

STANDING COMMITTEE ON PUBLIC ACCOUNTS

May 7, 1996

MINUTE NO. 7

9:30 a.m. — Room 10

1. **PRESENT:** Mr. Gantefoer in the Chair and Members Aldridge, Flavel, Haverstock, Koenker, Pringle, Sonntag, Stanger, Thomson and Toth

Other Member Present

Mr. Lloyd Johnson

Provincial Auditor's Office

Fred Wendel, Assistant Provincial Auditor

Robert Black, Director - Value for Money

Phil Creaser, Director - Professional Practices

Victor Schwab, Manager - Information Technology

Ed Montgomery, Director - Operations

Provincial Comptroller's Office

Gerry Kraus, Provincial Comptroller

Terry Paton, Executive Director

2. The following document received since the last meeting was tabled:

PAC 6/23 - Office of the Provincial Auditor: Written response to information requested by committee members at the meeting of April 30, 1996.

3. The Committee proceeded to consider Section G of the *Schedule of Provincial Audit Recommendation (Information Technology Risks)* and Chapter 4 (*Information Technology Security*) of the *Spring 1996 Report of the Provincial Auditor*. Messrs. Creaser and Schwab of the Office of the Provincial Auditor provided an overview and answered questions put by Members.
4. In consideration of Chapter 4 of the Spring 1996 Auditor's report, the Committee noted it concurred with the recommendations of the Provincial Auditor in concept and agreed to recommend that the government address the concerns raised in the chapter.
5. The Committee recessed at 10:10 a.m. until 10:20 a.m.

Standing Committee on Public Accounts, May 7, 1996 - continued

6. The Committee proceeded to consider Section H of the *Schedule of Provincial Audit Recommendation (Pensions)* and Chapter 5 (*Pensions*) of the *Spring 1996 Report of the Provincial Auditor*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview and answered questions put by Members
7. The Committee adopted the recommendation at paragraph 5.74 of the 1996 Spring Report of the Provincial Auditor, which related to investment earning allocation policies of defined contribution pension plans.
8. The Committee adopted the recommendation at paragraph 5.83 of the 1996 Spring Report of the Provincial Auditor, which related to estimates to calculate pension liability for defined benefit pension plans.
9. The Committee adopted the recommendation at paragraph 5.88 of the 1996 Spring Report of the Provincial Auditor, which related to cash flow information for defined benefit pension plans.
10. In consideration of the recommendation at paragraph 5.99 of the 1996 Spring Report of the Provincial Auditor, pertaining to the establishment of a pension commission, it was moved by Mr. Sonntag:

That the Committee adopt the auditor's recommendation .99 on page 75 of the 1996 Spring Report.

A debate arising, it was moved by Mr. Toth, in amendment thereto:

That the motion be amended by adding the following words:

and; That the said recommendation be modified by replacing the words "consider establishing" with the word "establish."

A debate arising and the question being put, the amendment was agreed to. The question being put on the motion as amended, it was agreed to.

11. The Committee adjourned at 11:35 a.m. until 9:30 a.m. on Tuesday May 14, 1996.

Gregory A. Putz
Committee Clerk

Rod Gantefoer
Committee Chair

