

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Wednesday, November 26, 2014

MINUTE NO. 26
7:59 a.m. – Māṁawapiwin Room (Room 8)

1. **Present:** Danielle Chartier in the Chair and Members Larry Doke, Glen Hart, Paul Merriman, Warren Michelson, Rob Norris, Randy Weekes and Trent Wotherspoon.

Provincial Auditor's Office

Judy Ferguson, Acting Provincial Auditor
Tara Clemett, Principal
Kim Lowe, Principal
Victor Schwab, Principal
Rosemarie Volk, Principal

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller
Chris Bayda, Executive Director, Financial Management Branch

2. The committee considered Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Mr. Schwab of the Office of the Provincial Auditor provided an overview of the chapters.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Agriculture:

Alana Koch, Deputy Minister
Karen Aulie, Assistant Deputy Minister
Ray Arscott, Executive Director, Corporate Services Branch
Tom Schwartz, Executive Director, Livestock Branch
Andy Jansen, Manager, Agricultural Operations, Livestock Branch

Saskatchewan Crop Insurance Corporation:

Shawn Jaques, President and Chief Executive Officer
Janie Kuntz, Vice President, Finance
Fred Retzlaff, Executive Director, AgriStability

3. The committee concurred with recommendation 7-1 made at page 61 of Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Crop Insurance Corporation actively monitor to ensure its staff do not process AgriStability files where a real or perceived conflict of interest could arise. The committee noted that the Saskatchewan Crop Insurance Corporation has complied with the recommendation.
4. The committee concurred with recommendation 7-2 made at page 64 of Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Crop Insurance Corporation document its procedures for reviewing the assumptions and reviewing the calculation of the estimate of benefits for its AgriStability program. The committee noted that the Saskatchewan Crop Insurance Corporation has complied with the recommendation.

5. The committee concurred with recommendation 7-3 made at page 65 of Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Crop Insurance Corporation establish processes to compare its estimates of past years' benefits for its AgriStability program to actual benefits to help improve the estimate process for the AgriStability benefits. The committee noted that the Saskatchewan Crop Insurance Corporation has complied with the recommendation.
6. The committee concurred with recommendation 7-4 made at page 66 of Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Crop Insurance Corporation set targets for its performance measures related to its AgriStability program and report to senior management on its progress in achieving those targets. The committee noted that the Saskatchewan Crop Insurance Corporation has complied with the recommendation.
7. The committee concurred with recommendation 7-5 made at page 68 of Chapter 7 (AgriStability Benefit Payment Processing) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Crop Insurance Corporation work with the Ministry of Agriculture to develop processes to ensure that the annual fiscal year-end estimates for AgriStability program benefits are reasonable, consistent, and current. The committee noted that the Saskatchewan Crop Insurance Corporation has complied with the recommendation.
8. The committee considered Chapter 28 (Agriculture – Regulating Livestock Waste to Protect Water Resources) of the *2013 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson and Ms. Volk of the Office of the Provincial Auditor provided an overview of the chapters.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Agriculture:

Alana Koch, Deputy Minister

Karen Aulie, Assistant Deputy Minister

Ray Arscott, Executive Director, Corporate Services Branch

Tom Schwartz, Executive Director, Livestock Branch

Andy Jansen, Manager, Agricultural Operations, Livestock Branch

Saskatchewan Crop Insurance Corporation:

Shawn Jaques, President and Chief Executive Officer

Janie Kuntz, Vice President, Finance

Fred Retzlaff, Executive Director, AgriStability

9. The committee concurred with recommendation 28-1 made at page 199 of Chapter 28 (Agriculture – Regulating Livestock Waste to Protect Water Resources) of the *2013 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture confirm that intensive livestock operations, that it approved prior to 1996, have sufficient controls to protect water resources. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
10. The committee concurred with recommendation 28-2 made at page 200 of Chapter 28 (Agriculture – Regulating Livestock Waste to Protect Water Resources) of the *2013 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture set a risk-based inspection policy for re-inspections of intensive livestock operations. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.

11. The committee concurred with recommendation 28-3 made at page 200 of Chapter 28 (Agriculture – Regulating Livestock Waste to Protect Water Resources) of the *2013 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture inspect intensive livestock operations in accordance with its policy. The committee noted that the Ministry of Agriculture has complied with the recommendation.

12. It was moved by Mr. Weekes:

That this committee do now adjourn.

The question being put, it was agreed to.

13. The committee adjourned at 8:33 a.m. until Wednesday December 3, 2014 at 8:00 a.m.

Kathy Burianyk
Committee Clerk

Danielle Chartier
Committee Chair