



Standing Committee on Public Accounts

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**STANDING COMMITTEE ON PUBLIC ACCOUNTS
2000**

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Canora-Pelly

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Saskatoon Southeast

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Melfort-Tisdale

Debbie Higgins
Moose Jaw Wakamow

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Kim Trew
Regina Coronation Park

Milton Wakefield
Lloydminster

Mark Wartman
Regina Qu'Appelle Valley

The committee met at 9 a.m.

The Vice-Chair: — Good morning, everyone. We will convene the meeting of the Public Accounts Committee. As committee members realize, I am not the Chair; however the Chair has been detained and we expect him fairly shortly. So in order to expedite proceedings I will start, with our committee's concurrence. Is that agreed?

A Member: — Agreed.

The Vice-Chair: — We have quorum so we will continue our discussion of possible changes to The Provincial Auditor Act in light of the fact that we will be required to — or someone will be required to hire a new auditor fairly quickly.

I would like to point out to committee members that just before this meeting started, Mr. Wendel, the Acting Provincial Auditor, has provided me — and I assume all committee members have a copy — of a report that he has prepared over the week. It is the *Report of the Office of the Provincial Auditor to the Standing Committee on Public Accounts Regarding the Application of The Financial Administration Act to the Office of the Provincial Auditor*.

If the Clerk could distribute copies to all committee members and anyone else present who would be interested, I would appreciate that.

My suggestion is since we're just now getting it, that we simply have a motion to receive it and that will give us all adequate time to read it and digest the contents. I think probably, if I'm correct in my assumptions, committee members probably have a lot of questions arising from last week's meeting, so I don't think there's a great deal of urgency to discuss this today. But certainly it's imperative that we all read it and that we discuss it at our next meeting.

So would someone like to make a motion that we receive this report . . . (inaudible interjection) . . . Oh, we don't. Okay. Good. You never know. You move from committee to committee and . . . All right. That means we're just receiving it right now on an informal basis.

All right. What I would like to do then is open the floor for discussion from any matters arising from last week's discussion?

Mr. Gantefoer: — Thank you, Madam . . . Deputy or Vice-Chair. If I could, I think that we should discuss a few things in terms of the overall direction and timelines that this committee wants to consider in light of the reports that we received, both from the Provincial Auditor in regard to proposed changes to The Provincial Auditor Act and also the report of the Provincial Auditor Advisory Committee at our last meeting.

I think that when you look at the recommendations of both offices that the recommendations are obviously more far-reaching than the process to just re-appoint a Provincial Auditor. The opportunity of the Act being opened provides an opportunity, if you like, for us to consider more wide-ranging

changes to the auditor's Act. And I think that that's valuable.

However I think that we also have to prioritize what needs to be done and certainly with the reality that there is, you know, some finite time left to this session. And in importance of having a process of replacing the Acting Provincial Auditor with a permanent one, I think that is our first and primary imperative and that the other issues surrounding the changes to the Act and things of that nature that were contemplated should take a secondary role or a secondary priority in our deliberations, to the point that if it is unable to reach a consensus as to where we're heading on those secondary items that we don't delay making recommendations to the Assembly in terms of a process for appointing the Auditor. I think that that is the prime imperative, if you like.

And so I'm thinking that we should set ourselves a timeline and a task line in terms of how long we can deliberate this issue and at which time we're going to have to make concrete recommendations to the legislature, because legislation will need to be drafted and the Assembly I believe can act on it very quickly if we have consensus here. But I think we have to look at doing that in a timely way.

So, Madam Chair, I'm suggesting that we talk first of all a little bit about the process of where we're heading and then probably it's appropriate to go into then, maybe some priority in the questions and discussion as to more information as to where we're heading. But I think we should talk a little bit about where we're actually heading and what our timeline is.

The Vice-Chair: — And do you have any thoughts on that, Mr. Gantefoer?

Mr. Gantefoer: — Well I think we . . . and it depends how the discussion goes, but I mean I think that it would be reasonable to expect that the session is going to have, my guess is four to six weeks left in it. That's just a guess but I think that it's as good a guess as I'm capable with the knowledge and the information that I'm party to, of saying that somewhere in that order is what we can count on.

And I think that if that's the case we have to sort of plan for the shorter timeline and not count on the longer one because it may or may not develop. So that we should think in terms of having recommendations to the House by the end of this month that, the Assembly . . . we should use that as a timeline.

If it goes longer, then that's a different issue. But I think that in prudence we should be looking at the shorter timeline and not count on a longer one. And if that being the case I think we should set ourselves to identifying what we think is the amount of time we need to talk about it.

How much time that we think that the powers to be are going to require to move our recommendations into draft legislation form, that I'm sure takes a certain amount of time. So work our way backward from that. I do believe if we have a consensus at this committee level we should be able to have a consensus on the floor of the Assembly so that the legislation could proceed through fairly expeditiously.

Mr. Trew: — Thank you, Madam Chair. Just responding to Mr. Gantefer, and not wanting to throw any cold water on it because I agree it would be great if we could expeditiously move the changes to The Provincial Auditor Act and reach . . . certainly our goal is to reach a consensus agreement here.

I hear your comments about four to six weeks and I totally agree. And I don't think there's any way anyone can make a better estimate or guess at the length of this session. That's an incredibly, I think, short timeline for us, this committee, to reach its conclusion. And I just make the . . . end with the observation that we have an Acting Provincial Auditor, which certainly we're a long, long ways from being left in the lurch.

It's not like the Provincial Auditor's office is without leadership. I think it's got some very good leadership with Mr. Wendel. So that allows us to take a little more time and not arguing for a huge timeline, I guess I'd close by saying I'm hoping that both sides will do everything we can to meet the timelines and guidelines Mr. Gantefer spoke of, but I'm not at all confident that we can. Thank you.

Mr. Gantefer: — In reply, Madam Chair, I guess I was assuming that the committee would be desirous to have the enabling legislation in place so that we could take the time over the intersession period to engage the process which I think will be fairly extensive, of actually going through a selection process for the potential selection of a replacement Provincial Auditor to be endorsed at the next session of the legislature, if you like.

If it's acceptable that that imperative is not there, then certainly we can slow the process down fairly significantly and do our deliberations over the intersessional period in terms of how the process is because we'll be unable to take any action until enabled by the legislature.

So we either got to try to meet the timeline of the end of this session or in reality we're moving into the next session, and I have no strong feeling one way or the other. I just assumed that there was a desire to have this process initiated over the intersession period so that we'd have the time to thoughtfully make that selection or recommendation.

Mr. Trew: — Thanks, this is great but just a quick little . . .

The Vice-Chair: — It's okay. I'm going to interrupt and intervene any moment here.

Mr. Trew: — Yes, well I think this is my last go at it. I like what I'm hearing. I think we should be aiming for committee agreement. As long as the committee can agree I think that's the huge step because we can go back to our respective caucuses and make sure that we've got, to the extent that's possible, we have agreement.

In the offside chance that the legislation can't be drafted in time for our caucuses to see it, at least if we reach agreement here on what it is we want the legislation to do I think then the committee can proceed in the off-season, if I can describe it that way, and complete all of our work.

I'm hoping we can report to the legislature before it adjourns. I

don't want to leave the impression that I'm trying to cause us to slow-walk it. I'm just ever mindful of how slow the process can become. Thank you.

The Vice-Chair: — If I may then, I would like to say that I think the ideal, and we should be aiming for the ideal, is to make the necessary changes to The Provincial Auditor Act and to get us into a position whereby over the summer we can set up whatever kind of processes we agree upon for the hiring of a new auditor.

But I don't think that we should be simply making changes, opening the Act and recommending to the Assembly that, for instance, the appointment of the new auditor be an all-party committee thing and leave it at that.

It seems to me, ideally, if we're going to open up the Act we do the whole thing. It's not fair to hire a new auditor when he or she will not know what the scope of the job is or what the criteria are. So I think we have to . . . because we're clearly talking about a new process if we're going to be following the recommendations of the committee that the Minister of Finance set up and establishing an Audit Committee. This will be something very major and different. And it is clear that Public Accounts is going to be vested with much more responsibility and authority than it's had before. So I think we have to make sure that we do the whole thing or nothing.

So my recommendation to all of us is that we try to move this along as quickly as possible. I guess . . . I would ask Ms. Jones, since you are on the Legislative Instruments Committee, what the practical realities are. I'm not even sure at this point how the legislation would be drafted. I'm assuming that the Provincial Auditor's office, Mr. Wendel, would be consulted? And then after that, what are the timelines that Legislative Instruments might be taking to look at this legislation?

Ms. Jones: — Well, the normal practice for the Legislative Instruments Committee is the drafting instruction's normally conversed. We debate them, ask any questions that the committee may have. If there is . . . like, the instructions usually come with draft legislation.

We can turn this around very quickly if, you know, provided there's no real hang-up from other layers that it has to go through. But the Legislative Instruments Committee meets weekly and can meet at the call of the Chair so it can go very quickly, provided it goes through all the stages.

Mr. Paton: — Yes, Madam Chair. Just for the committee's information, we have commenced the process of drafting instructions and preparing draft Bills based on the feedback that we've received so far. Obviously we are waiting to hear what this committee will be saying and the Minister of Finance is waiting for that feedback as well.

But in terms of the process, we're trying to keep pace with what we're hearing and changing things, even as a result of last Thursday's meeting. We heard some important information where we went back and confirmed some of the process regarding the appointment, so we've incorporated that into the draft Bill. But we're trying to react on this as quickly as possible.

The Chair: — Good morning, everyone. Get myself back in the loop here.

Are there any further comments on the process that we will follow and the timeline that we want to put in place.

Mr. Wakefield: — I guess the thing that struck me from our last meeting was the fact that there was two reports that were presented to us. And I was struck by the . . . a lot of the consistencies between the two reports. And I think that's a real good base to start from. If we can concur on those points that I think are very similar, then we have a positive approach to it.

There are some things that will have to be discussed and debated in much more depth, but I think if we kind of capture the parameters of what we have to do . . . I'm not sure the timeline is as important in my mind as getting the parameters of what have to be done, find out what we can achieve with almost unanimous consent if we can, and then really focus our efforts on the parts that need to be addressed more fully. And I think the timeline will take care of itself.

I guess I would concur that we do . . . with Mr. Trew the . . . we do have an Acting Provincial Auditor so it's not that that is the time frame that we have to work within.

The Chair: — Okay, thank you. Ms. Lorje.

Ms. Lorje: — Currently it is the prerogative, I understand, of the Minister of Finance to appoint a new auditor in consultation with the Chair of the Public Accounts Committee. Is that correct?

The Chair: — I'm not sure it's in consultation with the Chair of Public Accounts. I think it's just the minister's prerogative.

Ms. Lorje: — Then clearly what we have to do, first of all, is to indicate or to agree as a committee that it is our desire that that process change.

The Chair: — I think that that is . . . there is consensus on that issue I would believe, right?

Ms. Lorje: — Yes.

Mr. Wakefield: — Mr. Chair, I think that was one of the items that I noticed was in both reports — that independence through this committee, I think, was both recommended — and I think we discussed it briefly as a positive.

Mr. Paton: — Yes, Mr. Chair, just for clarification, I've got a copy of The Provincial Auditor Act. And it does read that after consultation with the Chair of the Public Accounts Committee, the Lieutenant Governor in Council shall appoint a Provincial Auditor — so the Lieutenant Governor in Council after consultation with the Chair of this committee.

The Chair: — Okay. I would wonder if the Legislative Assembly could give terms of reference to this committee prior to changing the Act to allow the committee to proceed, if that's the desire of the Assembly, in a new direction; whether those terms of reference could be given to the committee.

Ms. Lorje: — Do you really think that's absolutely necessary at this point?

The Chair: — If we're not prepared to put forward the partial or a full changes to the legislation, then the process is, as read by Mr. Paton, that that is what the minister could do — and not that he might do it. But if we want to ensure that we have an involvement in the selection of a new auditor, I think that the Assembly is that body that can give us that permission.

Ms. Lorje: — Well, it seems to me what we have to do is, as Mr. Gantfoer has already indicated, aim to make recommendations to the Assembly with respect to changes to The Provincial Auditor Act that we all agree upon. And to do it before this session ends.

I guess I hear you saying a four- to six-week timeline. I think realistically we should look at a two- to three-week timeline to make those changes. So if that means the committee meeting a couple of times a week, I'm certainly prepared to do that.

But if we run into some major roadblocks and can't do all the changes that we want . . . Because again I feel that it is not simply a matter of us getting the authority and responsibility to hire a new auditor. We have to make all the changes to the Act that both the auditor and the audit advisory committee are suggesting that we consider.

So if we find that we can't come to some consensus within the next couple of weeks, then what we could do is write to the Minister of Finance and indicate what it is that we would like, and ask him to hold off on the hiring of an auditor until we can open up the Act.

But I think what we should be doing right now is just aiming to get the job of work done. And if it doesn't work out, then we can ask the Minister of Finance to hold off and we can deal with an Acting Provincial Auditor till the next session.

Mr. Gantfoer: — Mr. Chair, I think that this committee clearly has the responsibility to deal with this issue without going back to the Assembly by virtue of the fact, if nothing else, that we have a special report from the Provincial Auditor with recommendations in regard to changes to The Provincial Auditor Act. Our standing mandate is to review any reports by the Provincial Auditor and make reports to the Assembly on them. So I don't think we require any further authority to deal with this issue, from my perspective.

And that was the nature of what I was suggesting when I made my opening comments, is that it depends what kind of timeline that we want to look at. We can either meet once a month if we've got until next year and to the second sitting of the . . . second session of this legislature, or if it indeed is something we should attempt to do in the remaining time available to this session, we may indeed have to meet two or three times a week in order to try and accomplish that.

And if that is seen in the next couple of weeks as not coming to the consensus that we think is appropriate, then we may have to make the recommendation. Then the recommendation may be simply to the Finance minister that he does not make an appointment of a Provincial Auditor until such time as the

Public Accounts Committee is in a position to make a final recommendation and a final report.

But I do agree, I think that we should attempt to see where we are at. As Mr. Wakefield said, I think there is a lot of consensus in these reports. There are some issues that need clarification, but I think we should set the task to ourselves to work in a timely fashion to attempt at least to be in a position to make a report to the Assembly in this session.

The Chair: — We seem to have consensus on that. And I guess if indeed, as you've indicated, after a week and a half or two weeks if we feel that the road blocks are many and the session agenda seems to be heading in a different direction in terms of the shortening of a timeline . . . If we had till the end of the August with the session in place, well then we know we could probably get our job done. But that's not for this committee to determine and we don't have control on that. So I think that's a good suggestion.

Are there are other items that need clarification from the two reports? From the discussion this morning are there any other items that people want to have clear in their mind as to the proposals put forward by Mr. Strelieff through Mr. Wendel in this report versus the draft?

And I know I keep using this word draft because it's my understanding from talking with Paul Boothe — Paul Boothe was suggesting that some of the language used in some of the recommendations was probably going to be changed because they understood things to be one way, and that was his last comments as we ended the last meeting.

So that report, that final report we believe is very near — maybe today, maybe tomorrow. And I think that will assist us as we are able to then see what that committee is recommending to the minister. Again, it is recommendations to the minister and not to this committee. So we have to frame that in our minds that we're still dealing with this report and to see how we can best make recommendations to the Legislative Assembly which is our job as to what we're going to put forward.

So with those comments, what do you wish to have as the remaining agenda? We have about an hour and fifteen minutes.

Ms. Lorje: — I think that there's two clear things that emerge from the discussion last week that clearly are agreed upon. And those items are first of all, that the appointment of a new auditor ought to be an all-party recommendation to the Legislative Assembly, rather than being done by the Minister of Finance through the . . . with consultation with the Chair of PAC (Public Accounts Committee). I think that we could discuss that and discuss the ramifications of that today.

The second thing that there appeared to be some agreement on, though I wasn't entirely certain in the discussion, was the question of the length of term of the new auditor.

So I think that we could have some fairly frank discussion of that. We kind of approached it last week when we were asking Mr. Wendel when his birthday was. Because I mean there are some very practical implications. We could, by setting a term, be making it impossible for some people to apply.

So it seems to me those are the two clear things that we have some agreement on, and maybe we should discuss them and get it clear in our minds what the ramifications are of those.

Items that are not so much in agreement yet are the whole question, as we've seen from the report that the acting auditor has tabled today, is the whole question of the . . . the question of lapsing appropriations and the budgeting process. Those, I think they're two separate issues.

First of all the budgeting process — who would be handling the budget of the auditor? And then secondly, what are the mechanics of the auditor's budget?

I think that we should probably hold off any discussion of the money items until next week when we've had an opportunity to read the report that Mr. Wendel has just given us today, when we've also had an opportunity to kind of get it clearer in our minds. And I certainly do believe that we need to have some discussion with our party representatives on the Board of Internal Economy on this. So I think we'll have to hold off discussions of those.

Then the third major item that we may or may not want to talk about today is this whole process of whether or not we have an official audit committee or whether it continues to be a creature of the Minister of Finance, and just exactly what kinds of tasks we would be asking that committee to do on our behalf.

So I think if we could deal with the first two items today, that that would get a major chunk of the work out of the way.

The Chair: — Any other comments?

I think that's a good start in terms of what we would like to talk about today. We've had the opportunity, each and every one of us, including Mr. Wendel and his staff, we've had the opportunity to spend a little time in the last week looking through both reports and comparing, and I know trying to see where recommendations from both reports actually have some similarities.

And I know Mr. Wendel had not had the opportunity to review the audit committee's recommendations prior to his presence here at the last meeting — because you received the report at that meeting.

I guess before we begin on the points that are suggested by Ms. Lorje, maybe I can ask Mr. Wendel, if you have any other comments regarding the positions put forward by Mr. Strelieff in his recommendations and the draft report. Are there things that you wish to bring to our committee's attention?

Mr. Wendel: — From the perspective of the draft report, I've now read the report. I haven't prepared any written comments for the committee.

I have some concerns. I had planned . . . I wasn't sure what the agenda was going to be today; and if we were going to be going through our recommendations, I was going to go through each of the recommendations that we've made, tell you where the draft report either agrees or disagrees with what we have, and bring those to your attention that way.

But with respect to just the two items you wanted to deal with today, okay, which I understand was the all-party recommendation for the appointment and the term of office, I don't think we have any disagreement with what's in this, okay. But I do have some other concerns and as Ms. Lorje has touched on one of them, which is the audit committee, okay.

I have a few other ones. I've tabled a report this morning because a discussion came up last week on the lapsing of our appropriations and limiting our expenses to the appropriations and the discussion concerned me. And it seemed like the discussion seemed to think we were doing something improper or unusual, and I wanted to make sure that it was on the table what we were doing is proper and it's not unusual.

So that's the purpose of the report. And it's there for information for the committee to think about as it goes through these various recommendations.

Ms. Lorje: — Again, I think that just to be fair, since we know that there still is this report of this special audit advisory committee that will likely be finalized sometime in the next couple of days, that what we should do is deal with the clear items that we know we're all in agreement with.

The other things that haven't even . . . that I didn't mention earlier, there's, I think, some points of disagreement around the mandate, the changing mandate, if any, to the Provincial Auditor. So . . .

The Chair: — And I think we require, as Mr. Wendel has indicated, he's had the opportunity to look at both now, and I think in our further discussions on points 4, 5, 6, 7 etc., as you've indicated, we're just going to touch the tip of the iceberg today.

We do need, we do need to see what the opinion of the acting auditor is right now on those recommendations and indeed then be able to see where the draft report, when it becomes a final report, has it changed at all.

So I think we're probably not using our time wisely if we're spending a lot of time discussing the recommendations in the draft which we don't know that are going to change. And I agree with you that there are items that are similar in nature and we know we want to move in the direction.

And I would ask you if you have both reports, if you would turn to page 14 of the auditor's recommendations, the changes to the auditor's Act, and I believe it's recommendation no. 1, page 1, of the draft report.

And there you see I think the tying together of the recommendations from both reports. And as indicated I think they're pretty similar. The recommendations in the auditor's Act are that:

We recommend the Assembly should revise the Act: (first bullet of course, is)

To require the Standing Committee on Public Accounts to:

select and recommend to the Assembly a person for appointment as Provincial Auditor, and

decide the resources for the Provincial Auditor that is included in the Estimates that the Government presents to the Assembly,

So there's the two points that Ms. Lorje brought up as to how the auditor is selected and then secondly, what are the expenditures and who controls the budget.

In recommendation no. 1 from the draft, we see that:

The committee recommends that legislation be amended to provide for the appointment of the Provincial Auditor by the Lieutenant Governor in Council after the unanimous recommendation to the Legislative Assembly by the Standing Committee on Public Accounts and the approval by resolution of the Assembly.

It does not talk about the funding process at that point yet. So if we look at the recommendation put forward in the auditor's Act and this one. Comments?

Mr. Gantefoer: — Thank you, Mr. Chair. With respect to the . . . I think that we agree on the direction we should head. However, I think we should break it down as opposed to what's in the Provincial Auditor's special report. I think they're two separate issues that should be discussed separately.

The Provincial Auditor's report recommends that the standing committee is the primary object. I like the wording in the draft report better. I think it's stronger and it's clearer. And I have a question, I think perhaps to Mr. Paton.

The wording that's in on page 1 of the committee's report where it says that the appointment is by the Lieutenant Governor in Council after the unanimous recommendation and approval of the Assembly. That's the standard practice, is it not? Or is that any kind of any deviation by the Lieutenant Governor in Council?

Mr. Paton: — Yes, Mr. Chair, if I might reply to that.

That is the standard process. However, based on discussions last week we were informed that there are cases where that process is not followed, where the Lieutenant Governor in Council is not the process that's used to appoint individuals such as the Provincial Auditor. And that recommendation will be changing in the committee's report. They discussed this yesterday. And it's going to simply read:

provide for the appointment of the Provincial Auditor upon the unanimous recommendation of the . . . to the Legislative Assembly and then resolution by the Assembly.

So the reference to the Lieutenant Governor in Council will be removed from that recommendation.

Mr. Gantefoer: — Okay. That was the gist of my question. So that it's going to read then that it's upon the unanimous recommendation of the Standing Committee on Public Accounts and by resolution of the Assembly — something to

that effect.

Mr. Paton: — That's correct.

Mr. Gantefoer: — I concur then with that thrust of wording.

Ms. Lorje: — I think that that's consistent; by removing the reference to the Lieutenant Governor it makes it clear that this will be an all-party appointment.

Mr. Trew: — Yes, I just want to be clear then. So we're going to go . . . it sounds to me like we're going to go with the committee's recommendations on the wording. Just . . .

Mr. Gantefoer: — Well, it's a little different than the committee's recommendation, because the . . . (inaudible) . . . of the . . .

Mr. Trew: — Well, it's what we hear the recommendation is going to be . . .

Mr. Gantefoer: — Yes, or it's going to be on discussion. And I think that when we get to that and when the final wording comes back, then we'll be able to formally approve it. If that's the thrust.

But I think what we're discussing here is clearly the thrust that the process is a unanimous consent by this committee; and upon that unanimous consent, then approval by the Assembly and the appointment is by that resolution. So it keeps it completely out of Executive Council. It keeps it, rightfully, in the realm of the Assembly.

To the Provincial Auditor, the Acting Provincial Auditor, does that then fully comply with which would be acceptable from your point of view?

Mr. Wendel: — Yes, Mr. Gantefoer. When we make our recommendations here, we haven't been specific as to wording — we're dealing in concepts. Now we do have wording that we can provide.

Mr. Gantefoer: — But would the wording that's been suggested in this discussion, in theory, without seeing it, does that fully . . .

Mr. Wendel: — The concept, yes. I agree with the concept, yes.

Mr. Gantefoer: — Because I think we've got to wait until we see the actual wording before we can actually vote it in terms of a concurrence to the recommendation or something that specific. But I think we've clearly established where we want to head on that point.

Mr. Paton: — Mr. Chair, if just might make one further comment. The committee is making recommendations to the minister and it won't necessarily reflect actual wording. So when you're approving concepts, you're, I think you're going to be approving the right thing.

I think the auditor's office and the committee are in agreement on this issue. How legislative drafting gets that into precise

wording might be different than what the committee says, or what this committee says, but I think the basic idea is what you've got to try and capture.

The Chair: — Okay, I think we have consensus on that point. Okay.

Mr. Wakefield: — Just so I'm clear. There was a discussion last time about the mechanics of doing this. We need a conduit to have, through a ministerial conduit, to have an appointment.

A Member: — Just for appropriation of funds.

The Chair: — I think your question is, as Mr. Gantefoer has indicated, the selection of the auditor will be by resolution at the Assembly level. The financing, the budgeting, we require a different procedure, and that's where we were talking about Board of Internal Economy and whether or not it is the Board of Internal Economy who's going to be doing that budgeting with the auditor's office, or whether it will be this committee with then recommendation to the Legislative Assembly or to the Board of Internal Economy. Somewhere there has to be a then, a minister involved I think is the understanding I had from last meeting. But we'll see.

Okay. Let's, while we're talking about the . . . Yes, Mr. Wakefield.

Mr. Wakefield: — Sorry. Just one more clarification. Who, then, effects the appointment of the auditor? When you say the legislation . . . the legislature does. Who? How is it actually done? Is it . . .

Ms. Lorje: — It's like a Speaker. We drag him in by his heels.

The Chair: — What would happen — as I understand it, Mr. Wakefield — what would happen is there would be a resolution put forward by a mover, which would be someone from this committee that would move a resolution that appoints person X as the auditor and that resolution then would be voted on within the Assembly.

You know . . . (inaudible interjection) . . . Yes. And as Mr. Putz is indicating, it's more the approval of what we're putting forward. The Assembly is going to be approving it because we're putting forward one name. We're not putting forward a series of names for the Assembly to debate. But that's where it would be formally approved and put into place. The Assembly would do that.

Mr. Wartman: — If I was hearing Mr. Wakefield correctly, and it may be my own question, but I think we're . . . it's also like beginning to end process. Who selects? Who does the interviewing? Was that a part of your question? And, I mean, to bring it to this committee for consensus, decision, and motion, recommendation to the Assembly. Were you asking for the full process?

Mr. Wakefield: — That is a kind of a process that has to go through before we make this recommendation.

Mr. Wartman: — Right.

Mr. Wakefield: — No, I was just wanting to clarify exactly what the process was.

The Chair: — Yes, I think the clarification is the end. How do we put in place the resolution, or is it a Lieutenant Governor in Council order? Is it a Speaker's order? You know, who actually puts that in place? And I think it's by resolution of the Assembly put forward by this committee.

Okay. Let's, while we're talking about the selection of the auditor, rather than going into the financing, let's spend some time on the recommendations about the term of office. We had some discussion last time about the recommendations as contained on top of page 15 which was to make the appointment of the Provincial Auditor for a 10-year fixed term, and recommendation 20 on page no. 8 says from the audit committee or the advisory committee. I think we have to look at that word choice there.

The Committee recommends that legislation establish a non-renewable ten-year term of office for the position of Provincial Auditor.

Those are I think fairly straightforward. Discussion? We had some last time about what is sort of normal in most of the provinces and what is normal in the business sector, and there was some discussion.

Mr. Gantfoer: — A real question. I think that there is obvious concurrence in terms of the 10-year term. There is quite a difference between a non-renewable term and 10-year fixed term. I wonder if someone could help me with what those ramifications are across the country? Are they non-renewable or are they renewable? What I understand in your recommendation by a 10-year fixed term that it may be renewable at the pleasure of the Public Accounts Committee to make that recommendation.

But in the draft committee's thing, it would be non-renewable so that it would preclude re-appointment, or am I misinterpreting that?

The Chair: — Mr. Wendel, do you have any comment on the word fixed?

Mr. Wendel: — What we're envisioning here is a non-renewable 10-year term. That's what we meant by a fixed term, and then we had a transitional provision because there was a Provincial Auditor at the time. And we said well you need to discuss that and decide when you want that term to begin, and the Provincial Auditor didn't want to make a recommendation on that.

So it was just that we intended the same thing. It's not renewable. It's a fixed 10-year term. That's . . .

Mr. Wartman: — At this point it's my understanding that with the non-renewable term, 10-year term, that the auditor could at the end of 10 years, re-apply in the process. It's just that the person would have to go through exactly the same process, would have to go through the selection process. That we as a committee just couldn't renew the term.

The other point that I wanted to question around this. When we're talking a 10-year term and we're talking about the possibility of excluding some people perhaps by age, if a 60-year-old person applied.

It seems to me that when we're talking a 10-year term, that's the maximum time. And that if a candidate came forward who was 60-years-old, who had all the abilities that we felt we needed, that person would certainly be considered as well. That there's no necessity that they complete a full 10 years. I mean we can't make that kind of a mandatory 10 years.

The Chair: — Sure. Well Ms. Lorje is on next, but your first point — yes, I think the word non-renewable means that this committee must go through the process then of hiring an auditor and it's an open field again. So if the person who has been the auditor wishes to reapply it's not an automatic, which is what you've said.

The second point, I think, is that just because it is a non-renewable 10-year term there is no one that may stay the 10 years. Health . . . everything . . . everybody's lives change and that should not preclude anybody from saying, well we have a really great person in our short list and we know their age is such but they may only give us six years.

That's the decision that this committee will make. I think that what we're looking at is that if an auditor is appointed, that it is a 10-year term if that person is doing the job and wants to continue to do the job in that level. Okay? Good.

Ms. Lorje: — Well I think Mr. Paton had some . . .

The Chair: — Yes, sorry.

Mr. Paton: — The one thing that speaks directly to that issue is the provision within the existing Act, and there's not much changes being proposed, is that the Provincial Auditor may resign his office at any time. So if you were to hire an individual that was approaching retirement and he chose to retire, he may resign at any point.

The Chair: — Great. Thank you for clarifying that.

Ms. Lorje: — Well I think we're all heading in the same direction and I just want to make sure that 10 years from now a new committee doesn't say, well it wasn't clear what the year 2000 Public Accounts Committee meant by non-renewable.

Am I correct in assuming that what we mean is it's a 10-year term — or up to a 10-year term — but if that auditor in the year 2010 chooses to reapply, that we will go through a selection process all over . . . a competition and a selection process all over again, but that that provincial auditor could reapply for a further 10-year term?

The Chair: — I think that is correct. The term will end, the contract as we put in place with the person, will end on, as you said, 2010 I guess. There's no pre-conclusions. And there's nothing stopping the person who has been the auditor, if they feel that they still want to work for an additional 10 or 6 or whatever, to reapply. But it's an opening of the process; the term ends. It isn't saying, well the PAC committee will decide

that we'll just renew the term again.

Ms. Lorje: — Yes, excellent.

The Chair: — Okay? That's everybody's agreement? Ms. Jones . . . (inaudible interjection) . . . Yes, I think she has a question though about that.

Ms. Jones: — Well it's more a comment, so if Ms. Lorje isn't finished . . .

Ms. Lorje: — Well I was going to move on to the whole question of what is the age of retirement to. So that's a totally separate . . .

Ms. Jones: — This has to do with my 10-year term . . . or the 10-year term.

Ms. Lorje: — Yes.

Ms. Jones: — I had the impression that the reason a 10-year term was proposed, a fixed term, non-renewable, was to completely take away any perception that the Provincial Auditor may wish to please the government of the day. And if they're not up for reappointment under any circumstances, that that totally guarantees the independence of the Provincial Auditor.

Now I see Mr. Wendel kind of nodding. I don't know if that's just my impression, or if that's a general impression of the recommendation to make it a 10-year fixed. So perhaps I could have some clarification on that.

The Chair: — Okay. I'm not sure . . .

Ms. Jones: — Rather than being eligible even through the application process, that I thought they simply were . . . the intent was that they were not eligible for reappointment.

The Chair: — See, you use the word reappointment, and there will be no reappointment. There will be the selection of a new auditor after 10 years. Everyone is eligible to apply, including the previous auditor. Okay.

Now if the committee of the day deems the applications that put forward and whatever the committee uses as its resources, maybe there will be an advisory committee that will bring forward six names on a short list. One of those names might be the previous auditor if that person has applied. There will be no, there will be no automatics. There won't be a reappointment. It will be the hiring of an auditor again for probably another 10-year term.

We have to clarify if we want to remove that, because that's not what I heard in the discussions last time. My understanding was it was not an automatic reappointment — that's why it's non-renewable — but that it was still going to be an open competition for a new auditor.

Mr. Gantfoer: — I'm wondering if I could . . . I never got the answer to the question I posed earlier — what the practice is in other jurisdictions in this country. And Mr. Paton or Mr. Wendel perhaps can help us.

Is the 10-year . . . I don't think we're arguing about the 10-year term, but I was wondering about the fixed or non-renewable. And would the current auditor be eligible for reconsideration? What is the practice in other jurisdictions?

Ms. Jones: — That's my point, is eligibility not . . . don't use the reappointment.

The Chair: — No. I understand. We need to clarify that because, as Ms. Lorje pointed out, 10 years from now probably whether any of us are sitting at this table is questionable, and what will the committee of the day look back on and say these were the guidelines put forward by this committee — what are they, what is it? So I think we have to be very clear.

Mr. Paton, and then Mr. Trew . . . if I might ask him for a comment?

Mr. Paton: — Yes, Mr. Chair. We did review the legislation of other provincial auditors in other provinces, and reviewed the term issue as well as the eligibility for reappointment. Now my notes unfortunately speak simply to eligibility for reappointment. And of the ones that have a fixed term, and I believe there's currently eight of them have fixed terms, three of them say not eligible for reappointment, but it is the term reappointment.

So I don't know how those provinces would apply appointment under a new selection. I can't speak to that unfortunately.

Mr. Trew: — Thanks. It gets into a bit of a fuzzy area and I'm going to stick straight on topic and then I want to slide just a half a bubble off of that. I recall vividly conversation with the former provincial auditor, Wayne Strelieff, who expressed to me the reason for a 10-year fixed term being that the current situation is five-year renewable.

And he felt that there might be some almost — I'll describe it as campaigning with apologies to provincial auditors everywhere — but some concern over whether they would be reappointed or not, and the 10-year fixed eliminates that. It's just 10 years finite and then it's the end of the . . . it's the end for that provincial auditor, in this case the Saskatchewan jurisdiction as provincial auditor.

That was my understanding and certainly I could be wrong. I can absolutely live with whatever the committee decides, but in my mind we were going to a 10-year non-renewable . . . 10-year fixed, non-renewable, non-eligible for renewal . . .

The Chair: — Renewal or rehiring.

Mr. Trew: — Yes, or rehire as Provincial Auditor. I mean you can certainly rehire or hire as Children's Advocate or, you know, something . . . some other appointment. So I make . . .

The Chair: — If we go off to the other half bubble, I think we need to clarify, because that's not my understanding as to the current process. I don't think there's a five-year term and I'd ask Mr. Wendel, what is the current situation that we work under?

Mr. Wendel: — Okay, the current situation is you're appointed

until you retire or until you resign or until the House removes you. So those are the three options. And the reason we made the recommendation we have is some of the jurisdictions have a six-year appointment with a six-year renewable problem, and that's probably where you were talking with Mr. Strelieff on that.

And we wanted to avoid that so there wouldn't be . . . you wouldn't be able to renew in that way. We said there should be a 10-year fixed term.

Now there's been some other discussion here this morning I hadn't considered, okay, that it would be opened up to a whole new process. You decide whether you want to appoint this person again, okay. I'm not sure what the difference between a renewal and a reappointment is. So you've been bringing out other terms here.

That's a decision of . . . that's a policy decision. If you want to do that, it does achieve the objective of opening the position up to renewal, okay, and also doesn't have short terms that have an automatic kind of renewal — like of six-year and then you get another six years.

So we wanted to go with one fixed term. As to whether you want to open it up then for this person to reapply and do that, while it's open to a full competition it'll still achieve the objective. I have no strong feelings on that. I just don't think it should be a renewal sort of thing. So we're talking different terms here.

Ms. Lorje: — We're trying to get clear.

Mr. Trew: — Pardon me. Thank you. That's very useful, Mr. Wendel, you know, adding to my comments. That's a good explanation. Thank you.

The Chair: — Can you now, with the point that you were saying that you were . . .

Mr. Trew: — Yes, the half-bubble difference. Thanks, Mr. Chair. Dealing now with the application of someone who might be within 10 years of retirement, does 65, the age 65 supersede the appointment? Like if somebody were 59 years old, they've got six years left, would they work six years and then retire when they're 65, or would they work until they're 69 if we make it a 10-year fixed term?

And I'll quickly say that my bias is that it should be you work until normal retirement age which is 65 here. Or as was pointed out by Mr. Paton earlier, if you choose to leave.

The Chair: — I think you've raised a good point, and whether or not the current law or the current rights of an individual supersede what we may put in place. If we're saying normal retirement, is that infringing on the rights of an individual if they wish to continue working in that capacity? I don't know what that . . .

Mr. Trew: — Well, Mr. Chairman, I wasn't entering into that argument at all. And that's a different and valid argument, but I don't see that as the job of this committee to decide whether we infringe on somebody's right to work beyond age 65.

I think this committee sets the parameters. And what I'm urging is that we say if we hire a 59-year-old, six years later, you know, within six years that person is done as Provincial Auditor, when they turn 65. When we expect someone working in the Department of Highways to retire, we also expect our Provincial Auditor to be done. That's what I'm urging.

The Chair: — The point I was making, Mr. Trew, was not that. What my question is, if we put in place a retirement age of 65 and we hire someone who cannot fulfill a 10-year term because of their age, can they challenge and say, I wish to continue working even though I have attained age 65, and are they legally entitled to continue to work?

Mr. Gantefoer: — Maybe to Mr. Paton: is there a mandatory retirement age for people that work in the public service?

Mr. Paton: — Mr. Chair, I'm not sure on the answer to that direct question. I believe there is, but I'm not sure if there is.

I'd like to point out though that the Auditor General of Canada has a provision within their Act where the Auditor General ceases to hold office on attaining the age of 65 years. So they've covered that issue quite directly in their Act and said let's not worry about what Act supersedes; let's be quite direct on this.

Mr. Wendel: — The current Act makes the Provincial Auditor subject to The Public Service Superannuation Act or The Public Employees Pension Plan Act. And in there people have to retire at age 65. That's the way the law reads currently.

So now as to which Act supersedes, I'll have to defer to a lawyer at that point. So as Terry says, probably the best thing is if you're unsure, just specify.

Mr. Wakefield: — I'm surprised . . . (inaudible) . . . because federally I know that the Act that I was working under before, it had 65 as a retirement age, and that was challenged under human rights and in fact was thrown out. So federally I could have worked till any age.

And that's a different . . . and maybe we're off on a different tangent here. Maybe we can set our own standards, or if that Act is still in effect in Saskatchewan, well then that has bearing on this discussion.

The Chair: — I think probably what exists in the Auditor General contract is indeed a contract that says there is a clause that says that your retirement is at age 65 and the person who accepts that job signs that contract. Is that the interpretation, Mr. Paton?

Mr. Paton: — I would guess that whoever is hired as the Auditor General is hired pursuant to the provisions within the Act which clearly state the retirement age.

The Chair: — Okay. So that is a direction then that we have to determine whether we want to include as a recommendation.

Ms. Lorje: — Well I certainly would like to see it included. I think that we have to be very clear in what we're doing so that 5, 10 years down the road, a new Public Accounts Committee

knows exactly what it was that we were intending. And I haven't heard anyone say or make a major case that we should be opening it up and having it indefinite. I don't hear anybody saying that we should be keeping people on past the age of 65.

So it seems to me whatever the wording is in the drafting instructions, it should be clear that what our intent is is to have someone remain in the office for 10 years or until they reach the age of 65. If they've reached the age of 65, they are not eligible to apply for a new competition. But that if somebody comes in at age 40 and is 50 years old when their 10 years runs out, they would be eligible to apply for a new hiring competition. But there is no automatic reappointment.

The Chair: — I think that's where we need to clarify. I think . . . I see most when you were indicating the retirement age and putting that into contract, I didn't see anybody expressing a negative point of view. So I think . . . Do we have consensus on that, that in our draft we will be looking at that type of a clause?

Mr. Wakefield: — Maybe I'm of the age that I have to think about that kind of thing. It could — and this is just a comment — it could affect the decision of this committee negatively if somebody was 63 years old but a very qualified person. He would be considered — she, he/she — considered negatively because of, in this case, only two or three more years of service as opposed to somebody that was only 55 years old.

And I think that ultimately could be challenged under the federal human rights.

Ms. Lorje: — That's exactly — excuse me, if I could — that's why we have to make sure that we have the wording correct so that it isn't, isn't going to be subject to a human rights challenge, so that it is part of an employment contract.

Mr. Wakefield: — What about the negative aspect of age?

Mr. Trew: — What Mr. Wakefield is really referring to is a 63-year-old that . . . us pups and kids would decide is over the hill, ergo why would we waste our time hiring, for two years, someone who is 63. And I simply say I think we're more enlightened than that as a committee. I have more faith in people around the table, and I would really hope that if we have a 63-year-old that is clearly the best candidate, that 63-year-old, we'd grab those two years and run with it and hope that we've got some good initiatives started in that time. And well, I guess it means that then the Public Accounts Committee would have some more work to do two years down the road in hiring another auditor.

But I really hope that's true. I understand the concern but I sincerely believe that it's true that we would be beyond that, and wouldn't . . . Because you can take your argument and go, well why would we hire someone who's 62? Or 61? Or 60 . . . (inaudible interjection) . . . Yes. But I again say if you got clearly the strongest candidate, the best candidate, as long as they're eligible for, you know, a couple of years, for a year, that's who we should be hiring.

The Chair: — Thank you, Mr. Trew. I think as Mr. Wendel has pointed out, the current law and the current practice is something that we're not going to be changing anyway. It is a

retirement age of 65. We're going to be ensuring that it is understood and clear that that is part of the Act and the person who would be hired or would be applying, when they consider their application that they understand the terms of reference says that retirement is 65. Clear? Okay.

Mr. Wartman: — Just a little bit of a positive spin on it too, that when we're talking about the possibilities of an auditor reapplying, that if we had somebody in a case who was 62 at the end of their 10-year term, reapplied and was a very strong candidate, of course with the experience, it might be wise to — if they went through the selection, placed, came up as our prime candidate — to reappoint them for the two years. It's not a matter of getting on board, they already know what they need to do and that two years might give us a period to select another top candidate.

So I just think that there's . . . we don't want to slam doors on that possibility and I think if we can work with the 10-year period, and we can work within the existing law, and it's named in the contract that 65 is the retirement age, I think we're respecting all of those possibilities and the rights of the individual.

The Chair: — Thank you. I want to back up, and Mr. Wartman has raised a point that I think has not been clarified by the committee members. We talked about non-renewable and I think everybody understands the 10-year term and that it may not be a 10-year term as pointed out by Mr. Wendel. There could be a resignation or dismissal or the processes in-between year 1 and year 10.

What about non-eligible or eligible to apply for the next 10-year term? I don't think we've clarified what we want. And I hear Mr. Wartman saying that we would consider it and I know Ms. Jones has indicated that maybe there shouldn't be, that the person should be non-eligible.

Ms. Higgins: — Reading through the report and in the auditor's report, the Act should provide "for the periodic renewal of the position of Provincial Auditor." Reading that and reading the recommendations from that report, I assumed that once the 10-year period was done, or the 10-year term, that that person was not eligible, that ended the association.

And I guess that's the way I still feel, that it shouldn't . . . it isn't considered a new process. You're not renewing anything if you renew a contract. I mean you still . . . it doesn't renew the office or the position.

The Chair: — I think, as Mr. Paton has pointed out, that probably three of those eight sort of make it non-eligible. I think that's what you indicated. So whether or not there's clarification whether the person is eligible or not, your information doesn't state that.

Mr. Paton: — We pulled out the sections of the Act after the comments that I made and two of them actually say not eligible for reappointment. And one says not renewable.

So, you know, not knowing exactly what that means, non-renewable to me means that you cannot automatically renew; you have to have a new process. Not eligible for

reappointment sounds like it might mean something different where indeed you cannot rehire that person. And that would be in . . . two other provinces have that.

The Chair: — Two out of the eight.

Mr. Paton: — Two out of the eight, yes.

The Chair: — So we don't know what occurs in the others.

Mr. Paton: — Well some of the others do have provisions for reappointment.

The Chair: — Provisions.

Mr. Paton: — Yes.

The Chair: — Okay.

Ms. Lorje: — Maybe we should hear from Mr. Wendel and find out what the risks are of keeping somebody on 10 years. I mean of starting a new process, than ends up in the result of having the same person appointed for a further 10 years, what are the risks?

Mr. Wendel: — Well the risk as we point out, it's to provide for renewal for the office. So if you want different thinking, you have the opportunity to have that different thinking.

So if the 10 years are up, if you want different thinking at that time, you have that ability to bring somebody else in with different thinking. So if after you go through your short list you decide that you still like that thinking, it's better than what you found out there, well again it's a policy decision of this committee.

All we were trying to do is say it should provide for the periodic renewal. We didn't want . . . or the periodic you know, new thinking. Like it shouldn't automatically . . . and have a fixed term. Not a renewal . . . like some of them are six years, with a six-year renewable and a six-year renewable. It would have to go through the whole process to decide who would get this job.

The Chair: — Okay, thank you.

Mr. Gantefoer: — Thank you, Mr. Chair. I think that Mr. Wendel pretty much summed up what I was going to say. I think it is important that there is a fixed term, so that an auditor recognizes that they have a definite timeline in terms of exercising the initiatives, the priorities, etc., that an auditor would bring to the office.

But I also think clearly as well, that at the end of that 10-year term, there should be no expectations of that term being continued. It's ended, clearly. And that the Public Accounts Committee of the day has then the opportunity to re-select, to renew itself if you like, and renew the office.

If indeed the former auditor reappplies, and it's the decision of the committee at the time that the direction that that auditor was heading in was indeed appropriate in a renewed way into the future, then I have the faith of the Public Accounts Committee of the day to then decide if that individual is the person that

should rise to the top through that selection process. The opportunity for renewal is clearly there.

But it doesn't make you automatically disqualify someone who might bring tremendous assets and be very worthwhile to consider into that new decade of appointment.

So I think that the objective of the renewal process is there because clearly the term is limited; that clearly the committee of the day, the Public Accounts Committee of the day, has the opportunity to say, lookit, do we want to create the opportunity for going in a new direction or consider the qualifications. And the qualifications of other individuals would have to be considered by a new hiring process, one of which may or may not be the former auditor. And I'm not real worried about having to automatically disqualify something; I think it limits the committee in the future and I think their best judgement will come to the fore in terms of the decision they make.

So I do support the fact that an outgoing auditor at the end of their term would be eligible for reconsideration in a full and open hiring process, or a competitive process that the Public Accounts Committee would initiate.

Mr. Wartman: — Yes, I'm inclined to agree with that. And I agree with that out of the experiences of setting terms on our church board where a person after serving for two renewable three-year terms then is automatically off for a period of a year or two. And a number of times we got into situations where we really wanted that person to stay on. They had the gifts, the abilities, the interest, and we wanted them to stay on, but we were caught by our own rules and couldn't reappoint them to the position.

And I don't . . . At this point anyway I'd need to be convinced that there's a very good reason why they couldn't apply and go through that selection process again. Because it still leaves the . . . this committee is still empowered to make the decision, and if we've got somebody good and the direction is good, I don't see that we should be making a rule that excludes the possibility of choosing that person again.

Ms. Jones: — Well I don't think that Mr. Wendel quite answered the question. It's difficult because this was written by the previous auditor, right? Can you put yourself in the mindset of the author of the report and try to pinpoint what you think the intention of the fixed term terminology was? I still have a bit of a nag in the back of my mind thinking that it perhaps may give the perception that the auditor would, in the last two years of their term, 10-year term, try to please the current government thinking that they may wish to be reappointed.

So can you tell me what the risks are of having an eligibility for reapplication which may lead to reappointment or successful job interview, and what you believe the author of this report had in mind when that was proposed to have a fixed term?

Mr. Wendel: — I think what the author had in mind was that there should be a fixed term. It shouldn't be an appointment to age 65, to retirement age which it is now. It should be a fixed term to provide for the periodic renewal of the office, to bring new ideas to the office. That's what he had in mind.

Now that was the risk we were pointing out here in writing. Now there is also another risk which I alluded to, which is the six-year and six-year renewable, could put you in a situation that you were talking about, that you may try and curry favour or you may do certain things towards the end of your term if you could be renewed without going through some process. Okay?

So that is a risk, okay. And that's why we didn't recommend the six-year and six-year renewable option. Okay? Does that answer your question?

Ms. Jones: — So because the appointment would be by unanimous — if we get the legislation changed — unanimous agreement of this committee, that would take away the risk of what I'm hearing might have been a concern.

Mr. Wendel: — It should take that away, yes.

Ms. Jones: — Okay, fine, so I'm fine. Thank you.

The Chair: — If I might, before I move to Ms. Lorje, Ms. Jones, as in my previous experience in other committees with other bylaws — fixed for a 10-year term — sometimes you'll have a term that is fairly lengthy, six-year, eight-year, but there's an annual review. Okay?

So that you know, not understanding what Mr. Strelieff was talking about when he used the word fixed, but I don't think he was talking about the renewal process being there every year or every third year.

And as Mr. Wendel has pointed out, currently we're appointing till retirement or till quitting, and now all of a sudden fixed meant a very limited term.

Ms. Lorje: — Sorry, I'm busy making a joke about what you might mean about fixed here, so . . .

A Member: — This is too early in the morning.

Ms. Lorje: — It seems to me that where we're landing on this is we want to have our cake and eat it too. We want to make sure that whoever we hire knows that they're coming in for 10 years. But if we end up with a crackerjack that we want to keep around for another 10 years, that once we go through a whole new process, we would be able to keep that person around.

So I think we want to be very clear, when we're giving drafting instructions for legislation, that we're not talking about reappointment. There's not going to be any automatic reappointment, but we are talking about eligibility for rehiring, and that it's a 10-year term limited only by age 65. Is that what we want?

The Chair: — Yes, I heard Mr. Gantfoer and I heard Mr. Wartman I think express those points of view. Correct? Miss Jones as well? Ms. Higgins? Anyone else not concurring with that?

Mr. Wakefield: — . . . think it has to be very clear and I haven't heard any arguments as to why somebody would not be eligible or why they would be ineligible to apply. And I think it has to

be clear that once the term is up, there is no ineligible people.

Mr. Trew: — Not a CA (chartered accountant) over 65.

Mr. Wakefield: — Well, there's those conditions.

Ms. Lorje: — It seems to me we've probably come to the end of the easy issues.

The Chair: — No, no. I think . . .

Ms. Lorje: — No?

The Chair: — Well, the funding part now.

Ms. Lorje: — I don't think that's going to be an easy issue. And I think that we should probably wait until we have received from the Minister of Finance the report of his special audit advisory committee.

The Chair: — We have about 15 minutes, okay, before we have to adjourn and leave this room. I would like to have some discussion. We heard both point . . . we heard the points of view of where we are now with the Board of Internal Economy and we've seen the recommendations of this committee taking, I think, greater ownership.

And I'd like to hear your points of view so that you might trigger . . . And I don't think we should make that decision today, I concur with you. But I think we should . . . I'd like to hear from each of the members or have the members . . . give the members the opportunity to express what they see in the two reports and where you think we should head.

Mr. Trew: — Just point or procedure. It seems to me we're lacking the one other report though. And I think that's the point Ms. Lorje was trying to make. We have the Provincial Auditor's report here but the advisory committee's report is not yet finalized and is going to address this.

My concern is that if we deal with what we have, we're all focused simply, simply put, on what we have. And what we have is the auditor's report and recommendations. So we're all . . . we will be . . . If we deal with it today, we'll have our minds wrapped around that, and that my fear is to the exclusion of what the advisory committee might be bringing in as I understand it later today or tomorrow, but certainly in the very short future.

That, combined with, as you point out, about 15 minutes left, I would just be a whole lot more comfortable if we did not even enter this today until we've got the paper and the people from both the advisory committee and the Provincial Auditor here.

The Chair: — It's the committee's wishes. I am looking at my notes and when Ms. Lorje indicated three points that we would talk about today — we talked about PAC Committee and hiring; we talked about the term — she suggested the term of office be discussed, and the funding; and then the third situation was the audit committee. And I don't believe we have the time to get to the audit committee, so I am only . . . (inaudible interjection) . . . That's what you expect that we should talk.

Mr. Gantefoer: — Thank you, Mr. Chair. I think you're . . . I'm really reluctant to say that I may understand the hon. member, what she was advising. I think that the two items that we suggested that we talk about, we have talked about. And there was broad consensus on those two issues.

There was going to be more difficulty or more potential discussion on the further two issues — the audit/advisory committee, and not only the funding, but how the methodology of unallocated resources, etc., were there; and I concur.

The final thing that I heard today from Mr. Paton is that this was a preliminary draft, and because the committee met with us last week, there is going to be some significant revisions to some of the recommendations and the wording of those recommendations in their final report.

And I do concur that I think that at this stage I would have a comment and a question, the comment being that I think we should wait for this final report. And I'm assuming, Mr. Paton, that that is coming — and that's the question — coming in a timely fashion, and we will be given a copy of it as well. Because it is a report to the minister so it isn't automatic that it comes here, although I do assume that, since the draft came here.

Mr. Paton: — Yes, Mr. Chair, as to the timing of the report, I believe the committee is going to be able to finalize the report this afternoon. I know they've got a couple of issues they're still discussing, but I believe it'll be finalized this afternoon and either delivered to the Minister of Finance today or tomorrow.

And I also assume he'll be forwarding it to this committee for your review. I haven't had those discussions, but the fact that he provided you with the draft report, I believe he will be also providing you with the final report.

The Chair: — Good, thank you.

Mr. Gantefoer: — Then, Mr. Chairman, I would like to recommend that we set our next meeting after the anticipated receipt of this final report. And then we move on to those other issues with having the opportunity to review what the final report's wording actually says. We may end up spending the 15 minutes talking about something that's academic, and in the final report could be changed in principle or substance or detail.

The Chair: — I think before . . . I just want to back up before we move into setting up a meeting date.

I'd like to back up to the first issue that we talked about because I think the second idea that we talked about was the 10-year term and non-eligible or eligible. And I think we have consensus, and we have it recorded as such.

We have not formally indicated that the procedure for the hiring of a new auditor will be through this committee, through recommendation to the Legislative Assembly and the elimination of the Lieutenant Governor order in council.

I think that was an understanding, but I never actually posed it as such and said do we have an understanding that that is the process that we'll follow? Mr. Wartman, would you like to

make a comment first?

Mr. Wartman: — Okay. Two things. First of all, just that . . . so that we will get the copy — we're not working on assumptions — I would ask that you as Chair request from the minister that each of us get a copy.

The second point around the process of choosing an auditor, when you refer to the fact that we will make that decision and that we've taken the step of the Lieutenant Governor out, I still . . . I think we really have some work to do in terms of clarifying what that process is for us as a committee.

I don't think that we as committee have time or expertise to go through the resumés and so forth. So I think we also need to clarify that earlier part of the process.

The Chair: — Yes. And that's the point that you raised earlier is how will we begin that selection; who will be doing the advertising; who will be doing the short listing?

Mr. Gantefoer: — Exactly. I think, Mr. Chair — a quick comment on that regard — I think that that's why we . . . one of the issues that are outstanding that we have to deal is the whole question of this advisory or audit committee because it's quite conceived that, depending on how we structure that, that committee would have a very significant role in the issue that you outlined. So I think if we leave it till the discussion about that committee, that that will fill in the blanks.

Mr. Trew: — Thanks, Mr. Chair, and Mr. Gantefoer. Thanks for that helpful input from Mr. Wartman because that's exactly where I see it too.

I thought, Mr. Chair, that we had dealt with the matter you raised about the committee making a formal recommendation. We'd agreed not to until we get the final report from the advisory committee. I thought we had . . . we thought we had agreed with certainly the concept of what we hear there is coming out of there, but we want to see it before we take the next baby step, if I can describe it that way.

The Chair: — And if that's in agreement with the committee that the concept that we understand is one that will remove the Lieutenant Governor in Council, but we need clarification as actually seeing what is in print when we receive the recommendation. Okay?

Members: — Agreed.

The Chair: — Agreed.

Then next meeting date, as suggested. We know that the report might be soon, and I will take Mr. Wartman's comments under advisement that I will contact Minister Cline and ask for reports for each of you. And we may see that in the next 24 to 36 hours.

So we can possibly move to another meeting very quickly. What would the dates be?

Ms. Jones: — I would ask since I'm on Legislative Instruments Committee that you avoid Wednesday mornings, because I can't try to get your legislation through if I'm here.

The Chair: — Good. What about next Tuesday?

Mr. Gantefoer: — Tuesday, and I would also suggest to presenting timetables Tuesday and Thursday for the next two weeks as tentative dates, or three weeks. I really do think we have to have two meetings a week if we're going to try to make this work. One meeting isn't going to do it; we'll just forfeit.

The Chair: — Any discussion on . . .

Ms. Lorje: — This side totally agrees with Mr. Gantefoer.

Mr. Gantefoer: — That's why we'll soon be the government side.

Ms. Lorje: — No.

Mr. Wartman: — Well, it's nice to have a dream.

The Chair: — We'll leave those comments for later. We will then schedule a meeting for next Tuesday, and tentatively for Thursday as well. And then please clear . . . if you can keep your calendars clear for Tuesdays and Thursdays in the week following.

Mr. Trew: — At 9 o'clock, Mr. Chair? 9:30?

The Chair: — Nine, I think. The sooner we get at it, the better — 9 a.m. Tuesday. Motion for adjournment if no other business. Mr. Stewart.

Ms. Jones: — Can we, do you think 9:15? I have House leaders every morning.

The Chair: — To be flexible we'll say 9:15.

Ms. Jones: — Usually I can get out by then.

The Chair: — Okay, thank you very much. Motion for adjournment by Mr. Stewart. All in favour? None opposed. Carried.

The committee adjourned at 10:35 a.m.