



100 YEARS OF HEART



2005 - 2006 PROVINCIAL BUDGET  
PERFORMANCE PLAN

SASKATCHEWAN FINANCE

# Minister's Message

I am pleased to introduce the Department of Finance performance plan for 2005-06, outlining our role in managing and controlling the Province's finances, administering and collecting taxes, and supporting Government's accountability in the use of public funds.

Finance is the agency responsible for receiving the majority of the Government's revenue and disbursing funds to other departments for vital public services and programs including health care and education.

The Department monitors both internal and external pressures on the provincial tax system, analyzing their effects on fairness and competitiveness. The Department will provide support to the Business Tax Review announced as part of the 2005-06 Budget.

For the upcoming year, Finance will also continue to participate in the development of new terms for Equalization. The Department assisted government in securing significant federal transfers in 2004-05 that addressed past unfair clawbacks of oil and gas revenue (net transfers to Saskatchewan of \$120 million in the spring, and \$367 million in the fall). The Department will continue helping government advance this issue through discussions with the federal government.

The Department continues the implementation of the full accrual model for reporting capital assets for the 2004-05 financial statements. As well, work is underway to implement new recommendations regarding the reporting entity for the 2005-06 financial statements.

Finance continues work on the Human Resources and Payroll components of the Government's central financial system (the MIDAS project), with base functionality targeted for implementation January 1, 2006.

The Department continues to play a lead role in the government-wide strategic planning process by co-ordinating department performance plans – measures included in the plans continue to enable us to evaluate both our progress and our success, helping ensure government is accountable to the people it serves.

The Department of Finance plan is part of our ongoing commitment to accountability, transparency, and performance measures. I am dedicated to the goals and actions outlined in this plan, and will report on the progress in the summer of 2006.



Harry Van Mulligen  
Minister of Finance

# Who We Are

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The mandate of the Department of Finance is to provide options and advice to Treasury Board and Cabinet on managing and controlling the finances of the Province. The Department administers and collects Provincial taxes and it supports the Government in being accountable to the Legislature and the public in the use of public funds.

The Department of Finance receives the majority of revenues for the Government of Saskatchewan, and disburses them to government departments to fund public services such as health care, education and road maintenance. In addition, the Department manages the debt of the General Revenue Fund (GRF). To ensure an increasing level of government-wide accountability, Finance assists departments in implementing the Government's Accountability Framework.

Finance also delivers the Saskatchewan Savings Bonds program, administers provincial pension plans, employee benefit plans, and provincial tax programs, including the Provincial Sales Tax, and keeps the public informed on finance-related issues.

## ***CORE BUSINESS AREAS***

The Department provides the Minister of Finance, Treasury Board, Cabinet and the Government with information, analysis, advice and services in eight core business areas.

### ***REVENUE, EXPENDITURE, FISCAL AND ECONOMIC POLICY***

Finance supports effective government decision-making by providing up-to-date information, policy analysis and advice. Finance establishes and co-ordinates the budget development process to enable Treasury Board and Cabinet to make effective resource allocation decisions.

The Department works with the federal government on Equalization, the Canada Health and Social Transfer, the Canada Pension Plan, and fiscal arrangements concerning First Nations in Saskatchewan and other federal-provincial programs. As well, the Department houses the Saskatchewan Bureau of Statistics, which reports on provincial and national economic indicators.

### ***COMPTROLLERSHIP/FINANCIAL MANAGEMENT***

Finance assists the Legislature and the Government in controlling and accounting for the receipt and disposition of public money. Through the Provincial Comptroller, the Department develops and maintains the government-wide revenue and expenditure systems and ensures that effective financial management and accounting procedures are in place. It also prepares and publishes financial accountability reports, including the Public Accounts.

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The Department's internal audit function ensures that departments maintain appropriate financial and management controls and are properly accounting for their revenues and expenditures.

### ***REVENUE OPERATIONS***

Finance administers several provincial government revenue and tax rebate programs. This work involves identifying and collecting tax revenues, conducting audits, issuing tax refunds and providing information related to tax and rebate programs.

### ***TREASURY AND DEBT MANAGEMENT***

Finance borrows to meet the funding requirements of the Government, including Crown corporations and other government agencies. It manages the provincial debt and the cash position of the General Revenue Fund. It also provides an investment management service for various funds administered by the Government, Crown corporations and other agencies.

### ***GOVERNMENT PERFORMANCE PLANNING AND REPORTING***

Finance is working to improve planning, budgeting, performance measurement and reporting practices across government through the Performance Management Branch (PMB). The mandate of PMB is to work with departments to develop and implement a "managing for results" approach within executive government, to provide analysis and advice to Treasury Board and to undertake in-depth analysis of assigned special projects and reviews.

### ***PERSONNEL POLICY SECRETARIAT***

Through the Personnel Policy Secretariat, the Department provides advice and analysis to the Cabinet Committee on Public Sector Compensation and co-ordinates implementation of Cabinet decisions.

### ***CORPORATE SERVICES***

Finance provides direction, guidance and support for internal operations and client agencies. This includes executive management, communications, human resources, financial services, procurement, information technology, security and facilities.

### ***PENSION AND BENEFITS ADMINISTRATION***

The Public Employees Benefits Agency (PEBA) is a central body within the Department of Finance that administers pension and benefit programs for employees of the executive government, Crown corporations and government-funded bodies.

# Plan at a Glance

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The purpose of this performance plan is to look forward and provide a forecast of the challenges and opportunities ahead, and how we plan to address them. This section of the report lays out our plan for the future. It identifies the outcomes we are working towards to continue to pursue accountable, fiscally responsible government, prosperity and social well-being.

This is the fourth performance plan publicly released by the Department of Finance. The performance plan will continue to evolve over time as the strategic planning, performance management and public reporting processes mature.

The goals and objectives identified in the plan are multi-year in nature. Over time, we will work towards achieving our objectives in support of meeting our broader long-term goals. For each objective, a series of key actions for the 2005-06 fiscal year has been developed that support advancements towards the objective.

Below is a summary of our plan for 2005-06 and beyond. The goals and objectives articulate the outcomes the Department is pursuing, which support our vision. The performance measures are one of the key tools we will use to gauge our progress towards objectives. The Department will report on actual compared to planned progress at the end of the 2005-06 fiscal year, in the Department's 2005-06 Annual Report.

**VISION** – As a leading Canadian finance department, Saskatchewan Finance pursues accountable, fiscally responsible government, prosperity and social well-being

## GOAL 1

*Saskatchewan is fiscally strong and stable*

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**OBJECTIVE 1** – *A sound financial plan*

*Performance Measures:*

- Government debt to GDP ratio
- Credit ratings

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## GOAL 2

*Saskatchewan is a prosperous and socially responsible province*

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**OBJECTIVE 1** – *A simple, fair, competitive tax structure*

*Performance Measures:*

- Income and sales taxes paid by representative taxpayers
- Inter-provincial tax comparisons for selected average family profiles
- Tax progressiveness index
- Number of audits conducted on businesses liable for taxes under the statutes administered by Finance

## GOAL 3

*Government is accountable for its revenue, expenditure and results*

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**OBJECTIVE 1** – *Effective government financial reporting*

*Performance Measures:*

- Date that Volume 1 of the Public Accounts is released
- Number of audit qualifications on the Province's General Revenue Fund (GRF) financial statements and on the Summary Financial Statements (SFS)
- Number of Public Sector Accounting Board (PSAB) standards that have not been implemented in the General Revenue Fund financial statements and in the Summary Financial Statements

**OBJECTIVE 2** – *Effective government-wide financial management practices*

*Performance Measures:*

- Number of significant deficiencies that were detected, but not appropriately addressed by the affected departments
- Successful implementation of the MIDAS system on time and within budget

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**OBJECTIVE 3** – *Effective performance planning, management and reporting*

*Performance Measures:*

- Number of departments, Treasury Board Crown corporations and key cross-government strategies that publicly release performance plans
- Number of departments, Treasury Board Crown corporations and key cross-government strategies that publicly release performance results reports

**GOAL 4**

*Saskatchewan Finance provides excellent services to its clients*

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**OBJECTIVE 1** – *Accurate and timely information and services*

*Performance Measures:*

- Per cent of businesses, which collect taxes on behalf of government, that are satisfied with the Department's quality of service
- Per cent of businesses, which collect taxes on behalf of government, that are satisfied with the Department's timeliness of responses, refunds and adjustments

**OBJECTIVE 2** – *Ease of tax compliance*

*Performance Measures:*

- Per cent of tax payments processed electronically
- Number of farmers that applied for fuel tax permit renewals on-line

# 2005-06 Financial Overview

The Department's overall budget for 2005-06 is \$257.1 million. Of this amount, \$43.2 million is appropriated for the operations of the Department of Finance. The remaining \$213.9 million is appropriated for payments to public service pensions and benefits.

The following table lists the 2005-06 breakdown of Department spending by function.

<b>2005-06 APPROPRIATION</b>	<i>(in thousands of dollars)</i>
Central Management and Services	\$6,880
Treasury and Debt Management	2,607
Provincial Comptroller	13,108
Budget Analysis	4,878
Revenue	15,248
Personnel Policy Secretariat	395
Miscellaneous Payments	94
Department Operations Appropriation	\$43,210
Capital Asset Acquisitions	(5,233)
Capital Asset Amortization	1,937
Department Expense	\$39,914
Public Service Pensions and Benefits	213,874
Total Appropriation	\$257,084
FTE Staff Complement	455.0
REVENUE	\$5,466,376



# Trends and Issues

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The Department of Finance is committed to leadership and innovation in the development of public policy and the practice of public financial management. Accomplishments in 2004-05 provide a solid foundation on which we will continue to improve service to other agencies of government and to the people of Saskatchewan.

Saskatchewan's economy posted above-average growth in 2004, underpinned by strong exports of energy and other natural resources. More economic growth is expected for the Province in 2005 on the basis of continued strength in energy, mining, manufacturing, the resumption of live cattle exports to the U.S. and an improved harvest. The volatile value of the Canadian dollar and commodity prices particularly those of grains, oil, natural gas and potash, however, provide both risks and opportunities for the Province's growth prospects in 2005. Advice and support to Treasury Board and Cabinet on the economic and fiscal impact of these factors will be provided on an ongoing basis.

The Department is expected to monitor both internal and external pressures on the provincial tax system and analyze the effects those pressures may have on the fairness and competitiveness of the tax system. For the upcoming year, Finance will play an important role in providing technical and policy assistance to the Business Tax Review Committee. Finance will also continue to participate in the development of new terms for the major federal-provincial fiscal agreements. In addition, the Department expects to continue work with our partners on a number of ongoing intergovernmental issues, including municipal and First Nations taxation.

Government accounting is in a period of considerable change. A number of new accounting recommendations have significantly affected the Government accounting environment. For example, the Government continues the implementation of the full accrual model for reporting capital assets for the 2004-05 financial statements. As well, work is underway to implement new recommendations regarding the reporting entity for the 2005-06 financial statements.

The accounting profession continues to examine a number of other areas. One of the more fundamental of these is accounting for government grants. As grants comprise the largest category of government expenditures, the potential implications of accounting changes are significant. Considerable work is required to evaluate the recommendations as they are developed and to provide advice to Government about the potential impact on Saskatchewan.

Phase 1 of the Government's new central financial system, known as the MIDAS project, was completed April 1, 2003. Work continues on the Human Resources and Payroll components of the system with base functionality targeted for implementation January 1, 2006. Challenges will continue as the remaining phases of the project are completed and the employees adapt to the new system.

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Throughout Canada, the United States and elsewhere, standards for public accountability continue to evolve and increase. In addition to a continued emphasis on timely and accurate reporting of financial results, there is increasing interest in performance results – measuring whether government programs and policies are achieving their stated objectives and making a difference in peoples’ lives. Many jurisdictions have strengthened their public reporting practices to ensure the public has access to clear plans at the start of the year and specific, balanced and complete performance reporting at the end of the year.

The CCAF-FCVI (<http://www.ccaf-fcvi.com/english/index.html>) is nationally recognized for its work on strengthening the public sector accountability practices. *Reporting Principles - Taking Public Performance Reporting to a New Level* ([http://www.ccaf-fcvi.com/english/reporting\\_principles\\_entry.html](http://www.ccaf-fcvi.com/english/reporting_principles_entry.html)) was developed by a task force of legislators, managers and auditors, and outlines nine principles to guide public performance reporting. Saskatchewan has adopted these principles as a framework for ongoing improvements to performance plans and annual reports for executive government departments and agencies.

Some jurisdictions are building on their performance measurement work by developing and implementing a regular process of program reviews – more in-depth and detailed assessments of specific programs. Legislative auditors remain very interested in the progress governments are making in implementing a managing for results approach and are starting to explore ways to ensure the reliability of performance information. Saskatchewan’s Provincial Auditor has monitored and reviewed Finance’s efforts and his reports have included several assessments of our progress over the past several years (most recently, 2003 Volumes 1 and 3 and 2004 Volumes 1 and 3).

# Changes from 2004-05 Performance Plan

The goals and objectives in the Department's 2005-06 Performance Plan remain unchanged from those published last year.

The following performance measure has been added to the performance plan:

- Per cent of tax payments processed electronically. This performance measure replaces the measure 'number of businesses that filed returns on-line'. The new measure is a broader measure that captures all electronic forms of payment.
- Number of farmers that applied for fuel tax permit renewals on-line.

The following performance measure has been removed from the plan:

- Number of farmers that applied for fuel tax rebates on-line. This measure is being deleted as the retail portion of the Farm Fuel Program was eliminated in the 2004-05 Budget.

## Goals, Objectives, Actions and Measures

This section details the Department's performance plan for 2005-06. Under each goal a number of objectives have been established that support progress towards the broader goal statement. For each objective, a set of key actions that will be completed in 2005-06 has been identified. They are the means for making progress on the objectives. To assess whether key actions support the objective, a set of performance measures has been established for each objective to gauge progress towards meeting the objective.

### **GOAL 1**

*Saskatchewan is fiscally strong and stable*

#### **OBJECTIVE 1** – *A sound financial plan*

Fiscal strength and stability are important indicators for those who live in our province and those who are looking to invest. The Department contributes to the Province's fiscal strength and stability through the development of a sound financial plan. Sound financial planning is a key component in assisting government decision-makers to develop and deliver annual budgets and effectively allocate public resources.

A financial plan includes details of revenue, expenditure, assets, liabilities and debt. These details are reported on a General Revenue Fund (GRF) basis and a Summary Financial Statement (SFS) basis.

**Key Actions for 2005-06**

- Issue timely economic and fiscal forecasts, reports and analysis, as well as fiscal strategies and options, to achieve the Government’s financial plan within *The Balanced Budget Act* and *The Fiscal Stabilization Fund Act*.
- On an ongoing basis, operate a budget process that provides decision-makers with realistic program options and the information necessary to analyze those options.
- On an ongoing basis, optimize the Government's cost of borrowing through:
  - ~ strategic financing
  - ~ cash management
  - ~ debt administration and foreign exchange and risk management
- Issue timely quarterly financial reports to the general public, providing information on the Government’s current financial position.

**What are we measuring?**

**Where are we starting from?**

Government debt to GDP ratio  
22.1%  
*[March 31, 2004]*

Gross Domestic Product (GDP) is the total value of all goods and services produced in the economy.

Government Debt is the debt incurred to fund deficits and cash shortfalls that must be repaid using future government receipts. This does not include debt incurred for and repayable by Crown corporations.

Investor confidence is influenced by this ratio because it provides investors with a measure of the Province’s debt relative to the income available to manage that debt.

The Department is able to influence many of the factors that contribute to the size of the Government’s debt and GDP levels by providing advice to decision-makers and adhering to prudent debt management policies. However, factors such as the state of the global, North American and Canadian economies are beyond the Department’s control.

## What are we measuring?

Credit ratings

## Where are we starting from?

Standard & Poor's: AA-

Moody's Investors Service: Aa3

Dominion Bond Rating Service: A

*[June 30, 2004]*

A credit rating is an evaluation by an independent, objective agency of a borrower's capability to service and repay debt. The borrower may be a private firm, or a public entity such as a provincial or national government. An upgrade in a borrower's credit rating means there has been an improvement in that borrower's financial position.

Factors used to reach a credit rating include:

- government structure and intergovernmental relations
- economy
- budget
- financial position
- policy direction and overall management ability

## GOAL 2

*Saskatchewan is a prosperous and socially responsible province*

### **OBJECTIVE 1** – *A simple, fair, competitive tax structure*

A simple, fair and competitive tax structure promotes prosperity through tax competitiveness, and enhances social responsibility by ensuring adequate resources for important public services.

Competitive taxes are a key feature in a jurisdiction's ability to compete for jobs and investments.

### **Key Actions for 2005-06**

- Provide technical and policy assistance to the Business Tax Review Committee.
- Continue to monitor:
  - ~ the tax systems of other jurisdictions
  - ~ the revenue requirements of the Government
- Conduct 4,450 audits on businesses paying or collecting taxes administered by Finance.

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**What are we measuring?**

Income and sales taxes paid by representative taxpayers

**Where are we starting from?**

Single parent earning \$25,000 paid \$560

One income family earning \$50,000 paid \$4,005

Two income family earning \$75,000 paid \$6,390

*[2003; latest data available]*

While tax levels are held as low as possible, a key requirement of the tax regime is that it provides adequate resources to the Province to finance the Government's program responsibilities in areas such as health and education.

The Department's influence in this area is through the ongoing advice it provides to decision-makers about revenue policy issues.

**What are we measuring?**

Inter-provincial tax comparisons for selected average family profiles

**Where are we starting from?**

Single parent earning \$25,000 – 4<sup>th</sup> lowest

One income family earning \$50,000 – 4<sup>th</sup> lowest

Two income family earning \$75,000 – 4<sup>th</sup> lowest

*[2003; latest data available]*

Comparisons of the Saskatchewan taxes paid by representative taxpayers to the taxes paid by those taxpayers if the Province adopted the tax regimes of other provinces provide an indication of the competitiveness of Saskatchewan's tax regime.

The Department's influence in this area is through the ongoing advice it provides to decision-makers about revenue policy issues.

**What are we measuring?**

Tax progressiveness index

**Where are we starting from?**

18.3

*[2003; latest data available]*

The Department's progressiveness index provides an indication of how fair the provincial tax system is by measuring relative tax levels between different income levels. The higher the index, the more progressive and fair the tax system.

The Department's influence in this area is through the ongoing advice it provides to decision-makers about revenue policy issues.

**What are we measuring?**

Number of audits conducted on businesses liable for taxes under the statutes administered by Finance

**Where are we starting from?**

4,055

*[2003-04]*

This is a measure of the number of field and desk audits conducted by Finance on businesses required to collect or pay taxes administered by the Department. It is necessary that the level of audit coverage is high enough to promote voluntary compliance and to ensure that all businesses are paying and remitting the required taxes. This helps to ensure fairness and competitiveness among businesses. The Department has a moderate level of influence since staff vacancies and the long training period for new auditors will impact the number of audits.

**GOAL 3***Government is accountable for its revenue, expenditure and results***OBJECTIVE 1 – Effective government financial reporting**

Continued strong financial reporting is key to strong accountability. Timely, reliable and relevant financial information provides the necessary accounting for the receipt and spending of public funds.

**Key Actions for 2005-06**

- Develop and implement a work plan to prepare and release the Province's Public Accounts by August 1.
- Prepare financial statements in accordance with Public Sector Accounting Board (PSAB) standards and work with the Provincial Auditor to resolve differences in opinion.
- Monitor the activities of the PSAB of the Canadian Institute of Chartered Accountants (CICA). Implement new standards as soon as approval to do so is obtained.

**What are we measuring?**

Date that Volume 1 of the Public Accounts is released

**Where are we starting from?**

June 29, 2004  
[2003-04 Public Accounts]

Timeliness of the financial statements contributes to the Government's accountability. The "gold standard" is considered attained if the statements are released by August 1. The Department's level of influence over the measure is moderate and achievement is affected by other departments and agencies, the Provincial Auditor and Treasury Board.

**What are we measuring?**

Number of audit qualifications on the Province's General Revenue Fund (GRF) financial statements and on the Summary Financial Statements (SFS)

**Where are we starting from?**

3 GRF  
0 SFS  
[2003-04 Public Accounts]

Reliability of the financial statements contributes to the Government's accountability. Financial statements that have few (or no) audit qualifications are considered more reliable than those that have many. The Department's level of influence over the measure is moderate and achievement is affected by other departments, agencies, the Provincial Auditor and Treasury Board.

**What are we measuring?**

Number of Public Sector Accounting Board (PSAB) standards that have not been implemented in the General Revenue Fund financial statements and in the Summary Financial Statements

**Where are we starting from?**

1 (pension accounting for GRF financial statements)  
[2003-04 Public Accounts]

Relevance of the financial statements contributes to the Government's accountability. Financial statements that comply with Public Sector Accounting Board Standards are considered more relevant than those that do not. The Department's level of influence over the objective is moderate and achievement is affected by Treasury Board.

**OBJECTIVE 2 - Effective government-wide financial management practices**

Effective government-wide financial practices are essential to the operation of government. The Department of Finance is committed to a high standard concerning financial systems and practices for managing resources and achieving fiscal accountability. The Department provides direction to and works with other departments and agencies to ensure appropriate financial management practices are employed.



## Key Actions for 2005-06

- Through our cyclical risk analysis process, we plan to assess the internal controls on approximately 130 financial programs/systems. Where improvements are required, effective solutions will be recommended for implementation.
- As part of MIDAS Phase 3, complete the development stage and implement phase 3 of the MIDAS project. Phase 3 is base Human Resource/Payroll including employee and position management, payroll, benefits management (for example: pension, group life, dental, extended health plans), time and attendance, entitlements (for example: vacation, sick leave, pressing necessity), and training administration.

### What are we measuring?

Number of significant deficiencies that were detected, but not appropriately addressed by the affected departments

### Where are we starting from?

0  
[2003-04]

In order to achieve the objective of effective government-wide financial practices, departments must appropriately address all significant deficiencies that are detected. A significant deficiency is an internal control deficiency that adversely affects the Government's ability to safeguard its assets and record, process or report financial data reliably. Finance develops and implements financial policies and procedures and conducts internal control reviews to monitor for significant deficiencies in financial programs/systems. This measure will indicate if any significant deficiencies that were detected were not appropriately addressed. The Department has a high level of influence over the measurement results.

### What are we measuring?

Successful implementation of the MIDAS system on time and within budget

### Where are we starting from?

The first phase of MIDAS was launched in 2001-02. It was successfully completed during 2002-03 and implemented on time and under budget on April 1, 2003. The Purchasing components of phase 2 were completed during the 2003-04 fiscal year. The fixed assets component of phase 2 was developed during the 2004-05 fiscal year and is ready for use April 1, 2005. To date, the project continues to be under budget although the project has been extended by one year to allow sufficient time to complete phase 3 - Base HR/Payroll.

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MIDAS is the new government-wide system to replace our 17-year-old financial, human resources and payroll systems. It is a state-of-the-art, web-based system that will support the future needs of the Government. It will improve our effectiveness through the use of workflow to automate approvals and avoid entry of data into multiple systems. It will improve our access to integrated financial information and will support new functionality for the budgeting and forecasting processes.

In order to provide the financial services required by the Government, it is critical that the Department implement each phase of MIDAS on time and within budget, and that the new system meets the needs of the users.

The Department has significant influence over all aspects of the MIDAS project, including the time and cost required to complete each phase.

**OBJECTIVE 3** - *Effective performance planning, management and reporting*

Government's Accountability Framework is intended to strengthen accountability to the Legislature and public by providing more and better information about what results government intends to achieve, how it will spend money, and, at year-end, its actual financial and program performance results. To be effective, performance plans and annual reports must be timely, complete and accurate. As the lead department, Finance works to build capacity within government, set expectations and support departments in their planning and measurement work. Over time, the end result should be better information for managers and decision-makers, enhanced accountability both internally and publicly, and ultimately, improved government performance for Saskatchewan people. Links to performance plans and annual reports for participating departments and agencies are available at <http://www.gov.sk.ca/finance/accountability/default.htm>

The two performance measures for this objective focus on the number of departments and agencies that release annual performance plans at the start of the year and report back on those plans at year-end. These are short-term, output measures that gauge progress in improving public disclosure of planned activities and actual results for the year. They do not, however, provide any information on the quality or usefulness of the information presented. As the performance planning and reporting process matures, Finance will consider how best to measure the actual impact on the quality, usefulness and timeliness of the information presented in plans and reports from the perspective of key audiences, including elected members, stakeholder groups and the public.

**Key Actions for 2005-06**

- Incorporate the Information Technology Office and the Saskatchewan Communications Network within the Accountability Framework.

- Review other Treasury Board organizations to assess the applicability of a results-based reporting framework.
- Participate in or lead special projects and reviews, as assigned.
- Continue to add and improve content of department annual reports, based on the CCAF reporting principles. Planned areas of focus for the coming year include: improving the discussion and analysis of performance measures and measurement results, strengthening the linkages between the financial and non-financial aspects of both performance plans and annual reports and providing additional information about the risks that the organization must manage.

**What are we measuring?**

Number of departments, Treasury Board Crown corporations and key-cross government strategies that publicly release performance plans

**Where are we starting from?**

15 departments  
 3 Treasury Board Crown corporations<sup>1</sup>  
 2 key cross-government strategies<sup>2</sup>

*[March 2004]*

Timely release of departmental performance plans at the start of the year is essential to strong public accountability. Plans describe what departments intend to accomplish with their annual budget appropriations, the specific actions they will take and how progress will be measured. Plans released at the start of the year also serve as the basis for reporting on actual progress at year-end. This measure tracks the number of executive government departments, Treasury Board Crown corporations and key cross-government strategies that publicly release performance plans, developed in accordance with Government’s Accountability Framework, in 2005-06. The Department of Finance develops planning guidelines, sets annual expectations and works with other central agencies to support departments and Treasury Board in strengthening performance planning, measurement and reporting. However, individual departments and agencies are responsible for preparing their own annual performance plans.

**What are we measuring?**

Number of departments, Treasury Board Crown corporations and key cross-government strategies that publicly release performance results reports

**Where are we starting from?**

15 departments  
 2 Treasury Board Crown corporations<sup>3</sup>  
 1 key cross-government strategy<sup>4</sup>

*[July 2004]*

<sup>1</sup> Saskatchewan Property Management Corporation (SPMC), Saskatchewan Liquor and Gaming Authority (SLGA) and Saskatchewan Watershed Authority

<sup>2</sup> Safe Drinking Water and KidsFirst

<sup>3</sup> SPMC and SLGA

<sup>4</sup> Safe Drinking Water Strategy

Timely public release of year-end reports on actual performance results as compared to original performance plans is a key means of demonstrating accountability for results. Department annual reports describe the organization's activities during the year, the results they achieved and the progress they made as compared to their performance plan for that year and must be tabled within the timelines set out in *The Tabling of Documents Act*. This measure tracks the number of executive government departments, Treasury Board Crown corporations and key cross-government strategies that publicly release annual performance results reports, developed in accordance with Government's Accountability Framework, in 2005-06. The Department of Finance develops reporting guidelines, sets annual expectations and works with other central agencies to support departments and Treasury Board in strengthening performance planning, measurement and reporting. However, individual departments and agencies are responsible for preparing their own annual reports.

## GOAL 4

### *Saskatchewan Finance provides excellent services to its clients*

#### **OBJECTIVE 1** – *Accurate and timely information and services*

The Department is committed to serving its clients – individuals and businesses, government departments and decision-makers, and the public at large – with integrity and professionalism. We continually seek ways to respond more effectively and efficiently to our clients' needs.

#### **Key Actions for 2005-06**

- Conduct and report survey results for businesses collecting taxes.
- Respond to most requests for tax information within 24 hours and provide accurate information.
- Process tax refunds within 21 days of receiving all required documentation.

#### **What are we measuring?**

Per cent of businesses, which collect taxes on behalf of government, that are satisfied with the Department's quality of service

#### **Where are we starting from?**

96%  
[2004-05]

The Department has committed to conducting periodic surveys of businesses collecting taxes on behalf of government. This allows businesses to evaluate the Department's performance and helps the Department determine how its services may be improved. This is a measurement of the percentage of businesses collecting taxes that indicate they were somewhat to very satisfied with the quality of information received from Saskatchewan Finance (Tax bulletins, quality of answers from information officers). The Department has moderate influence on this measure as the results are very dependent upon the survey response rate from the public. Changes in tax policy may influence how a business responds to the survey.

**What are we measuring?**

Per cent of businesses, which collect taxes on behalf of government, that are satisfied with the Department's timeliness of responses, refunds and adjustments

**Where are we starting from?**

95%  
[2004-05]

The Department has committed to conducting periodic surveys of businesses collecting taxes on behalf of government. This allows businesses to evaluate the Department's performance and helps the Department determine how its services may be improved. This is a measurement of the percentage of businesses collecting taxes that indicate they were somewhat to very satisfied with the Department's timeliness of responses and overall program delivery. The Department has moderate influence on this measure, as the results are very dependent upon the survey response rate from the public. Changes in tax policy may influence how a business responds to the survey.

**OBJECTIVE 2 – Ease of tax compliance**

The Department wants to ensure that its clients can report taxes owing or obtain tax benefits as easily as possible. This helps reduce compliance costs for clients.

**Key Actions for 2005-06**

- We will continue to promote the Saskatchewan Electronic Tax Service (SETS) to clients through the use of information stuffers included with tax returns every three months, using e-mail marketing to clients that have provided an e-mail address and through our link on the gov.sk.ca "Online Services" web page.
- The Provincial Sales Tax (PST) rebate for qualifying energy-efficient household appliances is being converted to a point-of-sale tax exemption effective April 1, 2005. This change will improve the delivery of the program by providing an immediate benefit to eligible purchasers.

**What are we measuring?**

Per cent of tax payments processed electronically

**Where are we starting from?**

48%  
[2003-04]

This is a measure of the percentage of tax payments that are processed electronically. The Department accepts tax payments from a variety of electronic methods including the Saskatchewan Electronic Tax Service (SETS), Internet banking, and payments made at financial institutions. The Department's influence over this measure is limited to the extent that it can only encourage businesses to submit returns electronically. They may still choose to make payments manually through the postal system. The data source for this information is produced from statistical reports from the mainframe revenue system.

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**What are we measuring?**

Number of farmers that applied for fuel tax permit renewals on-line

**Where are we starting from?**

0 (2005-06 is the first year of the permit only system)  
*[2004-05]*

This is a measure of the number of farmers that submit their fuel tax permit renewals using the Saskatchewan Electronic Tax Service (SETS). SETS allows farmers to file an application on-line rather than filing a paper application. The Department's influence over this measure is limited to the extent that it can only encourage farmers to submit applications electronically. They may still choose to do so manually. The data source for this information is produced from statistical reports in the SETS database.

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## For More Information

If you have any questions or comments about this plan, call 1-866-862-6246.

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