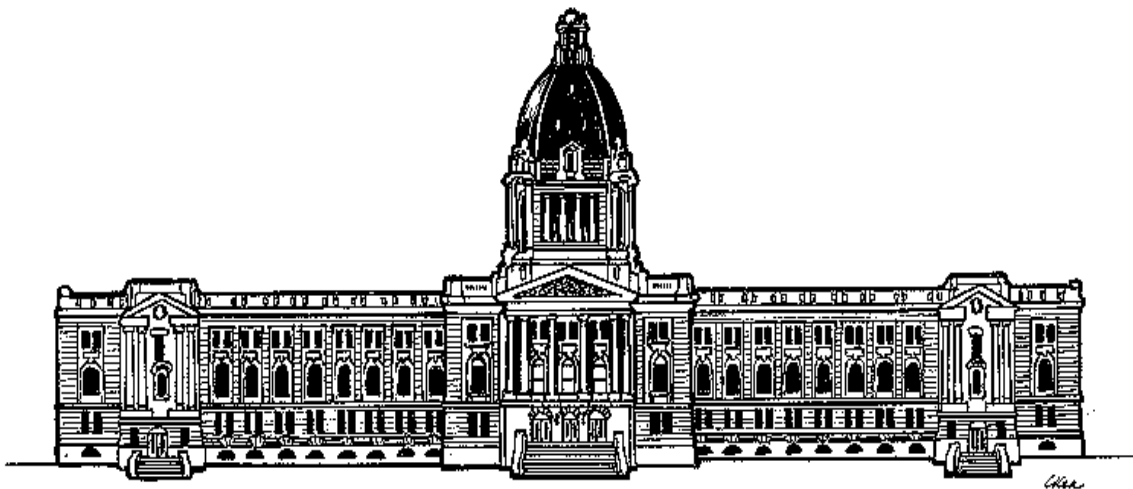




# **STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**Hansard Verbatim Report**

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**Legislative Assembly of Saskatchewan**

**Twenty-Seventh Legislature**

## STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Trent Wotherspoon, Chair  
Regina Rosemont

Mr. Scott Moe, Deputy Chair  
Rosthern-Shellbrook

Ms. Jennifer Campeau  
Saskatoon Fairview

Mr. Herb Cox  
The Battlefords

Mr. Glen Hart  
Last Mountain-Touchwood

Mr. Warren Michelson  
Moose Jaw North

Mr. Corey Tochor  
Saskatoon Eastview

[The committee met at 13:03.]

**Office of the Provincial Auditor**

***Business and Financial Plan  
for the Year Ended March 31, 2014***

**The Chair:** — Well welcome, committee members, to the Standing Committee for Public Accounts. This afternoon we'll be here for the primary considerations of the Office of the Provincial Auditor *Business and Financial Plan for the Year Ended March 31, 2014*. I'd like to welcome our Provincial Auditor, Ms. Bonnie Lysyk, for joining us here today, and I'd give her a brief moment to introduce the officials that are here with her today.

**Ms. Lysyk:** — Thank you, Mr. Chair. Committee members, I have with me here today Angèle Borys. Angèle is the deputy provincial auditor and chief operating officer for our office.

**The Chair:** — Thank you very much. Welcome to committee members Deputy Chair Moe, Ms. Campeau, Mr. Michelson, Mr. Hart, Mr. Tochor, and Mr. Cox. At this point in time I'll table the following documents: PAC 21/27, Ministry of Finance reporting of public losses; as well as PAC 22/27, Ministry of Health reporting of public losses.

Moving along with our agenda items, we're going to reconvene discussion and consideration of the Office of the Provincial Auditor's *Business and Financial Plan for the Year Ended March 31, 2014*. We've already had a presentation from the Provincial Auditor as it relates to this plan and this budget, but I'm wondering if, from the Provincial Auditor, if there's some opening statements that your office would like to provide.

**Ms. Lysyk:** — No, not at this time. I just, you know, I just again open the floor. If there are any questions of us, we are here to answer your questions.

**The Chair:** — Thank you very much. I'll turn it over to committee members for questions. I see Mr. Cox.

**Mr. Cox:** — Thank you, Mr. Chair. First of all I'd like to thank you, Bonnie, for what information you sent out this week. That was very helpful; we had a look at it. I did do a little research on my own and found out a little bit more about our audit committee, which I didn't know anything about before. And I would love to take you up on your offer to sit down with you sometime and learn more about it.

The question I have — I guess it's maybe a comment or a request, more — is there any opportunity to explore that audit committee and make more use of it rather than looking for another external committee? Do you see any value in doing that?

**The Chair:** — Just a minor, minor point, and sorry, we could have just discussed this beforehand. I just noticed last committee we got into the usage of first names in a way that we haven't really in historical practice in the committee. And if we could prefer, anyway, to use the formal recognition of one another, that would be preferred.

**Mr. Cox:** — My apologies, Mr. Chair.

**The Chair:** — Good question. Go ahead.

**Ms. Lysyk:** — I guess there is a section in our Act — that is section no. 7 of *The Provincial Auditor Act* — and that section of the Act is meant to enable our office to have advisors that are subject matter experts in our office. So with respect to our audits and with respect to the subject matter around those audits, that is one of our preferred approaches because when we need assistance, we need it on certain subject matter topics that are specific.

The audit committee members are selected and appointed outside of our office and do come with strong skill sets, and we know they are available. If there was a reason that, as an office, we believed there would be value in soliciting input, you know, I'm definitely open to doing that. At this point in time we haven't seen a need yet, so to answer your question.

**Mr. Cox:** — Yes. It does very well, yes. You're aware the resource is there if you need it, but I understand, yes, the nature of your work. And you do call on outsiders from time to time with other expertise than what you have yourself. So thank you for that.

**Ms. Lysyk:** — Thank you.

**The Chair:** — Mr. Michelson.

**Mr. Michelson:** — Thank you, Mr. Chair. Ms. Lysyk, just to follow up on that a little bit about the advisory committee. The advisory committee, as you kind of stated, would be kind of for specific sectors where you needed some additional advice in there. In the statement of expenses and revenue, there was \$323,000 for agency and advisory service, which I notice is less than previous years, which is good. But this advisory service amount, would that be the same as the . . . that would be used toward this advisory committee? I guess I'm wondering if there's an extra expense that would be over and above what we're looking at here.

**Ms. Lysyk:** — No. I'll go back to the beginning. So we had redone our strategic plan, and we sat back and we looked and we thought, as an office, what should we have mentioned in our strategic plan? Mentioning the establishment of an advisory committee was a thought that perhaps when we need it, we might do that. But it isn't something that we have actually done yet, or it isn't something at this point we're kind of acting on.

The monies that you see in our finances are specifically, in the majority of cases, related to our working with external auditors and hiring them and their staff to work as agents for us. So that's where that money is.

So we have not spent any money on a committee of advisors. We have, in a couple audits, contracted with individuals to assist us. We had a dietician helping us on an audit of nutrition, as an example. But we have not had a committee, a structure. If we ever thought we needed a small committee to help us on a few things, it wasn't my thought that we would pay for that, you know, other than I think I mentioned at the last meeting

maybe to provide coffee, you know, as a host. But no cost was thought to be attached to that.

**Mr. Michelson:** — All right. Thank you.

**The Chair:** — Deputy Chair Moe.

**Mr. Moe:** — Thank you for coming again today, Ms. Lysyk. I have one question around . . . And again I would also reiterate Mr. Cox's comments about thanking you for the information that was sent over the course of the past week. It was very helpful, and it clarified a lot of the answers that came out of our meeting last week.

So I do have one question, and it's to do with on page 67, under topic 1, under public and social, and is point e), and it's to "Support the Office's involvement in charities and related fundraising events." And if you could just give a little bit of clarification as to what that has been and what it means moving forward. Sorry, it's page 67 of the *Business and Financial Plan*.

**Ms. Lysyk:** — Well we have an office of people that are quite active in the community, and we specifically annually run either the United Way campaign, and last year it was a cancer campaign because somebody in our office had passed away of cancer. So during that point when we have a campaign — which would be, you know, in the months of October, November — the office has a number of things like bake sales and just activities, you know, to raise money, and then we make the donation to different charities. And at Christmas time, you know, a hamper for I think — I'm not going to get the organization's name right, and I feel bad about that — for pets, create a hamper for pets or a hamper for a family. That's what that's referring to, just to support our staff's activities in this regard.

**Mr. Moe:** — Well thank you for that. And again I thank you for the information that was provided this week. I think in light of the information that was provided this week, it will make our questions here today quite brief.

And I would also just make one other comment on some information that you provided last week, and that was to do with spending some time with committee members and going through some of the scope of the auditor's office. And I for one am going to take you up on that, and I would encourage other committee members to do so as well.

So with that, I would like to today at this point to move, to vote on the business at hand here today. So I would like to make the following . . .

**Mr. Hart:** — Could I just make a comment?

**The Chair:** — Mr. Hart.

**Mr. Hart:** — Thank you, Mr. Chair. Mr. Chair, as you know I wasn't here when this committee met the first time to go through the auditor's budget and that sort of thing. But I did read *Hansard* and certainly, you know, read the questions, read the answers.

And you know, I have served on this committee in the past and

my current term on this committee is an ongoing term from the last legislature and so on. But even with, you know, having served for a few years on this committee, there was a lot of good information that was presented that I found very helpful. And it did help solidify my concept of the roles that PAC [Public Accounts Committee] plays, the roles that you, that the auditor's office plays and how we have worked together, you know, for the benefit of the people of the province in the past and we'll continue to do so in the future. But I think it just helped at least me, and I would suspect other members of the committee, to sort of clarify the roles that we all have in doing work on behalf of the people of the province.

And so I'd like to commend you and commend the members for the good exchange that we had and the good information that came forward. And certainly look forward to doing some good work on behalf of the people of the province in the future. So I'd just like to put that on the public record, Mr. Chair. Thank you.

**The Chair:** — Thank you, Mr. Hart, for those comments.

**Mr. Moe:** — With that, I have two motions to make. The first would be, the first motion would be:

That the 2013-14 estimates of the Office of the Provincial Auditor, vote 28, Provincial Auditor (PA01) be approved as submitted in the amount of \$7,728,000.

**The Chair:** — So moved by Deputy Chair Moe. All agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — It's agreed that this committee . . .

**Mr. Moe:** — I would like to make a point that it was a unanimous vote.

**The Chair:** — So moved. And Deputy Chair Moe would also like to have it recorded that it's unanimous as a committee, and let the records show that.

Proceed with your second motion, Deputy Chair.

**Mr. Moe:** — I make the motion:

That the 2013-14 estimates of the Office of the Provincial Auditor, vote 28, unforeseen expenses (PA02) be approved as submitted in the amount of \$520,000.

[13:15]

**The Chair:** — Moved by Deputy Chair Moe. All in favour?

**Some Hon. Members:** — Agreed.

**The Chair:** — So moved. Would you like to make a recording of the fact that that's unanimous as well?

**Mr. Moe:** — Please.

**The Chair:** — Okay. So I'd invite, at this point in time, someone to move the following estimates that have been moved

unanimously by this committee to the Speaker of this Assembly.

**Mr. Moe:** — I so move.

**The Chair:** — Deputy Chair Moe. Deputy Chair Moe moves:

That the estimates of the Office of the Provincial Auditor as approved be forwarded to the Speaker as Chair of the Board of Internal Economy, pursuant to section 10.14 of *The Provincial Auditor Act*.

All in favour?

**Some Hon. Members:** — Agreed.

**The Chair:** — Agreed. So moved.

I'd also like to just welcome some individuals that are sitting in and observing proceedings here today. That would be Saskatchewan Legislative Interns that are part of the SLIP [Saskatchewan Legislative Internship Program] program. And I'll briefly introduce these individuals: it would be Jenna Orban. And Jenna's from Regina. Welcome, Jenna. Paula Steckler from Saskatoon, and Simon. Simon, your writing here, I'm struggling with what you've put forward. Is it Hutton?

**Mr. Hutton:** — Yes, that's correct.

**The Chair:** — Simon Hutton from Yorkton. Welcome to your Assembly.

And this committee examines the spending of government, ensures the efficiency and economy of government programs and works closely with the independent, non-partisan Provincial Auditor in doing that work. And today we're here considering the business plan and financial plan of the Provincial Auditor. So thank you for joining us here today, and we look forward to the work you'll be providing to our Assembly in the weeks and months ahead.

At this point in time, are there other questions from committee members? You know, I might say that the approach today was constructive, co-operative in dealing with agenda items at hand. That's appreciative of . . . We've had a committee that has had a very constructive approach in Saskatchewan. In many ways we've been looked upon by other jurisdictions in Canada as having fairly strong practice in this Public Accounts Committee, and Mr. Hart referenced some of that here today. So I appreciate the approach that was brought forward today.

Speaking as an independent member of this Assembly, not as the Chair of this Assembly, I would say that we could have been better prepared for the task at hand last week. Our approach could have been better, and as such I do see the meeting that we're today to be unnecessary.

And certainly by historical accounts we're all present at this meeting here today, that's recorded through Hansard, but I'll be choosing not to sign the attendance form that's here today, and it's a choice each of us can make as members. The attendance form itself is simply there as a provision of whether we're paid to be here as a member of this committee, and certainly I see

this meeting here today as unnecessary in dealing with something that should've been dealt with last week. Now I'm not making a motion, but I won't be signing that as an individual member and I certainly urge individual members to consider doing the same.

But I appreciate the considerations that have been put forward here today, the motions that have been put forward. And I'd like to thank the Provincial Auditor and her office for the work they do in protecting the public and the resources of the public throughout the year and the analysis that they provide back to this committee and the Assembly as a whole.

Without any further comments or questions, I'd entertain a motion of adjournment.

Deputy Chair Moe moves adjournment. All in favour.

**Some Hon. Members:** — Agreed.

**The Chair:** — So moved. This committee stands adjourned.

[The committee adjourned at 13:19.]