

STANDING COMMITTEE ON CROWN CORPORATIONS

May 27, 1998

MINUTE NO. 45

9:00 a.m. - Room 10

1. **PRESENT:** Ms. Lorje in the Chair and Members Bjornerud, Gantefoer*, Hamilton, Hillson, Johnson, Kowalsky, Shillington*, Tchorzewski* and Trew.

Mr. Gantefoer substituting for Mr. Heppner

Mr. Shillington substituting for Mr. Renaud

Mr. Tchorzewski substituting for Mr. Kasperski

Other Members

Mr. D'Autremont, Mr. Goohsen, Mr. Osika, Ms. Stanger, Mr. Whitmore

Staff to the Committee

Ms. Margaret Woods, Clerk to the Committee

Mr. Ted Priel, Special Advisor to the Committee

2. The Committee resumed its examination of the Channel Lake Petroleum Ltd. matter:

Witness:

Mr. Darryl Bogdasavich, Civil Law Division, Department of Justice

Mr. Bogdasavich began his testimony by responding to questions put by Members.

3. The Committee recessed from 10:10 a.m. until 10:40 a.m.
4. The Committee concluded its examination of the witness, Mr. Bogdasavich.
5. Mr Gantefoer moved the following motion:

That the Standing Committee on Crown Corporations report to the Legislative Assembly requesting authorization to enter into a contract with Dr. Laurence G. Tapp, Dean of the Richard Ivey School of Business at the University of Western Ontario, who shall be directed to do the following:

Perform an analysis of governance structures, decision-making structures and accountability in the five major provincial crown corporations and their subsidiaries with the following terms of reference:

1. Review corporate governance and reporting structures;
2. Review financial reporting structures;
3. Review the decision making model used by boards of directors;
4. Review the method of appointment of senior officials and boards of directors;
5. Review the process by which utility rates and service fees are established;
6. Review process for orientation and ongoing education of boards of directors with respect to:
 - a) operations and structure of the corporation;
 - b) key success factors for the corporation;

- c) industry background;
 - d) identification and analysis of areas of significant business risk; and
 - e) the strategic plan for the corporation.
7. Make recommendations with respect to the above with a view to improving decision making processes, enhancing accountability, decreasing operating costs and improving the overall performance of the crown sector.

The question being put and a debate arising, the motion was negatived.

6. The Committee adjourned at 12:10 p.m. until 9:00 a.m. on Tuesday, June 2, 1998.

Margaret A. Woods
Committee Clerk

Pat Lorje
Committee Chair