



STANDING COMMITTEE ON PUBLIC ACCOUNTS

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

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Ms. Aleana Young
Regina University

[The committee met at 10:00.]

The Chair: — Okay, folks. We'll get rolling with the Standing Committee on Public Accounts. I'll introduce members around the table: Deputy Chair Joe Hargrave, Mr. Hugh Nerlien, Mr. Daryl Harrison, Mr. Todd Goudy, on time today, Mr. Delbert Kirsch, Mr. Jim Lemaigre, Ms. Aleana Young.

And I'll introduce the officials from the Provincial Comptroller's office. We have Jenn Clark, director of finance; and we have Jane Borland, acting assistant provincial comptroller. Thank you so much for both being here. I understand that we might see Mr. Bayda, with a tie on, a little bit later here this morning.

I'd like to welcome and introduce our Provincial Auditor, Tara Clemett, and her officials. Thank them for their attendance here today and at this table.

I'll table the following documents: PAC 73-29, Public Service Commission: Response to questions asked at the September 6th, 2022 meeting; PAC 74-29, Ministry of Education: Report of public losses, June 1st, 2022 to August 31st, 2022.

Water Security Agency

The Chair: — Turning our attention to our first set of considerations here today, we're going to spend a good part of our morning focused on the Water Security Agency. It's a pleasure to have president and CEO [chief executive officer], Mr. Jaques, of the Water Security Agency along with all of his officials here today. Thank you to all of you for the work you do and all those others connected to this important work.

Mr. Jaques, I'll flip it over to you just to introduce the officials that are with you here today. We won't ask for any comment on the report just now. Do the introduction. Then I'll kick it over to the auditor to make presentation on the first three chapters, and then we'll come back to you for subsequent comment.

Mr. Jaques: — Thank you, Mr. Chair, for the opportunity to be here today. I'll just introduce my officials. To my right is Mark Kleefeld, vice-president of finance. Behind me is John Fahlman, vice-president of infrastructure; David Cooper, the vice-president of agriculture services and economic development; Corie White, executive director of science and knowledge branch; Jeff Patterson to my left, the executive director of standards and approvals. Lindsay Freistadt is the executive director of compliance promotion, science, and licensing; and last but not least is Leah Clark, executive director of agricultural water management.

The Chair: — Thank you so much. Welcome to everybody. Just a reminder from our Clerk as well that if you're coming forward as an official, introduce yourself and don't touch your microphone at all here. Folks back here keep track of us there.

I'll flip it over now to our Provincial Auditor, Tara Clemett, to focus her presentation. I believe they're focused on chapters 18, 16, and 13, the first three on our agenda. They're going to focus their presentation on the three together.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair,

committee members, and officials. With me today is Mr. Jason Shaw. He's the deputy provincial auditor that's going to do the presentation with regards to the Water Security Agency. I also have Kim Lowe who is our liaison with this committee. And she will be with us all day today, so I won't reintroduce her for every presentation.

Mr. Shaw's going to basically walk through the chapters noted on the agenda in the order that they are outlined. And as the Chair indicated, we are going to present the first three chapters together. There is seven new recommendations for the committee's consideration, and they will be in the second presentation. And I would like to thank the president and CEO of the Water Security Agency and his staff for the co-operation that was extended to us during the course of our work.

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

Mr. Shaw: — Thank you. This presentation provides our audit results of three years of annual integrated audits of the Water Security Agency. These chapters are included within our 2019 report volume 2, chapter 18; 2020 report volume 2, chapter 16; and 2021 report volume 2, chapter 13.

In each of the years ended March 31st, 2019, March 31st, 2020, and March 31st, 2021, we report the Water Security Agency had reliable financial statements and complied with relevant authorities. The Water Security Agency had effective rules and procedures to safeguard public resources for each of the three years, other than it needed an implemented and tested business continuity plan. More specifically it needed an implemented and tested IT [information technology] disaster recovery plan. The agency uses IT systems to monitor water quality and inspection data, provide real-time information on water levels throughout the province, manage financial information, and track key information about its capital assets.

Without a complete and tested plan, the agency risks the lack of availability of its IT systems and data in the event of a disaster. We recognize this recommendation has now been implemented by March 31st, 2022.

This concludes my presentation. Thank you.

The Chair: — Well thank you very much. Thanks as well for the status updates that have been provided, the work that's been undertaken on this front. And it's good to see things are implemented. We don't have new recommendations here today, but on these three chapters I'll now open up questions for committee members. Ms. Young.

Ms. A. Young: — Thank you, Mr. Chair. And no presentation from officials? I can just jump right in?

The Chair: — Sorry, we kind of short-circuited things here. We're not asking for a whole bunch of extra words or anything here at the table — your presentation was made through the status update — but would you care to offer any comments with respect to these three chapters? And thanks, Ms. Young, for, you know, recognizing I missed a step there.

Mr. Jaques: — Yeah, thanks for that. Mr. Chair, if it's okay, I

do have a few remarks I'd like to make that would set the context. So you know, what I would say is water is arguably Saskatchewan's most important single resource. You know, it not only sustains our communities' environment, but it also supports almost every single part of our provincial economy, you know, whether it's agriculture, mining and resource development, agri-food production, processing, or manufacturing. And there's many more. You know, none of these vital industries can survive without a safe, secure, reliable water source.

WSA [Water Security Agency] plays a central role in supporting Saskatchewan's Growth Plan through its mandate to responsibly and sustainably manage our water resources, to enhance and expand economic growth, improve quality of life, and enhance environmental well-being. The evolution of WSA's mandate is consistent with the expansion of growth in the province, in our communities, and in the economy.

And many water management initiatives, such as implementing the source water protection or developing new infrastructure, take years to plan and complete. Even though we cannot foresee all the actions that may be necessary in the future, developing a new strategic plan that projects future water demands and manages water resources provides that long-term thinking and ensures consideration for future generations.

In '22-23 the Water Security Agency closed out the 25-year Saskatchewan water security plan and launched our new strategic plan. And this makes significant gains in meeting and surpassing the goals of the Government of Saskatchewan's 25-year plan. The principles within the plan provided guidance for all the province's work around water and groundwater supplies, and these principles will continue to inform the agency's planning and day-to-day operations.

By replacing the 25-year plan with our strategic plan, WSA not only continues to build on the invaluable work already undertaken but also reaffirms the commitment of the Government of Saskatchewan to maintaining a plan that is revisited on an annual basis. The public places a very high value on water and therefore it is key that WSA's new strategic plan adapts and responds to emerging challenges not foreseen when the 25-year plan was originally developed.

With the introduction of WSA's new strategic plan, the agency is not only reviewing its strategic plan on an annual basis but renewing it more regularly while maintaining a long-term planning outlook. As the original 25-year plan noted in its inception, no plan can foresee all the actions that may be necessary, and so WSA must be responsive to change in our long-term outlook, in our operational planning, and in our organization.

And as you will note in our summary of the 26 recommendations under review, 19 are either fully implemented or in process of being implemented. Two more have been partially implemented . . . and implemented under the new strategic plan, with only five measures not yet implemented.

WSA has shown itself to be an effective organization that is responding to an evolving mandate and emerging challenges and opportunities. The report before you highlights the continuous

improvement we have seen since these recommendations were first made. For example, we have established time frames to resolve unapproved drainage on agricultural land, and we now analyze water supply and demand to determine new infrastructure needs across the province on an ongoing basis. And we support working with organizations, including the Global Institute for Water Security at the University of Saskatchewan. And we continue to make progress in other areas such as agriculture water management, wetlands mitigation policy, risk assessments, and more.

WSA's vision is to be the best water management agency in North America providing safe, reliable water that drives economic growth, and our mission is to manage our province's water resources for a better quality of life for all Saskatchewan people. I believe with the development of our new strategic plan, our progress towards implementing these recommendations, and our responsiveness to change, we are on the path.

So with that, we're now ready to take any questions the committee may have.

The Chair: — Perfect. Thanks so much. And I think your presentation focused on all of the chapters before us here today, so moving forward we'll be able to be a little quicker straight from that report. But thanks for the update on all of those actions.

We'll focus the questions for now on the first three chapters: 18, 16, and 13. And I'll open up . . . I think Ms. Young had a question.

Ms. A. Young: — Thank you so much, Mr. Jaques. I'll take us back to I believe it was January 20th, 2011 when the recommendation that the WSA implement and test a business continuity plan was first made. And of course obviously it's 2022 now, and this recommendation has carried through over the past decade. But I do note that it is now implemented.

You know, not being overly familiar with the Water Security Agency, I went back through, you know, your budgets over the last years, as this was a lingering kind of recommendation, to try and find where that had been identified in annual reports and within, you know, your statements of operations.

So I was just curious if you could talk about the prioritization of IT and cybersecurity at the Water Security Agency, and maybe I'll ask a follow-up question after that.

Mr. Jaques: — Thank you for the question. You know, with respect to what happened in the past, like you said, this is from 2011. You know, one of the things . . . My whole executive team is pretty much new, so it's hard for me to speak to what happened back in 2011. But what I would say is, you know, we are moving forward on this.

You know, we just recently hired a new executive director of IT that will . . . you know, is responsible for IT at the agency. And I'm going to turn it over to Mark Kleefeld because IT is under his responsibility and he can provide some more context. Thanks.

Mr. Kleefeld: — Yeah. Mark Kleefeld, vice-president of finance. And thank you for the question. You know, I would reiterate Shawn's point that, you know, we're kind of a brand

new executive team here, so I don't feel comfortable speaking to the past decade. So I've been here coming on about eight months.

I will tell you this much, that we take our position with respect to IT and IT security in particular very seriously. It's going to be a top priority. Certainly first order of business was staffing this new position which we've just completed. We're in a position now of really assessing kind of our needs versus our current state, and then we'll make better determination of what we need to do moving forward. We are engaged in a cybersecurity audit. I don't have the results to report on that yet, but the thing I would say is that we are actively engaged on the file. We'll have good answers soon, and we'll take action then.

Ms. A. Young: — Awesome. Thank you and congratulations on the relatively new role. That's exciting. So just by way of follow-up on that, I noted — I believe in your annual reports — that in 2020-2021, WSA partnered with both Sask Builds and the Ministry of Finance for I believe it was a three-year approach to a multi-year IT tech strategy. Would business continuity kind of fall under that broader project scope?

[10:15]

Mr. Kleefeld: — I would say not entirely. That's a much more kind of broader, sort of aspirational program. So what would a perfect state kind of IT thing look like for us? We're in the process with that now kind of validating what makes sense in the real world, what do we actually want to action on. So that's where we're at with that.

In terms of the intersection between business continuity and IT, it's really that disaster recovery piece which I think we've kind of accomplished, right.

Ms. A. Young: — Yeah, I was curious just about the inclusion of the Ministry of Finance there and if that was perhaps around a ransomware piece or risk mitigation.

Mr. Kleefeld: — No, actually not. So the Ministry of Finance does provide expertise to the rest of government with respect to . . .

Ms. A. Young: — Planning?

Mr. Kleefeld: — Planning expertise, right. So we worked with the office of planning performance and improvement to give us some help really on structuring how we think about planning.

Ms. A. Young: — Okay, perfect. So much more of a project management role than anything technically specific to a . . .

Mr. Kleefeld: — Yeah, I think that's a fair way to characterize it.

Ms. A. Young: — Great. Fabulous. And then just a last question in regards to the IT disaster recovery plan. What's the plan in terms of regular review and maintenance of this?

Mr. Kleefeld: — Yeah. Thanks for the question again. So our next scheduled tests of it will be December 5th of this year. And so that's not quite a year but basically a year after our first test. And so I would think moving forward roughly once a year.

Ms. A. Young: — Okay. Thanks. Mr. Chair, no further questions on those chapters.

The Chair: — Thanks for those questions. Thanks for the responses. Any other questions from committee members? Not seeing any, we don't have any new recommendations with respect to these chapters, so I'd welcome a motion to conclude consideration of chapters 18, 16, and 13. Moved by Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. We referenced the status updates around the table here a couple times. I'll table it at this time. Table document PAC 75-29, Water Security Agency: Status update, dated October 19th, 2022.

I'll turn it over now to the Provincial Auditor to focus on the 2020 report volume 1, chapter 13. We have seven new recommendations in this chapter.

Mr. Shaw: — Thank you, Mr. Chair. Saskatchewan has over 100,000 water bodies, such as lakes and rivers, of which about 10,000 have human demand for water use. Water Security Agency is responsible for regulating and controlling the flow of water in lakes, rivers, reservoirs, or other water bodies in Saskatchewan. Part of this responsibility is to plan for sustainable use of water, including licensing individuals and companies to draw water from ground or surface water sources. Effective monitoring of authorized water licences and actual water usage is key to having a sustainable supply of water available. A safe and secure water supply is essential to Saskatchewan's continued economic development and high standard of living for both current and future generations.

Chapter 13 in our 2020 report volume 1, starting on page 175, reports that we concluded for the 12-month period ended December 31st, 2019, the Water Security Agency had effective processes to regulate water use to support a sustainable water supply other than in the areas of our seven recommendations. The agency regulates all water users other than certain domestic water users. This audit did not include the agency's regulation of water quality.

On page 180 we recommended the agency update completion date targets for relevant key actions originally set in its 25-year Saskatchewan water security plan pertaining to regulating water use to ensure water sustainability. At December 2019, while the agency's 25-year Saskatchewan water security plan included a key goal and many actions related to regulating water use in a sustainable way, the agency had not revisited or updated target completion dates for actions not completed within original plan to time frames. By not updating or revising the targets for relevant key actions in its plan, the agency increases the risk of not completing timely, important actions to achieve its goal of ensuring the sustainability of surface and groundwater supplies.

On page 186 we recommended the agency develop written procedures for processing and improving applications for water-use licences. At December 2019 the agency had issued over 14,000 long-term water-use licences. We found the agency's practices to review and approve water-use licences were largely unwritten and somewhat incomplete. The agency did not set

expectations for when staff should require water users to report actual amounts of water used. This led to the agency inconsistently including this requirement in its groundwater-use licences we tested. Providing clear guidance to staff on when to require water users to track and report actual water use is important. This information enables the agency to determine if licensees comply with licences.

In addition we found the agency, when considering renewals of groundwater-use licences, did not set what work it expects staff to do to determine whether water use remains sustainable before renewing a licence. We found it reviewed actual water-use data for some renewals but did not do so consistently. Also for 6 of 14 renewals tested, it did not request and review updated groundwater investigation reports.

Furthermore, while the agency informally expected staff to document their decisions, on the basis of those decisions, it had not set in writing minimum documentation staff are to keep or where documentation should be kept. Not having clear written guidance increases the risk of the agency not treating applicants equitably. In addition not having formal expectations for staff to follow when assessing water-use licence applications increases the risk of staff not obtaining and maintaining sufficient information to support the agency's decisions.

On page 189 we recommended the agency clearly document its consideration of key components used to predict water availability of a proposed water source before related surface-water-use licences are approved. Water availability studies are important as they are a key input in determining whether planned water use through issuing licences is sustainable.

We found for three of five studies tested, the agency did not document its analysis of all components of the water availability assessments as expected, or document why staff did not consider those components of those studies. For example, for one of the items tested, the agency did not document whether it considered water lost from the water body due to evaporation. Not documenting key judgments increases the risk of not having support for the conclusion about whether the surface water source can sustain the requested amount of water use.

On page 192 we recommended the agency implement written procedures about estimating and recording licensed water use. The agency often estimates amount of water used by licensees. While estimating water use can be appropriate, using estimates for many licences increases the risk the agency has insufficient or unreliable water-use data to assess compliance with licences. We found the agency inaccurately recorded both reported actual water use and estimated water use information in the agency's water-use records.

Also during our detailed review of 27 water-user licences, where the agency records showed water usage exceeded allocations significantly, we found seven licences where the agency's water-use data contained errors. We found these seven water users did not exceed their allocation. Inaccurate data in its water-use records reduces the ability to analyze the impact of use on a water source or individual licensee basis.

On page 193 we recommended the agency monitor whether water-use licensees comply with key water-use licence

conditions. We found the agency did not actively monitor whether individual licensees complied with water-use licences, mainly whether licensees exceeded their annual water allocation allowed.

Receiving actual water use annually from licensees and comparing this to water allocation is the most effective way to monitor this. In section 4.9 of the chapter, we found the agency only requested 20 per cent of licensees to provide annual water-use information. Of those, the agency only received the requested actual water-use info for about 50 per cent of those licensees. We found the agency took little action to obtain this information.

Further, our analysis of the water use of licensees from 2014 to 2018 found seven licensees who did provide actual water-use information exceeded their allocation by more than 100 million litres of water at least once during 2014 to 2018. Also for licensees, the agency's estimated water use amount exceeded the licensees' allocation by more than 100 million litres.

Not actively monitoring whether individual licensees exceed annual licensed water-use allocations increases the risk of unidentified non-compliance with water-use licence provisions. If individual licensees consistently use significantly more water than allowed, there's increased risk of the agency making inappropriate water-allocation decisions for the related water body and jeopardizing the long-term sustainability of related water bodies.

On page 194 we recommended the agency develop written enforcement procedures for staff to follow when the agency identifies licensed water users not complying with water-use licences. The agency had not established processes setting how to identify non-compliance with licences, what constitutes significant non-compliance, or actions it would take to address identified, significant non-compliance. By not having effective processes to enforce water-use licence conditions or consequences for significant non-compliance, the agency increases the risk that licence holders continue to violate licence conditions. This may reduce the long-term sustainability of water bodies.

On page 195 we recommended the agency periodically give senior management written reports on non-compliance with key water-use licence conditions and related enforcement strategies and actions. Senior management did not receive sufficient information about licensees identified as not complying with water-use licences and related enforcement activities. Not reporting this information to senior management increases the risk of the agency not taking sufficient or appropriate action to bring water-use licence holders into compliance for significant infractions.

This concludes my presentation. I'll pause for the committee's consideration. Thank you.

The Chair: — Well thank you very much. This is a really important focus that comes out of this chapter, so thanks for the recommendations, the work on this front. Thanks to the Water Security Agency for some of their work to address these recommendations as well.

Now Mr. Jaques, I think you gave sort of some all-encompassing

remarks at the front end. Do you have anything more specific at this point?

Mr. Jaques: — No, Mr. Chair.

The Chair: — Not seeing any, we'll open it up for questions. Ms. Young.

Ms. A. Young: — Thank you. Let's dive in. I think probably best to go through the recommendations sequentially, so I'll start with the first one, which is actually I suppose where we're going to finish as well.

And, Mr. Jaques, you noted of course the new strategic plan that has replaced the 25-year plan, and I believe you said that the new strategic plan is in place to protect resources and identify demands. Now understanding there is a distinction between those two things. Like they're both great priorities.

You know, you also noted in your comments that the new plan will surpass government goals. But I also note that it doesn't include . . . Like there are a number — I believe about 10 per cent — of the recommendations from the 25-year plan which were just fully abandoned. And I'm wondering if you can speak to that difference.

And you know, just as a layperson reading some of them, I thought, oh boy, like that sounds — knowing nothing about water management — that sounds fairly significant, you know, the mapping of aquifers and identification of, you know, emerging technologies for conservation. So could you perhaps speak to those priorities which have been abandoned and whether or not and where they're found in the new strategic plan? And if not, what that change in strategic direction signifies.

[10:30]

Mr. Jaques: — Okay, so thank you. Thank you for the question, Ms. Young. You know, maybe just a couple comments on, you know, why we transitioned away from the 25-year plan. And I made some opening remarks around that. You know, 25 years is a long time. And it's a long time both from, you know, from the environment side as well as the economy. It's hard to plan and foresee what's going to happen into 25 years. So that is why the agency, we transitioned to a four-year strategic plan, something that we can renew and review annually and in four-year increments.

Your question was about some of the actions that were no longer being pursued. And out of the original 25-year plan, there was 90 recommendations which is a lot to follow up on, you know, every year. So out of the 90, only 4 are no longer, you know, directly identified in our new strategic plan. So for example, "Promote adoption of best conservation and efficiency practices and technology through education, regulations, water licence conditions and new programming." So some of that is kind of embedded in our day-to-day work that we do ongoing in the agency.

Another one is developing detailed aquifer maps. Well you know, in our hydrology unit we are still doing that of the major aquifers. That is work that kind of goes ongoing. And the other one was "By watershed, determine the existing use of water." So

that's, you know, kind of our regular course of business when we're reviewing, you know, licensing or water usage or whatever it may be. That's part of our regular business.

Ms. A. Young: — So then you feel these actions are being thoroughly undertaken by the agency but just much more part of your day-to-day business as usual and unnecessary to like prioritize as a target in strategic planning.

Mr. Jaques: — That's exactly it. That's precisely it.

Ms. A. Young: — Great. Thank you.

Mr. Kleefeld: — I'm sorry. May I just add one more? So just in the interest of full transparency, we had . . . Shawn mentioned four areas and just missed one. So the other is "Publish the State of the Watershed Report every 5 years." So I actually don't know for sure that we'll publish that precise report. The work stays the same again, right. This becomes just operational work that we do on a regular basis, and for that reason it's not part of a strategic plan. It's just in branch plans, basically.

Ms. A. Young: — And forgive me. Thanks for that because I had five written down too, so I thought that was my error. The *State of the Watershed Report*, that was a public-facing available document?

Mr. Jaques: — Yes, it was.

Ms. A. Young: — Yes. And there will be, I'm hearing, some replacement reporting that is publicly available?

Mr. Kleefeld: — Yeah. So I'll just make a quick point and then the people who know details will speak to those.

The one point I did want to make sure that we have out on the record here is that we produce a huge number of reports, right. Some of that's a push to the public; a lot of it's not. But in saying that, I do want to be clear and on the record that all of our reports are publicly available, right. So typically, people who do have an interest are aware. And at any point when we get a public request, we do provide the reports.

And then I think Jeff will speak to what replaces that watershed report.

Mr. Patterson: — Jeff Patterson, executive director of standards and approvals. The *State of the Watershed Report* was taken over by *State of the Environment Report* that Ministry of Environment does. And part of that report includes the water information and the watershed information. So it's now in the *State of the Environment Report*.

Ms. A. Young: — I've got a question about that one later on in one of these chapters, so thanks, Mr. Patterson.

Moving on to the next recommendation around written procedures required for assessing water-use licence applications, I guess just noting that this is partially implemented and that there has been work undertaken to meet the intent of this recommendation. Can you help me understand because it seems . . . And I have a great admiration for the knowledge and expertise within your organization, but it just seems on the

surface that relying on the knowledge and experience of staff, lacking some of those written procedures and regular review is potentially subjective and puts the agency at risk both in terms of — you know, you've noted you're a new management team — potential for staff turnover as well as a lack of public confidence in the decision-making process.

And I do note that, you know, decision records have been developed. A new standards unit has been undertaken to create support for the development of these written procedures. Can you provide a bit more of a precise update on that, as well as a clarification of ultimately who the accountable parties and decision-makers are in those steps?

Mr. Jaques: — In the licensing steps?

Ms. A. Young: — Sure. I think it speaks to a number of different processes for applications in the chapter. But I guess what I'm asking ultimately, you know, is do you feel comfortable with the checks and balances that will be in place with these new written procedures to ensure, as senior management, that they actually are being used and followed?

You know, it will be, it sounds like, a culture shift for the organization, which is . . . Culture is challenging to impact, so ensuring that this work does not simply exist in a vacuum, I guess. Can you speak to the accountability piece of ensuring it's actually, you know, actually happening? You don't just have beautiful procedures sitting unused.

Mr. Jaques: — Thank you for the question. I'm going to just make a few comments, and then I'm going turn it over to Jeff, who is, you know, the expert and knows all the detail. But first of all, I would just like to say, you know, I'm a relatively new CEO to the organization, not quite two years. But I would like to thank the auditor for raising this point. It's something that, you know, our management team does agree with and we are working towards resolving.

You know, what I would say ultimately, myself as the CEO is ultimately responsible for all of this. And in June of this year I did a bit of a reorg in the organization to try and consolidate some of these functions. And so now I do have a direct, kind of line of sight on this. This is part of the science and knowledge division, which Jeff's unit . . . Jeff is the executive director and he's ultimately responsible for the day-to-day work on that. But you know, as CEO now with, you know, consolidating everything — licensing, water allocation — into one division has allowed us to, you know . . . I can be more aware of what's going on. But I'm going to turn this over to Jeff to speak to the details.

Mr. Patterson: — Yes. Thanks, Shawn. So this is partially implemented. We did develop a decision matrix that . . . The auditor pointed out when we make decisions we weren't recording those decisions. So we developed a decision matrix that goes along with every water licence we issue, and it goes on file so that those decisions made for that licence is on record.

We still need to hammer out our written procedures. It's just one staff right now that does the water usage licences. They've done some pre-work on those processes and our new standards unit that was just created in June will now develop those procedures and guidelines for that staff so that if that staff leaves or

something happens, we can show how that process works.

Ms. A. Young: — Thank you very much. And is it a safe assumption to assume that when those decisions are being made it's a consistent criteria that is being applied?

Mr. Patterson: — That's part of that decision record to provide that consistency from file to file.

Ms. A. Young: — Excellent. Thank you. Yeah, and just maybe not to put too fine a point on it, but it was noted by this chapter, by the Provincial Auditor that, you know, not having that clear, written guidance can increase the risk to the agency of potentially not treating applicants equitably. I guess, are there any ongoing concerns that you'd want to identify for the committee, or even potentially from the auditor, that this has been occurring or that it will not be occurring in the future?

[10:45]

Mr. Kleefeld: — Thanks for the question. I think my answer would be this. And we do not have . . . we do not come to this, I think, with evidence of a lot of inconsistent decision-making. We think the auditor makes a totally fair point from a process management prospective. It's a point that we take and a point that we're going to action on. So based on that, my view is that our risk profile on this will get less and less risky as we go. And we're already improving, and we're just going to get better, I think. So we're coming from a point, without evidence of actual inconsistent judgment in practice, just a kind of a process problem. And we're working to improve it. So I don't have evidence to suggest that there's a problem out there in the real world on this.

Ms. Clemett: — I will just make a comment on this from our perspective. So in terms of when we did the audit work, no concerns necessarily with, like you said, the approvals that are being made and the water-use licences that are being issued, but there was variation in the water-use licences and the terms of those particular licences.

As the agency has indicated, having a decision record that clearly supports why would that be, why do certain water-use applicants have certain reporting requirements and others don't, maybe that makes sense, but there wasn't anything to support that. So we did find that variation. And probably having these procedures to support and a decision record that now exists will be something we will see, because we do have intents to follow this up in terms of we will be doing the work in 2023 and then obviously publicly report out to confirm in terms of what the agency is stating around implementation or partially implemented.

Ms. A. Young: — Great. Thank you. And I think that that speaks to the potential concern just ensuring that there is clear documentation in terms of why there may be different criteria used to allocate applications for water use.

I just have one point of interest in section 4.5 and then I'm going to jump to recommendations 4 and 5. I noted on page 186 it speaks about how the agency and Environment and Climate Change Canada have — I believe it's 300 — hydrometric monitoring stations located throughout the province. Just out of curiosity, is it the province or the feds or is it jointly paid for?

And who does the actual monitoring?

Mr. Fahlman: — Thank you for the question. I'm John Fahlman, the vice-president of infrastructure. I'll make sure I've got the question right. There's 300 hydrometric stations. And it was, who operates and who pays, more or less?

Ms. A. Young: — A shared responsibility?

Mr. Fahlman: — Yeah, it's a shared responsibility. So we have a unique model in Saskatchewan actually, where the province runs about 130 of the stations and the federal government runs the other 170, give or take a few. We have a formal cost-share agreement between Canada and ourselves as to how the costs are allocated and paid for for each of the stations, actually. And also for data production we have a formal agreement with them as to how this data gets published, and quality control, quality assurance, all that type of stuff.

Ms. A. Young: — Interesting. So certain stations will be then exclusively . . .

Mr. Fahlman: — Yeah. They actually have a formal process where they call them FP [federal-provincial] stations — federal stations, provincial stations, and shared stations. So federal stations are ones that are typically, say, used to measure water that goes across the transboundary into the United States. Where there's formal agreements, you have to share that water. So the federal government will run those as a national station. We operate lots of stations on our interprovincial waterways but say maybe on the Qu'Appelle River system, where we have a very operational interest to make sure the lakes are at the right levels, so those are provincial stations.

Ms. A. Young: — Okay, interesting. That is a unique model. And the costs are shared according to the number of stations and . . .

Mr. Fahlman: — Yeah, according to the distribution of those F and P units that they put on, to be very specific.

Ms. A. Young: — Thanks, Mr. Fahlman. And is that kind of shared responsibility for the monitoring, is that just for the hydrometric stations?

Mr. Fahlman: — That's just for the hydrometric stations. We as a province have invested our own money in more meteorological stations for weather. And all the groundwater monitoring stations are all entirely provincially funded.

Ms. A. Young: — Great. Thank you so much.

Mr. Fahlman: — Okay.

Ms. A. Young: — So moving to recommendations 4 and 5. I think maybe I'll just ask specifically about recommendation 5 on page 192, where the analysis speaks to, you know, licence holders exceeding their allocation. Are these seven licence holders identified there the same seven water users who are identified in the previous section? Just at the top of page 192 it speaks to seven water users who are identified as having exceeded, but they used an incorrect unit of measurement so they actually hadn't exceeded.

Mr. Shaw: — I think seven is just a coincidence.

Ms. A. Young: — Just a coincidence. Okay. Then perhaps question for the officials for, you know, more systemic non-compliance, can you speak to what the consequences are? I assume it would be in the legislation, but I didn't look myself. Yeah, what are the penalties and repercussions that exist in legislation for, kind of, systemic non-compliance, as well as what is regularly enforced by the WSA?

Ms. Freistadt: — Okay. Thank you so much. My name's Lindsay Freistadt. I'm the executive director of compliance promotion, and so my position is reasonably new within the organization. It was intended to focus on all of the compliance promotion activities that the agency undertakes with the exception of ag water management, which is held in a different area.

And so in this particular circumstance what we're looking at is we're wanting to do some compliance promotion, using a least-means-necessary approach up to and including enforcement activities when necessary. And so we do engage the services of provincial protective services, our conservation officers, when we do go to that investigation and prosecution when warranted. And so we meet with them regularly to discuss files that would potentially be going under transition to investigation and prosecution.

I don't have the specific penalties available to me right now or the statistics, as provincial protective services holds that information.

Ms. A. Young: — And would provincial protective services then be reporting back to either yourself or the senior management team on those actions or investigations as a regular part of reporting?

Ms. Freistadt: — Yes, we have quarterly meetings that are set up, and we poll them even more frequently when necessary. This is a new model that we're working towards as we're establishing some more clear lines of responsibility between provincial protective services, conservation officers, and our environmental project officers.

Ms. A. Young: — Great. And do you feel these new projects are resourced for success?

Ms. Freistadt: — We added two new positions to the environmental project team recently to make sure that we're able to undertake all the activities that are necessary. And then I can't speak to provincial protective services. I'm hopeful that they are as well.

Ms. A. Young: — Great. Thank you so much for that. I think, recognizing the clock, it may be best to move on to the next chapter as we have these folks until what — 11:15?

The Chair: — Yeah. It's always a guideline, that time. If there's pertinent questions, this is a substantive chapter here with seven new recommendations, so you know, if you've got . . .

Ms. A. Young: — I've got questions for the next chapter, too.

The Chair: — . . . a couple of extra questions that are pertinent, I'd say go ahead and place them. But I know Hugh looks hungry, too. I am as well. And Mr. Nerlien has a . . . You know, what I'll do is I'll pop over to Nerlien for a question and then we'll come back.

Mr. Nerlien: — Thank you. Mr. Jaques, could you just give us a thumbnail sketch for the thousands of people that are watching online what the aquifers in Saskatchewan sort of look like in terms of how many large — what you would define as large — aquifers exist, and kind of a broad picture of sort of the state of the aquifers? Thank you.

Mr. Fahlman: — So the question is, what's the broad state of the aquifers in Saskatchewan and how many? Oh boy. So we live in a really, really unique geological environment here.

I'm going to try and address your questions very specifically. So first off, the very big ones. The geology of the province is, just on top of the bedrock, underneath all the glacial deposits that were mixed up by all the glaciers, there's a lot of old valleys. So you look today . . . like the Qu'Appelle Valley. There's a bunch of those old kind of ones. Those are what I would call the big ones. We have those mapped, okay. They're mostly in the southern part of the province. Below that, like, and especially in the Southwest, there's lots of large bedrock-type aquifers, okay. Those are all mapped too.

Where it gets really messy is where the glaciers came and stirred it all up, and that's everything above the bedrock. And that's like in the southern half of the province. So what we look for there is in between the different layers of where the glaciers came, there's aquifers within there. We have most of those mapped, okay, too.

[11:00]

So there's no real easy answer as to how many. There's hundreds, I would say, and lots of pretty big ones and lots of really small ones. And you really don't know till you drill a hole. To be blunt. Sorry.

Mr. Nerlien: — Okay. Thank you.

Mr. Fahlman: — Does that answer your question?

Mr. Nerlien: — That's fine, thanks.

The Chair: — Thanks so much. Not seeing a follow-up there, I'll flip it over to Ms. Young.

Ms. A. Young: — Yeah, I think I'll just circle back for more information in terms of the risk-based compliance framework being developed. You know, broad strokes but . . . Budget, is this internal? Is this external? The deadlines given as part of the status update for the end of the '22-23 fiscal year, is that reasonable? And are those just for the actions outlined here or are those for the full project to be implemented?

Mr. Kleefeld: — Can I just clarify your question on the budget being internal versus external? Sorry, what exactly are you . . .

Ms. A. Young: — I was curious about the budget for and scope of the risk-based compliance framework, whether that project is

internal or whether that's something being done externally with either other government ministries or agencies or an external consultant.

Mr. Kleefeld: — I understand, thank you.

Ms. Freistadt: — Thank you so much for the question. So we're currently in the project-scoping phase of the entire project. And so we're nearing completion of the evaluation of our current state and our proposed future state for all of the pieces that would be incorporated within that project.

Once that is approved, then we'll be doing the full project scoping, and we'll have a better understanding of what that will look like. We fully anticipate utilizing all of our internal resources to manage the project. However we won't know for sure until we do the full project scoping, and at that point we'll determine whether or not we need to utilize external consultants to complete that work.

As far as the budget that's allocated currently, we have three executive directors currently working on finalizing the actual proposal as well as several members within the actual organization itself that are supporting the research and analysis and recommendations for that proposal. So it's pretty hard to estimate the exact number that we're allocating currently, but we should have better numbers on the full project later this year. We do have two pieces there as far as the timelines go.

So the project proposal should be coming forward fairly soon for approvals. Once we get the approvals to proceed we'll draft out the entire project plan, including the activity breakdown, and budget and resource allocations for that. And that would be . . . We're hoping to complete that project by the end of next fiscal year.

Ms. A. Young: — Perfect. Thank you. And then in the interim, noting the deadlines of next fiscal and the recommendation itself which speaks to, you know, senior management receiving written reports on non-compliance with key water-use licence conditions, will those reports be going to senior management in the interim, prior to the end of next fiscal, however long this multi-year project ends up taking, recognizing it's not yet scoped?

Mr. Jaques: — So I think what I would, you know, just say in the interim while we're working on this, absolutely if there are non-compliance issues they would be coming to senior management and myself directly. When I go back to, you know, my comments on the reorg and how we've structured it, I do have that direct line of sight. So in the interim, until Lindsay's team and science and knowledge get this, you know, sorted out, any non-compliance would come to senior management.

Ms. A. Young: — Perfect. Great. Thank you. Because it's noted as a solve for a few of the recommendations, but with a longer tail on the project, I just want to follow up on that accountability piece.

Perhaps ending this chapter on a bit of a higher-level question, because I do note there's a significant number of recommendations starting on page 195. But you've mentioned, Mr. Jaques, the Saskatchewan plan for growth a couple of times

in relation to the important work that your agency does both in terms of supporting industry and quality of life for people in Saskatchewan.

My understanding is that significant economic drivers in the province, whether it's power generation, oil and gas, mining, agriculture, these are significant water users in the province as well. Can you speak to the consultation process, if any, that occurs between the province's industrial growth strategy and launch of these projects — you know, good, great economic drivers — and the Water Security Agency to ensure that the resources are there, and you know, appropriately licensed?

Mr. Jaques: — So what I would say is that, you know, we do sit at broader government conversations when it comes to water usage. So we have an input. Like WSA as an agency, we are not directly responsible for negotiating or working, you know, when it comes to whether it be an industrial user or somebody else wanting to use the water. But we do have input into that. Our agency's role is to provide input advice to make sure that there's enough water, whether it be groundwater or surface water, for whatever the request of the water is.

Then in my reorganization, we created an economic development unit. So we have somebody that can be involved in those conversations when we're asked or when the province is asked and to balance that need off of . . . you know, what is the request of the industry that's wanting the water, to balance off, you know, the science side, to make sure that we're protecting the environment and making sure that we have enough water. I don't know if I answered your question, but that's kind of our role in these.

Ms. A. Young: — Sure. Trent, do you have any questions?

The Chair: — Cognizant of the time — this is a substantive and important chapter — but Mr. Nerlien has one more. Oh, you don't? I know we could probably canvass this area longer because there's lots to it. Any further questions from this table?

Certainly appreciate all the follow-up and the commitments and the timelines. And as the auditor has identified for folks at home or those that care about this chapter, the auditor does follow back up and measure those pieces. We'll be with Water Security once again to do follow-up on these chapters as well and ensure implementation.

Not seeing other questions at this point, I'd welcome a motion to concur and note compliance with recommendations 1 and 3. Moved by Mr. Goudy. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. A motion to concur and note progress for 2 and 4. Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. And a recommendation to simply concur with recommendations 5, 6, and 7. Moved by Mr. Lemaigre. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. Okay, we'll turn our attention to chapter 31 and I'll flip it over to the auditor.

Mr. Shaw: — Thank you, Mr. Chair. Agricultural drainage is any actions that producers take to remove or lessen the amount of water from their land. Appropriately planning and approving drainage projects is important to mitigate the risk of drainage causing flooding, water quality, and wildlife habitat concerns. Also it is important to manage the risk of drainage reducing wetlands. Wetlands improve water quality. There are many unapproved drainage works existing in Saskatchewan.

Chapter 31 in our 2021 report volume 1, starting on page 285, reports the results of the progress the Water Security Agency made on recommendations initially made in our 2018 audit of whether it had effective processes to regulate the drainage of water on agricultural lands in the geographic areas assigned to the Yorkton and Weyburn regional offices. By December 2020, the agency implemented two recommendations, partially implemented eight recommendations, and made limited progress on one recommendation.

The agency implemented a process for the periodic review of its watershed vulnerability map, which is a map that identifies the areas of the province at greatest risk of flooding. It uses this map in its assessment of drainage works applications. Also the agency set and followed its process when assessing the validity of complaints it receives from landowners, referred to as requests for assistance, related to unapproved drainage works.

By December 2020, we found the agency still needs to do more to effectively regulate agriculture drainage. It needed to develop water quality and wetland retention policies. Without these policies it may not adequately consider these important aspects when assessing and approving drainage works.

Second, it needed to finalize and improve its request-for-assistance manual which sets how staff address and respond to these concerns. Also it could improve transparency by publishing enforcement escalation time frames which it uses to resolve requests-for-assistance files for unapproved drainage works.

Next, it needs to carry out enforcement activities consistent with its enforcement escalation time frames. For over one-half of the 16 request-for-assistance files we tested, we found the agency did not follow its escalation process. Not taking timely action on identified unapproved drainage works increases the risk that further damage may occur to surrounding landowners and the receiving water body if resolution of unidentified, unapproved drainage works does not occur timely.

[11:15]

While the agency made progress creating tools to assist staff in considering and documenting risks to the watershed while assessing applications for drainage works, we found staff did not consistently use these tools. In 12 of the 20 application files we tested, staff did not sufficiently document its assessment as expected. Lack of consideration of these risks may result in inappropriate drainage works being approved, resulting in more water going to a water body than it can handle. The agency did not have a sufficient plan to identify and address existing unapproved drainage works in high-risk areas. Leaving these

unapproved drainage works in high-risk areas increases the risk of flooding, water quality issues occurring, or loss of wetlands.

Lastly, the agency continued to improve its reporting to senior management about the activities undertaken to address non-compliance of unapproved drainage works. Also it can continue to improve its reporting to the public about key enforcement actions taken to regulate agricultural drainage.

This concludes my presentation. Thank you.

The Chair: — Thanks for the presentation and the follow-up here. Certainly something, you know, a real important focus for the province. You've already offered comments, Mr. Jaques. We'll open it up for questions. Ms. Young.

Ms. A. Young: — Thanks, Mr. Chair. I note the only mention of wetlands I believe is in the planned actions for implementation for recommendation 1. And I'm wondering if you could speak to that and whether you're able to go into more detail about what that mitigation policy will include and whether you feel that sufficiently addresses the concerns as they relate to wetlands in the province.

Mr. Jaques: — So you know, thank you for the question. And you're right, it is an important topic. And you know, wetlands are mentioned in a number of the recommendations so it's kind of smattered throughout. I think it's 1, 4, 9, and 11 all have components of, you know, wetlands.

But what I would say is WSA, we're working on a new mitigation policy which we've committed to having rolled out by the fall of 2023, which does include a wetland component. So that's all going to be part of that policy that's rolled out.

You had asked about, you know, can we speak to some of the detail of what that policy looks like. We're just in the . . . We've started the consultation process, stakeholder engagement. This past year we've had a couple open houses. We've got a website that's, you know, up and running where we have what we've heard from the initial conversations. We're allowing other people to put in input. They can, you know, submit their questions, comments to that.

We will be having some further consultations on this policy. And then our group will take it back, and we'll work on it over the winter months early next year to bring back in a formal policy, you know, for 2023.

Ms. A. Young: — Just with the terminology of mitigation policy being fairly broad, will it be this developing mitigation policy that speaks exclusively to concerns or sub-policies perhaps related to wetlands and some of the issues identified in the auditor's report?

Ms. White: — Hi. I'm Corie White. I'm the executive director of our science and knowledge branch. We have an overarching mitigation policy framework, so that overarching framework considers the impacts related to flooding, water quality, habitat, as well as soil health and greenhouse gas management. So really the mitigation approach is an approach to manage for those priorities or impacts.

Underneath that we'll have a number of policy tools, one of which will focus on wetlands, the amount of wetlands we need to manage for those impacts, in addition to other things like sediment and erosion control, flow control, coordination with aquatic habitat, and a number of other tools so that we can adequately address the full scope of impacts. Currently wetlands is a primary focus for us as we move forward into our engagement process.

Ms. A. Young: — Perfect, thank you. And you know, a follow-up question on that, both in regards to the mitigation policy and the underlying policy tools that you've identified in a variety of those areas. I note that this was first recommended I believe in the auditor's report. These recommendations were made in I believe 2018. And throughout the status updates it speaks to, you know, some draft policies being in place as of 2020. And now we're in 2022 and the timeline for implementation is listed as 2023.

So is it possible for the committee to kind of get an understanding of when that work began? You know, you've mentioned some engagement work and whether or not that signifies perhaps a change from those draft policies in 2020. Or essentially help us understand the lag between 2018 to 2023, and whether or not that timeline will be achieved.

Mr. Jaques: — So you know, something I should have mentioned when I made those comments, you're right, some of those draft policies were put in place in 2020. As you know, Saskatchewan's a really large province and we want to make sure we get this right. And you know, water on the landscape is very different in different parts of our province. So up in the Northeast where I farm, typically too much water is the issue. And then you get to the Southwest, they're trying to capture every bit of water they can. So we want to get this right.

We want a made-in-Saskatchewan approach. And so you know, the policies we implemented in 2020, WSA also invested some money — I think it was about a million dollars — into a number of demonstration and research projects around the province. And we started that in 2021, I believe . . . sorry, 2020. And so that information will also be used in developing, you know, the policy moving forward.

So you know, there are things that look at nutrient management. They look at, you know, the economics. There's a . . . I just can't remember the other one. So that's all information that will be, you know, compiled along with the consultation process, the feedback from stakeholders in developing and updating our policy in 2023.

Ms. White: — Can I just add that those policies that were in place and approved previously still are in place and approved. So currently we're just working on improving draft policies with more information if they weren't approved and filling some of the gaps that we had before, the major gaps being the policy around wetlands.

Ms. A. Young: — Great. I'm hearing that that engagement process is still ongoing. So for the, I think Mr. Nerlien said, thousands of people watching at home — I shouldn't joke; this is really important work — but for folks out there in the province who feel quite passionately about this, they still have

opportunities to engage.

So recognizing the clock here, I think going through this, you know, my biggest takeaway, my next biggest takeaway was some I guess question around or concern around public confidence with some of the gaps identified in perhaps a lack of escalation on non-compliance and the lack of rationale being provided. This isn't something I have first-hand experience with, but it certainly seems to be something we hear about in the province, frustrations on all sides of this issue. So I suppose my tougher question is do you feel the existing processes and policies are adequate and sufficient to maintain public confidence in the WSA and some of the important compliance work?

Mr. Jaques: — So you know, your question is . . . You know, I would say, there will be. I think the single most important thing is to make sure we get this policy right and make sure that it works, you know, for everybody. And with our reorganization, you know, we've also put a priority on this as well. And so we separated, you know, the compliance and the approval components of this important work. And policies are important. Currently we have 18 internal policies that deal with this and eight operational policies.

Client focus is also, you know, a key component for us, and making sure that we work with the landowners. And these are very complex situations and no two, you know, kind of approvals or requests for drainage are the same. They can be very different just depending how many quarter sections are included, depending where they're located. And so you know, it is important that we do work with our client. And it is a focus in our new strategic plan to have client service front and centre, not only on ag water management but all other components of what we do in the agency.

What I would also say when it comes to, you know, communicating, we get that that's important. But it does make it a bit of a challenge to communicate publicly when it comes to compliance issues because of confidentiality. It's hard to talk about, you know, an individual person's, you know, what's going on on their operation. But I do get, you know, where the public comes from.

But we do take it seriously and every file is different. And like I said, we had policies put in place back in 2020 that kind of set that groundwork, and we're going to continue to refine that. And by 2023 we will have a mitigation policy which includes a wetland component rolled out.

[11:30]

Ms. A. Young: — Thank you. I note in the escalation process that it states that as of December 2020, the agency had not approved nor finalized the request-for-assistance manual. Has that happened in the intervening years?

Ms. White: — So the RFA [request for assistance] manual is still in progress. We've made significant progress towards finalizing it, and we're on track for finalizing it this January.

Ms. A. Young: — Thank you. And how many enforcement actions were undertaken in the past year or last reporting cycle? I'm not sure what that would be.

Ms. Clark: — Leah Clark. I'm the term executive director of agricultural water management. So we've got some of the data here from 2021-2022. We received 67 request for approvals in that year. Thirty-two of those are completed. Twenty were issued recommendations and/or are involved and have progressed to the network drainage approval initiative, which is one of the outcomes of those recommendations. From there, 15 remain under investigation.

Mr. Jaques: — I may just add just one comment on that. When we talk about approvals or even RFAs, it doesn't mean that, you know, they're just automatically approved, somebody puts in a request and we say, it's good to go. We work with the landowner. We work with other, you know, impacted individuals along the way or along that watershed. And sometimes changes need to be made to the plan. And that's part of the whole process in working with, you know, all of the clients. So I just wanted to make that comment.

Ms. A. Young: — Thanks. And last question for me: is stakeholder confidence or satisfaction something that you measure as an agency, as it would relate to some of those processes that, you know, have the potential for — I don't want to say conflict, but you know — more challenging conversations. I'm just wondering if you measure that or report internally or externally on that.

Mr. Kleefeld: — Yeah, so thanks for the question. And certainly I think as we mature as an organization, one of the things we want to do better is measure our performance quantitatively, right, against standards.

We did launch this year our first client satisfaction survey on the ag water management side of things. That was launched April 1st of this year. Our company, Insightrix, is still processing the results, so we'll have that hopefully very soon.

Bigger picture though, right, this is going to be a priority for us. I think as Shawn mentioned, one of our four key strategic priorities is client service, and so we need to measure against that, right? And so we've created a client services director position. This person is currently defining our service standards and expectation to client service. And then we will measure quantitatively against those moving forward in the future.

The Chair: — Just a very specific question, a quick one, is am I correct to understand there was a moratorium on drainage projects or permits in that area that flows into the Quill lakes for a period of time? And is that moratorium still in place?

Ms. Clark: — So in answer to that, no, there was no formal moratorium on drainage in the Quill lakes watershed. However this watershed has been classified as an extreme vulnerability watershed due to its lack of natural outlet and current flooding conditions.

We alluded to the wetland vulnerability map that we use as kind of a risk assessment when initiating those compliance activities, and so that extreme vulnerability, you know, of course elevates it.

The Chair: — There seems to be an understanding with some folks in the area that there had been a moratorium in place on this

front. And I know that was then a concern when you sort of tour the area, just heavy equipment all over the place, earth-moving equipment, advancing projects.

I know this is an area that you're focused on. Would it be your feeling that the majority of that earth-moving equipment, or all of it . . . I mean it's easy to see it's lots of stuff going on. Are those permitted projects then?

Mr. Cooper: Thanks, Mr. Chair, for the question. I guess what I would say is that, you know, we can't speak definitively to the question. But I think what we'd say is there's a process that is followed if there's any concerns. And so given the context and the situation, that we would follow up on those obviously very seriously.

We do take kind of a risk-based approach, and that area's vulnerability is not lost on us. So we would follow those very carefully.

The Chair: — Just to be maybe more specific then, so there's projects that have been permitted this last year in that area? Because there's certainly a number of projects that have been active and being advanced.

Mr. Cooper: — Thanks again for the question, Mr. Chair. Right now, in terms of the kind of work that we're doing in the Quill lakes area, we've actually got nine active RFAs that are under way, so no approved projects in the last short period. But we are in fact focusing more on the compliance side, so we are aware of some concerns there that our staff are actively working on.

The Chair: — Well it's good that you're out there. I know these are heated discussions with lots of concern on the ground. And it's obviously important that, if you have laws or regulations, that they're followed. And misunderstandings on this front aren't helpful either. I know there's a lot of . . . Last time I was out there anyways, you know, there's a lot of equipment moving earth out there on these fronts.

Not seeing any other questions at this point on this chapter and knowing that we'll do follow-up on this work, thanks to the Water Security Agency for all their work on this chapter and all others — very important work in the province. I would welcome a motion to conclude consideration of chapter 31. Moved by Mr. Harrison. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. Thank you so very much, Mr. Jaques. Do you have a final quick word for us? To you, we want to say thank you for your presence here today, your leadership, and your work. Any final word before we kick you out of here?

Mr. Jaques: — I just want to thank the committee for your questions this morning, and thank the Provincial Auditor and thank my team to be with me today and answer a lot of these questions. So thank you, guys.

The Chair: — Thanks very much to all of you. We'll take a very brief one-minute recess, and up next we've got Ministry of Parks, Culture and Sport.

[The committee recessed for a period of time.]

Parks, Culture and Sport

The Chair: — All right, we'll convene the Standing Committee on Public Accounts. We'll move along here this morning and turn our attention to the Ministry of Parks, Culture and Sport. Thank you so very much to the officials that have joined us here today and all those officials and others that have been involved in the work that we'll consider here today. I'd like to introduce Ms. Johnson, assistant deputy minister of the ministry, and I'd ask her to briefly introduce her officials. And then we'll turn it over to the auditor to present, and then come back to you for response. Then we'll open it up for questions.

Ms. Johnson: — Thank you. Yes, as mentioned, I'm Jennifer Johnson. I'm the assistant deputy minister responsible for Parks with the Ministry of Parks, Culture and Sport, standing in for Twyla MacDougall. And I have Byron Davis with me, executive director of park planning and facility management; and Pam Herbert, executive director of strategic and corporate services.

The Chair: — Well thank you. Thank you so very much. I'll turn it over to the Provincial Auditor and her office to present on the chapter. We'll go from there.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and other officials. With me today is Mr. Jason Shaw, the deputy provincial auditor who will present on the chapter before us. The one chapter on the agenda does include seven new recommendations for the committee's consideration. And I do want to thank the ministry officials for the co-operation that was extended to us during the course of our work. With that, I'll turn it over to Jason.

Mr. Shaw: — Thank you. The number of people visiting provincial parks is increasing. Visitors increased by 20 per cent from 2019 to 2018. Park visitors rely on the ministry to provide a safe supply of drinking water. Unsafe drinking water can endanger public health, causing illness or, in extreme cases, death.

At July 2019 the Ministry of Parks, Culture and Sport provided drinking water in 25 provincial parks using 62 drinking water systems varying significantly in size and complexity. Depending on the volume of drinking water used, either the Water Security Agency or the Ministry of Health regulate the ministry's drinking water systems. We found these regulators had different requirements for the operation and maintenance of water systems, with the Ministry of Health imposing limited requirements. Also since 2016 the ministry acts as its own regulator for two drinking water systems.

In chapter 23 in our 2019 report volume 2, starting on page 177, we concluded for the 15-month period ending July 31st, 2019, the Ministry of Parks, Culture and Sport had effective processes to provide safe drinking water in provincial parks, other than the seven new recommendations made.

On page 184 we recommended the ministry document key operational decisions and processes for its drinking water systems regulated by the Ministry of Health or itself. For its 38 Health-regulated drinking water systems, the ministry had not

established minimum expected operating requirements. Where Ministry of Health requirements did not include similar requirements to the Water Security Agency, we determined it important for the ministry to set minimum operating requirements. For example, Health-regulated parks did not require daily chlorine testing, and we found for 4 of 11 systems we tested, daily chlorine testing was not done. We found not having written guidance resulted in inconsistent operations of Health-regulated water systems.

For its two self-regulated drinking water systems, the ministry had not formalized how it planned to continue to operate and self-regulate these two systems. Not formalizing key decisions or processes in writing increases the risk of staff not operating systems consistent with good practice.

[11:45]

On page 185 we recommended the ministry assign clear responsibility for preparing and maintaining written procedures necessary to operate its drinking water systems. We found the ministry did not make sure staff maintained in writing key procedures necessary to provide safe drinking water. For its seasonal drinking water systems that only operate during the summer, the ministry did not have documented water system start-up and shutdown procedures. We found this was the case for three of the nine parks we visited.

Also for its Water Security Agency-regulated drinking water systems, the ministry did not make sure it maintained written quality control procedures as the Water Security Agency's permits require. We found this for two of six drinking water systems tested. Not having written procedures for key processes increases the risk of the ministry not operating drinking water systems consistent with good practice.

On page 188 we made two recommendations. We recommended the ministry document routine maintenance expectations for its drinking water systems. Also we recommended the ministry complete routine maintenance on its drinking water systems consistent with documented routine maintenance expectations.

We found the ministry did not have routine maintenance expectations for its drinking water systems. Instead it depended primarily on its certified operators' knowledge and experience to determine maintenance requirements. Each water system is different and has unique maintenance requirements. With over 60 water systems, it is important to document required maintenance activities to ensure and be able to monitor they are completed as expected.

We found only 1 of 19 drinking water systems tested had documented maintenance procedures. Also for 5 of the 19 systems we tested, we found no written record of any maintenance performed. Because the ministry did not have documented routine maintenance procedures, we could not determine whether staff completed all maintenance as expected.

Not having documented routine maintenance expectations increases the risk of staff not understanding or knowing that routine maintenance is required. This risk increases when staff turnover occurs. In addition, routine maintenance keeps drinking water systems working effectively and helps avoid costly repairs

or replacements. If drinking water system infrastructure fails, the ministry cannot provide safe drinking water to its park visitors.

On page 189 we recommended the ministry routinely review key drinking water system operational records, including daily activity tracking sheets and operator logbooks. We found the ministry did not consistently review important operational records and did not consistently keep operational records for some of its Health-regulated water systems.

For example, in our testing of water systems we found the ministry did not consistently keep evidence of a supervisory review of key operational records, such as daily activity tracking sheets and operator logbooks for WSA-regulated systems. This supervisory review was required by WSA in the permits it provides to operate these systems. The ministry also did not consistently keep evidence of similar supervisory review of these records for Health-regulated water systems. Not regularly supervising the completion of key activities increases the risk that ministry staff do not complete key operational procedures as required. For example, not testing chlorine levels daily increases the risk that drinking water is not safe.

On page 190 we recommended the ministry document evidence of its review of water quality test results. We found the ministry completed water quality testing consistent with regulatory requirements. For example, certain water systems tested water twice per month for the presence of harmful bacteria, as required. However the ministry staff did not document evidence of reviewing these drinking water lab test results. As a result, the ministry could not show it promptly reviewed lab test results. Documenting its timely review of drinking water quality test results enables the ministry to demonstrate it actively identifies when drinking water is unsafe, should it occur.

On page 191 we recommended the ministry update its agreements with municipalities supplying drinking water to provincial parks to set needed water quantity and require municipalities to promptly advise the ministry of breaches in provincial drinking water standards.

The ministry obtained drinking water from a nearby municipal drinking water system for five of its provincial parks. We assessed four of the ministry's agreements with these municipalities. We found none of the agreements specified that the municipality must promptly inform the ministry if water quality standards are not met. Also one of the four agreements did not include the quantity of drinking water the ministry required from the municipality. By not requiring municipalities to promptly inform the ministry of identified drinking water quality concerns, the ministry exposes itself to additional risk of receiving water that does not meet provincial drinking water standards and distributing that water to park visitors.

This concludes my presentation. Thank you.

The Chair: — Thank you very much for the presentation, the focus of the work. Thanks for the status update as well from the ministry, and I'll table that one now: PAC 76-29, Ministry of Parks, Culture and Sport: Status update, dated October 19th, 2022.

I'll turn it over to the ADM [assistant deputy minister] to provide

a brief response and then we'll open it up for questions.

Ms. Johnson: — Good morning. As mentioned, today we are here to discuss the recommendations from the Provincial Auditor's 2019 report volume 2, chapter 23, on the provision of safe drinking water in provincial parks.

Supply of safe potable water is one of the most important services our ministry provides to park visitors, and we take this responsibility very seriously. In 2019 the Provincial Auditor's report found the ministry had effective processes in place to provide safe drinking water in provincial parks. These included a clear understanding of regulatory requirements, the use of certified system operators, appropriate permitting of water systems, and proper water sampling and testing protocols. The report made seven recommendations for process improvement, and I am pleased to report significant progress in the following areas.

The report recommended, as mentioned, the documentation of key operational decisions and processes for drinking water systems in parks. The ministry has since developed a policy to clarify expectations and requirements for the operation of water systems in parks. Resources have been developed to complement the new policy, including tools, templates, and written procedures to assist park staff with implementation.

The Provincial Auditor recommended the ministry assign clear responsibility for preparing and maintaining written procedures for water system operation. The ministry's new drinking water policy clearly defines the responsibility for preparing and maintaining written procedures.

The third and fourth recommendations in the report referenced a need to document and carry out routine maintenance expectations for drinking water systems in parks. In response, routine maintenance expectations for water systems have now been outlined in the ministry's drinking water policy, including the development of a checklist for maintenance tasks to be completed at required intervals. Tailoring those checklists to individual water systems is a future objective for the ministry and will be implemented with the help of our recently staffed utilities technologist position.

The fifth and sixth recommendations in the Provincial Auditor's report identified the need for routine review of key operational records, including checklists and water quality tests, along with documenting evidence of the reviews.

The ministry has adopted the Water Security Agency's monthly review of operational records policy for self-regulated and the Ministry of Health-regulated water systems. Under this requirement a park manager or a designate is responsible for monthly review of water operation checklists and water test results along with documentation in the form of a digital record. A user guide has been developed and training sessions have been held to support implementation of this new requirement.

The final recommendation from the Provincial Auditor advised the ministry to update its agreements with municipalities supplying drinking water to provincial parks in order to require utilities to promptly advise the ministry of breaches in water standards. The ministry has four such agreements with the

municipalities and regional water utilities where water is directly supplied to provincial parks. The agreements have been updated as recommended.

The Provincial Auditor has recently completed a follow-up audit to review progress on the recommendations and test processes adopted by the ministry since the 2019 report. My staff have provided the auditors access to all relevant information for that purpose.

On behalf of the Ministry of Parks, Culture and Sport, I would like to acknowledge the work of the Provincial Auditor of Saskatchewan and extend our appreciation for your recommendations. Thank you.

The Chair: — Thank you very much, Ms. Johnson, and to everyone involved in this work. I'll open it up now to the committee for questions. Ms. Young.

Ms. A. Young: — Thank you so much. Thank you for the good work and the progress that has been made on these recommendations so far.

I guess just a high-level question. Due to some of the gaps in terms of, like the maintenance and the procedures and reporting responsibilities identified, have there ever been . . . has either damage to water systems ever occurred as a result or significant public health concerns?

Mr. Davis: — Byron Davis, executive director of park planning and facility management. We fortunately have not had significant serious issues with water quality in the parks. We have routine start-up and shutdown procedures where we introduce, you know, precautionary drinking water advisories on a temporary basis. But we've had no serious impacts.

Ms. A. Young: — Great news. In regards to the timeline between the introduction of some of these recommendations and, you know, the point in time that we find ourself in now in 2022 — I believe this was initially 2019 that these reports were made — can you speak to the work that was undertaken and the work that is still outstanding and how that was prioritized?

Ms. Johnson: — Sure. I'll start and Byron can add to it if needed. But at first we had to develop a policy and come up with a list of items that we did need to formalize and do a better job of documenting as per the recommendations. And so the policy implementation, at first we pulled together a working group to ensure we were addressing all of the auditor's recommendations, and then one by one we started to implement.

We also started with higher-level overarching procedures in place, and now we are tailoring to each individual water system. There's very granular differences between the variety of systems, and so we started with a high-level overview and now we're getting more granular as we go.

Mr. Davis: — I would just say that in addition to the policy, we've developed a user guide, checklists, trying to make things user-friendly for the water system operators and yet comply with all the requirements.

Ms. A. Young: — Thank you. And the utilities technologist

position, when was that created?

Mr. Davis: — It was just staffed this spring. We've been looking to have a more centralized resource to help with the implementation of the policy as well as helping to deal with any emergent water system issues across the system.

Ms. A. Young: — Perfect. And is that a position that's anticipated to be, not in like a technical HR [human resources] sense of term position just to address these kind of pressing recommendations, but this will be an ongoing role for somebody with parks and culture and rec?

Ms. Johnson: — I suspect it will be. We also have a water systems specialist already in the ministry. And so this position is to assist with that and assist with the implementation of these recommendations.

Ms. A. Young: — Thank you. A specific question: how's the water at Good Spirit?

Ms. Johnson: — It's great. We were just talking about that before walking in here actually. Yeah, no more precautionary water advisories there, and Byron tells me the water there is excellent.

Ms. A. Young: — Good to hear. It's a lovely campsite and lovely area, part of the province.

Mr. Hargrave: — Just a quick question.

The Chair: — Deputy Chair Hargrave.

Mr. Hargrave: — By groundwater, do you mean out of the lake?

Ms. Johnson: — Groundwater would be underground water, and then surface water would be lake level water.

Mr. Hargrave: — So underground, so like a well?

Ms. Johnson: — A well, yes.

Mr. Hargrave: — Okay. That's groundwater? Okay.

The Chair: — No more questions at this point?

Ms. A. Young: — [Inaudible] . . . prescriptive but I thought it was a great little idea on the campsite reservation system being used to notify visitors of any water advisories that may be in place either due to start-up or an emergent situation. As an avid camper in the province but somebody who often forgets water as the one thing, I'm curious if there are some common-sense solutions being explored to help I think the record numbers of people who are enjoying the provincial parks, to ensure that they're going in kitted out for success.

[12:00]

Ms. Johnson: — We do already use the campground reservation system.

Ms. A. Young: — Great.

Ms. Johnson: — Yeah. You get . . . It's a little red alert.

Ms. A. Young: — Wonderful. Pardon me. I misread that as a suggestion not in place. Excellent, thanks. No further questions, Mr. Chair.

The Chair: — Thanks so much. Thanks to the officials that are here today for their time with us and all their work on this front. Certainly our provincial parks are something we're all so proud of and all enjoy. And you know, safe water is critical. So thanks for your work and the work that will be undertaken in the months ahead. We'll do follow-up as a committee; of course the auditor leads that.

Not seeing any other questions, I'd welcome a motion to concur and note compliance with recommendations 1, 5, and 7. Moved by Mr. Harrison. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. And with respect to recommendations 2, 3, 4, and 6, I'd welcome a motion to concur and note progress. Moved by Mr. Goudy. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. Okay. Well thank you so much. Ms. Johnson, any final parting remarks our way before we break for lunch? We'd like to thank you and your officials for being here today.

Ms. Johnson: — No. Thanks for the opportunity.

The Chair: — Wonderful. Thanks so much. We'll recess for lunch.

[The committee recessed from 12:01 until 13:00.]

Finance

The Chair: — Okay folks, we'll reconvene the Standing Committee on Public Accounts and turn our attention to the chapters that pertain to Finance this afternoon. Thank you so much, Deputy Minister Hendricks, for being here this afternoon. And you're joined by ministry and Finance officials. Thank you to them for being here as well and to all those that are involved in this work. Mr. Hendricks, I'll ask you to briefly introduce the officials that are here with you today. We'll refrain from entering into any other comment on the chapters at that point. Then I'll turn it over to the auditor and come back to you.

Mr. Hendricks: — Okay thank you, Mr. Chair. Here with me today are Chris Bayda, acting provincial comptroller; Nancy Perras, the assistant deputy minister of revenue; Jeremy Phillips, assistant deputy minister of Public Employees Benefits Agency; Melanie DeMarni, executive director of corporate services; and Hera Kang, director of corporate services.

The Chair: — Well thanks again for your time here today and thank you as well for the status update that officials have put together. And at this point I'll table PAC 77-29, Ministry of Finance: Status update, dated October 19th, 2022.

At this point I'll turn it over to our Provincial Auditor and her office to present on . . . I think we're going to deal with one chapter at a time here this afternoon, and then we'll flip it over for subsequent comment and open it up for questions.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair, members, and officials. With me today is Mr. Trevor St. John. He's responsible for the portfolio of work that does include the Ministry of Finance and the Public Employees Benefits Agency. We do have three chapters on the agenda related to these agencies, and we will present the chapters in the order that they do appear.

There are no new recommendations for the committee's consideration. And I do want to thank the deputy minister and basically the head of Public Employees Benefits Agency for the co-operation that was extended to us during the course of our work. And now I'll turn it over to Trevor.

Mr. St. John: — Thank you, Tara. Chapter 30 of our 2020 report volume 2 provides the results of our third follow-up on internal audit in ministries. Strong audit quality programs help ministry internal audit functions be effective, continuously improve, and comply with relevant professional standards.

By July 2020 the Ministry of Finance set out quality requirements for ministry internal audit functions. These quality requirements align with professional standards set by the Canadian Institute of Internal Auditors. In addition, Finance provided ministry internal audit staff with support to help them implement the requirements. For example, Finance created a committee made up of ministry internal auditors to share practices and tools to improve quality assurance programs. We concluded the Ministry of Finance implemented the final outstanding recommendation from our 2012 audit on the effectiveness of internal audit activities of government ministries.

That concludes my overview of this chapter.

The Chair: — Thanks so much for the presentation. Thanks as well for the status update on this front. Of course this table has concurred with this recommendation. Wonderful to see that implementation is now what's deemed to be at status.

I'll open it up if there's any questions. I guess I should flip over first of all to Deputy Minister Hendricks in case he has a comment.

Mr. Hendricks: — Not much. As Trevor noted, we've implemented this recommendation and we've provided training and resources to guide ministries, along with implementing the internal audit committee to share best practices across executive government. So thank you.

The Chair: — Thank you. Committee members. Ms. Young.

Ms. A. Young: — Thanks so much, Mr. Chair. Just noting that that first reporting was, I believe, rolled out September 30th of this year. I'm wondering if there's further details or highlights from that report that can be shared with the committee.

Mr. Bayda: — You know, what I would offer is that the individual sort of, you know, audit committees within ministries

and within our office are sort of actively keeping an eye on this item. So it's a standing item on their agenda and they're meeting about six times a year, so continuing to make progress.

Within our office we have a more detailed plan for how we're going to approach this item. And I'm aware that in some of the other audit committees — in, you know, executive government, ministries — this is also on their agenda. So I would say it's an active item.

Ms. A. Young: — So just seeking understanding on this, is the reporting identified in the auditor's report to ministry senior management and treasury board about actual benefits achieved compared to . . . I'm on the wrong chapter. Oh Christ. Okay. God, sorry. Never mind. Thank you, Mr. Bayda. I was like, I feel like I stumped him. He looks flummoxed. I thought that was a pretty basic question. Thank you. Sorry. Wow.

Okay, I do have a question related to the actual chapter, just for clarification. Sorry, again this is deeply shameful. On page 235, footnote B, just for clarification, it's noted that ICT [Immigration and Career Training] provides internal audit services to the ministries of Energy and Resources and Trade and Export Development, as well as, you know, it lists under footnotes A and C, the PEBA [Public Employees Benefits Agency] exceptions for internal audit functions, as well as integrated justice services. And those seem to make, you know, some sense as it relates to PEBA and integrated justice services.

What's the historical reason for ICT providing internal audit services to the ministries of Energy and Resources and Trade and Export Development?

Mr. Bayda: — You know, they used to be the same ministry and their corporate services area in ICT was providing corporate services to the other two ministries. So I believe it just made sense for that internal audit function to reside within ICT.

Ms. A. Young: — So that's the Ministry of Economy?

Mr. Bayda: — Yeah. Now the tripartite Ministry of the Economy.

Ms. A. Young: — Okay, great. So just kind of historical delivery of corporate services there. Great, thank you.

The Chair: — Any further questions? Not seeing any, I would welcome a motion to conclude consideration of chapter 30. Moved by Mr. Goudy. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. I'll turn it back over to the Provincial Auditor to focus on chapter 24.

Mr. St. John: — Chapter 24 of our 2021 report volume 2 reports the results of our second follow-up on the audit of the Ministry of Finance's processes for managing the implementation of its revenue administration modernization project. Through the project, the ministry updated its administration processes for taxation revenue, including implementing a new IT system. There was one remaining recommendation at the time of our follow-up.

By August 2021, the ministry documented sufficient information to support the measurement of most benefits and was working to complete remaining details as it finished assessing data available from its new IT system. The ministry had established a plan for how and when it will measure and report to stakeholders about the benefits achieved from its revenue administration modernization project.

Having established processes to determine benefits obtained will help the ministry in showing it achieved the productivity, revenue, and efficiency gains expected and take corrective action when needed. We found the ministry had implemented this outstanding recommendation.

That concludes my overview of this chapter.

The Chair: — Thanks so much. Of course this has already been considered at this table, concurred in. We have the status update. Any comments, Deputy Minister, before we open it up?

Mr. Hendricks: — Just anticipating the question. And so just actually a couple weeks ago our senior leadership team reviewed a report on the benefits achieved from the RAMP [revenue administration modernization project] project. And you know, I would say that based on our discussion of it, you know, it has achieved a lot of benefits. It's very thorough reporting, and so we're quite satisfied that we have met the obligation set out by the auditor.

The Chair: — Committee members, any questions? Ms. Young.

Ms. A. Young: — My thanks to Mr. Bayda for the politest answer to what must have been a nonsensical question.

The Chair: — Okay, I'll welcome a motion to conclude consideration of chapter 24. Moved by Mr. Harrison. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. I'll turn it over to the Provincial Auditor for her presentation on chapter 31.

Mr. St. John: — Chapter 31 of our 2020 report volume 2 reports the results of our follow-up on the audit of Public Employees Benefits Agency's process to keep members of the municipal employees' pension plan and the public employees pension plan sufficiently informed.

By June 2020, the agency consistently gave terminating and retiring plan members legally required information within 90 days of its receipt of retirement and termination notifications, as legislation requires. Providing pension plan members with relevant and timely information helps members make informed decisions. We found the agency had implemented the one recommendation from this audit.

That concludes my overview of this chapter.

The Chair: — Thanks. Thanks again for the work on this front. This has been concurred in at this table and considered. We have the status update of implementation. Any comments, Deputy Minister, before we get some questions on the table?

Mr. Hendricks: — Yeah. You know, I think what they found is that in certain cases with one of the plans that PEBA administers, the MEPP [municipal employees' pension plan] plan, there were 130 members that weren't notified within the time frame. That's been corrected now so the plan members are getting all of their information on time so that they can make the decisions. I'd also note that the auditor makes a comment in her report that this plan is generally very well run from an administrative perspective.

The Chair: — Thank you very much. Any questions from committee members? Ms. Young.

Ms. A. Young: — Thanks. Just the one from me. The anticipated changes to the governance and administration of PEBA, I'm wondering if there's any process changes or impacts anticipated on the work covered in this chapter as a consequence.

Mr. Phillips: — There are no anticipated changes as a result of the governance structure changes with respect to this system of the improvements come from implementing an enterprise system for pension administration that addressed the gap and that created the backlog that the auditor rightly pointed out. So there should be no impact, or no impact that I know of.

The Chair: — And Hansard, for the record, that thoughtful guy is Mr. Phillips. And just for future, for other officials coming to the microphone, just introduce yourselves briefly and then . . . Thank you very much.

Mr. Phillips: — My apologies, Mr. Chair.

The Chair: — Mr. Hargrave, Deputy Chair.

Mr. Hargrave: — I know you haven't been there very long as DM [deputy minister] of Finance, Max, so obviously excellent work in just that very short time that you've been there. And we all appreciate that. You know, money's very important to the whole province, so thanks for your hard work.

Mr. Hendricks: — Work was well under way when I started.

The Chair: — No further questions at this point. I will entertain a motion to conclude consideration of chapter 31. Moved by Mr. Lemaigre. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. That concludes our considerations with Finance. Thank you so much to all the officials for being here. Deputy Minister Hendricks, any final parting remarks before we kick you out of here?

Mr. Hendricks: — Just to thank the auditor. We enjoy a good relationship with her office and, you know, we take very seriously when they do make recommendations and try and comply. So thank you very much for this opportunity.

The Chair: — Thank you and thank you to your officials. We'll take a brief two-minute recess, and up next we can turn our attention to the Saskatchewan Public Safety Agency.

[The committee recessed for a period of time.]

Saskatchewan Public Safety Agency

The Chair: — Okay, folks, we'll reconvene the Standing Committee on Public Accounts. We'll turn our attention to the Saskatchewan Public Safety Agency and the chapters from the auditor that's focused on their operations.

I'd like to welcome Marlo Pritchard, president and fire commissioner, here today and the officials that have joined us. I know we have a couple more officials that will be joining us soon as well. I think they're here. What I'll ask right now is that President Pritchard, if you could provide a brief introduction of the officials that are here today, and then we'll turn it over to the auditor to present, and then back to you for comments on the chapter.

Mr. Pritchard: — Thank you very much. What I'll do is I will turn it over to each one to introduce themselves and where they're from.

Ms. Florizone: — Teresa Florizone, the corporate services and CFO [chief financial officer] VP [vice-president].

Mr. Roberts: — Steve Roberts, vice-president of operations for the agency.

Mr. Pritchard: — I also have Luanne Synk from policy and Tamie . . .

A Member: — Vandeven.

Mr. Pritchard: — Vandeven — I always screw that up, sorry — Vandeven from SaskAlert. And that is our officials party today.

The Chair: — Perfect. Thank you very much for that. I'll turn it over to the Provincial Auditor to make their presentation and then we'll come back to you, Mr. Pritchard.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today is Mr. Trevor St. John. He is the deputy provincial auditor that is responsible for the Saskatchewan Public Safety Agency.

In terms of us presenting the agenda before you, the four chapters, we do plan to combine our presentations. The last two chapters will be done in one presentation. There are no new recommendations for the committee's consideration. He will pause after every presentation to basically allow the committee to consider each of the presentations.

I do want to thank the president of SPSA [Saskatchewan Public Safety Agency] and management for the co-operation that was extended to us during the course of our work. With that I'll turn it over to Trevor.

Mr. St. John: — Thank you. Chapter 40 of our 2020 report volume 2 reports the results of our second follow-up of our audit recommendations made regarding the Saskatchewan Public Safety Agency's processes to coordinate provincial emergency preparedness.

We made three recommendations in our 2015 audit. The first recommendation was about keeping risk assessments up to date.

This will help SPSA be aware of emerging risks related to emergency preparedness. Since January 2018 the agency meets with key stakeholders such as Environment Canada each spring to identify and update risk assessments for emergencies requiring provincial assistance. We concluded that the agency implemented our recommendation to follow its established process to work with key stakeholders on emergency preparedness risk assessments.

The second recommendation was regarding providing ongoing educational opportunities to stakeholders. This helps SPSA and stakeholders better understand the infrastructure which is critical to the province as a whole. As well, if a provincial emergency occurs, SPSA and stakeholders can use this knowledge to utilize resources in an effective and efficient manner. We found the agency routinely educates key stakeholders to help them determine infrastructure critical to emergency preparedness to the province. They continue to utilize the critical infrastructure advisory network. The network enables stakeholders and industry partners to be aware of their responsibility for critical infrastructure and have plans in place to address any issues. In May 2019 tabletop exercises were hosted and plan to be connected annually with key stakeholders. These exercises allowed stakeholders to evaluate mock scenarios and discuss what they would do based on their existing emergency plans.

We concluded SPSA implemented our second recommendation to provide key stakeholders with guidance to help them determine which infrastructure is critical to the emergency preparedness for the province overall.

Our third recommendation related to alignment of stakeholder plans with the provincial emergency management plan. Periodically confirming key stakeholder plans align with the provincial plan provide some confidence there will be a consistent overall approach and assist key stakeholders in delivering in their roles during a provincial emergency. This chapter notes that as of July 2020, we found SPSA made progress towards periodically confirming that emergency plans of all key stakeholders aligned with the provincial emergency management plan but had not fully addressed the recommendation.

SPSA drafted a provincial emergency management plan that requires each stakeholder to align their emergency plan with the provincial plan. However this plan update had not yet been finalized or approved at July 2020. We do note that we recently followed up on this recommendation this summer, and SPSA has finalized and approved the provincial plan and was in the process of formally reviewing emergency plans of all key stakeholders to ensure they align with the provincial plan. It also used tabletop exercises with stakeholders to evaluate their plans and assess whether they align with the provincial plan. We now consider this recommendation implemented.

I'll pause now for the committee's consideration.

The Chair: — Thank you for the presentation. I will . . . Yeah, and thanks for all the efforts on this front as well and status update. I'll turn it over to President Pritchard for a brief comment if you have some, and then we'll open it up for questions. And just as a note, no one needs to touch the microphones. Folks back here will keep their eyes . . .

Mr. Pritchard: — Sorry about that. Thank you, Mr. Chair. The only comment is, is again as an agency we appreciate the work that the auditor does. We're committed to continue improvement around public safety and stakeholder development. And as you can see, we are continually working on improving our processes in response to meet the needs of the public in regards to emergency management and preparedness. So with that I will turn it back, Mr. Chair, to questions.

The Chair: — Thanks so much. I also want to thank folks from your ministry for submitting the status update with all the actions and timelines, and I'll table that at this point in time: PAC 78-29, Saskatchewan Public Safety Agency: Status update, dated October 19th, 2022. We'll open it up now for questions. Chapter 40. Ms. Young. Chapter 40.

Ms. A. Young: — Thank you, Mr. Chair. Thank you so much. And I echo the comments about all the good work that's been done on this file so far and the status updates. The list of key stakeholders that's referenced — and recognizing, seemingly, the growth of responsibilities for your agency and the good work that's being done — how often is this list of key stakeholders regularly reviewed, or how frequently does it change?

Mr. Pritchard: — I would say that it is an ongoing process. Stakeholders change depending on what the situation is, but we have, you know, the basic government of course, the stakeholders around municipalities, First Nations, industry partners, fire services, police services. The list continues to evolve and there is ongoing consultation, ongoing conversations at many, many different levels throughout the agency and with those stakeholders. You know, again around preparedness and ways that we as an agency, we as government can support them, whether it's through emergency management plan or other avenues that the agency or other programs that the agency has available for them.

I guess going back to your question, I think it's a continuous process of identifying key stakeholders.

Ms. A. Young: — Thank you. So thinking in particular of the recommendations in this chapter, the onboarding process for new stakeholders and ensuring that, you know, thinking in particular of the third recommendation, there is the alignment from the stakeholder plans to the provincial emergency management plan. Can you speak for the committee a little bit about what that onboarding process for a new stakeholder would look like in terms of ensuring that alignment and participation in the risk mitigation activities that go on?

Mr. Pritchard: — Okay. Thank you for the question. It is a multi-faceted onboarding process depending on the situation. We have emergency service officers that work with communities in developing their plans, how they would align with the provincial emergency plan and the responses that we are able to bring to the table. We work with deputy ministers, the deputy minister council across government in regards to awareness of the public emergency plan and alignment of processes and onboarding.

If there was a, you know, an example of a new agency or something coming on board, we would work with their president, DM about the requirements. We have a number of training, I guess, programs that although they're not specifically identified

as onboarding, they would be part of our onboarding or awareness process.

And some of them can be very incident driven. So I mean if a stakeholder is developed or identified because of a specific incident, we would engage them through conversations to ensure that they're aware of the, I guess, the emergency management plans and how they align.

[13:30]

Ms. A. Young: — Thank you so much. So recognizing, you know, the need for that systematic maintenance and identification of risks and assessing them to ensure that the agency is up to date on any major changes or significant risks that are emerging, the annual meetings that are listed in these reports, those have been ongoing and will continue to be ongoing, regular updating of the plan, and these tabletop exercises that are identified as being intended to happen annually, happening annually?

Mr. Pritchard: — I guess the short answer is yes. But yes, we are continuing to test the plan, you know, the emergency plan through tabletop exercises. We also push that down to community levels. Again our ESOs [emergency services officer] work with communities around community planning and do tabletop exercises.

Just anecdotally I did a 10-day tabletop exercise down in Cypress Hills that our ESOs were putting on for Parks, and they did a great job in regards to a tabletop exercise challenging their emergency management plan in regards to evacuations. Not only does it go on annually at a bigger, broader level, but it goes on, you know, down to the community level. So I don't have the number and how many tabletops we did this past year, but it would be a lot. So that is a commitment for this ongoing preparedness.

Ms. A. Young: — Thank you. And then last question from me, just sussing out probably for my own reading comprehension the discrepancy between the status updates saying partially implemented and the auditor saying now fully implemented, just to really clarify the provincial emergency management plan has been fully reviewed and — sorry, I'm looking for the wording here — formally confirmed that the emergency plans of the stakeholder is now aligned to the broader, high-level provincial plan.

Ms. Clemett: — Well I'll maybe just say that we just finished, basically, a follow-up that'll come out in our public report in December. And yes, that's what Trevor's commenting on, that at the end of the day that provincial emergency preparedness plan has been approved and there is a process that we're confident, basically, the agency will undertake and continue to undertake, like you said, on an ongoing basis to make sure that each of the individual agencies align with that overall provincial plan.

The Chair: — No further questions there. Any other questions? Okay, I'd welcome a motion to conclude consideration of chapter 40. Moved by Mr. Lemaigre. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. And we'll turn it over to the Provincial Auditor to focus on chapter 35.

Mr. St. John: — Thank you. Chapter 35 of our 2021 report volume 2 reports the results of our first follow-up of our audit recommendations made regarding Saskatchewan Public Safety Agency's processes for alerting the public about imminently dangerous events that may pose a risk to public health and safety. SPSA uses the SaskAlert program, which leverages a national alerting system to notify the public of emergencies in real time via mobile devices, radio, TV, or on its website.

Our first recommendation was to maintain a robust and enforceable written contract with the party providing day-to-day administration for the SaskAlert program. Having a robust agreement and terms of reference ensures everyone has clear understanding of their roles and responsibilities. It also provides SPSA with ability to monitor and evaluate the program administrator. We found SPSA signed a service agreement and terms of reference effective early 2020. We found these documents clearly outlined key roles and responsibilities, so we consider the recommendation implemented.

The next two recommendations in section 3.2 on page 256 relate to monitoring, monitoring both the SaskAlert program administrator and participants. We found the SPSA monitored some of the SaskAlert program administrator's key responsibilities, but he was unable to fully evaluate all key operations partly due to the COVID-19 pandemic restrictions.

For example, between March 2019 and March 2021, SPSA only conducted two site visits at the program administrator rather than the eight expected and outlined in the terms of reference. Our testing also found that SPSA did not always effectively monitor and take action to ensure only participants who demonstrated ability to issue accurate alerts had access to the alerting system called Alert Ready. For example, our testing found that SPSA did not always document its follow-up of participants who did not complete required quarterly practice alerts.

SPSA did not receive information on whether the program administrator staff who issue alerts on behalf of program participants completed quarterly practice alerts as required. The key role of the program administrator is to support authorized participants to help ensure they issue appropriate and accurate alerts. Irregularly monitoring the program administrator's key responsibilities increases the risk of participants using inappropriate or inaccurate alerts, or not issuing alerts when necessary. SPSA needs to regularly monitor the SaskAlert program administrator and whether SaskAlert participants complete timely and accurate alerts and take action where necessary, such as suspending system access. We concluded that both of these recommendations were partially implemented.

Our fourth outstanding recommendation is outlined on page 259. It relates to periodic review of user access to the Alert Ready system. Having participants with inappropriate access increases the risk of inappropriate alerts being issued, which could negatively affect the SaskAlert program's credibility.

Clear public alerting helps people adequately prepare for imminently dangerous events. We found as of February 2021 SPSA was setting up a process to enable periodic review of the

appropriateness of user access to Alert Ready, but had not yet carried out any reviews. We concluded that this recommendation was partially implemented. I'll pause now for the committee's consideration.

The Chair: — Thanks very much for the presentation. Of course these have already been considered by this table. We've concurred with the recommendations. We appreciate the status update. Any comments, President Pritchard, before we open up for questions?

Mr. Pritchard: — Just that again we are continuing the improvement around this. We recognize the critical importance of SaskAlert and the confidence in the program. So we are continually looking at improvements and processes, I guess, is all I have to say before questions. Thanks, Mr. Chair.

The Chair: — Thanks so much. I'll open it up now for questions. Ms. Young.

Ms. A. Young: — Thank you. The chapter details the kind of distinct responsibilities between SPSA and the administrator of the SaskAlert program. Who is the administrator of this program and where are they located?

Mr. Pritchard: — CanOps would be the administrator of the program through the Sask911 provincial dispatch centre. So they would be the administrator of it. We also have an SPSA representative, Tamie, here as well, who is involved with the SaskAlert program.

Ms. A. Young: — And sorry, forgive me. CanOps is a federal organization?

Mr. Pritchard: — It's a third-party contractual . . . that SPSA has a contract with.

Ms. A. Young: — Okay, so it's a private service provider?

Mr. Pritchard: — Yes.

Ms. A. Young: — Okay, great. And they're located in the province?

Mr. Pritchard: — That's correct.

Ms. A. Young: — And sorry, perhaps I'm confused. It was noted that site visits were challenging to conduct due to travel restrictions related to the COVID-19 pandemic. And I think I had taken that to imply that they involved air travel or travel of some distance. Can you speak to the challenges related to conducting the site visits then, if I am hearing that they are located in-province?

Mr. Pritchard: — Thank you for the question. The facility in P.A. [Prince Albert] is a federal building, so they had higher restrictions that lasted longer than the provincial restrictions. So that did restrict our movement somewhat. As I've been told, we have met all of our site visits this year, but during the COVID we didn't.

I can tell you between 2019-21 there were four site visits to P.A.; '20 to '22 we had four meetings and two in P.A. and two by

virtual. So there was site visits that way. And we have another one planned November 2nd.

Ms. A. Young: — Thank you. In regards to the reporting work that's under way, I note some of the recommendations speak to CanOps then providing reporting to SPSA and that those reports are being received by the agency. Is that a level of comfort that you have in terms of meeting the suggested reporting requirements?

Mr. Pritchard: — It's an automatic report that is run quarterly. It has been received by SPSA and to date there have been no concerns. It seems to meet our requirements to date.

Ms. A. Young: — Perfect. And on the fourth outstanding recommendation that relates to the national alert aggregation and dissemination system, am I correct in understanding that for kind of further implementation or actions to be taken, there's essentially a delay waiting on the implementation of this new — I don't know if you use an acronym, n-a-a-d — NAAD [national alert and aggregation dissemination] system. Is that accurate?

Mr. Pritchard: — It's accurate. Yeah, we don't have control of that aspect of it. It's a national alert aggregation dissemination system, which is the national aspect of it.

Ms. A. Young: — And that is still on track as per the timeline? It's expected for December 2022?

Mr. Pritchard: — Yes.

Ms. A. Young: — So this alert system being, unfortunately I think, a bit topical in the minds of the public certainly with the tragedy of James Smith Cree Nation and the murders and assaults there as well as, I believe there were, you know, unfortunately some concurrent alerts that went out I think in the Melfort area. And there seemed to be at least some public confusion around the frequency as well as the distribution of some of those alerts, you know, some peoples receiving some of them, folks who had opted into the province-wide alerts. And I'm wondering if you can speak to kind of some of the experiences as this system, you know, unfortunate, real-life experiences and lessons learned that the agency is taking as the system continues to evolve.

Mr. Pritchard: — Thank you for the question. It was a tragedy. But the SaskAlert broadcasts that were specific to the incident we're talking about, the criteria was set by the RCMP [Royal Canadian Mounted Police]. So they set on the broadcast immediate alert as being an entity that is signed on to the SaskAlert program. So they set whether it's a regional broadcast immediate, a provincial-wide broadcast immediate.

I do know that there was concerns raised around some phones receiving the alert and others didn't. As I understand and how it was explained to me, it's got to do with towers and the crossover on towers. That's why we really do encourage people to download the SaskAlert app, because that would look after that issue for the most part.

So there is ongoing work, I guess, in regards to debriefing after incidents that has not occurred yet. But you know, as this rolls out there will be an inquest as I understand it, so there may be some of these issues that are identified in that process. But we'll

again look at strengthening that alerting system.

Ms. A. Young: — Thank you. And just kind of on that line of public interest and awareness, I had another question about the much-publicized Rogers outage earlier this year. And so you're saying if folks have the SaskAlert app downloaded, regardless of their carrier, they should be receiving alerts? Or am I misunderstanding that?

[13:45]

Mr. Pritchard: — As I understand it, that if the whole telecommunication network goes down like the Rogers case, they would not get it. So you know, again that's the network itself goes down from whatever reason. And I know that is continually being discussed at a national level around how do you mitigate that. And it's an ongoing piece of work.

The Chair: — Any further questions, members around this table? Thanks so much for the attention and the action on such important recommendations and such an important system to the people of our province. So thank you for that.

Not seeing any, what I'll do is welcome a motion to conclude consideration of chapter 35. Moved by Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. And I'll turn it back over to the Provincial Auditor who I believe is going to present on chapters 32 and 36 together, and that'll conclude our work.

Mr. St. John: — Thank you. Chapter 32 of our 2019 report volume 2 and chapter 36 of our 2021 report volume 2 report the results of our first and second follow-up audits of the Saskatchewan Public Safety Agency's processes relating to detecting wildfires in Saskatchewan's wildfire management areas.

We made two recommendations in our 2017 audit. Our first recommendation related to the need to have a central method to receive plans from industrial and commercial operators. Having incomplete information about operators' wildfire preparation and preparedness plans increases the risk that SPSA may not be prioritizing its wildfire detection activities appropriately, and as a result not developing suitable related suppression strategies.

SPSA held meetings with stakeholders to inform them of the requirement to submit wildfire prevention and preparedness plans. SPSA estimated in 2019 that it expected to receive plans from approximately 238 operators. We found the agency received 13 plans in 2017, 50 plans in 2019, and 48 plans during the first nine months of 2021. While SPSA is generally receiving more plans each year, it did not know how many total plans it should receive from operators. As a result, it had not undertaken any follow-up actions for operators who have not submitted a plan as expected. We concluded in both chapters that the recommendation was partially implemented.

The second recommendation was related to obtaining information on values-at-risk from wildfires. Values-at-risk include, for example, communities or significant public or industrial infrastructure among other things. Having current

information or understanding of values-at-risk from wildfires helps SPSA develop appropriate fire suppression strategies.

Since our 2017 audit, SPSA signed agreements with other government agencies such as SaskTel and SaskPower to provide information on locations of values-at-risk. At July 2019 SPSA collected information on over 3,600 values-at-risk in its database. This was an increase of 359 values-at-risk since March of 2017. We concluded that SPSA had implemented this recommendation.

I'll pause now for the committee's consideration.

The Chair: — Thanks for the presentation and the update and the focus of the work. I'll turn it over to President Pritchard for a brief remark and then we'll open it up for questions.

Mr. Pritchard: — Thank you, Mr. Chair. This one I'll just turn it over to questions. I think it's pretty straightforward.

The Chair: — All right. Committee members. Ms. Young.

Ms. A. Young: — If somebody else wants to go for it, they can.

The Chair: — It's you.

Ms. A. Young: — It's me? Okay, Jim's giggling. I'll maybe just start in. I note in the first recommendation that SPSA has created and staffed a compliance and enforcement unit. How many FTEs [full-time equivalent] are assigned to that unit?

Mr. Pritchard: — The compliance unit itself is five individuals, but we also have other individuals that are trained in, you know, cause and origin throughout the agency.

Ms. A. Young: — And is this specific to wildfire management or . . .

Mr. Pritchard: — It's broader than that but it has aspects of wildfire but also structural. It's around investigation and supporting of . . . Fire investigation is probably a broader term.

Ms. A. Young: — Okay, great. So they're not doing enforcement in like 37 other tangentially related areas. It is kind of specific to fire management.

Mr. Pritchard: — That's correct.

Ms. A. Young: — Okay, great. Thank you. I note in the first chapter, chapter 32, the auditor noted, I think it was, about a 10 per cent increase in values-at-risk. And I may have missed it, but I didn't see a similar increase noted in chapter 36. And I'm wondering if you could speak to whether or not there's an ongoing increase to the number of values-at-risk. Maybe it's in there and I just missed it.

Mr. Pritchard: — What we've got is in 2021 we had 48 wildfire prevention and preparedness plans submitted, and this number decreased to 30 in 2022.

Ms. A. Young: — Right. And then, maybe the question's for the auditor. In 32 it speaks to, I think, an increase of 359 values-at-risk since the original audit. Is this like an ongoing increase or . . .

Ms. Clemett: — So I think the reason though you don't see any comment in regards to chapter 36 is because we did consider that recommendation addressed. So we were satisfied in terms of, you're right, the inventory of values-at-risk from the overall provincial perspective and in terms of the additions that had been made.

Ms. A. Young: — Okay, great. Thank you.

Mr. Pritchard: — If you would like, I could turn it over to our VP of operations and explain the process of how those values-at-risk are.

Ms. A. Young: — Sure.

Mr. Roberts: — So we have an inventory, and that's achieved both by our own analysis that we've done in surveying the North. So we have a historical inventory of the values in the northern landscape. We also work with our partners, SaskTel for instance. We change geospatial data directly, so as they upgrade lines, services, we can now see them on our wildfire maps as values that could be threatened if they put up a new cell tower.

We have, as mentioned in the agreement, working with Economy as well. They are the ones who issue the tenures for other industrial partners on the landscape. So our interest is to get a notification — and we do that each year in the spring — notification of people who will be operating on the landscape during the fire season so that we're aware of their operation should they need to be notified of wildfire events or be contacted directly. And they also have the ability, because they get the onboarding, to contact us should there be an event that they're aware of that we're not yet aware of in their operating area.

So as that happens, we have that inventory. But as soon as we have opportunities of course people will change their landscape. You know, new trappers' cabins, a lodge in the North will add three more cabins to his business. We continue to upgrade those. We monitor even the values we have. We monitor them from the air. And every few years we have a rotation period to ensure that they still exist. So some get removed but some get added. And if we identify at any time a new value that's not previously listed we'll onboard it into the system.

Ms. A. Young: — So it's both, and I'm hearing there is, you know, slight increase in risk overall but also increase in the actual numbers of structures, like built infrastructure in the landscape which then obviously would add to the portfolio . . . [inaudible interjection] . . . Great, thank you.

Can you help me understand? On page 263 under recommendation 3.1, the report notes that SPSA uses an IT system to track the receipt of wildfire prevention and preparedness plans from industrial and commercial operators, however the agency has not yet identified how many wildfire prevention and preparedness plans it expects to receive from operators. As a result, the agency does not know how many plans it has not received. Can you unpack that a bit for me, if you know how many folks there are according to this IT system, where that disconnect occurs?

Mr. Pritchard: — We will try. I will turn it over to VP of operations, Steve Roberts, as well. But it is a moving target, I

think is probably the best way of describing that. But Steve, go ahead.

Mr. Roberts: — Sure. The legislation is fairly specific. It says that industrial partners must submit a plan. There is not a requirement for an approval mechanism. It's just a submission mechanism under the legislation. So those plans that are received by our agency in any . . . either as a combined plan with other tenure holders . . . So for instance if the forest service receives an annual plan that includes the fire criteria, they will copy us to know that it's been submitted. So we work with our partners.

So the ones that come we store in a central IT system, so that people can reference them should they be going out to do inspections. Should there be an incident, we can do a follow-up whether they were in compliance with their plan. What we don't know, and here's where the difference part is, how many operators on the landscape? Because we do not issue those tenures and we do not manage those other folks who are currently working in the forest or in the forested landscape, we either . . . we see that voluntarily. We do not have a set process that another ministry automatically updates us with those. And that's that relationship we were talking about building with Economy and forest service to get them to provide that more frequently.

Unfortunately their permits are often vague, so a licensee for mining operations may be allowed to do exploration in an eight-month period over a vast area. It doesn't tell us where his camp is and whether it's here for the first two weeks of August or the last three weeks of September. And that's where we get this issue where we don't really know where they're operating. So they have a tenure or a licence that may be fairly generous, but it doesn't necessarily give us the specifics as we need to see a plan for that operation for that two-week period.

So we have looked at some of those operations and realized the shortfalls and are looking at different ways to manage those. One is to build a set of standards that they would adopt as part of their licence which would meet the requirement of a prevention plan. So people who do similar work, like the mining industry or the timber industry, would adopt — right now it's the timber industry — I'll say a code of standard practice for wildfire prevention.

Once they adopt that into their licence and their annual report, it becomes the plan and then instead of getting 47 or maybe 48 or 148, depending on how many logging contractors are out working on the landscape, they're all in compliance because they've submitted collectively and they're following the standard. They just say, I'm following the standards; we know exactly what to expect.

So we're trying to address that disparity between what's happening at any given point on the landscape versus how much info we know at the time of an event. Because even if we logged them into our system, two weeks later they can be gone and we have to find a mechanism to take them back out of the system as well.

Ms. A. Young: — Okay no, that makes a lot of sense as a potential strategy to address kind of what . . . You know, it looks like there's about 80 per cent of plans not being received from the numbers in this chapter, which is notable, but I think that context helps clarify.

On page 263, in one of the footnotes, at footnote 13, it does note that *The Wildfire Act* allows for the suspension or restriction of any or all activities of an industrial or commercial operation until a wildfire and preparedness plan has been submitted and that that plan meets the satisfaction of an agency officer.

Obviously that is not currently the case of what is occurring. But my question is more, are there consequences for the insurability of operators should, you know, heaven forbid, they be operating, lose potential infrastructure or, you know like, God forbid, workers in a wildfire situation but not have submitted a plan? Like is this a real financial risk in addition to, you know, environmental and potentially human hazard risk?

Mr. Roberts: — So the answer to that would be . . . is deemed to be, is what would they be culpable for as the consequence of their actions? So in the event that they didn't have a plan and that plan would have mitigated the results, we'll weigh into what . . . Ultimately they could be charged either criminally under the Act or through recovery of costs and damages that occurred because of the event.

So there's two issues. And that would be a factor in consideration would be whether they were in compliance with the plan, had submitted one, not only submitted it but are in compliance with it. So that's the other thing. And why we have them on file is, should they submit a plan — say, we were going to have fire extinguishers — and after the fire, we go out there and we do an inspection and there are no fire extinguishers. So just submitting a plan is not the full compliance piece. It's just the preparedness piece.

Ms. A. Young: — So the existence of, you know, this particularly prescriptive part of the legislation doesn't . . . I'm hearing doesn't really have any real-world consequences for folks operating potentially in contravention of that.

Mr. Roberts: — Correct. I mean it would be a suspension until they submitted a plan. And at this time, without a determination of the plan, it can be a fairly basic plan. And it could be just for the week they're operating. It may not. So we're trying to be more proactive, working on them, giving comprehensive, realistic plans that are actually going to mitigate the risk both to the public and to themselves instead of sort of doing a band-aid approach to some of those on a one-off. So we're looking more globally at the industry level to try and resolve some of those issues.

The Chair: — Mr. Nerlien.

[14:00]

Mr. Nerlien: — Yes, thank you. Your conversation around values-at-risk, how do you look at significant agricultural operations that might be operating at or near the forest fringe or river valleys or so on? You've talked about commercial operations and outfitters and forestry operations and all those obvious things. But is there an agriculture element to that conversation?

Mr. Roberts: — So our values-at-risk also addresses private land. So automatically, 4.5 kilometres from the provincial forest is automatically protected even though it is agriculture land,

would be in an RM [rural municipality].

Once we reach an area that's agriculture, the RM is the primary responder. And we are available to assist them with wildfire protection and assist them with their emergency planning exercises, which includes the risk from wildfire to crops, stability, and to their community infrastructure. So again, the authority shifts when we move into the agriculture land because the rural municipality now is the primary owner and we are the assisting agency.

Mr. Nerlien: — Thank you.

The Chair: — Mr. Kirsch.

Mr. Kirsch: — Yes. Being of agriculture background, I know that now the way the law stands, if you're going to light a fire, like a flax field, you have to notify and get permission from the . . . give you a number from the fire authority.

The Chair: — Any further questions? Not seeing any, I would . . . These are outstanding recommendations so we don't need to vote on those, but I would welcome a motion to conclude consideration of chapters 32 and 36 respectively. Moved by Deputy Chair Hargrave. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. That concludes our focus on the Saskatchewan Public Safety Agency here this afternoon. Thanks to all the officials that have joined us here today and all those that are involved in this very important body of work. I would invite President Pritchard to provide a brief parting remark and then we'll move along to our next considerations.

Mr. Pritchard: — Thank you, Mr. Chair. Again thank you for the opportunity to present in front of the committee here. Again thank the auditor for the work that they do. It helps us get better and stronger and meet the public expectations. So again thank you for this opportunity.

The Chair: — Thank you very much. We will take a very brief recess, and up next we'll turn our attention to the Technical Safety Authority of Saskatchewan. Thank you.

[The committee recessed for a period of time.]

Technical Safety Authority of Saskatchewan

The Chair: — Okay, we'll reconvene the Standing Committee on Public Accounts. We'll turn our attention to the Technical Safety Authority of Saskatchewan. I'd like to welcome the officials that have joined us here today, CEO Scott. Thank you, Mr. Bill Scott. Thank you for joining us here today. I'll ask you to briefly introduce the official who's seated with you and then refrain from commenting at this point on the presentation. We'll turn it over to the auditor and then back to you.

Mr. Scott: — I have with me today Chris Selinger. And among his many other duties, Chris is the chief inspector in boilers and pressure vessels, elevators, and amusement rides for the province.

The Chair: — Thank you very much. Thanks for being here. Thanks for all your work. And I'll turn it over to the Provincial Auditor to focus their attention or to present on their chapters 41 and 38.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today is Mr. Trevor St. John, and he is responsible for the portfolio work that does include the Technical Safety Authority of Saskatchewan. There is two chapters in regards to TSASK [Technical Safety Authority of Saskatchewan], and basically Trevor does plan to present those two chapters together. There is no new recommendations for the committee's consideration.

And before I do begin and turn it over to Trevor, I do want to thank the CEO and his staff for the co-operation that was extended to us during the course of our work.

Mr. St. John: — Thank you. Chapter 41 of our 2019 report volume 1 and chapter 38 of our 2021 report volume 2 report the results of our first and second follow-up audits of the Technical Safety Authority of Saskatchewan's processes on inspecting elevating devices, for example elevators and escalators.

We made seven recommendations in our 2017 audit, and by 2021 TSASK had fully implemented five of the seven recommendations. Our 2019 follow-up found TSASK implemented our first recommendation related to keeping accurate and complete elevating device inspection records. It transitioned to an inspections records IT system where controls in the system required inspectors to input all required information in the system. Accurate and complete inspection records helps TSASK monitor whether its inspections are done at the right time and inspection results are managed appropriately. TSASK also implemented our recommendation related to documenting when it shared inspection reports with elevating device owners. We found, for all items we tested, that TSASK shared a copy of the inspection report with the elevating device owner. Sharing the inspection reports ensures owners are aware of identified deficiencies and address deficiencies in a timely manner.

The third recommendation we noted as implemented in our 2019 follow-up related to monitoring whether elevating device owners resolved deficiencies noted in its inspections within an acceptable time frame. For all in-service inspections with deficiencies we tested, TSASK monitored whether elevating device owners resolve deficiencies consistent with its policy. Actively monitoring timely resolution of deficiencies can reduce risk of malfunctions resulting in safety incidents.

Our 2021 report follow-up provides the most recent update of the four remaining recommendations. In April 2021 TSASK approved a risk-informed strategy for prioritizing the inspections of all elevating devices and rated each elevating device based on its risk-informed strategy. We concluded that our recommendation to develop a risk-informed strategy was implemented.

We also made a recommendation that TSASK perform its elevating device inspections in accordance with a risk-informed inspection strategy. TSASK had planned to base future inspections on its newly developed risk-informed strategy but had not yet used its risk-informed strategy by June of 2021. We

concluded that TSASK partially implemented this recommendation.

The next recommendation relates to formalizing its procedures for handling incidents and complaints related to elevating devices. Following procedures for incidents and complaints promotes consistency in handling similar situations. We found for the incidents we tested, we found TSASK followed its established procedures for handling incidents. We concluded by July 2021 TSASK implemented the recommendation.

The last recommendation was that TSASK and the responsible ministry define the expected frequency for inspecting elevating devices to enable reporting of overdue inspections. By July 2021 TSASK had not implemented the recommendation. Agreeing on how often elevating devices should be inspected would help TSASK facilitate better monitoring. Not inspecting elevating devices in a timely way both increases the risk that deficiencies go undetected and incidents may occur. Without complete information regarding overdue inspections, TSASK cannot fully monitor performance under the safety standards agreement.

That concludes my presentation.

The Chair: — Thank you for the presentation. Thanks for the updates as well that have been provided to us. At this time I'll table the status update that's been put together, PAC 79-29: Technical Safety Authority of Saskatchewan: Status update, dated October 19th, 2022. And I'll turn it over to Mr. Scott for brief response, and then we'll open up for questions.

Mr. Scott: — Good afternoon. Thank you for this opportunity. We have two outstanding issues to discuss. The first involves the application of a risk-informed strategy to escalator inspections. Our April 2021 risk-informed strategy is applicable to all elevating devices, including escalators. And we have had an internal policy with respect to the inspection of escalators for some time. We have been compliant with that policy, and I can confirm that we are now presently conducting escalator inspections within our new policy.

Our aim is to inspect every escalator in the province every 12 months. Because we apply a risk-informed strategy, if indeed we determine that a particular piece of equipment or particular escalator is of a significantly higher risk based on various factors, we will then move that interval and we will inspect that escalator every six months.

I can tell you that escalators have always been a subject of a high level of scrutiny based upon the wear characteristics of the equipment. Because they're obviously continually in motion and they're exposed in a dirty environment, they wear quite aggressively. So as a result, the inspections that we conduct are fairly significant and they often involve two inspectors on site.

The second item that was outstanding relates to inspection frequency generally, and I can tell you that TSASK's mandate has always been to work using a risk-informed strategy. And this is our approach with respect to all the technologies that we're responsible for. So in that regard, we have developed . . . Our various strategies actually take into account the risk assessed for each individual piece of equipment. As opposed to large groups, we'll look at the individual piece using multiple factors.

[14:15]

So this is a risk rating that we then use to inform the inspection interval that we assign to that particular piece of equipment. As a result, we have defined both the interval but also the inspection status, obviously, because if we're not meeting the interval, we're providing the overdue information that we would need to provide. So all of this information then provides the basis of our regular reporting to the ministry.

So in our view I think that, as we have expressed in our position, we are compliant with the items in the report. So that actually is my report, and I'd be happy to address any questions you might have.

The Chair: — Thanks, Mr. Scott. We'll open it up for questions at this time. Committee members. Ms. Young.

Ms. A. Young: — Thank you so much. My thanks to TSASK for the good work that's gone into this. Sometimes I feel, like the person asking the questions here, I don't always recognize all of the work that has gone into complying with the Provincial Auditor's recommendations. But reading through the two chapters and the past recommendations, it's great to see.

I am curious about, I don't even know how to put this, but the kind of inconsistency between . . . On the last page, 272, of chapter 38, it's noted that there's "no legislated inspection frequency for elevating devices." And it goes on to note that "Until TSASK and the Ministry agree on the required frequency of inspections, TSASK is unable to report [on] the number of overdue inspections to the Ministry." Can you help the committee understand that?

Mr. Scott: — I can attempt to, and if I fail I'm sure Chris can back me up. It's not a legislated requirement with respect to the interval. We've been very much trying to work away from just mere chronologic time frames for inspections, because we find that that probably isn't as nuanced as we'd like to be. You know, the concept that a piece of equipment is fine one day and then is suddenly bad the next day, doesn't really fit with our broad mandate to conduct a risk-informed strategy.

So what we've done is we have an internal methodology by which we examine, as I said, every individual piece of equipment. So it's not necessarily stagnant; it can change. So we've had bits of equipment, for instance, in the pressure world where they had an extremely high risk rating. And we've then looked at that particular piece of equipment, applied a treatment to it, and we've been able to reduce the risk rating, which is kind of our goal. The goal is to improve safety and not just simply to conduct work for the sake of conducting work.

So we've been trying to bring, as I said, a little bit more nuance to our work. And the way we've done that is by assessing individual bits of equipment on multiple factors, as I've indicated, to determine what the actual risk is on a piece of equipment, which is not the same as saying that you would look at, you know, every elevator every three years. Does that explain our position?

Ms. A. Young: — I think it does. Am I correct in hearing that there is then perhaps a lack of agreement around what a minimum

inspection time frame would look like? Or is it more the position of TSASK that that's actually kind of an irrelevant metric?

Mr. Scott: — I think that a minimum would be irrelevant because we're trying very much to work beyond a minimum.

Ms. A. Young: — Right.

Ms. Clemett: — I guess I'll just comment and say though, it is about formulating some sort of threshold. So it is about — as the CEO has indicated, right — in the event that you have something determined as high risk, what is the expectation in terms of inspection that would correlate with that high-risk rating? And so that the ministry has some mechanism to go, and are you meeting that expected threshold? And that, like, as has been indicated, would have to just sort of be agreed to through the agreement with the ministry.

Ms. A. Young: — And forgive me, auditor. When you say agreement, is that like a formal agreement that is ongoing?

Ms. Clemett: — Like a service agreement almost. Yeah. Yeah.

Ms. A. Young: — Okay. And so then is the safety standards agreement, is that currently under review?

Mr. Scott: — I can tell you. I can tell you that it is. And part of that is, as a result of . . . As you may be aware, our mandate has been significantly expanded over the last couple of years as we now involve ourselves in both the electrical as well as the gas inspections, and now in addition, plumbing inspections for a significant portion of the province. So the entire review is having to be . . . The entire agreement, excuse me, is having to be reviewed to encompass those broader responsibilities.

Ms. A. Young: — Is there like a projected end date for that re-evaluation of the agreement, or renegotiation?

Mr. Scott: — I wouldn't be able to give you that information here.

Ms. A. Young: — And just one last question from me. When you talk about, you know, the intent of having individualized inspections for each piece of equipment for which TSASK is ultimately responsible for ensuring the safety of, how many pieces of equipment are we talking about currently?

Mr. Selinger: — There's 4,242 licensed elevating devices in the province we inspect.

Ms. A. Young: — Okay. Thank you.

The Chair: — Other committee members, any other questions? Mr. Scott, thank you very much to you and your official for your time here today. Not seeing any further questions, I'd welcome a motion to conclude consideration of chapters 41 and 38. Moved by Mr. Harrison. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. Mr. Scott, any final remark our way before you take off?

Mr. Scott: — Thank you very much.

The Chair: — Thanks for your work. Okay. We'll take a brief recess here, folks, and then we'll haul in the Ministry of SaskBuilds and Procurement.

[The committee recessed for a period of time.]

SaskBuilds and Procurement

The Chair: — Okay folks, we'll reconvene the Standing Committee on Public Accounts and turn our attention to the Ministry of SaskBuilds and Procurement.

I'd like to welcome Deputy Minister Toffan and lead officials that have joined us here at the table and for all those involved in the work that we'll discuss here today and all that within the ministry. Deputy Minister Toffan, if you can briefly introduce your officials that are here with you today. We'll refrain from commenting on the chapters at this point. We'll flip it then over to the auditor and then come back to you.

Mr. Toffan: — Thank you, Mr. Chair. And so officials that I have with me today, to my right is Jason Wall. He's assistant deputy minister of our information technology division. To my left I have Karen Cossitt, who's executive director of project planning and delivery and our incoming chief procurement officer starting November 1st. And then to the back of me we have Ali Deheshi. He's a security analyst with the information technology division as well. And Jim Olson, who's our chief financial officer.

The Chair: — Thank you very much, and welcome to you all. I'll also table at this time the status update that you've provided, and thank you for that update. That's PAC 80-29, Ministry of SaskBuilds and Procurement: Status update, dated October 19th, 2022.

And I will turn it over to the Provincial Auditor. I think they're going to deal with each chapter, deal with them one at a time, so chapter 44.

Ms. Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today is Mr. Jason Wandy. He's the deputy provincial auditor that is responsible for the portfolio of work that does include SaskBuilds and Procurement, and he will be presenting the various chapters before us on the agenda. There are no new recommendations in these three chapters for the committee's consideration. I do want to thank the deputy minister and his staff for the co-operation that was extended to us during the course of our work. I'll turn it over to Jason.

Mr. Wandy: — Thanks, Tara. Chapter 44 of our 2019 report volume 2, on pages 323 to 325, reports the results of our second follow-up audit of SaskBuilds Corporation's processes for evaluating infrastructure projects at the business case development stage to determine whether projects should use a P3 [public-private partnership] approach.

By September 2019, SaskBuilds implemented the one remaining recommendation from our 2015 audit. We found SaskBuilds developed a single division to lead centralized procurement

processes for ministry and ministry-funded capital projects. A former P3 project director assumed the director role for the construction and infrastructure procurement unit within this division.

In addition, we found SaskBuilds used various ways to share lessons learned and best practices from P3 procurement for future procurement projects. For example, it held a symposium in 2018 about project management, including specific sessions on lessons learned on past P3 projects. It also developed new guidance for capital project delivery, incorporating some key lessons learned from using a P3 procurement approach. Sharing best practices and lessons learned assists the government in overcoming problems occasionally cited with using conventional procurement approaches.

I'll now pause for the committee's consideration.

The Chair: — Thanks for the presentation. Of course we've already concurred and heard this recommendation. Thanks for the status update. I'll flip it over to DM Toffan if he has a quick comment. Otherwise we'll open it up for questions.

Mr. Toffan: — Yeah, so obviously we've done a lot of work in this area, and I think the deputy provincial auditor did a good job of providing a summary of that.

Since that time we've also done a lot of other good work on making sure that our processes are consistent across different ministries on procurement of infrastructure, and obviously the front-end business planning side. So we've now consolidated our infrastructure practices across government to take that a step further, and that's led to some pretty good outcomes. We don't have any P3s right now that we're working on, but the analysis that we did on those initial P3s has really paid dividends on these additional projects that are more traditional models, like design-build. So that's all I would say.

The Chair: — Okay, thanks so much. Committee members. Ms. Young.

Ms. A. Young: — Yeah, just want one point of clarification for myself. We're talking about the SaskBuilds Corporation, not the Ministry of SaskBuilds and Procurement, correct?

Mr. Toffan: — Yeah, so the SaskBuilds Corporation resources, the people that were in the corporation, are now part of the Ministry of SaskBuilds and Procurement through a transfer that happened about two years ago.

Ms. A. Young: — Perfect. So any ongoing work, sharing of lessons learned, some of the roles identified in this report will be then part of the Ministry of SaskBuilds and Procurement, not SaskBuilds Corporation.

Mr. Toffan: — Yeah, absolutely that's right. And I think one of the comments that was made is we now have a capital project delivery guide that's actually posted online. And the reason why we posted it online is so that it's easily accessible to people across government. But also other jurisdictions have been asking, so we're happy to share our lessons learned across Canada and elsewhere.

Ms. A. Young: — Perfect. So then the specific roles within government for P3 and procurement but specific to P3 communication around lessons learned and knowledge sharing, will those still exist? The formal duties as identified in the chapter?

Mr. Toffan: — Yes, absolutely.

Ms. A. Young: — And can you expand just a little bit for the committee on if, you know, conventional approaches and kind of traditional methods of building and procurement are the ones currently being deployed? Can you expand on how I suppose now the Ministry of SaskBuilds and Procurement is helping identify and overcome some of those challenges?

[15:00]

Mr. Toffan: — So you mean on traditional procurement, how we're overcoming some challenges?

Ms. A. Young: — Yeah, I'm looking at the final paragraph in the auditor's report on chapter 44.

Mr. Toffan: — So one of the things that we definitely experienced previous to using P3 procurement was overtime, over-budget delivery of infrastructure. So what we've been able to do is we spend an adequate amount of time — a significant amount of time, really — at the front end of the project fully understanding what we're building. And that has mitigated risk for us as an organization down the line.

So when we get shovels in the ground we know full well what our risk profiles are, who our partners are, what the soil conditions are, what our building materials look like, what our options are. So we really have done a good job of mapping out what our plan of actions are in advance as opposed to putting the shovel in the ground and then doing it as we go. So that's been a key lesson learned, and all the things that of course surround that have been beneficial for our delivery of infrastructure.

Ms. A. Young: — Great. Thank you.

The Chair: — Any further questions? Mr. Goudy, you're just scratching your ear there?

Mr. Goudy: — Beard.

The Chair: — Just your beard. Fine beard, too. Not seeing any further questions at this point, we don't have a new recommendation before us. We have the implementation of the one that's been presented, so thank you for the work on this front. I would welcome a motion to conclude consideration of chapter 44. Moved by Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — All right, that's carried. And we'll move along now to chapter 26, and I'll turn it over to the auditor and her office.

Mr. Wandy: — Thank you. Chapter 26 of our 2021 report volume 1, on pages 271 to 272, reports the results of our first follow-up of the Ministry of SaskBuilds and Procurement's

actions on one recommendation we made in 2019 about configuring its data centre firewalls.

By December 2020 the ministry began updating a number of its data centre's firewall rules, focusing on reviewing and updating the rules it thought posed the greatest risk to client data and systems. However we found the ministry continued to work with its service provider to properly configure its data centre firewalls to restrict appropriate access to the data centre. Inadequate firewall configuration increases the risk of a security breach.

I'll now pause for the committee's consideration.

The Chair: — Thanks so much. Thanks as well for the status update and the work on this front. I'll turn it over to Deputy Minister Toffan if he cares to offer a brief remark, and then we'll open it up for questions.

Mr. Toffan: — Sure, thanks, Mr. Chair. And I think a lot of what we've done today as far as actions are concerned was provided in the formal update. But what I will just add to that is this is not really a simple process, because as we're doing this work we have to keep in mind that there's business practices and programs to run. And so as you get through all the work that needs to happen, we've got to work with our client ministries to make sure that we're not shutting things down when they're delivering the important programs that they do for the people of Saskatchewan.

So this was a longer path to get this recommendation addressed, but I think we've done a pretty good job over this year, these last couple years, on getting there.

The Chair: — Great. Thanks for that update and the work. I'll open it up for questions. Ms. Young.

Ms. A. Young: — Thank you, Mr. Chair. Thank you, Deputy Minister and your officials. So I guess maybe just a starting question: for clarification, does the ministry itself provide in-house any material functions to the IT services mentioned in this chapter, or is it all with the third-party service provider? And is the ministry essentially a go-between coordinator between the provider and clients?

Mr. Toffan: — Yeah, it's really a collaborative effort. It's both. We provide a lot of in-house services. We have a couple hundred staff that do provide those, but we do work with a private vendor as well and it's really a collaboration. A lot of those staff and the private vendor — it's ISM — are actually unionized staff as well.

Ms. A. Young: — Well I suppose that's fun for them. Can you clarify, with a few hundred staff within the ministry working on this, a bit more of the breakdown of responsibilities between what's handled by the service provider and what's handled by your employees within the ministry?

Mr. Deheshi: — Hello everyone. So on that side there's a couple of things that we have done actually. So we've implemented a fire analyzer. So from the ITD [information technology division] side, we're able to now monitor all those firewall rules that were insecure, and we're able to now take further actions. And then we're able to work with ISM on their side to be able to upgrade a lot of their firewall technology that was outdated, because these firewall rules go back 20 years for the ministries and all that stuff

that's been in place. So we've been able to really change that atmosphere.

And the ministries, obviously the outdated technology that they have, they have to work on their end to be able to change those rules so that the services don't shut down. So there's a lot of collaborative work from ITD, ISM, and the ministries, and on their end with their clients to be able to do this. So from our side now, we're able to monitor that and be able to see all that change has happened.

Ms. A. Young: — Thank you, and forgive me. Was I correct in hearing that within the ministry, you're actually helping ISM, the service provider . . .

Mr. Deheshi: — Correct.

Ms. A. Young: — . . . update and advance some of their policies?

Mr. Deheshi: — Correct. That's what we did. We worked with ISM to make sure that they update the technology and we made sure that we put in the firewall analyzer to monitor that technology now. Before it was a manual process. Now we have that visibility in-house at the security side that we're monitoring regularly. So we're just waiting for the auditing team to come and validate that, and it should be good to go.

Ms. A. Young: — And is that the new monitoring software that's mentioned in terms of managing firewall rules more efficiently?

Mr. Deheshi: — Correct.

Ms. A. Young: — Okay, great. Thank you. And looking to the auditors as the experts on cybersecurity and not being one myself, but with this being obviously a priority for any government or public service or government business enterprise, does the ministry feel confident with the status of the work happening both in-house and also the uptake from the many client ministries and organizations and agencies that you work with?

Mr. Deheshi: — Absolutely, yes. Because, like, we don't just have the firewall analyzer in place. We have different layers of security in place, so we're monitoring it on so many different levels. So we have the defence-in-depth model. So we have the end-point protection. We have the SOC [security operations centre] which is kind of our security information event management system. So if there's any breaches, we're able to pick it up in different areas as well. So we're very confident in that.

Ms. A. Young: — Okay. Thank you.

Mr. Deheshi: — You're welcome.

The Chair: — Any further questions on chapter 26, on this recommendation? I'm not seeing any. Again we've dealt with this before. We've concurred implementation is the status. So thanks for the work on this front. I'd welcome a motion to conclude consideration of chapter 26. Moved by Deputy Chair Hargrave. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. We'll turn our attention to chapter 27, and I'll turn it over to the Provincial Auditor and her office.

Mr. Wandy: — Thank you, Mr. Chair. Chapter 27 of our 2021 report volume 1, on pages 273 to 275, reports the results of our second follow-up audit of the Ministry of SaskBuilds and Procurement's security requirements for the development and operation of web applications. By January of 2021 the ministry implemented the two remaining recommendations we made in 2016.

At January 2021 the ministry had identified 24 web applications as critical and 292 as non-critical in use by ministries. We found the ministry made improvements to better support the development and operation of secure ministry web applications. It set clear guidance for checking new web applications are secure before they're put into use. Furthermore, it systematically looks for vulnerabilities in web applications through quarterly scans of critical web applications.

We found the ministry takes a risk-informed approach to address identified vulnerabilities by mitigating high-risk vulnerabilities first. Addressing high-risk vulnerabilities in ministry web applications helps minimize the risk of a breach of confidential government information in the web applications and sensitive data being lost or inappropriately accessed.

I'll now pause for the committee's consideration.

The Chair: — Thanks for the presentation. I'll turn it over to DM Toffan for a brief remark, and then we'll open it up.

Mr. Toffan: — Thanks, Mr. Chair. What I would say on this is that I'm actually really proud of the work our team did on this, and it was obviously in collaboration with the Provincial Auditor. This is an ever-changing area and a high-risk area for all governments, as was mentioned, across Canada and all over the world. There's no way to completely de-risk this, but we've done a good job of ensuring that at least we've been aware of the ever-changing environments. I think I'll just leave my comments at that and see if there's any questions.

The Chair: — Thank you. Questions? Ms. Young.

Ms. A. Young: — Sure. Thanks, Mr. Chair. And thanks again, Deputy Minister and officials. Recognizing the changing landscape of this work, as well as the scope of government, but also looking at, you know, the timeline between . . . I think the initial report's in 2016 and I believe it was cited as January 2021 is the date for implementation. Can you speak to the process and the scope of the work that was involved in moving from 2016 to 2021 and full implementation of these recommendations?

Mr. Dehesi: — So yeah, there's a lot of work that we did. So we updated our policies on one end. We also applied some application security coding development life cycles for the application-side people to be able to ensure that the codes are as standards, the best-practice standards. So on that side we made sure that's covered as well.

We implemented a web application firewall as well. And over time there was . . . Basically we had to work with the ministries again to be able to get those applications into the software as

well. So that took a little bit of time, but we got that in there as well for the web application firewall. So there was the different processes we did.

And then we also did a lot of external scanning and internal scanning — vulnerability scanning as well — of the environment to make sure that it fits into our management program and be able to work with the different sides to be able to mitigate all those identified weaknesses that we saw. And we took a risk-based approach as well too, so we worked from crown jewels down to the other higher priorities as well too.

Ms. A. Young: — Thank you. Recognizing no one can predict the future nor changes in the digital environment, but it was noted that there were 24 critical and I think it was 292 non-critical web applications. Is that something like, for the committee's background knowledge, is that a number we could expect to grow in scope? Or is that anticipated — again not knowing what the future holds — to remain fairly static?

Mr. Dehesi: — Yeah, we always have new applications that come into place. And again as part of our policies and our standards, we're testing those in place as well too. So we never know which applications the ministries are going to bring in-house. But now we have those guidelines and those processes to make sure that if something's, you know, more critical, again, to add to that list.

Ms. A. Young: — Perfect. And everybody loves to hear that you're taking a risk-based approach in addressing these concerns. But the ministry is really satisfied with the risk mitigation approach that you are taking to securing this and, you know, the valuable data and information of all of your client ministries and organizations.

Mr. Toffan: — Yes, absolutely. And I know that Ali used the term "crown jewels." We actually call them that because they're that important to us.

Ms. A. Young: — The Crown corporations or . . .

Mr. Toffan: — No, crown jewels. But it is really that risk-based approach. We want to make sure that we're working through that accordingly. Like, you know, there's some things that just simply can't fail, right? And so we're putting a lot of attention to those. And I think that, like I said before, the team's done a really good job of making sure that we're doing the best we can with a changing environment.

Ms. A. Young: — And just for the committee's information, can you provide, like a bit more expansion in terms of, like, what those really critical pieces are? The things you said that can't fail.

Mr. Dehesi: — Yeah, so what we do, we prioritize the application for each ministry and we have workshops to be able to see how it affects their confidentiality, integrity, availability, and how it affects the Government of Saskatchewan as a whole as well. So that's how we basically prioritize those, I called them, crown jewels. So that's how we prioritize them, and we have our threat risk assessment processes in place to make sure that any weaknesses within those environments are identified and mitigated.

[15:15]

Mr. Wall: — We also have, I guess, a very detailed cyber roadmap that we're following, that we're working with an independent company on that. So it's very, very detailed what we exactly have to do.

Ms. A. Young: — Great. And is the list of clients . . . Recognizing this is from December 2020, but the list of client ministries and agencies that was in chapter 26. Is that a comprehensive list, recognizing its point in time? But when we talk about the client agencies and ministries of SaskBuilds and Procurement, we're talking about the same client ministries and agencies across the different services that your ministry provides?

Mr. Toffan: — So, I mean, the list of clients in the report is accurate. But we definitely focus on executive government with our services. And from time to time treasury board, Crowns, agencies, boards, commissions will ask us for support. Sometimes it's even third parties like school divisions will ask us for support. The reality of it is, is it's very difficult to attract people who know this world very well into government. And so when people come knocking on our door, we help. That's just the reality of the situation. And I think we have some very good processes and structures and frameworks to assist them when trouble happens, or even before that if they want to be proactive.

Ms. A. Young: — So then in conclusion, am I right in my assumption then, based on your comments, that the Ministry of SaskBuilds and Procurement — when it comes to certainly web application security but digital security more broadly for the Government of Saskatchewan and agencies and government business enterprise — would be looking at experiences and learnings from across the public sector, whether or not they're a client of SaskBuilds and Procurement, and would also be open to sharing that information regardless?

Mr. Wall: — We're really now focusing on kind of that one-government approach to cybersecurity, because right now every ministry kind of works in those silos and that makes us very, very inefficient. So what we're trying to do is . . . We're only as good as our weakest link when it comes to cyber, quite frankly. So what we're trying to do, as Kyle had mentioned, we're trying to . . . If somebody has questions, we're there to answer.

So I think it's important that we do focus specifically on the weakest links that we have because everybody else can be there, but if we have two or three . . . It could be a treasury board Crown; it could be an agency. So we are looking into a lot of that stuff right now and focusing on that.

The Chair: — Question from Deputy Chair Hargrave.

Mr. Hargrave: — More a comment. This is a mountain of work that you guys have to do all the time and such important work in security and web applications — I mean, as you said, the weakest link. I mean, you have to worry about everything and everyone because there's so many people out there trying to mess with it. And you guys do a ton of work on there and should be commended for all the good work that you have done and are doing and continue to do and will do into the future, I mean. So I commend you on that very much.

The Chair: — Hear, hear! Any further comments? Glad you've got the crown jewels protected, and all the efforts you undertake and the implementation on this front. What I'll do now is seek a motion to conclude consideration of this chapter.

Mr. Nerlien: — Sure.

The Chair: — Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay, that's carried. Thank you very much to all the officials that are here today. Deputy Minister Toffan, would you care to offer a brief remark before we kick you out of here?

Mr. Toffan: — Sure. Just thank you so much for the questions, always insightful. And really we're just focused on continuous improvement, and that's what this is about. So thank you.

The Chair: — Okay, folks. We'll take a brief recess for five minutes, and then we have Saskatchewan Apprenticeship and Trade Certification Commission before us.

[The committee recessed for a period of time.]

Saskatchewan Apprenticeship and Trade Certification Commission

The Chair: — Okay, we'll reconvene the Standing Committee on Public Accounts. We're going to turn our attention to the Saskatchewan Apprenticeship and Trade Certification Commission. Thank you, CEO Jeff Ritter, for joining us here this afternoon. Mr. Ritter, if you can briefly introduce your official that's with you here today? And then we'll turn it over to the auditor for their presentation, back to you for comment, open it up for questions, and go from there.

Mr. Ritter: — All right, thanks. Thanks, Mr. Chair. I'm happy to be here. I've got to confess, it's been a while since I've been at Public Accounts. Would you like me to do my opening statement now or after the auditor?

The Chair: — After the auditor. You bet.

Mr. Ritter: — All right. Then I'm very happy to introduce our chief financial officer who's with me here today, Shaun Augustin.

The Chair: — Good. Thank you. Thanks so much. Thank you both for being here. And at this point I'll table the status update that you've provided. Thanks for the work on that front as well. PAC 81-29, Saskatchewan Apprenticeship and Trade Certification Commission: Status update, dated October 19th, 2022. And I'll turn it over to the Provincial Auditor, who I believe is going to be dealing with both chapters, presenting on both chapters at once. And then we'll flip it your way.

Ms. Clemett: — So thank you, Deputy Chair — Mr. Chair first, then Deputy Chair — committee members, and officials. With me today is Mr. Trevor St. John, deputy provincial auditor responsible for the portfolio of work that does include the commission. We do plan to present the two chapters together, and there is no new recommendations for the committee's

consideration. I do want to thank senior management of the commission for the co-operation that was extended to us during our work. I'll now turn it over to Trevor.

Mr. St. John: — Thank you. Chapter 34 of our 2019 report volume 1 and chapter 36 of our 2020 report volume 2 provides the results of our second and third follow-up audits on enabling apprentices to achieve interprovincial Red Seal certification.

Skilled workers are important to the Saskatchewan economy. Saskatchewan has over 60 designated trades and subtrades in four sectors: agriculture, tourism; construction; motive repair; and production and maintenance. Interprovincial Red Seal certification is a standard of excellence for skilled trades recognized throughout Canada.

Our first recommendation was for SATCC [Saskatchewan Apprenticeship and Trade Certification Commission] to implement a formal policy for industry inspections that requires the use of a risk assessment to decide which employers to inspect and how often. By January 2019 the commission formalized its policy, requiring inspections of employers in compulsory and regulated trades every two years, and all other employers every three years.

The inspections monitor compliance with laws that ensure appropriate apprentice-to-journeyperson ratios and that only registered apprentices are working for these employers. We concluded that this recommendation was implemented.

Our second outstanding recommendation was for the commission to verify and document that employers receive an industry inspection as required. We found by August 2020 the commission completed and documented required inspections for all employers we tested. Completing inspections as required decreases the risk that apprentices are not receiving appropriate supervision and on-the-job training. We concluded this recommendation was implemented.

That concludes my overview of the chapters.

The Chair: — Thanks so much for the overview and the presentation. Of course this committee's already heard these recommendations. We've concurred in them. We see the work that's been undertaken. I'll flip it over to CEO Ritter for a brief presentation, and then we'll open it up for questions.

Mr. Ritter: — Thank you very much, and good afternoon, everyone. Again my name is Jeff Ritter. I'm pleased to be joined with today our chief financial officer, Shaun Augustin.

As you know, back in 2014, the Provincial Auditor made a total of eight recommendations to the commission, and in our reports to the committee today, you'll see the last two recommendations that were reported on. As the auditor has already noted, it was specific to us implementing a formal policy, which we have done and has been verified, and also recommended that we verify and document when employers receive that industry visit that they spoke of, and in fact confirmed that those industry inspections have in fact occurred and were properly verified.

With respect to the policy, I can share that we do require that employers within compulsory trades . . . So there are a number

of those. I can list them if you'd like. They are construction, electrician, plumber, sheet metal worker, refrigeration and air conditioning mechanic, and our newest is sprinkler fitter. Within those particular trades, they are to receive an inspection every two years, while employers in the non-compulsory trades — that ranges in everything from carpenter to automotive service tech and everything in between — those trades, employers receive a visit every three years.

[15:30]

So I think, you know, given that we've fully implemented these recommendations, I probably will just pause there and will happily answer any questions that you or any of the committee members have.

The Chair: — Perfect. Thanks for the update and all the work on these fronts. I'll open it up now for questions. Ms. Young.

Ms. A. Young: — Thank you so much, and thanks for being here today and for all the good work that went into adopting and complying with the recommendations. Recognizing they are implemented and the good work that has gone on, I'm curious . . . Noting that the testing as well as these reports occurred, I think it was August 2020, and you know, becoming compliant with some of those suggestions around site visits and ensuring that those inspections were taking place, can you speak to how these occurred over the course of the COVID-19 pandemic and how your agency adapted to perhaps some changing site access or what impact that had on the work that you did, if any?

Mr. Ritter: — Yeah, thanks. That's a good question. I think it's fair to say that COVID-19 had an impact on a lot of operations, including ours. I think there was some period during the early part of the pandemic where, you know, some of these employer outreaches might have been conducted by telephone. But subsequent and for a considerable period of time now we've resumed back to in-person site visits, so pretty much back to normal.

Ms. A. Young: — And no challenges at any level with kind of re-engaging with what back to normal looks like?

Mr. Ritter: — No, I don't think so. You know, we track these measures fairly careful, and we've been able to achieve the targets that we've set out for ourselves. So I wouldn't say there were any undue issues.

Ms. A. Young: — Great news.

The Chair: — Any further questions? Mr. Nerlien.

Mr. Nerlien: — I have a quick question. What's the level of engagement between your organization and the colleges in the province?

Mr. Ritter: — So our responsibility is for the apprenticeship system writ large. So we look at it as 85 per cent of the education happens on the job. So we're responsible for tracking, you know, and monitoring the on-the-job portion of that education, as well as for contracting for that technical training component to occur. We do that primarily through agreements that we have in place with a number of training providers. I think Sask Poly would be

our largest training provider. They'd probably represent about 80 per cent of our . . .

Mr. Augustin: — 85.

Mr. Ritter: — 85? Okay, I was a little low. And then the remaining 15 per cent would be grouped into others which could include colleges or other training providers.

The Chair: — Any further questions? We've got CEO Ritter here, so we can ask him some other questions.

A Member: — I mean, we've got questions. They're not pertinent to the report.

The Chair: — No, I know we do. I should be careful as the Chair to open it up like that. Thank you so much for the work on this front and the implementation. We don't have to vote on these recommendations. We've done so before. So I would simply look for a motion to conclude consideration of chapters 34 and 36, respectively. Moved by Mr. Lemaigre. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay, that's carried. CEO Ritter and official and all those that are involved in this work here today and the important work of your organization, thank you. Do you have any final word our way?

Mr. Ritter: — No, just, you know, thanks for the committee and the interest in having us appear, and for, you know, the careful and close examination done by the Provincial Auditor. We welcome the feedback and strive for continuous improvement in all regards.

The Chair: — Thank you very much. We have one final item to deal with as a table. The status updates that we have tabled throughout the day that of course we receive in advance of these hearings, we know that those are incredibly helpful in focusing our time and our energy in ensuring that we can be effective in our engagement as a committee. It really aids our preparation.

We've had some conversation around adjusting the requirement as to when those should be received by committee and we sought a bit of input on that. And I believe we have a motion here today to be brought forward.

Mr. Hargrave: — Yes we do, yes we do. The current format is 48 hours, and now those 48 hours could be over a weekend or whatever the case may be, not in the form of business days. So I think we all need enough time to review and prepare for these, and so I would make the following motion:

That the status updates be provided to the committee three business days prior to a PAC meeting; and further,

That the PAC procedures manual be updated to reflect this change in process.

The Chair: — All right. Moved by Deputy Chair Hargrave. All agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. And thank you, Deputy Chair, for that motion.

I think that's everything. Thanks to everyone around the table. Thanks to our auditor and all in the office, and to all committee members, and of course to our able Clerks, to those in Hansard, and everyone else involved in today's hearings. I would welcome a motion to adjourn the committee. Moved by Mr. Nerlien. All agreed?

Some Hon. Members: — Agreed.

The Chair: — This committee stands adjourned until the call of the Chair.

[The committee adjourned at 15:37.]