareness or advertising of the disclosure process and protections under the Act. It could also suggest there's a lack of faith among public sector employees that this process will resolve issues. Or it might suggest there are few incidents that require confidential disclosure in the public service.

So my question is, how does the Public Service Commission promote this option for whistle-blowers?

Hon. Mr. Duncan: — Thank you for the question, Ms. Bowes. So just I think a couple of ways that employees are made aware and known of the support that is available to them. First and foremost, there's an officer in every ministry assigned to be the lead on this. And so you know, I'll talk very briefly about, kind of at a higher level in terms of the actions of the PSC, but every ministry would also have their own actions in terms of how they highlight this support that's available.

But from a PSC perspective, so the staff room . . . so that would be the home page. For every public servant that is assigned a government computer, that's essentially the home page for that computer. We do raise the profile periodically by having a ribbon banner on that home page for employees when they are on the

computer, when they log on to their computer.

As well it's a part of every new employee, their orientation when they're onboarded to the public service. So it would be a part of their orientation package ensuring that they are aware of the support. As well it's a part of the online training module that they would take part in as well.

Ms. Bowes: — Thank you. Last question before we run out of time here. In your opening remarks, you had mentioned the introduction of an employee mental health strategy and action plan. I'm wondering what the budget is for this and if you would provide me with a copy of the strategy and action plan.

[17:30]

Hon. Mr. Duncan: — Thanks, Ms. Bowes, for your question. There isn't a line item or a budget amount dedicated to the strategy. It would just be a part of the work that's undertaken by the PSC and by our employee wellness folks. And so you know, there's not a number that I can point to you to say this is how much we're spending on the strategy. It's just an overall part of what the PSC is engaged upon.

The Chair: — Thank you very much, Mr. Minister. Having reached our agreed time for consideration of the Public Service Commission today, we will adjourn consideration of these estimates.

I'd invite the minister to have any closing comments if he would like to put them forward.

Hon. Mr. Duncan: — Thank you, Mr. Chair. Yes, I would just quickly want to thank Ms. Bowes for her questions this evening and for the committee for their time and you, Mr. Chair.

I also want to thank, if I could, not only the officials that are joining us here in the Chamber from the PSC, but also everybody that works at the Public Service Commission for the support that they provide these officials, and through them, to me. But I would also, Mr. Chair, being I think my first opportunity and last opportunity as Minister Responsible for the Public Service Commission, if I could just express my thanks to all the public servants that I've had the honour and privilege of working with over the last 15 years.

I've been tremendously well served. We have a dedicated staff of over 11,000 people in the public service, and it's been an honour to work alongside them these last number of years. So thank you, Mr. Chair.

The Chair: — Thank you, sir. Ms. Bowes?

Ms. Bowes: — Thank you, Mr. Chair. Likewise, Minister, thank you very much for the opportunity to ask questions. I appreciate the straightforward answers. We don't always get that response in estimates depending on who is on the opposing side, so respect there.

And thanks so much to your officials as well for the information. It's very helpful to us. And likewise I would like to say to all of the public servants that are employed here in the Government of Saskatchewan, we appreciate the work that you do. It's integral

to the functioning of government and to the functioning and leadership of this province.

And I just wanted to say all the best to you on your departure, Dustin. You know, we're in the same boat, both departing after our terms here, and so it's been nice to work with you. Thanks.

Hon. Mr. Duncan: — Likewise.

The Chair: — Thank you very much. Mr. Minister, officials, committee members, we stand recessed till 6:30 p.m.

[The committee recessed from 17:34 until 18:30.]

The Chair: — Well welcome back to the minister and officials and committee members. This evening we will be undertaking the consideration of estimates. We will consider the 2024-25 estimates and the 2023-24 supplementary estimates no. 2 for vote 175, debt redemption; and the 2024-25 estimates for vote 176, sinking fund payments - government share; and vote 177, interest on gross debt - Crown enterprise share.

General Revenue Fund Debt Redemption, Sinking Fund, and Interest Payments Votes 175, 176, 177

The Chair: — We will begin with vote 175, debt redemption. Minister Duncan is here with his officials from Crown Investments Corporation. I will remind officials to identify themselves before they speak and not to touch the microphones. The Hansard operator will turn them on for you.

Before we get started I would just like to let members know of two substitutions. Jennifer Bowes will be substituting in for Noor Burki, and Erika Ritchie will be substituting in for Doyle Vermette.

Minister Duncan, we're ready for you to make your opening comments and introduce your officials.

Hon. Mr. Duncan: — Well thank you very much, Mr. Chair. Good evening to committee members. We are pleased to be here to discuss the related votes, as you've already indicated. Joining me this evening to my right is Kent Campbell, president and CEO [chief executive officer] of CIC. To my left is Cindy Ogilvie, senior vice-president and CFO [chief financial officer]. Joining us as well this evening is Kyla Hillmer, vice-president, corporate services; Tim Highmoor, vice-president, Crown planning and priorities; David Brock, vice-president, Crown energy security; Joanne Johnson, executive director, communications and community relations; and Brad Hunt, controller; as well as David Keogan, my chief of staff.

As the holding company for Saskatchewan's commercial Crowns, CIC provides leadership, guidance, and support to a thriving Crown sector that contributes to a growing province and serves our communities. Together our Crowns have delivered some of the most affordable total utility costs for families, communities, businesses, and industry.

In 2024-25 Saskatchewan is expected to have the second-lowest-cost-overall utility bundle in Canada, largely due to having among the lowest auto insurance rates and natural gas

commodity costs. Our Crowns work diligently to manage costs and keep rates as low as possible for their customers while balancing demand growth and the need to maintain and expand infrastructure for safe and reliable service delivery across the province.

From 2007 to 2022, the Saskatchewan consumer price index has grown by about 2 per cent per year on average. At the same time, the total Saskatchewan utility bundle is tracking below that at about 1.88 per cent growth annually. Year after year, under the leadership of CIC, the Crowns have provided sustainable financial returns to support our government's priorities in classrooms, care, and communities.

The Crown sector 2023-24 third quarter financial forecast reports \$152 million in payments to the GRF [General Revenue Fund]; three hundred and eighty-two and a half million in sector earnings, which is being positively impacted by lower natural gas prices at SaskPower and lower summer storm activities at SGI Canada; 12.3 billion of debt, a \$197.7 million decrease from budget, primarily due to higher than expected earnings at SaskPower which is reducing borrowing needs; and a total of \$2 billion in capital spending.

Over the next five years, the Crown sector is forecasting historic levels of capital investment, with an average spending of \$2.3 billion each year. These infrastructure activities help boost local economies, creating quality jobs in our communities and enhancing services for customers across Saskatchewan. For example, SaskPower's 377-megawatt Great Plains power station near Moose Jaw and its 370-megawatt Aspen power station near Lanigan; SaskEnergy's Regina west gas line project and natural gas transmission line expansion project in Melfort; SaskWater's Regina regional non-potable water supply system; and SaskTel's 5G upgrades on more than 470 cellular sites and the expansion of the infiNet network to 52 communities.

These are all good examples of the Crown investments and infrastructure that support a high quality of life for Saskatchewan people. To support these infrastructure projects and grow local supply chains, our Crown corporations are committed to investing money back into the province and its communities.

In the first three quarters of the 2023-24 fiscal year, the Crown sector awarded 1.1 billion, or 68 per cent of its contracts to Saskatchewan suppliers and vendors, including \$90 million to Indigenous companies, supporting the growth plan goals of supporting Saskatchewan business and increasing Indigenous participation in the economy. While delivering a sustainable financial return to the province and maintaining strong commercial operations, our Crown corporations are finding innovative ways to provide additional value for the customers they serve and the communities they operate in.

Yesterday SaskEnergy, in collaboration with SaskPower, announced the expansion of its popular commercial space- and water-heating rebate, which now includes the replacement of rooftop units and variable-speed electric motor circulating pumps. The program supports businesses and community organizations in more efficiently heating and cooling their buildings, saving them money on their utility bills.

Last year SaskEnergy and SaskPower also introduced the home

efficiency retrofit rebate, which provides up to \$2,000 in funding on top of the \$5,000 available through the Canada greener homes grant. In addition the First Nations furnace replacement rebate, new in 2023, showcases SaskEnergy's effort in working closely with Indigenous communities to bring new, high-efficiency furnaces to residential homes on First Nations in Saskatchewan.

SaskTel also remains committed to its strategic partnership with Beaver River Broadband, an Indigenous-led provider to bring improved broadband services to several Indigenous communities and rural areas across Saskatchewan.

To better support individuals who are dealing with housing insecurity, SGI [Saskatchewan Government Insurance] is working on improvements to make obtaining a Saskatchewan photo ID [identification] easier for customers who do not have an ID or a permanent address to meet the identity and residency requirements for a Saskatchewan photo ID card. SGI is collaborating with other government agencies and community partners on an alternative method of validating identity and developing a guarantor form that would allow partnering organizations to confirm an individual Saskatchewan residency.

In late 2023 SGI extended reciprocity to 24 countries, which enables drivers from those countries to exchange their foreign driver's licence for a Saskatchewan class 5 licence without needing to complete any testing or training, making it more convenient for newcomers to live and work in Saskatchewan.

Beyond direct program and service offerings, our Crown corporations are investing in communities, charitable organizations, and education and employment opportunities across Saskatchewan. Since 2012 SaskPower, SaskTel, SGI, SaskEnergy, and CIC have together provided \$2 million a year to support STARS [Shock Trauma Air Rescue Service] in Saskatchewan, ensuring emergency trauma services are available throughout our province. To date, \$30 million has been committed to STARS by the five Crowns.

In September 2023 the Crown sector launched the Crown career pathways, a \$1.2 million, two-year pilot. This program will hire 22 interns, 11 each year, for positions in CIC and all CIC's subsidiary Crowns. The goal of this program is to retain these graduates in Saskatchewan and provide a capable up-and-coming workforce for the Crown and public sector. In the past five years, CIC also invested more than 2.2 million in its Indigenous bursary program to support Indigenous students' education goals and enable career opportunities by building a skilled and inclusive labour force.

Both programs are in response to the Truth and Reconciliation Commission's Call to Action no. 92, which calls for promoting equitable access to jobs, training, and educational opportunities for Indigenous peoples in the corporate sector.

In 2023 SGI established the Harold Johnson Memorial Scholarship and Sponsorship, which helps develop the next generation of Indigenous community leaders. SGI honoured the inaugural recipients in December last year. Harold Johnson helped establish the province's northern alcohol strategy, which SGI has long supported.

To help improve road safety, SGI has invested over \$10 million

in more than 700 community traffic safety projects since 2019. Using net revenue from photo speed-enforcement tickets, SGI provides up to \$100,000 per location to municipalities and Indigenous land or territories through traffic safety grants, enabling communities to implement traffic safety measures they may not have been able to otherwise afford. This helps make our communities safer for all Saskatchewan residents.

SGI also partnered with the University of Regina to invest 1.5 million over 10 years to support undergraduate programming in data science. This partnership continues to build a talent pool for highly sought-after data science capabilities in the province.

As the Crown sector continues to build on its success in commercial operations, public policy programming, and preparing for future growth, our Crown corporations are also leading the province's energy transition. The investment in exploring small modular reactor technology for future clean power generation and the incorporation of additional renewable power sources in the grid are ways for Saskatchewan to continue enjoying reliable electricity and a high standard of living while keeping our commitment to a sustainable future.

Our government also recognizes the importance of strong and resilient supply chains in developing nuclear power. CIC has invested \$479,000 in the Saskatchewan Industrial and Mining Suppliers Association, or SIMSA, and its partners to prepare local businesses to sell goods and services to Canadian and global nuclear markets.

SaskPower continues to work through its SMR [small modular reactor] sites narrowing process and is currently focusing on the evaluation of two areas in the province, the Estevan region and the Elbow region. Subsequently the Crown will advance with an application for the licence to prepare a site and for a full federal and provincial impact assessment.

The Government of Saskatchewan is also working with other provincial jurisdictions to decrease federal regulatory delays in the deployment of nuclear power. This important work, led by CIC and SaskPower, will have a positive impact on Saskatchewan, supporting economic and job growth while providing clean, reliable power to homes, communities, businesses, and industries.

Managing complex issues facing the Crowns, such as energy security and achieving Saskatchewan's growth plan targets, requires teamwork. During a time of change and uncertainty the focus to work as one team between the Crown sector, ministries, and agencies is more important than ever.

I am pleased to report that various collaboration initiatives in 2022-23 have achieved cost savings of \$53 million. By providing a coordinated concierge service through collaboration efforts to potential private sector investors, Saskatchewan was successful in attracting major investments in 2022-23. Investments such as Cargill's new canola crushing plant at the Global Transportation Hub and the Louis Dreyfus Company expansion that will double the canola crushing capacity in Yorkton were assisted by the collaboration efforts of officials from across the Crown sector and the executive government. The collaboration team's efforts have helped facilitate \$1.88 billion in 29 private sector investments, with more potential opportunities already in the

pipeline.

At the core of everything that we do is our focus on supporting the needs of the record 1.22 million people now calling Saskatchewan home. Our Crown corporations, led by CIC, are a key component to maintaining and enhancing the high quality of life that our residents and communities have grown accustomed to. Together the Crown sectors are helping our province achieve the overarching growth plan goals that are guiding a growing and thriving Saskatchewan for the next decade.

I want to thank CIC and the subsidiary Crowns for their service, innovation, and dedication to our province. And we are now, Mr. Chair, pleased to take your questions. Thank you.

The Chair: — Thank you very much, Mr. Chair. Ms. Bowes, so I'll turn the floor over to you. Oh, Ms. Ritchie, you're going to lead the way? Ms. Ritchie. Yeah. Thanks.

Ms. Ritchie: — Yes, yes, thank you, Mr. Chair. Thank you for that introduction, Mr. Duncan. I'm going to start perhaps with some questions around the income statement.

In looking at the net earnings over the last six years there's been almost an entire wipeout of net earnings, going from a high of 585 million down to 7.4 in the '22-23 fiscal year. And then in addition to that when you look at the net comprehensive income with adjustments, it actually is showing a loss of \$46.2 million. Can you tell me what explains this dramatic loss of earnings by the consolidated Crowns?

[18:45]

Mr. Campbell: — Kent Campbell, president and CEO of Crown Investments Corporation. So I think you do see a fair bit of variation over the past five years, in particular one year, which was '22-23, and that was for a couple of particular reasons.

Number one, there was some losses at SGI Canada in that year that were due to market corrections. So a lot of the returns at SGI are related to their portfolio investments. And then also SaskPower. And that was a year where there was a significant drought. There was less reliance on hydro. They had to purchase more natural gas, and natural gas which was at higher prices, which led to that.

So we really view that as being kind of a one-year phenomenon. If you look at year, say 2018-19, we had consolidated earnings of 540.6 million; 2019-20 was 435.4 million. In '20-21 it was 585.4 million. And then '21-22 was 361 million, and then dropping to 7.4 in '22-23.

For this fiscal year we're looking at 508 million, is our expectation at Q3 [third quarter]. And then we're expecting consolidated earnings to be 667.3 million for this year. So we're seeing some normalization there, I would say. There was definitely that one year of '22-23 where there were significant losses at SGI and SaskPower specifically.

Ms. Ritchie: — And so are you saying that what we see in '22-23 with the net earnings basically being wiped out is attributed to previous years? And what years was the SGI market correction and the drought attributed to?

Mr. Campbell: — Yeah, so we noticed those two corrections in that year of '22-23, so they were both kind of hit in that same regard. And they're often both fairly large contributors to Crown earnings, so we view that year as a bit of an anomaly.

Ms. Ritchie: — And what measures will be taken to prevent and mitigate similar occurrences going forward?

Mr. Campbell: — So as it relates to SGI, they have a very, I would say, strong record in both their investment portfolio on both the SGI Canada side and on the Auto Fund side. So they have a very diversified mix of equities and debt. And over time it's really been solid performance and we certainly assess it as being a very, fairly low-risk portfolio. Incidents happen but we expect there to be pretty strong earnings there again this year and moving forward.

And then on the SaskPower side, the key is really diversification in terms of energy sources and we've actually, this year as an example, SaskPower has been quite successful in selling surplus power into the Alberta market. And so because we didn't have the same issues this year in relation to hydro, SaskPower has been able to do quite well. And so we think that they're fairly well positioned moving forward as well in that regard.

Ms. Ritchie: — I seem to recall reading in the annual report that SGI was seeing some increases from retailers of the wholesale products, and I didn't quite understand what that was referring to. So I may have misstated what I had read here. But what are you hearing right now from the insurance industry right now in terms of projections going forward? I mean it's my understanding that, you know, there continues to be increasing losses.

We're seeing that, again for environmental reasons whether it's fires, whether it's droughts and floods and those kinds of incidences. And so when I speak with industry representatives what I hear is that, you know, and you see that . . . I mean it's all over the news, talking about rates increasing, and you know, properties becoming uninsurable for a host of reasons, whether it's flood plain mapping indicating that they're in direct line of a flood, and so on and so forth.

And so I don't know if what you've said so far really gives me much assurance that there is adequate mitigation here or we can expect to see, sort of, future profitability going forward under these circumstances.

Mr. Campbell: — Yeah, so in terms of SGI, I think there's a couple things that help mitigate some of those risks. First is SGI Canada, who provides their property casualty side of the insurance, are expanding outside of the province. And so they now are selling products in Alberta, British Columbia, Manitoba, and Ontario. And that is for a very specific reason of getting some geographic diversification.

And so they are competitive in those markets. The majority of their insurance products are still in Saskatchewan, but they've been quite successful in growing outside of the province. So we think that helps too. So if there's a major storm or event that hits in a different province then it helps to balance out that overall risk.

The other thing too is that SGI does procure reinsurance on its products. And so if there's some catastrophic losses, they are covered. That of course comes with a cost but we do have what we certainly think is adequate reinsurance for SGI as a company. And of course we monitor their level of . . . And they're regulated on the SGI Canada side by OSFI [Office of the Superintendent of Financial Institutions] and they're required to meet a minimum capital test, which they do, and is regulated through that entity.

So there's a number of measures there that I think should give us some comfort in terms of the risk on the insurance side, in addition to that diversified portfolio they have on their investment side.

Ms. Ritchie: — And anything to say more on the SaskPower side?

Mr. Campbell: — Yeah, I think, you know, SaskPower is really focusing quite heavily on resiliency in the system. So you see they have been spending really records amount of capital, not only on building new power generation but also systems resiliency. And so making sure that when storms do occur that our infrastructure is sustainable as it can be.

And by diversifying our sources of power, so adding additional renewables, adding additional natural gas. We had the announcement earlier this week on a new natural gas facility in Lanigan area. And of course the facility in Moose Jaw is just now being commissioned. So you see I think not only some diversification in terms of sources of power but also in terms of location for those facilities as well as really record investments in terms of areas like sustainability and transmission.

Ms. Ritchie: — And so next year, what are you forecasting in terms of net earnings and net comprehensive income with adjustments?

Hon. Mr. Duncan: — Thank you for the question, Ms. Ritchie. So we're forecasting for the 2024-25 fiscal year a consolidated earnings forecast of \$663.6 million.

Ms. Ritchie: — And I mean what would be the major contributor to such an optimistic level of income? What are the major changes you're going to be seeing there? Because that seems to be extremely different from what we've seen in this past year.

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So for the most part I would say that, generally speaking, most of the Crowns will be about where they were in the last year, but as Mr. Campbell has indicated, SaskPower and SGI Canada will be the two largest drivers of a change in outlook for '24-25.

So whereas in '23-24 we budgeted \$23 million, in '24-25 we're budgeting 191 from earnings from SaskPower. And at SGI Canada, '23-24 we budgeted 27.4 million, and the budgeted earnings, the outlook for '24-25 for SGI Canada is \$127.4 million.

[19:00]

I'll just share with the committee, Mr. Chair, that with respect to SaskPower this is largely so for a number of reasons, but due to an increase in revenue driven by increased electricity demand in

all . . . most of our customer classes as well as increases in price and volume of exports and higher customer contribution revenues. As well at SGI, primarily due to premium growth in all jurisdictions that is outpacing the growth in claims and increases to investment earnings. So that's the reasons why we're showing earnings growth for this upcoming year.

Ms. Ritchie: — Thank you, Mr. Duncan. I wonder if you'd be able to table that document sort of showing sort of the complete list of the forecasts unless . . . Is it already in the annual report?

Hon. Mr. Duncan: — It's as a part of the schedule of revenue in that document. Sorry, it's not the Estimates book but it's one of the documents that goes along with the Estimates book. Page 90 has the '23-24 budgeted numbers as well as the '24-25 budgeted numbers forecasted, as well as the forecast for '23-24.

Ms. Ritchie: — Thank you very much. Next question is kind of one of transparency. It's my understanding that there was almost a million dollars in payments made out to companies less than 50,000 in '22-23, and I wonder if you would be able to provide a list of those payments and to those specific payees?

Hon. Mr. Duncan: — Thank you for the question, Ms. Ritchie. I certainly can't provide them this evening. I'll take your request though under consideration though. I know that the thresholds that have been established is a long-standing practice and I think, working with the Provincial Auditor, there's been work to establish what those thresholds will be. I know the practice is to publish as a part of the payee disclosure payments over \$50,000, but I'll take your request under consideration.

Ms. Ritchie: — Would you be able to describe the types of goods and services that these payments reflect?

Hon. Mr. Duncan: — Thank you for the question, Ms. Ritchie. So I would just think in a general sense that it would be typically for supplies that would be procured by staff at CIC. There would be, under the payee disclosure of employees, there is a category for under 50,000. That would be obviously if there would be somebody working on a part-time or a temporary basis that wouldn't reach that \$50,000 threshold. They would be disclosed as a part of that under 50,000 on the employee side. But in the goods and services or supplies and other payments, it would be supplies that would be used by employees — furniture, things of that nature.

Ms. Ritchie: — Thank you. Can you advise as to the amount of money paid to STARS by CIC in 2022-23, '23-24, and what the sector will be paying them in fiscal 2024-25?

Hon. Mr. Duncan: — Thank you for the question. So as I said in my opening comments, the Crown sector contributes \$2 million a year. Of that, \$400,000 is a contribution from CIC. The balance of the difference between the 2 million and 400,000 would be divided between the different Crowns that do provide funding to STARS. And what we've done in the past, that amount would be as a part of a five-year term agreement with STARS.

Ms. Ritchie: — What would be the rationale behind the Crown sector providing funding to STARS?

Hon. Mr. Duncan: — Thank you for the question, Ms. Ritchie.

You know, I think there's a number of reasons. You know, first and foremost Crown Investments Corporation and the subsidiary Crowns that do make the contribution as a part of the five-year agreement to STARS, first and foremost want to be good corporate citizens. We know that this is an important service that we have now in Saskatchewan that can provide that air . . . the helicopter ambulance support. As well the Crown sector obviously serves industrial customers throughout the province.

And so unfortunately when the need arises, you know, we want to be a part of being able to support having STARS in the province for the benefit of not only people that live in this province, our industrial customers that have employees spread all throughout the province, but as well for the Crown employees that, whether it be SaskPower or other organizations in the Crown sector that have employees in all parts of Saskatchewan. And I can say that it's a service that has been utilized by Crown employees in the past.

Ms. Ritchie: — I may have missed it. You indicated 200 million and that was for, I'm not sure which year, but I was wanting to also know how much is planned for '24-25.

Hon. Mr. Duncan: — Sorry, just a correction. Two million dollars, not \$200 million — \$2 million. And the current iteration of the five-year agreement takes us to 2028.

Ms. Ritchie: — And so are you saying that that's \$2 million each year of the five-year agreement?

Hon. Mr. Duncan: — Thank you. So it is a \$2 million commitment, so it totals \$10 million from the years . . . This iteration of the five-year agreement is 2023 to 2028. And since 2012 the Crown sector has committed \$30 million towards STARS.

Ms. Ritchie: — Okay, thank you for that clarification. So it's my understanding that between the fiscal year 2017-18 and '22-23, \$389 million was pulled out of the Crown sector and returned to the General Revenue Fund. And the result of that has been increased borrowing by the Crowns and also increased interest expenses, while also at the same time lowering executive government borrowing.

I'm just wondering why this policy approach would be undertaken when the Crown sector has such significant borrowing needs and it's simply increasing their expenses.

[19:15]

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. I would, you know, first just start by saying that, you know, CIC and the Crowns borrow based on their capital needs, not based on dividends. So you know, there's a number of factors that CIC looks at and the Crowns look at when it comes to their capital needs, but also things like their debt-to-equity ratio, ensuring that they're within industry standards.

But also the understanding that the Crown corporations play an important role in the province but also in the government, and when they have the ability, that those dividends are used to pay for the services and the programs and capital outside of Crown corporations that the shareholder and, by extension, the people of

Saskatchewan are looking to make investments in. And so there's a variety of reasons and you can see, you know, for the most part dividends over the last number of years have been relatively stable.

Obviously we take into account when there are . . . depending on what each business or circumstance may be. As an example of that, over the last two years SaskTel's dividend, while previously was at a 90 per cent dividend, we've lowered that to 40 per cent knowing that SaskTel has some significant capital needs that they're going to be making in terms of rolling out 5G and rolling out fibre, particularly the rural fibre initiative.

And so we do make those adjustments from time to time, but it really is based on what are the capital needs of the corporation going forward, what are the needs of the province in terms of what role the Crown corporations and their earnings will play in terms of being able to provide the services that the people are looking for, and ultimately ensuring that the debt ratios are maintained within industry standards so that the balance sheets of the Crowns continue to be in a healthy place.

Ms. Ritchie: — So in looking at the annual report for '22-23, I believe I noticed that the consolidated debt ratio was exceeded in that year. It was targeted at 61.8 but was, in fact, 63.6 instead. And so . . . I mean, would there not have been some flexibility there in terms of sort of meeting that target? Or can you explain why that was exceeded in that year?

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So I would just say, I'd start out by saying that the numbers that you're looking at, first and foremost, they're really a long-term target. You know, I would say I focus less on the consolidated number and look more specifically at the debt ratio range and where each of the individual Crowns are at for a couple of reasons.

One, you know, on the consolidated side I think you will appreciate that CIC is a pretty unique entity. There's not a lot of companies to compare CIC itself to in terms of the consolidated basis. So I think it's an easier to kind of look at the health of the companies themselves in terms of their debt ratio. And so when we look at the debt ratio for each of the individual Crowns — namely SaskPower, SaskTel, SaskEnergy, and SaskWater — I think that gives you a better picture of the health of those companies.

I think the challenge with using the consolidated number is that the debt ratio within the individual Crowns that make up that consolidated number can fluctuate from year to year. Some may be over. Some may be under. They may still be within where we're looking them to be, but that could change the consolidated number. But it's not really a reflection of where each of those individual Crowns are at.

So you could say that, you know, we try to — certainly going back to my previous question — we try to balance off a number of different priorities, first and foremost the health of the company, but also knowing that the Crown corporations are there for a reason. They serve in many ways a public policy, a view of government.

And so there, you know, I think there is an expectation from the

people of Saskatchewan that we own these Crowns, and therefore the Crowns are going to play a role in providing not only the services that they provide, but also if there is the ability for earnings to be paid in the way of dividends, that would be dollars that would be available to provide the services that government is responsible for and expected to provide.

Ms. Ritchie: — But seeing that, you know, net earnings last year were almost nothing. I mean, well I mean 7.4 isn't nothing, but it is kind of when you look at, you know, sort of the, you know, the scale and the scope of the enterprise and historically where it has been in the past and when you account for the adjustments that indicate that there was actually a loss.

So I'm not sure how you justify increasing the debt ratio and having that money go back to the General Revenue Fund in a year. And you called it an anomaly, or your officials have indicated that it's an anomaly, but does it not put the Crowns in a very financially precarious position?

Hon. Mr. Duncan: — Thanks, Ms. Ritchie, for the question. I would first start out by saying that maybe just . . . I guess if, and correct me if I heard you wrong, but I would disagree with your premise that the Crowns are in a precarious position. They're not. You know, when we look at the metrics that we use to compare them to their peer industry comparables, they're in a good position to be in. They are comparable to their industry peers.

When we look at capital spend, you know, when you look at the fact that, you know, we will be likely exceeding \$2 billion in Crown capital spending for the foreseeable future, you know, that is going to be far and away what they will pay in dividends. And so what we're moving forward with is, you know, I think certainly would be not outside of industry practices by using both cash you have on hand as well as borrowing, because you're really taking on and building long-term assets.

And I think if you look at the financials of all of these Crowns, they really do show that they can withstand the fluctuations that we, from time to time, see — knowing that the one year, the '22-23 number that we keep coming back to, is really an outlier when you look at the previous years going past, and certainly an outlier in terms of what we're forecasting earnings to be going forward.

[19:30]

Even as most recently as Q3 of '23-24, we're forecasting well in excess of \$500 million in earnings. And so I, you know, I wouldn't want to leave the impression with the committee that that 2022-23 number that we've discussed several times is nothing more than an outlier.

We're certainly forecasting to be in a strong earnings position this year and going forward, and at the same time know that we have significant capital that we're going to need to build — but knowing that we're going to have long-term assets that will help to keep our debt ratios in line in terms of targets, but also in line with what you would see with industry peers.

Ms. Ritchie: — So just going back to this debt ratio, it's indicated in the annual report, a capital structure target for SaskPower with a 15 per cent band between 60 and 75 per cent,

which first I, you know, I guess would ask, why does that capital structure target have such a wide band? And do you think that it is reasonable for that actual capital structure debt ratio to be 75 per cent for SaskPower? That is an incredibly high ratio.

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So I would just say with respect to SaskPower's debt ratio, you know, first and foremost the credit rating agencies still believe it's self-sustaining, so they haven't raised any flags with the province with respect to SaskPower.

In terms of the range, you know, I think if you look across the country there's a range of between 60 and 90-plus per cent when it comes to the debt levels, debt ratio levels of similar companies. So for example, you know, Hydro-Québec would be on the lower side at 65 per cent; SaskPower is in at 74, 75 per cent; BC Hydro though is at 79 per cent; Manitoba Hydro is at eighty-six and a half per cent; and New Brunswick Power is at 91.6 per cent.

So you know, as you can see, across Canada the publicly owned utilities are in that range of, as I said, 60 to in this case nearly 92 per cent at New Brunswick Power. But also, you know, I would just also make the comment that we have seen a significant requirement for a capital build-out at SaskPower because of the strength of our economy and the fact that we're a growing province. So it really tracks quite well with what we're seeing in terms of, you know, I would say a significant increase in population in the province and significant increase in capital spend by the private sector.

And you know, I think that that's reflected in the fact that last Friday we did a groundbreaking near Lanigan for the Aspen power plant, which is our third . . . SaskPower's third 377-megawatt natural gas power plant since 2017, which is significant just, you know, on that side alone, to say nothing about all the sustaining capital and build-out that's required to continue to serve the electrical needs of this province.

And we expect that that's going to continue. So you know, I would just say that that range, you know, we're watching it closely. But you know, I think it's within the range of what you would see across the industry here in Canada.

Ms. Ritchie: — So I wonder . . . the CIC's corporate salaries, I wonder what those are estimated to be in '23-24 and what are they budgeted as for '24-25.

Hon. Mr. Duncan: — Thanks for the question. So what we had budgeted in 2023-24 was just under 2.4 million at CIC for salaries. No, sorry. I got the wrong number here. Just give me a moment, please.

Sorry. I read the wrong line. So '23-24 was 9.3 million. We're forecasting in '24-25 that will increase to 11.4 million.

We're forecasting about a 10 increase, 10-FTE increase to the staffing complement at CIC. Part of this is the CIC board has approved increasing the number of positions in the energy security unit, as that is certainly becoming more staffed up, but also just becoming more of a focus for the province as we're exploring a variety of areas, including the potential deployment of SMRs. As well as CIC provides the internal audit function for a number of the smaller Crowns, and that will include LGS

[Lotteries and Gaming Saskatchewan]. And now that LGS falls under CIC, there will be an additional staff brought on to essentially be able to provide that service for LGS.

Ms. Ritchie: — And you said there was a 10-FTE increase. Are you saying that is for the year '24-25?

Hon. Mr. Duncan: — Yes, that's correct. We're forecasting a 10-FTE increase in this upcoming fiscal year.

Ms. Ritchie: — And so how many were there in the corporate Crown in '23-24?

Hon. Mr. Duncan: — So in '23-24 it was 58. And they're budgeted to be able to fill 68 positions in this upcoming fiscal year.

Ms. Ritchie: — And are those FTE positions being shuffled out of another ministry or are those new FTEs?

Mr. Campbell: — Kent Campbell, president/CEO. So in terms of those new positions, by and large I would describe them as incremental. So there's four in that energy security unit as mentioned. And a lot of that relates to our work to support the potential for nuclear and supplier development, labour market development, issues like that.

[19:45]

We've added a couple of areas, a couple of positions to our priorities and planning group specifically related to collaboration. And the minister in his opening comments talked about some of the achievements under collaboration, where we're working with multiple government agencies to attract new investment to Saskatchewan, but also to drive efficiency savings through government, through the sector. We have a target of \$50 million in terms of savings every year. And so we're bolstering our resources in that regard.

We're adding an internal audit position as it relates to LGS, and we just think with that portfolio now providing oversight for the whole gaming sector and not just Casinos Regina and Moose Jaw that we wanted to bolster our capacities in that regard.

And we're adding a cybersecurity analyst in particular. We've done a lot of work the last three or four years in relation to cybersecurity oversight for the Crown sector, and we do regular comparators in terms of best practices and how our Crowns are faring. But also we do penetration testing on a regular basis, which helps to ensure that our Crowns are resilient in the face of potential cyberattacks.

And then in our communications area we're converting one non-permanent position to a permanent position. And I think that rounds it out.

Ms. Ritchie: — Thank you for that response. So I counted. You said two for planning, four for the energy security unit, one for cybersecurity, and one for internal audit. So I must have missed a couple there because that only adds up to eight.

Mr. Campbell: — Okay. Yeah, so for four for energy security unit, two for priorities and planning, one for cybersecurity, one

for internal audit. Oh, one in communications, which is a conversion of a non-permanent to a permanent, and then we're adding an administrative resource in the president's office. So I think . . .

Ms. Ritchie: — Yeah.

Mr. Campbell: — That should take it to 10. Yeah.

Ms. Ritchie: — That should take it to 10. Okay. So how many in total are there in the communications group?

Mr. Campbell: — So the communications group is in the president's office. And so we would have three full-time people in communications and community relations. And so that is beyond, you know, strictly what you would consider to be communications, but all of our sponsorship policy, coordinating that with the Crowns. And then we have an exec director for that area as well. It's partially in that but also is executive director responsible for our Indigenous reconciliation, Indigenous economic development group, and so kind of a part of there. We'd have three full-time resources in communications.

Ms. Ritchie: — Okay, but it's broader than just comms. It's, as you mentioned, relations and other things.

Mr. Campbell: — Yeah. So if you think, you know, in terms of the role of CIC, you know, we don't do a lot of news releases and events ourselves as the holding company, but we do a lot of coordination with the Crown sector around things like sponsorships and communications.

We're not that heavily involved in marketing, but we do, you know . . . That group certainly makes sure we're on top of what's happening in major developments in the Crown sectors as it relates to marketing, and then also as it relates to community engagement, right, as sort of the face of the Crown sector.

And so I think the STARS example is a good one where our communications folks not only help coordinate that sponsorship across the sector to figure out what a good level is for us as a sector, but also then make sure that the Crown portfolio gets benefits from that investment in terms of, you know, marketing and recognition for that sponsorship.

Ms. Ritchie: — Okay. And I understand CIC adopted a new logo. What was the cost for developing that logo and why was that initiative undertaken? And are you planning to do the same for other Crowns?

Mr. Campbell: — So Kent Campbell here. Yes, so we developed that in-house with executive council and just through our regular communications budget.

Our logo had been the same for a long time and we felt it was opportunity for a bit of renewal. We also felt that as a . . . We're really a central agency of government. Our board is represented by elected members. We provide oversight of the Crown sector on behalf of government, so we felt having a logo that was representative of the Government of Saskatchewan made a lot of sense.

So when it came time to renew that, we wanted to show that. And

so unlike the other Crowns which are, you know, running commercial businesses or have that customer relation, we're really more of a central agency of government. So that's why we made the change. And we did that just with internal resources and existing budgets. And you know, we're using up things like existing business cards and those kind of things without . . . We obviously switched the presence on the website.

Ms. Ritchie: — And are you able to say how much — I know you say you used internal resources — but what the overall cost of that initiative would have been?

Mr. Campbell: — So we have a contract with a company called OH! Media that provides our website support, so the only cost we incurred was the cost for them to put a new header on the website. So that's, you know, it's in the hundreds of dollars.

Ms. Ritchie: — Okay, thank you for that response. Can you tell me what the net income for CIC AMI [CIC Asset Management Inc.] was in 2023-24 and what you're budgeting for net income in '24-25?

Hon. Mr. Duncan: — Yeah, for CIC AMI, '23-24 budget of 3.5 million, and '24-25 earnings forecast of 2.6 million.

Ms. Ritchie: — Okay, thank you. And yes, I'm just looking at the consolidated statement of financial position for last year, and I think I noticed somewhere in the annual report that there had been some changes to the amount for environmental liabilities. I wonder if you can tell me what that change was. And I'd just like to know a little bit more about how that liability is estimated.

Hon. Mr. Duncan: — Thank you for your question, Ms. Ritchie. So there are two environmental liabilities that . . . Essentially every year there's a new estimate based on expected cost provided by a consultant. So the two that I'm referring to is the ERCO Worldwide site. At the end of the fiscal year 2022, the liability was 21.1 million. At the end of the fiscal year of '23, so March 31st, 2023, it was 25.9 million.

And the second one is the Prince Albert Pulp Company. And so March 31st, 2022 it was 29.3 million; March 31st, 2023 it was 32.7 million.

And primarily the increases in both of those are related to just inflation pushing the cost up of basically everything. So it's really primarily related to inflationary pressures.

Ms. Ritchie: — So is there a plan to remediate those sites? When would that occur? Or does the liability just continue to accrue?

[20:00]

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So the decommission and reclamation plans, as I think you'll know, are filed with the Ministry of Environment by the owner of the sites. CIC does not own either one of those sites. What essentially we provide is the pre-1986 liability.

So in terms of what the plan is and in terms of reclaiming those sites, we can't speak to that because the site owners file that with the Ministry of Environment. So I can't say to you tonight what the plan is because they're not CIC's sites to submit a plan and

to be responsible for that plan being submitted to Environment.

Ms. Ritchie: — Okay. But you hold a portion of the liability based on ownership, based on a certain date, based on the net income. And is that keeping pace with the growth of the liability as that moves forward?

Ms. Ogilvie: — Hi. Cindy Ogilvie, CFO at CIC. So from the point of view of the capacity to pay for those liabilities when and if they come due, CIC AMI has investments set aside to manage those, and those are utilized over time. We do, with the owners, do periodic minor remediation efforts on site when they've got things that they need to manage on site. There's also water quality monitoring that we support every year to manage, reports coming back so that we know what the site's conditions are like. So there are minor expenses that come up, and there are larger investments set aside to cover it.

Ms. Ritchie: — And I guess just back to my original question though. Is it keeping pace with the size of the liability? The investments?

Ms. Ogilvie: — Yes, equal to or just a little bit more than the liability, yes.

Ms. Ritchie: — Okay. Brilliant. Thank you for that. Can you please explain why CIC continues to hold stock in the Information Services Corporation? The Crown was privatized several years ago, so wondering why we still continue to own a portion of that.

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. You know, I would say that initially there was, I think, the intent or the commitment that the government would still own a portion of the company. That presence I think provides to the market some stability, and it does continue, in terms of the percentage that the government still holds, provides a dividend.

So you know, from that perspective the government continues to remain a minority shareholder in ISC [Information Services Corporation of Saskatchewan] and continues to benefit from the dividend that they pay, and you know, I guess that's what I would share with the committee this evening.

Ms. Ritchie: — So you mentioned a minority shareholder. What percentage would that be, and how does the government or CIC, how is it involved in governance at this time?

Hon. Mr. Duncan: — We continue to hold 30 per cent of the outstanding shares, and the ISC legislation allows for essentially the appointment of a corresponding percentage of board members. So in this case I believe there's 10 board members, and so we would have three board positions.

Ms. Ritchie: — Now you mentioned that this ownership provides stability to the corporation. Like what was the financial position of ISC in the last number of years? My general impression was that it's a robust, stable enterprise, and I guess I'm not really understanding or seeing the need for stability going forward.

Hon. Mr. Duncan: — Yeah. Just for clarification, I would say what I was referring to is more the stability that it would signal

to the market, that the government wasn't just looking to privatize and then immediately sell its 30 per cent, but that the government believes that it's a strong company and, you know, for a number of years now has continued to hold that same market share position in the company.

So I think, you know, that's really what I was referring to is, certainly in the initial years after the privatization that, you know, it wasn't the intent of the government — and I think history has shown that — that the government wasn't looking to privatize and then immediately sell its 30 per cent share into the marketplace.

Ms. Ritchie: — What would be the value of that 30 per cent ownership?

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. As of the end of February, what we reported to our board was that the 30 per cent ownership was worth approximately \$125 million.

Ms. Ritchie: — And what would be the compensation received by those board members, those three board members to ISC?

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. I don't know the answer to that. ISC as a corporate entity sets their own board structure and remuneration. They are not government employees. They don't receive a government remuneration in any way, so I don't know. I just . . . I'm not aware of what ISC compensates their board members with.

Ms. Ritchie: — And so how are they accountable to the province and CIC if they're representing our interests on the board?

Hon. Mr. Duncan: — Thank you for the question, Ms. Ritchie. I don't provide direction to the three board members that are selected by the government. Ultimately as a corporate entity, the board members, regardless of how they're chosen, are . . . their fiduciary responsibility is not to us as the government. It's to act in the best interests of the company. And so I, and we, don't provide direction to them.

[20:15]

Ms. Ritchie: — I'm having a little bit of trouble understanding that. I appreciate that, you know, if someone sits on a board that, you know, they have fiduciary responsibility, but is the government at least the ones that are selecting the appointees? And what is the expectation regarding, you know, the province's interest in terms of that 30 per cent ownership?

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So I think in terms of the value to government, in one respect ISC is a service provider to government. So there is a contractual relationship between Justice and ISC, and that's where, you know, I would say much of the value of the role that ISC plays in Saskatchewan is derived.

With respect to, you know, I would say the relationship between ISC and the government, certainly at an official-to-official level, periodically there is meetings between officials at CIC and ISC just to get an understanding of, you know, I think the priorities of the organization and just to keep abreast of the work that

they're doing.

I've had the opportunity to meet with the CEO in the time that I have been the minister, more to get an understanding from them in terms of not just in Saskatchewan but, you know, I think to a greater extent the work of ISC outside of the borders of Saskatchewan and frankly out of Canada.

You know, I think at the end of the day, you know, the role of the government in terms of the board and the board appointees, we want to first and foremost ensure that we're putting forward people that are competent and skilled. And I think that that is the case with the board members of ISC.

And you know, I think further to that, so long as ISC is executing on all their plans, and the board is providing their oversight and doing their fiduciary duty to the extent that ISC is a growing company, is a company headquartered in Saskatchewan as per the legislation, and continuing to provide a financial return to the province vis-à-vis our shares in the company, and the extent that they can provide a dividend on an annual basis, I think that's really, you know, our expectation of the board and of the management, is that they continue to run a well-run Saskatchewan-based company.

You know, further to that I would just say that there really doesn't need to be, from my view, direction provided to the board of directors because at the end of the day they have a fiduciary responsibility, you know, as they execute their plans, maximize their earnings and their returns. So long as the Government of Saskatchewan holds the shares that we do, there will be a corresponding financial benefit to the province and to the people of Saskatchewan. And particularly as they are a Saskatchewan-headquartered company, as they continue to grow, that will also have direct and indirect benefits to the province.

Ms. Ritchie: — Thank you for that response. I wonder if you could provide me or list for me the outstanding legal cases that CIC has been named in, including what the case is about, who filed it, and just specifically for those that CIC is named in.

Hon. Mr. Duncan: — Thanks, Ms. Ritchie, for the question and for allowing us a little bit of time. We're still gathering some information though. It appears that there is one in which CIC is named. It relates primarily to SaskPower. We're just confirming whether or not SaskPower is named as well or if it's just CIC, but it . . . in our view is that it's related to a SaskPower issue. So we'll try to confirm that before we're done this evening.

Ms. Ritchie: — Okay. Perhaps if that's not possible before the end time an hour from now, you could reply afterwards in written form.

I'm interested in knowing the status of that claim and the position that the named applicants, or I guess defendants — I'm not sure of the correct terminology here but it's my understanding that both SaskPower and Crown Investments Corporation are both named in that suit — and so interested to know what efforts have been taken to date in preparing for that case and how it plans to proceed.

[20:30]

Mr. Campbell: — Okay, I can add a little bit to that. So you're correct, SaskPower is also named in the claim. And it's currently in its procedural phase and there are currently other parties looking to become intervenors in the case. And our provincial position is being coordinated through the Ministry of Justice, in part because there's constitutional elements to it.

Ms. Ritchie: — Okay. Do you know when to expect it to go to trial?

Mr. Campbell: — I do not know.

Ms. Ritchie: — All right. Thank you.

Perhaps now would be an appropriate time just to sort of turn our attention to the energy security division of CIC. I note in the annual report that there are, you know, some objectives identified for that division. But I guess I'm looking for more specific information in terms of the deliverables or products that that department is developing.

As you've indicated, it's growing in size and with the addition of four new FTEs and a lot of also other information around work around SMRs. Although it's my understanding that there has not been a commitment made as of yet to SMRs. However there seem to be, you know, significant work and effort being put into a direction that hasn't been committed to at this point.

So I guess it's sort of a twofold question, both in terms of specifically the work of the department and, you know, the level of commitment around proceeding with SMRs.

Hon. Mr. Duncan: — Thank you, Ms. Ritchie, for the question. So I think as you will know, the Crown sector is undergoing major transformation as part of the energy transition that's taking place around the globe. The CIC has added capacity to liaise between policy makers and the provincial utilities that are involved, while carrying out initiatives to prepare for the transition towards low-emitting energy sources.

So the energy security division collaborates extensively with public and private sector stakeholders in the province to ensure that the energy transition protects both the interests of the people as well as the businesses in Saskatchewan.

So I'll just give you a couple of areas where the energy security division has been active since its formation. First on the work that's being done by the province with respect to electricity and natural gas policy, the division leads our provincial response to a number of major federal policy directives and initiatives, the most recent of this being the proposed federal clean electricity regulations. So the energy security division collaborated with SaskPower and other government ministries to form our submission to the *Canada Gazette Part I* consultation process.

The energy security division also prepared a response to the updated paper that the federal government released as related to clean electricity regulations in February of this year. The energy security division also handled the referral of the CER [clean electricity regulations] to the Economic Impact Assessment Tribunal and has collaborated with the secretariat within the Ministry of Justice to facilitate that tribunal process.

The energy security division has also collaborated with the Ministries of Environment and SaskPower to negotiate a new coal equivalency agreement with Environment and Climate Change Canada, as well as the energy security division has led and contributed to messaging to the federal government on the green building strategy and other electrification initiatives, along with funding measures like the clean electricity investment tax credit.

On behalf of CIC and SaskPower, the energy security division negotiated the agreement to return the proceeds from the federal carbon tax on electricity back to Saskatchewan through the Future Electricity Fund.

I can tell you that the vice-president and other officials have represented Saskatchewan on the federal-provincial-territorial electricity working group chaired at the national level by NRCan [Natural Resources Canada].

As well, the energy security division has helped SaskPower navigate the Canada Energy Regulator process for constructing power lines across the United States border and facilitated the appointment of the Ministry of Environment as Saskatchewan's provincial regulator.

With respect to the nuclear file, this division has done a number of things to try to build the provincial efforts as it relates to a workforce for the nuclear sector. Obviously we are a number of years away from making the decision of whether or not to build a small modular reactor in Saskatchewan, but certainly there is a lot of work that needs to go on behind the scenes if we are to make a positive decision with that respect.

We certainly wouldn't want to make a decision and not have done the background work that is necessary, and so this division has done a number of initiatives, working alongside Ministry of Advanced Education and Immigration and Career Training. They hosted a nuclear-workforce leadership forum in November with over 80 participants, including post-secondary, Indigenous, industry, and government organizations.

CIC and PrairiesCan [Prairies Economic Development Canada] have jointly funded a nuclear-workforce needs assessment. Phase 1 was completed in November of 2023 and we're expecting that phase 2 will be delivered in June of 2024. I will also mention to the committee that the energy security division works on developing a provincial supply chain to deliver and export goods and services, both in Saskatchewan, nationally, as well as internationally.

So with SIMSA, the industrial and mining suppliers association, CIC co-chaired a provincial nuclear supply chain working group that connected government, Indigenous organizations, and industry. As well again with the co-operation of PrairiesCan, CIC jointly funded a project that was led by SIMSA, the Organization of Canadian Nuclear Industries, and the First Nations Power Authority to prepare companies for participation in provincial, national, and global nuclear supply chains. And as well, the two, PrairiesCan and CIC, jointly funded a study on uranium milling-to-reactor fuel supply chain, which is yet to be completed.

The division, I'll just close by saying, does provide significant advice and provincial positions to regulators and the federal

government as it relates to policy and the regulatory environment for nuclear in Canada, and has met with the nuclear leadership table — which, frankly, CIC co-chairs that national table — as well as met with the Impact Assessment Agency of Canada and the Privy Council Office to discuss the impact agency of Canada's next steps in response to the recent Supreme Court decision that found the impact assessment process largely unconstitutional.

And finally I'll just note that the energy security division has contributed materials on the progress of nuclear work in the province to several premier- and minister-led missions and developed content for our new investment website, investsk.ca.

Ms. Ritchie: — Thank you for that response, Mr. Duncan. I'm just sort of looking at the CIC website right now just to see kind of if there's some sort of a report or communication provided on that extensive list of activities you've just mentioned. Is there somewhere one can go to, you know, see a comprehensive listing? Or is that in an annual report of some sort?

Hon. Mr. Duncan: — Yeah, I think as the energy security division becomes more established, having only been formed not that long ago, certainly I think you'll see more public reporting in terms of the work that's been done by the Crown energy security division in terms of, you know, I think a greater focus in upcoming annual reports of CIC.

But certainly there will be other opportunities for government to highlight the work that's being done by CIC. It's been a significant year of collaboration and extensive stakeholder relationship building, both in the public and private sector. And so, you know, if there are — and I think there will be — other opportunities for myself or CIC or the government at large to publicize the work that's being done by CIC in this respect, we'll certainly be looking for those opportunities.

Ms. Ritchie: — And as you were listing off the various activities of the division you mentioned that, you know, it's a long ways out before we make a decision on the SMR. So I'd like to understand the decision-making process and timeline under which that will occur. Obviously there's long lead times and there's already been significant investment made in evaluating the technology, so perhaps you could provide me with a better understanding of how that is going to proceed.

[20:45]

Mr. Brock: — David Brock, vice-president, energy security. Through you, Mr. Chair, thank you, Ms. Ritchie, for the question. Just to take you through the timeline. So of course the province's commitment to explore the development and potential deployment of anywhere from one to four small modular reactors started in 2019 with the memorandum of understanding signed at that time between three premiers: Premier Moe from Saskatchewan, premiers from Ontario and New Brunswick, and subsequently Premier Kenney at the time from Alberta.

I think that shows in part the degree and the necessity of interprovincial co-operation on the development of nuclear and working in part with jurisdictions, and not only to learn from those jurisdictions but also to make sure that we're building out national capabilities in terms of supply chain, workforce, and

other potential pan-Canadian exports.

That works well through to the final decision, and so I'll take you through a bit of the timeline. I think from a licensing and regulatory perspective, SaskPower as the proponent is working closely to follow the processes set out by the Canadian Nuclear Safety Commission, who has the ultimate life cycle authority for regulating nuclear in the country. And so there needs to be obviously strict adherence to the processes set out both to get to a site licence for construction and operation.

In addition to that there are the requirements to follow the *Impact Assessment Act* and the specific regulations as it relates to certain industrial projects, of which nuclear is one. As the minister mentioned, late last fall large parts of the federal *Impact Assessment Act* were declared unconstitutional by the Supreme Court of Canada, and so we're awaiting amendments to that Act. For the time being, my understanding is that SaskPower as the proponent is proceeding in accordance with the current Act and the current regulations until such time as they may change.

I think that's an important consideration as it relates to the timelines because timelines for impact assessment so far with other industrial projects — and this being new nuclear in Saskatchewan — we don't know what those timelines would look like yet. But they're ranging from anywhere to seven years and upwards. There appears to be a commitment on behalf of the federal government to try to shorten that timeline to perhaps as low as three years, but until we've seen the amendments — they've gone through the federal regulatory process and then proponents actually work through them — we won't actually know what those timelines look like. And again, especially in a new nuclear jurisdiction such as Saskatchewan.

So part of the timelines that work from 2019 forward until a decision date are very much dependent on those two broad federal regulatory processes, the CNSC [Canadian Nuclear Safety Commission] life cycle process, and the impact assessment process for the environmental and social components.

Assuming that those can go at an expected pace and that SaskPower can move at its pace on things like site selection, then our expectation is that, the SaskPower selection of the GE Hitachi BWRX-300, one of the advantages of that is that's the same small modular reactor that we expect to be constructed by Ontario Power Generation, and the expectation there, according to Government of Ontario statements, is that their project will be completed by 2028.

And so with an expected decision date in this province by 2029, not only might that give us the sufficient timeline to work through those two broad federal regulatory processes, but then also have at least one year of experience seeing what the final design and commissioning has wrought in Ontario, and having a better understanding between SaskPower and Ontario Power Generation and between the Government of Saskatchewan and the Government of Ontario what that experience has been like and what lessons we may need to take from the build in Ontario.

So kind of three main hinges there, those being the CNSC process, the impact assessment process such as it is now and may change, and the experience in Ontario that we're hoping to

benefit from.

Ms. Ritchie: — And so just to clarify, is what you're saying is that it's, you know, the decision on whether to proceed with SMR technology is based on the regulatory pathway primarily? Or, like it would seem that that's sort of a foregone conclusion that we're proceeding with SMRs. I'm still a little bit confused by that.

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. And I appreciate Mr. Brock running through, you know, a significant amount of information that we still need to go through and require to have greater clarity on the process, the regulatory process.

And so, you know, I would say that it's a decision . . . We're still estimating 2029 would be the time frame in which we would make a decision whether or not to pursue the deployment of the GE Hitachi technology in Saskatchewan. But in the meantime there's a significant amount of work that we have to do to even get to that point of making that decision. I think Mr. Brock has very thoroughly laid out what that path is. And so there'll be that information, you know, that we have to work through in terms of that regulatory process.

You know, and also as work continues and concludes on the design between GE Hitachi and OPG, Ontario Power Generation, you know, we'll get further clarification on what the likely cost would be for that technology to be built not only in Ontario but then, subsequent to that, potentially in Saskatchewan.

So you know, I would just want to be clear with the committee that this is not a foregone conclusion. There's a number of steps that we still have to go through before we ultimately make the decision whether to deploy this technology or not. That decision is still quite a number of years away although I think, as Mr. Brock has outlined, the regulatory path is lengthy, it's considerable. Parts of it are still being refined in terms of changes that the federal government will have to make, likely around the impact assessment.

Recommendations that we as provinces have been making to the federal government in terms of ideas that we have around clarifying or shortening some of those regulatory paths that any province that is going to be deploying any nuclear power going forward, that would be helpful for provinces.

So you know, I would just want to assure the committee that there's a significant amount of work that still has to be done before we get to the point of making a decision whether or not to embark upon the path of deploying nuclear technology here in Saskatchewan.

Ms. Ritchie: — How much is CIC budgeting to spend as it works towards that decision point in 2029? And ultimately, what factors will go into that ultimate decision?

[21:00]

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So with respect to the Crown energy security division, the budget for the division for this upcoming year is \$2.9 million. So that includes the staffing component. Now keep in mind not all of the staff in that division are working on the nuclear file. There are

other files that members of that staff are working on. But it would be, you know, I think likely five of the staff within that division that would be focused on the nuclear file.

So it's staff costs as well as some studies. So there will be some continuing work to study the potential around the nuclear workforce and supply chains within Saskatchewan. Part of our focus is not only ensuring that we're working closely with our post-secondary institutes on ensuring that if we make that decision in 2029 that when it comes time to stand up a nuclear generating industry in Saskatchewan that we actually have a trained workforce in Saskatchewan. You know, again as I said before, that's likely something that is going to be a crucial part of this, that you can't wait until you make that decision to then think about, okay, now how do we ensure that we have a workforce.

So I think you will know the University of Saskatchewan, the University of Regina, and Sask Poly have all agreed to work together on this issue. And so that's part of it. The other part of it too is ensuring that we are in a good position to have the Saskatchewan-based supply chain that already have world-leading expertise when it comes to the mining industry and the energy industry, that that supply chain in Saskatchewan can take part in the construction and supply of potentially building an SMR not only here in Saskatchewan, but potentially the work that OPG is doing, keeping in mind that as OPG embarks upon building the first SMR, the same would be true in Saskatchewan.

You know, it likely would be against the advice of anybody to build just one reactor. So you know, is there a possibility of multiple reactors being built across Canada and potentially around the world, that there's an opportunity for Saskatchewan companies to take part in the supply chain efforts as it relates to building out the new GE Hitachi technology?

So that's part of the study work that will be going on this year as it relates to the energy security division budget, as well as studies around nuclear oversight and governance. So CIC will be leading the work on that.

I will in a moment ask Mr. Brock to go into a little bit more detail in terms of some of the work that he and his group have been doing in, you know, I think seeing some federal money come Saskatchewan's way in this.

But I will just say, I think . . . Is your question about, you know, what would go — and I'm going to paraphrase and if I get it wrong, correct me — but in terms of ultimately what will, what would . . . I think your question was somewhere around what would lead us to make the decision to go with nuclear or, you know, I think some variation of that. And I think it's a number of things.

First and foremost it will be the experience of Ontario Power Generation as they're working with GE Hitachi to finalize the design and then obviously as they get into the construction phase. They're building on Darlington and so that's already a licensed site for nuclear and so the path for them is going to be shorter. But certainly we're very interested in what their experience is working with GE Hitachi.

Cost is going to be a factor that we'll have to consider, whether

or not it makes sense from a cost perspective. And again Ontario Power Generation being the first mover provides a benefit for Saskatchewan that . . . You know, the intent is that as more of these are built here in Canada and around the world potentially, that that will help to bring costs down. We're not going to be the first movers in this; Ontario Power Generation will be.

The current and future regulatory environment, what that environment looks like in terms of having clarity and a clear line of sight in terms of going from the point we're at to the point of actually construction and commissioning, so that will be a factor as well over the coming years to see what that regulatory environment looks like, as well as what's going to be our alternative.

I think I mentioned it at the SUMA [Saskatchewan Urban Municipalities Association] convention at the bear pit. When you look at baseload power and you look at the way that the clean electricity regulations are today — and again they could change in the future — but there really is a very short list of potential options today that SaskPower has at their disposal to consider for future baseload generation, nuclear being one of them, hydro being another. But obviously, and I won't belabour the point, but there's I think problems with bringing large-scale hydro to the market in a timely and cost-competitive way.

And natural gas and the way that the current regulations are written, we are quickly running out of runway to build natural gas that doesn't have to have carbon capture and sequestration attached to it. And short of that there aren't very many options. And so one of the other factors that SaskPower will have to look at when they go to make a recommendation likely in that 2029 window is what are the other alternatives out there.

With that I'll ask Mr. Brock maybe just to talk a little bit about some of the work that he's been doing with the federal government.

Mr. Brock: — Yes. Thank you, Minister, and thanks, Ms. Ritchie. Just as a supplementary on the budget allocation, those expenditures are related to our mandate.

In addition to that myself and our colleagues at CIC negotiated to secure the return of \$496 million in carbon taxes, some of which will be allocated by the province through SaskPower to the development and planning stages for SMRs. I know the Premier made that clear at the time that there was discussions around federal carbon tax proceeds being returned to the province.

We worked with officials at Natural Resources Canada ultimately for \$50 million from the electricity predevelopment fund to be invested into SMR again for the planning phase of SMR development at SaskPower.

And with PrairiesCan, and the minister mentioned some of these numbers in his opening remarks: \$832,000 for nuclear supply chain development, helping fund a consortium of parties — SIMSA, First Nations Power Authority, and the Organization of Canadian Nuclear Industries; as well as \$140,000 for a study on the security of supply of nuclear fuels, something that we've just recently completed in order to look at what may be the economic growth potential for nuclear fuel development in Canada and

Western Canada, which builds upon obviously the strength of our uranium mining and milling that we already have and the interest between the Government of Canada and the Government of the United States, as well as other governments such as France and the United Kingdom on making sure that we have a secure supply of nuclear fuels for allied countries in the nuclear build-out around the world; as well as \$75,000 for a nuclear-workforce needs assessment.

And as the minister mentioned in his remarks, recognizing that the workforce that we will need even for a first SMR in 2034, that we very much want it to come from Saskatchewan. Some of those persons may even be in elementary school today let alone high school and pursuing post-secondary.

So we want to make sure that we're working with our post-secondary partners and our colleagues at the Ministry of Advanced Education and Immigration and Career Training to see that those training and educational opportunities from very highly skilled, highly educated nuclear operators right through those who are going to be working in welding and pipefitting and the general construction of the envelope as much as possible can come from Saskatchewan.

Maybe I can just close off by noting, you know, that's part of the advocacy role that we do in our federal-provincial relations through CIC, continued conversations with our colleagues at the Ministry of Finance to make sure that Crown corporations have access to the clean electricity investment tax credit should that be a choice of SaskPower and the province, and that the recapitalization of the federal smart renewables and electrification pathways program in its newest form recognizes the need for investment in things such as nuclear power and transmission that are more particular to provinces such as Saskatchewan and not necessarily exclusive to the needs of this province as it was more so in its original design.

So overall I think the broader point that I want to make is we've been successful I think in working with federal officials to ensure that there's an investment in this province for our nuclear priorities, and so it's not just what's been budgeted to us on an annual basis but also what we're able to obtain through some of those federal funding envelopes.

Ms. Ritchie: — Thank you for that response. But just to be clear, you mentioned 2.9 million in '24-25, and I know . . . or perhaps I've gotten the year wrong. But I'm not sure if you were saying that was the amount for '23-24 or '24-25. You mentioned the work that SIMSA has been contracted to do to look at sort of building out the supply chain. You noted that in the annual report as well.

But I guess what I was really looking for was, you know, sort of a fully costed-out plan, and for like, you know, between when this has started and that decision point in '29. Like what is that overall cost to get to that decision point?

And I mean I obviously want to avoid sort of a sunken-cost fallacy. And you mentioned the reasons or the decision factors when you get to that point, but just you know, from a very sort of being sort of fiscally responsible, I'm just asking like what is going to be the overall projected cost for us to get to that decision point? Has that been estimated or forecasted?

Hon. Mr. Duncan: — Thanks, Ms. Ritchie, for the question. Just to be clear, the 2.9 million, I'll start there first. The 2.9 million, so that's what's budgeted for this particular division within CIC for this upcoming fiscal year. And again, some of those individuals working under Mr. Brock are working on the nuclear file, but there are people in that division that won't be working on the nuclear file. They'll be working on natural gas. They'll be working on other energy security issues within the government.

And so I think in terms of what the costs will look like, in terms of CIC's costs from now until 2029, when we get to that decision point, you know, that will have to be determined on an annual basis by CIC and the CIC board and the minister of the day, based on what the work will be to, you know, build upon the studies that we're doing, to build upon the expertise that CIC has now and is building to help support.

Because really, the role that CIC is playing is really in service for SaskPower and, more broadly speaking, in service to the provincial growth plan as it relates to being in a position to export potentially our goods, our services, our talents, keeping in mind that Ontario Power Generation is leading with the GE Hitachi. We'll be following behind them, working in close collaboration with them through SaskPower.

[21:15]

But you know, the commitment by, and I think it was 22 countries at the most recent COP [Conference of the Parties] to triple nuclear power generation by 2050, leads us to believe that there's going to be ample opportunity for Saskatchewan, Saskatchewan-based businesses, Saskatchewan-based suppliers, a Saskatchewan-based workforce to be able to gain that expertise here in Saskatchewan, and potentially in Ontario working in collaboration with them, and then hopefully being able to be a part of the growing interest and global interest in deploying nuclear energy around the world between now and 2050.

So the bulk of the costs related to the spend towards making that decision to 2029 will really be borne by SaskPower, not CIC. So you know, I can't tonight, you know, we're . . . CIC is, you know, I think, providing support to both SaskPower and SRC [Saskatchewan Research Council] as both are engaged on the nuclear file. But the spend by CIC from today till 2029, helping to . . . working with SaskPower as they get to that point of making that decision, it's really going to be, I think, a year-by-year budgeting exercise.

But this year again, 2.9 million within that division. Some of that's for the nuclear file. Some of it's for other files not related to the nuclear file. But the bulk of the spend, as I said before, in making that decision will really be a SaskPower spend, not CIC.

Ms. Ritchie: — All right. Thank you for that response. If I'm not mistaken, the output-based pricing system is expected to generate \$326 million in the current fiscal year. \$140.9 million of that will go to the SMR investment fund. Is that money that will be overseen by CIC? What portions of that money will . . . What role, perhaps I could ask, will CIC be playing in the administration of those funds?

Hon. Mr. Duncan: — Thanks, Ms. Ritchie, for your question. So the output-based pricing standard program is administered by

the Ministry of Environment. It won't be administered by CIC.

Ms. Ritchie: — Okay. Can you please advise me what guidelines and policies are in place for Crown board appointments?

Mr. Campbell: — So our Crown boards are appointed by cabinet through order-in-council. And as CIC we provide support to our Crown boards, and so we provide things like, we support training and development of board members. We do assessments each year with the boards in terms of what they think their needs are, in terms of making sure that we have broad coverage of skills that are relevant to those boards. And then we provide that information and recommendations to the minister to inform that process.

Ms. Ritchie: — Are there any conflict of interest provisions as part of that process? And if so, what would they be?

Mr. Campbell: — We want, despite the fact that the Crown boards are appointed by government, they are not to be, you know, government employees or representatives. And if they are, in the rare cases that they are government employees, they are not compensated. So only independent directors, those independent receive compensation. But we do look for conflicts of interest as part of the mix for sure.

Ms. Ritchie: — And would a person who either owns or works, like has contracts for a Crown, would that be considered a conflict of interest?

Mr. Campbell: — It might be situation dependent, so we do an assessment on conflicts of interest. We ask for any declarations, and if it's significant then that, you know, would prevent somebody from being appointed to a board. If it's more minor or if it's not a significant item, a significant amount of the business, then that board member would just be asked to recuse themselves from any discussion over an item involving a potential conflict.

Ms. Ritchie: — Would it be appropriate to appoint a person to a Crown board when the individual or their company is making large financial contributions to the Sask Party?

Hon. Mr. Duncan: — Yeah, with respect to the process that CIC goes through in compiling Crown board appointees or recommendations to cabinet, I would just say their practice or past practice of donations is not something that's tracked or reported on by CIC.

Ms. Ritchie: — Is there a policy for term limits to board appointments? And if so, what is it?

The Chair: — Just while the minister and the officials are deliberating, we have about four minutes left in the allocated time.

Hon. Mr. Duncan: — Thanks for the question, Ms. Ritchie. So for board appointments, it's a two-year term. For Chairs and Vice-Chairs, it's a three-year term. So by that I think, in terms of that, you could consider that they're term limited in terms of a finite amount of time in which that terms lasts. There's nothing to prevent somebody from being reappointed, and I think there's certainly lots of discussion in the literature in terms of best practices, in terms of having a healthy amount of turnover within

boards but also ensuring you have that corporate knowledge and continuity.

But there's nothing to say that somebody can only serve on the Crown boards for so many consecutively appointed terms.

Ms. Ritchie: — Does the minister have trouble finding new people to sit on Crown boards?

Hon. Mr. Duncan: — You know, I don't think it's been a problem to try to find interested people, people that express interest in serving on boards. Again, I think it just comes down to what the right mix is in terms of working with the boards and the management to identify what skills may be missing in terms of the board makeup, ensuring that, you know, we have as much diverse and broad representation across the province. And so I think I would say at this point we haven't had, to my knowledge, any issues in trying to fill the board appointments.

Ms. Ritchie: — As my last question, from reviewing the payee lists that are released by CIC each year and adding up the amounts, the former CEO for CIC was paid out close to \$1 million in severance. I'm wondering how you justify terminating an individual of such long service and experience in the public service at a cost of a million dollars.

[21:30]

And I wonder who made that decision? Was it the former Chair of the CIC? The board of the CIC? Who was responsible for that decision?

Hon. Mr. Duncan: — Thank you, Mr. Chair. Ms. Ritchie, to your question, just to clarify, the number that you're citing in the payee disclosure from a couple of years ago, just to be clear, I wouldn't characterize that as being severance.

You know, I think Mr. Swystun, the timing of when he was no longer president of CIC I think was later in the year. So that number would be inclusive of the salary that he was paid up until the point where he wasn't the president. You would also include any holiday pay or unused vacation pay as well as other payments that could include reimbursement for any travel that he did on behalf of CIC in that fiscal year. And if there was severance that was provided . . . which I won't go into, and I don't frankly have the details in front of me.

So you know, I just want to be really clear with the committee that that number is inclusive of all those things, including the salary that he would have been paid for serving in that fiscal year, for the bulk of the fiscal year as the president and CEO.

The Chair: — All right, committee members. Having reached our agreed-upon time of consideration of business today, we will adjourn consideration of these estimates. I'll ask, Mr. Minister, did you have any closing remarks?

Hon. Mr. Duncan: — Yes, I do. Thank you, Mr. Chair, to you and the committee members this evening; Ms. Ritchie, to you for your questions.

First of all I want to thank my staff. My chief of staff is here in the room, but I can tell you that I have at least one, maybe two

staff members that are still working hard in their office upstairs. And so I do want to thank Mike and Robyn as well for the work that they have done in preparing us for this evening.

And if I can just take a moment, and forgive me, the members that were here earlier today. Just want to express my appreciation to the officials that you see from CIC here, as well as all those that they're representing, that do a great job day in and day out for the people of this province. And through them as well, being responsible, minister responsible for a number of the Crown subsidiaries, I want to thank them as well.

Mr. Chair, I can say that I have thoroughly enjoyed this part of my role. In a lot of ways I regret that it's not going to be as long as perhaps it might have been, but I can say that I am well served by the team at CIC. I have thoroughly enjoyed working with them and think that the work that they're doing in the Crowns, that they do in the province are some of the most impactful and important work and decisions that the government will make over the course of the next number of years.

And so I just want to thank all them for their support over the years that I've had the privilege of being a board member of CIC and now as minister responsible. It's a period of my life that I will certainly not forget. So thank you very much, Mr. Chair.

The Chair: — Thank you, Mr. Minister. Ms. Ritchie, do you have any comments?

Ms. Ritchie: — Thank you, Mr. Chair. I would just like to join with the minister in thanking his officials for being present here this evening, and as well to the rest of the CIC staff, those both present here and working within the CIC. Also want to give thanks to legislative services, all those who are ensuring that we can have these orderly proceedings this evening.

And I would be remiss if I didn't also thank our small but mighty caucus staff that helps us in preparation for these meetings. My great appreciation and thanks to them. And with that I'll conclude my remarks.

The Chair: — Thank you, Ms. Ritchie. That concludes our business for today, committee members. I would ask a member to move a motion of adjournment. Mr. Jenson has moved. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until Monday, April 22nd, 2024. Thank you.

[The committee adjourned at 21:36.]