

Ministry of Government Relations

Annual Report for 2021-22

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Letters of Transmittal



The Honourable
Don McMorris
Minister of
Government Relations
and Minister
Responsible for First
Nations, Métis and
Northern Affairs

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Ministry of Government Relations for the fiscal year ending March 31, 2022.

A handwritten signature in blue ink that reads "Don McMorris".

Don McMorris
Minister of Government Relations and
Minister Responsible for First Nations, Métis and Northern Affairs



Laurier Donais
Acting Deputy Minister
of Government
Relations and Deputy
Minister of First
Nations, Métis and
Northern Affairs

The Honourable Don McMorris
Minister of Government Relations and
Minister Responsible for First Nations, Métis and Northern Affairs

Dear Minister:

I have the honour of submitting the Annual Report of the Ministry of Government Relations for the fiscal year ending March 31, 2022.

A handwritten signature in black ink that reads "Laurier Donais".

Laurier Donais
Acting Deputy Minister of Government Relations and
Deputy Minister of First Nations, Métis and Northern Affairs

Ministry of Government Relations Overview

The ministry is responsible for municipal relations, building and technical standards, and First Nations, Métis and northern affairs, and the Provincial Capital Commission. The ministry engages a diverse range of partners and stakeholders to: plan for and respond to the opportunities and challenges of growth; provide leadership and direction so that integrated public services are available to communities and their residents; and support responsible governments.

The ministry's full-time equivalent (FTE) utilization in 2021-22 was 162.8 FTEs.

Legislation

The Amusement Ride Safety Act
The Assessment Appraisers Act
The Assessment Management Agency Act
The Boiler and Pressure Vessel Act, 1999
The Border Areas Act
The Cities Act
The City of Lloydminster Act
The Community Planning Profession Act, 2013
The Construction Codes Act
The Education Property Tax Act
The Electrical Inspection Act, 1993
The Electrical Licensing Act
The Flin-Flon Extension of Boundaries Act, 1952
The Gas Inspection Act, 1993
The Gas Licensing Act
The Government Relations Administration Act
The Indian and Native Affairs Act
The Local Government Election Act, 2015
The Local Improvements Act, 1993

The Métis Act
The Municipal Board Act
The Municipal Expropriation Act
The Municipal Grants Act
The Municipal Tax Sharing (Potash) Act
The Municipalities Act
The Northern Municipalities Act, 2010
The Passenger and Freight Elevator Act
The Planning and Development Act, 2007
The Rural Municipal Administrators Act
The Saskatchewan Gaming Corporation Act
The Saskatchewan Natural Resources Transfer Agreement (Treaty Land Entitlement) Act
The Tax Enforcement Act
The Technical Safety Authority of Saskatchewan Act
The Time Act
The Treaty Land Entitlement Implementation Act
The Urban Municipal Administrators Act
The Urban Municipality Act, 1984

View the ministry's 2020-2021 Operational Plan at www.saskatchewan.ca/government-relations

Progress in 2021-22

Ministry Goal 1

Government Goals



A Strong Economy



Strong Communities



Strong Families

Ministry / Organization Goal

Citizens live in safe and well-governed communities.

Strategy

Invest in evolving government and community priorities.

Key Actions

- Administer municipal infrastructure investments provided through provincial, federal, and federal-provincial programs. This includes the Investing in Canada Infrastructure Program, Municipal Revenue Sharing Grant Program, Canada Community-Building Fund Program (formerly the federal Gas Tax Fund program), New Building Canada Fund and Transit Assistance for People with Disabilities Program.
 - To support municipal infrastructure and services, the ministry distributed \$97.7 million for the Investing in Canada Infrastructure Program, \$275.2 million for the Municipal Revenue Sharing Program, \$126.0 million for the Canada Community-Building Fund, \$35.5 million for the New Building Fund and \$0.7 million for the Transit Assistance for People with Disabilities Program.
- Support municipalities to advance their asset management plans through the Canada Community-Building Fund Program.
 - The ministry approved nine projects for municipalities to use funding from the Canada Community-Building Fund to implement or develop an asset management plan that will maintain and extend the useful life of municipal infrastructure. This is in addition to the 41 projects approved since 2019-20 that remained active in 2021-22.
- Partner with municipal associations to administer the Targeted Sector Support Initiative, which provides a portion of Municipal Revenue Sharing to support programs, projects and initiatives directed at good governance, legislative compliance, and increased inter-municipal and regional co-operation.
 - The Targeted Sector Support Initiative provides cost-shared grants up to 75 per cent on eligible costs to municipalities partnering to strengthen their core municipal responsibilities through projects focused on regional co-operation, capacity building and good governance. Applicants must be a municipal government and partner with at least one other community, such as other municipalities, regional committees, First Nations, or parks.
 - In 2021-22, \$988,763 of provincial funds were approved for 22 projects with a total project cost of

\$1,657,803.

- Support community-level First Nations and Métis initiatives aimed at building strong communities.
 - The ministry supports the Embracing Life Initiative where as many as 22 human services organizations work together with young residents on suicide prevention and community well-being. Most notably, the group launched a suicide prevention website and app in March 2022. In June 2021, it organized a Northern Successes Showcase to honour 60 people and projects from 19 northern communities for their work in promoting healthy communities.
- Provide funding support for First Nations and Métis community events and projects that promote intercultural understanding, strong communities and reconciliation.
 - The ministry provided \$408,300 for 11 event sponsorships and 11 grassroots partnership projects to advance Indigenous priorities.
- Distribute emergency pandemic support to First Nations and Métis organizations that typically receive gaming payments.
 - The ministry provided \$28.7 million to the First Nations Trust, \$5.1 million to Community Development Corporations and \$1.2 million to the Clarence Campeau Development Fund in Emergency Pandemic Support grants.

Strategy

Improve legislation, regulations and policies.

Key Actions

- Provide policy leadership, analysis and advice on the impacts of policy or program initiatives on First Nations and Métis people.
 - The ministry is developing a plan to engage with First Nation and Métis leaders and organizations, industry and municipal organizations to discuss the Consultation Policy Framework.
 - The ministry provides advice and serves on internal government committees on policy issues. Examples include Jordan's Principle and Missing and Murdered Indigenous Women and Girls.
- Continue to promote good governance by evaluating and evolving legislation, regulations and policy regarding local government elections.
 - The ministry reviewed feedback regarding the 2020 local government elections and is considering amendments before the 2024 general municipal elections to address issues raised and to make other improvements.
- Reduce citizen obstacles in complying with technical safety requirements by completing the transition of plumbing inspection services to the Technical Safety Authority of Saskatchewan (TSASK).
 - The transfer of plumbing services to TSASK on January 1, 2022, was the final step in consolidating the delivery of technical safety services into a single client-facing program. TSASK is now responsible for amusement rides, elevators, boilers and pressure vessels, gas safety, electrical safety and plumbing. The one-stop model for these technologies will result in improved services and savings for Saskatchewan industry.
- Reduce interprovincial barriers to trade by aligning building and construction standards.
 - *The Construction Codes Act* replaced *The Uniform Building and Accessibility Standards Act* on January 1, 2022. It is an Act respecting development, adoption and implementation of building, energy and plumbing standards. The effective application of construction codes supports construction of safe, healthy, habitable buildings and approximately \$1.7 billion in investment annually.
- Conduct a red tape review on the consolidation of *The Uniform Building and Accessibility Standards Regulations* and *The Building and Accessibility Standards Administration Regulations* to accompany the proposed *Construction Codes Act*.
 - *The Building Code Regulations*, *The Plumbing Code Regulations* and *The Energy Code Regulations* came into effect on January 1, 2022. Providing one regulation for each technology provides industry

- and other code users with a direct source of information about application of a specific technology and provides government a nimble platform for review, consultation and amendment.
- Support the Saskatchewan Liquor and Gaming Authority in their review of the Gaming Framework Agreement.
 - The ministry is assisting the Saskatchewan Liquor and Gaming Authority in its review of the Gaming Framework Agreement. Work began in 2021-22 and is scheduled to be complete in 2022-23.

Strategy

Enhance client-centered service delivery.

Key Actions

- Continue to deliver efficient advisory services that assist municipalities in meeting their legislated responsibilities.
 - The ministry developed and delivered targeted training to improve efficiency regarding advisory services. Two general administration webinars were conducted and attended by 401 municipal administrators. Municipal Advisors worked with the Ministry of Justice, Dispute Resolution Office to deliver six in-person workshops to a total of 354 participants.
- Introduce the online subdivision application process to efficiently complete subdivision reviews that facilitate economic growth and safe development.
 - The ministry is nearing completion of the online Saskatchewan Planning and Land Use System (SaskPLUS). This system will allow clients to apply for, pay fees and track progress of their application online.
- Govern and provide municipal services to residents living in the North's unorganized areas by acting as local council for the Northern Saskatchewan Administration District.
 - The ministry redesigned its structure to invest in two additional positions to improve municipal administration and services in the Northern Saskatchewan Administration District.
- Build awareness of the province's legal obligations related to Treaty Land Entitlement and Duty to Consult.
 - The ministry promotes handbooks, facilitates conversations and provides advice to ministries, Crowns, and agencies on the province's legal obligations regarding Treaty Land Entitlement and Duty to Consult.
 - The ministry provides training sessions to industry and community on Duty to Consult as requested.
 - Under the First Nation and Métis Consultation Participation Fund, in 2021-22, 126 grant agreements were signed with First Nation and Métis communities for approximately \$813,000, with \$602,197 expended.

Strategy

Strengthen stakeholder and partner relationships.

Key Actions

- Negotiate new Treaty Land Entitlement Agreements with Canada and First Nations that support the acquisition of new reserve land.
 - The ministry completed its Treaty Land Entitlement negotiation and settlement with Canada and Ahtahkakoop Cree Nation. The Ahtahkakoop Cree Nation received compensation of \$43.3 million from the federal and provincial governments. As part of this agreement, the Ahtahkakoop Cree Nation has the option to acquire up to 40,659.97 acres to add to their reserve lands.
- Implement newly amended haul rates and other regulatory changes for road maintenance agreements that balance municipal and industry interests.

- The ministry worked with stakeholders to simplify the road maintenance fees calculation formula, which improved understanding among municipalities, industry and contractors. Templates were developed and published on www.saskatchewan.ca to help municipalities, industry and contractors in developing road maintenance agreements.
- Enhance partnerships between government, industry, agencies and First Nations and Métis communities which support community wellness and vitality in the north.
 - The ministry supports collaborative partnerships between northern people, agencies, industry, stakeholders and government through administering the Northern Saskatchewan Environmental Quality Committee and the Embracing Life Initiative. These activities respond to Northerners' identified priorities.
 - The ministry co-manages (with Ministry of Environment) 12 Mine Surface Lease Agreements, which requires companies to report on and provide benefits to Northerners. In 2020, Northerners held roughly 41 per cent of the jobs at northern mine sites, and northern ventures supplied goods and services worth \$103 million.
- Strengthen Saskatchewan's engagement with First Nations and Métis residents and representative organizations.
 - The ministry works with First Nations and Métis people and helps inform policies and programs.
 - The ministry provided \$2.0 million to the Federation of Sovereign Indigenous Nations (FSIN) to support research into undocumented deaths and burials on former federally operated residential school locations in the province.
 - The ministry partnered with the Ministry of Highways and the Office of the Treaty Commissioner to promote awareness of the Treaties and reconciliation through a plan to install official Treaty boundary signage along major provincial highways.
 - The ministry participates with other government ministries in negotiations with the Métis Nation-Saskatchewan (MN-S) for an agreement that recognizes Métis food harvesting rights.
- Continue to work with our partners to ensure the fairness of the provincial property assessment and tax system by:
 - Supporting the implementation of the 2021 property tax revaluation.
 - The 2021 revaluation updated assessed values to reflect a base date of January 1, 2019 (from January 1, 2015) to ensure assessments are kept current as property values change over time. In addition, approved changes to the 2021 revaluation quality assurance standards will improve transparency regarding the calculations of assessed values to sales prices.
 - Working with the municipal sector to renew the approach to the first level of property assessment appeals.
 - The ministry established an Office of the Registrar to oversee board of revision training, begin to certify boards, support system oversight and increase public understanding of the property assessment appeal process. Online training for board members and secretaries became accessible in early January 2022.
 - Supporting Saskatchewan Assessment Management Agency's (SAMA) review of oil and gas assessment methodology.
 - Key amendments were approved to the Saskatchewan Assessment Manual to clarify the definitions and treatment of oil and gas well sites for the current and future assessment cycles. The changes were the result of collaboration between SAMA, government and industry, which will lead to greater predictability of assessments for the oil and gas industry and municipal governments in Saskatchewan.
- Work with municipalities, Indigenous communities and municipal sector associations to increase local capacity and support regional planning efforts through education.
 - Ongoing support for 34 Planning Districts by attending district meetings when requested. Encouraged engagement through discussions with Planning Districts and subdivision reviews.

Performance Measure Results

Percentage of municipalities that met eligibility requirements for municipal revenue sharing

Ninety five per cent of municipalities met the eligibility requirement for their 2021-22 municipal revenue sharing grant.

Municipal Revenue Sharing support is intended to better municipal services, such as improved transportation, public transit and protective services and improved citizens' health and safety.

Number of subdivision sites approved with conditions to prevent unsafe development

The ministry approved 440 subdivision sites with a potential development value of \$132 million with conditions to prevent unsafe development.

Requiring subdivision developments to have proper disaster mitigation standards before sites are approved limits impacts from potential disasters, such as slope instability and flooding.

Percentage of the population covered by building bylaws

In 2021-22, 90 per cent of the population is covered by building bylaws.

Building bylaws help to ensure people live and work in safe buildings. Beginning with implementation of *The Construction Codes Act* on January 1, 2022, local authorities are obligated to implement a building bylaw by December 31, 2024, and report on the appointment of building officials.

Number of acres that are transferred to reserve status through land claim agreements

The ministry transferred 4,421 acres to reserve status through land claim agreements.

Collaboration with the federal government and First Nations to implement 34 Treaty Land Entitlement and 24 specific claim settlement agreements allow First Nations to acquire additional reserve land. This measure demonstrates the province's progress towards meeting its commitments under these agreements. Reconciliation with Indigenous peoples is also demonstrated through negotiation and implementation of these agreements.

Ministry Goal 2

Government Goals



A Strong Economy



Strong Communities



Strong Families

Ministry / Organization Goal

A team that demonstrates our commitment to excellence.

Strategy

Support a knowledgeable and skilled workforce.

Key Actions

- Fill gaps in professional skills and competencies.
 - The ministry provided training sessions on Difficult Discussions, Logic Model, Freedom of Information and Protection of Privacy (FOIP) and Writing for Decision-Makers.
- Improve promotion and delivery of learning and development opportunities.
 - The ministry redesigned its intranet site to improve its promotion of learning and development activities. It also invested in Four Seasons of Reconciliation, so staff are encouraged and prepared to advance reconciliation with Indigenous people.

Strategy

Promote a safe, inclusive and accountable culture.

Key Actions

- Improve promotion and delivery of opportunities targeted at health, safety and wellness.
 - The ministry developed corporate safety protocols at its offices and promoted tips on workplace safety. It continues to comply with occupational health and safety workplace requirements.
- Improve workplace practices that overcome real and perceived barriers to diversity and inclusion.
 - The ministry piloted a Brave Spaces project to build awareness on implicit bias. The ministry also promotes commemorative days and special events to support acts of inclusion.

Strategy

Improve and leverage information and technology.

Key Actions

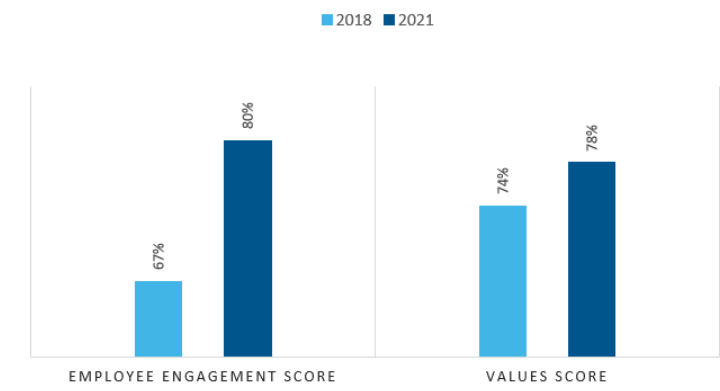
- Continue to work towards a digital interface to support service delivery and information sharing.
 - The ministry is developing an online system to support service delivery for the Integrated Subdivision Approval Program.
- Improve information management throughout the ministry.
 - The ministry is supporting change management activities to support the efficient and effective use of SharePoint and other technology tools.

Performance Measure Results

Government Relations' employee engagement score is 80 per cent (+13 per cent) and values score is 78 per cent (+4 per cent). Variance compares against 2018.

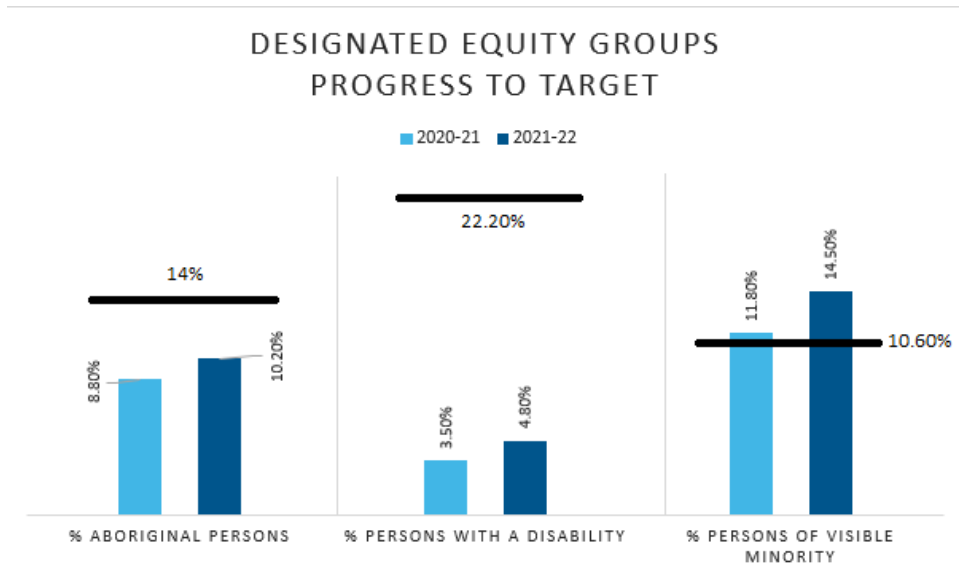
Employee engagement levels and their commitment to Government's core values are measured every two years via survey. Measuring our scores over time enables the ministry to identify strengths that can be leveraged and improvement opportunities in both areas.

SCORES FOR ENGAGEMENT AND VALUES
2018 AND 2021



Average of the employment targets for designated equity groups increased over last year but did not meet the target identified by the Saskatchewan Human Rights Commission.

The Saskatchewan Human Rights Commission (SHRC) provides employment targets for four designated equity groups the ministry strives to meet. Improving workforce diversity supports our strategy of a safe, inclusive and accountable culture.



Financial Summary

Additional financial information can be found in the Government of Saskatchewan Public Accounts located at <https://publications.saskatchewan.ca/#/categories/893>

Financial Results

Expense:

The 2021-22 restated appropriation budget was \$612.7 million. Actual expenditures were \$634.9 million. This represents an increase of \$22.2 million. This increase primarily reflects:

- an increase for the Canada Community-Building Fund (\$56.5 million);
- an increase for Education Property Taxes (EPT) allowances for doubtful accounts (\$6.2 million);
- an increase for funding to support the Federation of Sovereign Indigenous Nations' plan to research deaths and burial sites at residential school sites in Saskatchewan (\$2.0 million); and,
- an increase for the First Nation and Métis Consultation Participation Fund (\$0.5 million);

partially offset by:

- lower than anticipated infrastructure grant payments (\$40.3 million);
- lower than anticipated municipal transfers (\$0.7 million); and,
- net savings across the ministry, primarily due to vacancy management and operating savings (\$2.0 million).

Revenue:

The 2021-22 revenue budget was \$790.7 million. Actual revenue was \$837.8 million. This represents an increase of \$47.1 million over budget. This increase is primarily attributed to:

- an increase to the Canada Community-Building Fund (\$62.6 million);
- an increase to reclassify a portion of EPT to grants-in-lieu (\$10.3 million);
- an increase for refunds to the General Revenue Fund, primarily for the New Building Canada Fund, where actual amounts were lower than what was accrued in prior years (\$0.8 million);
- an increase to reclassify a portion of EPT revenue for trailer fees (\$0.6 million); and,
- an increase to subdivision application fees reflecting increased applications (\$0.5 million);

partially offset by:

- a decrease for EPT Tax levy (\$21.6 million); and,
- decreased net revenue to reflect reduced expenditures for infrastructure programs (\$6.1 million).

Full-Time Equivalentents (FTE):

The 2021-22 FTE utilization for the ministry was 162.8 FTEs.

Summary of Expenditures

The following table summarizes budgeted versus actual expenses by subvote and subprogram. Variance explanations are provided for all variances that are greater than five per cent and \$100,000.

<i>In thousands of dollars</i>	2021-22 Restated Budget	2021-22 Restated Actual	Variance Over/ (Under)	Notes
Subvote/Subprogram				
Central Management and Services (GR01)	7,596	12,882	5,286	
Minister's Salary	51	51	-	
Executive Management	1,009	767	(242)	1
Central Services	5,048	10,652	5,604	2
Accommodations Services	1,488	1,412	(76)	
First Nations, Métis and Northern Affairs (GR12)	39,173	41,273	2,100	
First Nations, Métis and Northern Affairs	3,638	5,169	1,531	3
Treaty Land Entitlement	335	375	40	
First Nations and Métis Consultation Participation Fund	200	729	529	4
Emergency Pandemic Support for First Nations and Métis Organizations	35,000	35,000	-	
Municipal Relations (GR07)	556,025	571,098	15,073	
Urban Revenue Sharing	176,743	176,203	(540)	
Rural Revenue Sharing	78,583	78,654	71	
Northern Revenue Sharing	20,404	20,367	(37)	
New Building Canada Fund	49,677	35,514	(14,163)	5
Investing in Canada Infrastructure Program	123,912	97,740	(26,172)	5
Transit Assistance for People with Disabilities	3,787	3,732	(55)	
Grants-in-Lieu of Property Taxes	13,900	13,830	(70)	
Saskatchewan Assessment Management Agency	11,388	11,388	-	
Municipal Relations	7,177	6,888	(289)	
Canada Community-Building Fund	69,487	125,989	56,502	6
Regional Planning Authorities	90	25	(65)	
Building and Technical Standards	877	768	(109)	1
Saskatchewan Municipal Board (GR06)	1,888	1,597	(291)	1
Provincial Capital Commission (GR14)*	8,045	8,045	-	
Provincial Capital Commission*	7,304	7,304	-	
Saskatchewan Centre of the Arts	741	741	-	
Total Appropriation	612,727	634,895	22,168	
Capital Asset Acquisitions	-	(20)	(20)	
Capital Asset Amortization	70	40	(30)	
Total Expense	612,797	634,915	22,118	

*The 2021-22 budget and actuals were restated to reflect \$552 thousand for the Community Safety Officers program under the Provincial Capital Commission being reassigned to the Ministry of Corrections, Policing and Public Safety to consolidate provincial enforcement services.

Explanation of Major Variances:

1. Vacancy management and miscellaneous operating under-expenditure.
2. Over-expenditure for a year-end accounting entry reflecting an increase in Education Property Tax allowances partially offset by vacancy management and miscellaneous operating under-expenditure.
3. Over-expenditure for funding provided to the Federation of Sovereign Indigenous Nations to

support plans to research deaths and burial sites at residential schools in Saskatchewan partially offset by vacancy management and miscellaneous operating under-expenditure.

4. Over-expenditure reflecting increased activity of the fund.
5. Under-expenditure reflecting delays in project approvals and projects not progressing as quickly as anticipated.
6. Over-expenditure reflecting the top-up amount provided by the federal government in 2021-22.

Summary of Revenues

The ministry's major revenue relates to Education Property Taxes (EPT) and agreements with the federal government. All revenue collected is deposited in the General Revenue Fund. A summary of the ministry's 2021-22 budgeted revenue compared to actual revenue is presented below. Explanations are provided for all variances that are greater than \$100,000.

<i>In thousands of dollars</i>				
Revenue Category	2021-22 Budget	2021-22 Actual	Variance Over/ (Under)	Notes
Property Taxes	654,300	632,665	(21,635)	
Education Property Taxes	654,300	632,665	(21,635)	1
Other Licences and Permits	554	1,671	1,117	
Subdivision Fees	550	1,047	497	2
Building Official Licencing Fees	4	6	2	
Other Rental and Leases	-	618	618	3
Sales, Services and Service Fees	75	98	23	
Debenture Authorization	40	76	36	
Miscellaneous Services	5	3	(2)	
Other Service Fees	30	9	(21)	
Documentation, Searches and Legal Services	-	6	6	
Freedom of Information	-	4	4	
Other Miscellaneous Revenue	-	11,119	11,119	
Refunds – Previous Year's Expenditures	-	804	804	4
Casual/Other Revenue	-	10,315	10,315	5
Other Federal/Provincial Agreements	135,752	192,208	56,456	
Canada Community-Building Fund	65,415	127,987	62,572	6
Investing in Canada Infrastructure Program	67,591	60,092	(7,499)	7
New Building Canada Fund	2,746	4,129	1,383	8
Total Revenue	790,681	837,761	47,080	

Explanation of Major Variances:

1. Decreased revenue reflecting lower than expected assessment growth offset by an increase in EPT abatements.
2. Increased revenue reflecting higher than anticipated subdivision applications.
3. Reclassification of a portion of EPT revenue for trailer fees.
4. Increased revenue reflecting refunds to the General Revenue Fund primarily for infrastructure programs, where actual amounts were lower than what was accrued in prior years.
5. Reclassification of a portion of EPT revenue to grants-in-lieu.
6. Increased revenue reflecting the top-up amount provided by the federal government in 2021-22.
7. Decreased revenue reflecting projects not being approved as quickly as anticipated and progressing slower than anticipated.
8. Increased revenue reflecting projects in the Small Communities Fund component proceeding more quickly than anticipated.