

Standing Committee on Estimates

Hansard Verbatim Report

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Legislative Assembly of Saskatchewan

Twenty-third Legislature

**STANDING COMMITTEE ON ESTIMATES
1998**

Grant Whitmore, Chair
Saskatoon Northwest

Don Toth, Vice-Chair
Moosomin

Gerard Aldridge
Thunder Creek

Rod Gantefoer
Melfort-Tisdale

Walter Jess
Redberry Lake

Lloyd Johnson
Shellbrook-Spiritwood

Andy Renaud
Carrot River Valley

Violet Stanger
Lloydminster

Harry Van Mulligen
Regina Victoria

**General Revenue Fund
Provincial Auditor
Vote 28**

Subvote (PA01)

The Chair: — Call the Committee of Estimates to order. We have one item left, which is the Provincial Auditor. Last week the committee had done, I think, some extensive discussion with the auditor that day in regarding the budget.

There was still, I know, one member left on the speaking order to continue that discussion, and I would hope it would be our intention today to wrap up the Provincial Auditor and give the report to the House today in the area of all the items that we dealt with.

So with that, the only one I have on the speaking order right now is Mr. Toth and I will ask Mr. Toth to continue the questioning.

Mr. Toth: — Thank you, Mr. Chair, and good morning, everyone — Mr. Speaker, Mr. Strelloff, and everyone else, and your staff.

Just a few questions in regards to the budget before us and also looking at your business plan. Now you've talked extensively . . . and I think even yesterday when you presented your spring report about government spending, I think there's a fair bit in the report about business plans and what you see different agencies, whether it's departments or Crown corporations, what they are . . . I guess when you're talking of a business plan, you're basically asking agencies to lay out what they would hope to accomplish.

In your business plan, I think you're talking of trying to accomplish the goal of presenting an auditor report that as MLAs (Member of the Legislative Assembly) we could look at and certainly the public could take and feel comfortable with that it indeed addresses any concerns or has the ability, if you will, to certainly go through all the government agencies.

And I guess my first question to you would be, at this point in time, do you feel your office — and I forgot to count the number of employees — is able to, with this current budget of 4.314 million, able to accomplish and achieve all of the goals that you have set out for your office?

Mr. Strelloff: — Yes.

Mr. Toth: — So you're saying with the minimal increase here then, that you are quite comfortable in doing your audit and achieving your goals, and that includes working with the private auditors, correct?

Mr. Strelloff: — That's right.

Mr. Toth: — Okay. And one of the questions I would have . . . I think you're aware of this as well, we've discussed this before — I don't have a problem with private auditors involved. And I think part of our discussion in the past has been, if private auditors, if you've set out a criteria whereby you feel private

auditors . . . what you would like to see, I guess, in their audited statements so that you can then look at their audited statements and go through them and feel quite comfortable in reporting to the Assembly that these audited statements have accomplished all the goals and certainly meet the criteria, that you can work with the private auditors.

Do I understand you correctly that you're quite comfortable now with the number of private auditors that are involved, that you have criteria in place that gives you the opportunity to work quite amicably, if you will, with private auditors in providing a full and complete audited report for the Assembly?

Mr. Strelloff: — Members, and Chair, by the way, good morning. Good to be here again this morning.

Mr. Toth, over the years, certainly in my first few years there was a lot of controversy and difficult working relationships when the government chose to hire or appoint a public accounting firm. And there was confusion as to who was responsible for what, and with the support of the Public Accounts Committee and the Crown Corporations Committee, my office and the then president of the Crown Investments Corporation established a task force to try to sort out all these things.

And about a half a year later the task force reported back and recommended a system of protocols that have helped a lot in sorting out roles and responsibilities and making sure that our office is involved in developing the audit plans when there is a public accounting firm involved. And if there's a board of directors involved, we'll go with the public accounting firm to the board of directors to say, well here's the audit plan, we're in agreement. And there's an obligation on management side, on the public accounting firm side, and our office that if there are issues that are surfacing during the audit or during the year, that we're supposed to keep each other informed.

And then at the end of the audit, before any public reports are issued or before any final positions are taken, again there's an opportunity for management, for the public accounting firm, and for our office to get together and say, okay here's our understanding of the conclusions and recommendations, here's where we agree, and here's where we disagree. And then usually the discussion then focuses on what we disagreed with. And then in most cases those disagreements are resolved through discussions and change. And then public reports are issued.

That system of protocols has made the system of auditing in Saskatchewan much stronger than it was. It's still not perfect, but it's something that we've based our business financial plan on. And we think we can get our work done through the current system, which involves the government appointing many auditors across the province, so we're . . . Well when we developed this business plan, we knew that there were public accounting firms involved and we think we can get it done.

Mr. Toth: — I thank you, sir. Because I feel quite strongly that there are a lot of firms in this province who have built quite a reputation and, certainly as we've seen, continue to function and play a role in the audit of different agencies and I think it's

important. While your office is seen as being, seen as the provincial office and the overall auditing office of the province, I strongly feel that it certainly can work together with other firms.

And I guess, like you indicated, when at first private firms were added to it, they created a bit of a conflict because then it puts your office at a position as to asking yourselves how do we feel comfortable about presenting these audited statements. We're the ones, we're the office that, at the end of the day, the public's going to look at and say, well why didn't you do your job.

So I appreciate the fact I think you indicated that it's taken some time for this to evolve and I guess I would have to suggest as well and maybe ask, what has your office done over this period to bring this into a real good, workable relationship. Have you set out . . . you've set out some business plans for your own particular office. Now I would assume as well that you've kind of set some guidelines in place that you would ask the private auditors to follow so that when you gave your report, including all their reports, that as you just indicated earlier, you can sit down and you can feel comfortable that you're presenting a full report. What type of guidelines have you put in place to achieve that goal?

Mr. Strelieff: — Members, some of the things that we put in place over the last several years is that we, as I mentioned before, we have an audit plan that we agree on jointly with a public accounting firm so that the objectives of the audit and the timetables and the deadlines and . . . are all known by management, the public accounting firm, and our office.

Some firms have asked to attend some of our training programs so that we have a common understanding of what the work is and how it should be carried out; particularly the smaller firms. We also provide them access to our methodology and all our . . . in our language, it's audit working papers and forms that we use and that when a public accounting firm carries out a similar audit they then can see our expectations and we also . . . It goes the other way too, that being linked up with so many different public accounting firms across the province gives us a perspective of what is changing in the industry, how smaller firms are carrying out their responsibilities as well as national firms, so that we're able to make sure that our work gets challenged and we can constantly search for the best practices out there.

So the experience and help goes both ways. But these steps and the protocols that were agreed to through that task force, which was endorsed by Treasury Board, the Board of CIC (Crown Investments Corporation of Saskatchewan), Department of Health for district health boards, and a whole series of other organizations, that system of protocols has really helped us at the end of the day to be able to come to the Assembly and say, well okay, we're ready to sign off on the financial statements or the compliance reports of all the many organizations that are out there.

So there's a number of things that have happened. It's gone both ways. It's certainly a lot stronger than it was. I've been here seven and a half years; so seven and a half years ago there was a lot of confusion, tension, and misunderstanding as to the responsibilities and roles. That seems to have settled down. It

flares up every once in awhile. Every once in awhile there'll be an organization or a public accounting firm that is hard to deal with. But that's life and I'm sure there's lots of organizations out there that think every once in awhile our office is hard to deal with as well. And no doubt that has . . . there's some truth to that.

Mr. Toth: — There's no doubt turf protection at different times, so that as you address your different roles, certainly there's going to be . . . everyone's going to have a little different idea when you're dealing with so many partners in the audit process. And I can appreciate that.

The 4.314 you're asking for this year versus four two two zero, is that basically just a percentage increase that addresses salaries, or what's the added cost to your office?

Mr. Strelieff: — Actually I've made out a list, Mr. Toth, and members. I reviewed this last time. In general, our costs have increased about 5 per cent from 1997 to '98. And we've asked for a 2 per cent increase primarily related to the new organizations that the government has created during the year. The other 3 per cent that relates to extended health care programs that have been introduced in the past year. I have a list of items that total the 5 per cent — the dental health care programs, and just the regular cost increases related to supplies and services, and telecommunications, and CPP (Canada Pension Plan).

As a target for our office we're trying to absorb inflation increases, and so that the increase of 2 per cent, the \$95,000, relates to the new organizations. And then internally we're trying to absorb the other kinds of increases that occur.

Mr. Toth: — And I guess that's a question, because just going back to the last meeting where you mentioned this, and so I wanted clarification on that — the fact that this is roughly 2 per cent increase, while you're saying your office is actually experiencing a 5 per cent increase; how do you go about absorbing that, or do you cut staff or cut back on the number of audits you're performing, or just rely more strongly on some of the private . . . not spend as much time? Or do you just target certain agencies to do an intensive audit on each year so that you don't . . . rather than going through everyone as extensively as you might, in regards to private audits, just to double check and make sure that they're following the guidelines you've put in place?

Mr. Strelieff: — Members, the main way that we accommodate or accomplish the 3 per cent savings is that all our audits and the staff that are in charge of those audits are . . . have the direction to seek ways of doing those, doing that work, less expensively, more efficiently, less time, seek ways of doing the work with less hours.

Our office is almost all people, so when we have less money we also have less people. But the instructions to all of our people when they're looking at the work that they're doing this year — at the end of the audit identify what could be done better, more efficiently, more targeted next year. So that when you're planning next year's audit that it can be done more efficiently.

Now that doesn't always work. I mean sometimes the people

will come in and say, well we think can do it, do the audit at X organization 10 per cent more efficiently if we focus on a specific . . . or a different kind of approach. And then during that next year they find out that something explodes in the . . . or not explodes, but something has changed in the organization and they come back and say that, well our plan didn't quite work out and it's going to take more time. And in other cases, they come back and say we can even do it more efficiently.

But the general approach to absorb the inflation increases is to try to get our work done more efficiently. And so that we're always thinking that way.

Mr. Toth: — A couple of questions out of your business financial plan for the year ending March 31, 1999.

The paragraph 32, if you will, on page 12, you mention, you point out, bring forward the point that the government pension liabilities alone totalled nearly \$6 billion. And you're raising a point here about, I guess if I understand it, the fact that your staff is . . . needs to acquire more knowledge in regards to accounting practices and addressing this.

I guess the question I have is when we look at \$6 billion in pension liabilities, I have to ask — that's including all government agencies, all pensions involved with the public sector — number one, I guess, what impact does that have on the taxpayer of Saskatchewan? Maybe it doesn't have direct impact today, but what would be the impact in the future. Or is that something that you're still trying to grapple with as you're talking about gaining more knowledge in accounting practices to address this concern.

Mr. Strelieff: — Well, members, in paragraph 32 one of the points that we're making in 32 is that government is involved in a lot of technical issues, and that that means that our office continually has to try to keep abreast of what the key technical issues and developments are in the pensions area, the actuarial business, the insurance business, and we do provide our staff training for making sure that they do keep track of what's going on.

The \$6 billion is the total pension liability of the province for all the different pension plans that the government sponsors. Half of that, about, is funded. So that leaves out a \$3 billion unfunded pension liability.

We have encouraged the government pension plans and pension plan administrators to provide better performance information in their annual reports to you, and there has been a lot of good progress on that, providing you in the annual reports and in the financial statements what the cash flow requirements are for the unfunded pension plans.

So if you go to the financial statements of the teachers and the liquor board and the old public service plan, you'll actually be able to see the future cash flow requirements of those unfunded plans, and so that will help you understand what the tax base implications are and when the cash demands are going to come to the province.

Also the pension plans have also put in their — some of them — have put in their reports their investment earnings targets, so

that there's about \$3 billion of pension money that's being managed by government officials and their agents. And they're beginning to put in their financial statements and annual reports: here's our return on investment target, here's what we actually did. And so that it helps you as a legislator ask questions about why the rate of return is X per cent and the actual result was Y per cent, and how does that impact the future cash flows of the province and therefore the tax demands.

I mean, so our main approach to . . . or one of our main approaches to getting our work done is to try to encourage government organizations to put better performance information on the table, so you, as elected representatives, can ask questions, can understand what the performance targets are, can assess the implications of unfunded pension liabilities, which is cash flow.

And a lot of progress has taken place over the last five years in terms of the quality of information that is provided publicly, as well as getting that cash flow information on the table. That's just happened in the last few months. And we're happy that it's on the table in a public way, but also that government managers have that information as well, to make sure that we're managing our cash better.

Mr. Toth: — Well I guess as a taxpayer the area of concern would be the unfunded pension liabilities, which I note since '91 have grown by almost \$700 million in unfunded liabilities. The interesting thing though, and I think as you've indicated as well, when it comes to pension plans, I don't think the public has a problem with pension plans as long as they're not asked to fork out at the end of the day.

Now I think the defined pension plan, or the one who certainly MLAs are sitting on right now, as I understand it, my pension plan is only as good as the investment opportunities. Now you talked about setting out some goals to achieve. Well if the market isn't there to invest and make sound investments you can hope to achieve a 17 per cent return, but may only receive a 14 per cent return.

Now if that's a guaranteed pension plan, you're losing ground. If it's a defined pension plan like we have where . . . So you only got 14 per cent, that just means as an individual contributor I just lost — I shouldn't say I lost — I didn't gain the 17 per cent, I just will have a little less at the end of the day, but it doesn't put the taxpayers at risk.

So how do we address the unfunded portion where there are the guarantees and when the marketing just isn't there? I guess that's a big area of concern when it comes to taxpayers and when it comes to governments.

Mr. Strelieff: — Well, members, as you said, there's two kinds of pension plans that are sponsored by government for their employees. There's what's called a defined contribution plan, or a money purchase plan, where the risk is on the employee; where the employer puts 5 per cent in and the employee puts 5 per cent in and whatever that amount accumulates over time is what you get. If you have negative returns you get less. If you have positive returns . . . But the risk is with the employee.

The other kind of pension plan is where the unfunded pension

plan, unfunded pension liability, surfaces. And that relates to where the risk is for the employer or the government or taxpayers. That there's a promise given to employees that we will — the typical promise is, 2 per cent times the number of years of working, to a maximum of 70 per cent of your employment income — we'll guarantee you that pension for the rest of your life.

But in some cases insufficient monies have been set aside to pay that cost and that's where we get to an unfunded pension liability. And the two main unfunded pension plans relate to the teachers and to the old public service pension plan. And in total, there's an unfunded pension liability of about \$3 billion.

Now I've recommended for quite some time that the government move to assessing these kinds of issues in the context of the financial framework provided in the summary financial statements. Because in the General Revenue Fund financial statements, which is the focus of the budget and the estimates, the full cost of that unfunded pension liability has never been put into the estimates.

So the General Revenue Fund has an unrecorded pension liability of about \$3 billion. What that means is that over history, \$3 billion of costs have never been put into the estimates that you debate and discuss. It's unfunded, unrecorded in the General Revenue Fund.

And I think that because it's not recorded and not included in the financial framework, financial plan, that you debate, consider, argue about, decide whether to support or disagree with, there's the issue of, how to manage that unfunded pension liability, has grown more so than it would have.

Now it's a hard issue and I'm just . . . Well one of the things, one of the progress that I see is that at least now the pension plans are putting better performance targets in their annual reports and setting out their cash flow requirements; so you as legislators can appreciate and understand more so the implications of the unfunded pension liabilities.

The Chair: — I think you're drifting into the area of Public Accounts in terms of discussion and we're trying to focus here today on the business plan and the estimates of the auditor, and I'd like to stay within that range. I know this is important information, but I don't want to drift too far off of what our focus is here today, which is the business plan and the budget of the Provincial Auditor.

Mr. Toth: — Well thank you, Mr. Chair, and a couple questions I am raising here come directly out of the business plan. While I'm not looking at getting into a full, detailed report because certainly I think we can do that in Public Accounts, I just wanted a couple of comments in regards to the business plan, so I appreciate that.

The Chair: — No, I understand that those are within the business plan.

Mr. Toth: — Just in line .33, paragraph .33 too, just a quick question here. You talk about total public spending on health for '96-97 at 1.774 billion. I believe the *Estimates* had it at 1.639 or in that area, and '95-96 at 1.737. I guess my question

to you is, this figure seems to be quite a bit higher than what the *Estimates* are showing, and I'm wondering where that figure is coming from.

Mr. Strelieff: — Members, Mr. Toth, on paragraph .33 you're pointing out that the numbers we've put in for total health spending varies from the *Estimates*. The variance is . . . relates to . . . These numbers come from the financial statements of all the health districts. In our fall report we put out a summary of all the spending of each of the health districts. And when you total that, it's higher than what amount the Assembly votes to health care.

And that the main difference relates to health districts charging directly for some services and spending that money. That would be included in the health spending that's taking place. As well as in some cases, health districts have some reserves that they've set aside or that they've accumulated over time that they are using to finance their operations.

So the amount that you vote for health care will typically I think, always be less than how much actually is spent in the system, and that's the main differences. And then again in our fall report we set out a financial summary of all the financial results of each of the health districts to help you understand the total spending in the health system. Do you understand that?

Mr. Toth: — Yes, I think I've got a pretty good understanding of that. And it's certainly a field that we look forward to discussing in Public Accounts, and getting into more detail as to all these expenditures and how we address some of that.

Just one further question, and that's in .34. I would — in Education — I would guess that the 1.63 billion you're talking of there, you're including in that figure the education tax that school districts collect.

Mr. Strelieff: — Through the property tax system.

Mr. Toth: — Property taxes . . .

Mr. Strelieff: — Yes.

Mr. Toth: — . . . as well as the budgeted amount that's presented in the general revenues statement.

Mr. Strelieff: — Yes. And so once again, our '97 spring report will have had a summary of the total education costs that are supported through the property tax, through the vote that goes out to Education, through fees that are charged by SIAST (Saskatchewan Institute of Applied Science and Technology), for example. It does not include the costs of education that the federal government sends to . . . straight to perhaps Indian bands and maybe other agencies in government. But in the spring report we try to provide that more overview picture of the costs of education.

Mr. Toth: — Thank you, Mr. Strelieff. Those are some of the questions I just wanted to get off and just get some . . . And while I realize part of this, we get into the area of debate that we certainly can enter into in Public Accounts, I wanted a bit of a clarification so we prepare . . . as we prepare ourselves for Public Accounts.

I guess the final question I would have to ask is: the estimated budget you've asked for this year — and I think you've said it earlier but just a reaffirmation of the fact — that you are quite comfortable that you can work within, and you can meet the goals and objectives you've set out in the budget, and working together with the private auditors to present a sound financial or budgeted statement to the public of Saskatchewan. Is that correct?

Mr. Strelieff: — Members, that's correct.

Mr. Toth: — It's on record.

Mr. Strelieff: — Yes, I know.

The Chair: — Thank you, Mr. Toth.

Mr. Johnson: — On the 14th I asked a question related to where the legislative authority came for auditing the health districts at the present time, and I spent some time going back over some of the previous records of this committee, basically to check out what it is. And in doing so I found that, to a question of Mr. Draper that he posed to you in '94, your answer was:

The reason that we are at the district health boards is that the boards are appointed by the government and they are not separately elected. They are therefore a public agency.

Was your response in '94. In the following year, I believe would be in April of '95 in a response to Mr. Carlson: the members of the board of district health boards are all appointed by government and that they receive all their funding from the provincial government and receive significant direction from the provincial government. You added to it but in the sense of legislative authority, it was directly related to the appointment of the health district boards not being elected. And I then went through and checked the following years but no MLAs asked the particular questions related to that.

When I asked the question last day, you seemed to indicate that the rationale for auditing the health district boards comes from the fact that 99 per cent of their funds come from the provincial government, which I would. . . as of total that may be the case, but I would suspect that there are some health district boards out there that it would be closer to 75 per cent of the funds come from the province and that they collect the remaining funds through fees and things related, say 14 million from the province and 2 or 3 million that they collect in fees depending on the structure of the health district board.

But in reading through your Act, the Act that you . . . and giving you the powers and duty in following it through, I assume that it's public money. It's in section 11.

And then I went back to the interpretations to be used in the Act and went through public money and the interpretation there — which are collected and held by officers, by the department of Government of Saskatchewan or Crown agencies — which in looking back in the, again, in the interpretation, Crown agencies means commissions, boards, etc., and goes on and on, whether incorporated or unincorporated, where all members of which . . . or all of the board of management or board of directors of

which are, of which . . . and then it's: are appointed by an Act or are basically employees.

And in following that through, the legislative authority for auditing health district boards would appear to me not to be there. And I would . . . and originally, when this question was asked four or five years ago, by different people in different years — Dr. Draper in one year and Carlson in another year — your response was directly related to the fact that the board members were appointed and not elected. And I was wondering whether you'd want to . . . whether you'd like to clarify that in respect to the legislative authority that you have, because that did not appear to be what you said on the 14th, related to my questions.

Mr. Strelieff: — Mr. Johnson, members, in '94, no doubt the relationship to the government was simpler. The government appointed all the boards so it was just a simple, straightforward Crown agency.

Since then the relationship to the provincial government has become more complex with the partially elected, partially appointed boards. And therefore one has to look further through the relationships to see whether the health districts are in fact handling public money, and in the discharge of their duties, are public officers and are handling public money.

Now do you think that we shouldn't be in the district health board community? I know when we . . .

Mr. Johnson: — The question that I'm asking and I'm directing is, where does the legislative authority for you to spend money auditing the health district boards come from? Because you either have it or you don't have it, and as I have gone through the Act, I cannot find it. So I am expecting that since you've been spending the money, you know where it is.

Mr. Strelieff: — Members, Mr. Johnson, there's two points. That the view shared by our office as well as other officials in government and elsewhere are that it is public money that they're administering, and therefore part of our responsibilities is help you as legislators hold the government accountable for administering that public money; and that the district health boards are included in the accounts of the Government of Saskatchewan, which is also part of what we're supposed to audit.

So there's two sections in The Provincial Auditor Act that deal with public money and the responsibilities of our office to examine organizations that administer public money. And also in section 11 of the Act, it also says that we're to audit the accounts of the Government of Saskatchewan which, of course, if you look into the government's financial statements, will include all the health districts.

Now also, that the minister is responsible for the integrity of the financial and operational integrity of the health system and health districts. And in terms of helping legislators hold the minister accountable for carrying out that responsibility, part of the system of accountability is our office and examining on your behalf.

The government certainly in its operations and views have said

that the district health boards are managing public money. And one indication of that is including the results of district health boards in their financial statements. And of course the Assembly has taken that view in the past as well when they have approved our office spending, so that we examine what's going on in a health district community and report back to them.

But the accounts of the Government of Saskatchewan in paragraph 11 or section 11, and the Crown agency being those administering public money and in the discharge of their duties, which is in the definition of Crown agency under 2(d) — those are the two main sections.

The Chair: — I just want to remind the members that we want to stay focused within the estimates of the auditor that we're dealing with today, and I know some of the subjects we're dealing with do drift into the area of Public Accounts. And I have to say too that we did discuss this issue last Thursday in fair detail within the committee.

Mr. Johnson: — Okay, in the business and financial plan for the year ending March 31, 1999, the appendix II, other information in response to questions posed by previous Standing Committee on Estimates and the Board of Internal Economy. If you could in the next one of these to come out, to detail how that works. Because it seems to be an anomaly for me. Because otherwise, as the interpretation is, is I don't see any reason why you're not auditing municipalities and just a whole series of things if your definition is to be followed.

So if in the next year's thing, which would be for I guess the year 2000, could you include an answer in the appendix for the members of the Estimate Committee?

Mr. Strelloff: — Mr. Johnson, yes we will include that, which of course . . . Well yes, we will do that.

The Chair: — I have no more members on the speaking order. I want to thank the members and the auditor today and for last Thursday for the detailed explanations that were given to the questions that were put forward to him and his staff.

And now I move on to the resolution that will . . . or sorry, to the vote in the auditor's . . . in the book of *Estimates*, page 102, (PA01), the administration of the Provincial Auditor, for the sum of \$4.314 million. Do I have agreement?

Subvote (PA01) agreed to.

Now moving on to the resolution:

Be it resolved there be granted to Her Majesty for 12 months ending March 31, 1999, the following sums:

General Revenue Fund
for the Provincial Auditor..... 4,314,000.

All those agreed?

A Member: — Agreed.

The Chair: — We have some other motions that we have to

deal with here.

The next resolution deals with interim supply:

Be it resolved that towards making good the supply granted to Her Majesty on the accounts of certain expenses of the public service for the fiscal year ending March 31, 1999, the sum of \$3,236,000 be granted out of the General Revenue Fund.

Mr. Van Mulligen moves. Do I have agreement?

A Member: — Agreed.

The Chair: — Okay, thank you.

If the Clerk will pass out the draft report that will be presented today in the House regarding the assessments.

Again I want to thank the auditor today and Speaker for the time that's been given to this committee. We're just going to be dealing with housekeeping motions now for the House, so you can certainly leave if you wish.

Mr. Strelloff: — Mr. Chair, just a comment of appreciation and thanks for your support. This is the fourth year in a row that I was able to answer Mr. Toth's question about do I have sufficient resources to carry out my responsibilities. And I can say yes again, for the fourth time in a row. And thank you very much. We'll endeavour to do our job as well as possible. Thank you.

The Chair: — Thank you very much. What will be presented to the House today you have a copy . . . (inaudible interjection) . . . Oh, I'm sorry.

The Speaker: — If I may also express my appreciation to the Provincial Auditor, his assistant and staff, for their support and provision of responses to members, and to also say thank you to the members of the committee for your important and relevant questions. And also to express appreciation for the support of the committee in the exercise of the vote.

Mr. Toth: — Thank you, Mr. Chair. As well to certainly express our appreciation for your assistance in the past and ongoing assistance and for your presence here. And I guess I'd just make one comment. I think from most members, when the fact that we're just sitting down talking to the auditor sometimes, Public Accounts is an area certainly where we address your statements but sometimes we don't necessarily get into the debate on questions that we feel needed to be addressed.

And I guess this was an opportunity where we felt this was a time to really sit down and address the whole audited statement with the auditor, to get your opinions on it. But it's an area we can certainly look at addressing even more appropriately in Public Accounts. But I thank you for your time, recognizing that we're talking about your budget today.

Ms. Stanger: — I just wanted to say to the auditor and to the assistant auditor, thank you for your good work, keep up the good work, and I'll look forward to a good debate in Public

Accounts.

The Chair: — We have to do some motions here so we can get the report into the Legislative Assembly today. Before you is the Standing Committee on Estimates third report, which outlines all the items that we agreed to and sums that have been presented here today. Okay. I need a . . . The motion:

That this committee recommend that upon concurrence in the committee's report, the sums as reported and approved shall be included in the Appropriation Bill for consideration by the Legislative Assembly.

Mr. Van Mulligen moves. Seconder? Mr. Aldridge. Oh, I don't need a seconder.

The next one is:

That the draft report of the Standing Committee on Estimates be adopted and presented to the Assembly.

Mr. Aldridge, would you like to move that one? Thank you.

And this one will be in the House this afternoon:

That the third report of the Standing Committee on Estimates be now concurred in.

And, Mr. Toth, I would move that. Would you be willing to second that today in the House?

Mr. Toth: — Yes.

The Chair: — Thank you.

Ms. Stanger: — Now do you read the full report?

The Chair: — No, it's simply presented and we put forward a motion that it now be concurred in.

Ms. Stanger: — Okay.

The Chair: — But the members will be given . . .

Ms. Stanger: — They'll be given a copy of this, so they should really . . . because they should understand what the heck we're doing here. I mean they should understand what we're doing. Strike out the "heck".

The Chair: — Motion to adjourn.

A Member: — I'll move that.

The Chair: — Thank you very much.

The committee adjourned at 9:57 a.m.