



Standing Committee on Public Accounts

Hansard Verbatim Report

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**STANDING COMMITTEE ON PUBLIC ACCOUNTS
2000**

Ken Krawetz, Chair
Canora-Pelly

Pat Lorje, Vice-Chair
Saskatoon Southeast

Rod Gantefoer
Melfort-Tisdale

Debbie Higgins
Moose Jaw Wakamow

Carolyn Jones
Saskatoon Meewasin

Carl Kwiatkowski
Carrot River Valley

Lyle Stewart
Thunder Creek

Kim Trew
Regina Coronation Park

Milton Wakefield
Lloydminster

Mark Wartman
Regina Qu'Appelle Valley

The committee met at 9:15 a.m.

The Chair: — Members of the committee, if I could call the meeting to order. I'm pleased that all the members are present today, including Mr. Thomson in for Mr. Wartman.

We've had to postpone this meeting a couple of times. It's necessary to determine what our agenda will be for the next three or four months in dealing with the reports of the auditor and dealing with the topics.

You have had the opportunity to look at the copy of the agenda as was circulated, I believe, about three or four days ago. There are two items on the agenda with a couple of points. Are there any other items that need to be put forward?

Mr. Kwiatkowski: — Mr. Chair, I would like to request that the agenda of this Public Accounts Committee meeting be expanded to include a discussion with the Provincial Auditor on issues with regard to the misappropriation of public funds by the Saskatchewan Indian Gaming Authority. I would request that be added as item no. 3, Mr. Chair.

The Chair: — As item no. 3. There's a request from Mr. Kwiatkowski that we add an item no. 3 to the current agenda, that being that we have discussion with the Provincial Auditor on issues with regard to the misappropriation of public funds by officials of the Saskatchewan Indian Gaming Authority. Discussion before we add that item?

Ms. Lorje: — Well, before we even discuss Mr. Kwiatkowski's motion, it seems to me that we have to discuss the agenda and the very fact that we're having a meeting today. And if I may, Mr. Krawetz, I would refer you to the 1993 Operating Principles and Practices of the Standing Committee on Public Accounts.

I want to say this tactfully but I do want to say that it is imperative that we follow the Operating Principles and Practices and the mandate of this committee when we are functioning. Now I recognize that no one can be held responsible for the fact that the meeting on Tuesday was cancelled, because the power went out in this building. And I understand, and it makes perfect sense to me, that you as Chair would have simply said, well we had earlier scheduled a meeting for Thursday, so we'll simply go ahead for the meeting on Thursday.

But as I understood the meeting on Tuesday, what we were to be doing was to be hearing representations from the Baxter committee, and I gathered that Mr. Aitken and Ms. Joorisity were to appear before this committee to give us their comments on the various changes on the auditor Act; and then we were to be dealing with the CCPAC (Canadian Council of Public Accounts Committees) invitation.

As I look at this agenda, it's quite different. Item no. 1 is totally different from what we had previously agreed to as our first item. And I would like to point you to the committee's operating practices and principles. I pulled this off the Net. Item 5, meetings, states:

Meetings are called by the Chair in consultation with all parties represented on the Committee.

Right now there are only two parties represented on the committee. I'm assuming you may have consulted with the Saskatchewan Party; but certainly the New Democratic Party was not consulted with. And we're therefore in the unfortunate situation of having one of our members away. And luckily we can have a chit in, but we were not consulted.

Secondly, if you will turn to the back page of the document, item 46, steering committee:

The Steering Committee will be composed of the Chair and Vice-Chair and . . . Members as the Committee deems necessary. The Steering Committee will meet in camera at the call of the Chair to propose to the Committee agencies and witnesses to be called, to assist in finalizing reports, to review sensitive documents and to monitor the progress of the committee work and to undertake other responsibilities.

Mr. Krawetz, I have consulted with other . . . with past Vice-Chairs on this committee and they inform me that the interpretation of clause 46 is that that means that the Chair will consult with the Vice-Chair for agenda items. So I'm a little concerned that the agenda has been changed so dramatically.

The Chair: — Before I recognize Mr. Kwiatkowski, I'd like to respond. Because I think you're suggesting that there are items that are currently on the agenda, excluding the request to amend this agenda, that is different than what we discussed at our last meeting. And I beg to differ with you.

We asked for two things to occur at various meetings. And they've been postponed for various reasons. Today is a date when it was suggested that we would meet on Tuesdays and Thursdays on a regular basis until we were able to define where we were headed.

As you've indicated, the power outage on Tuesday has nothing to do with today's meeting. We had to schedule it . . . reschedule it.

The agenda is the exact same agenda that we've been talking about for three meetings, and there has been consultation with you prior to the setting up of this agenda for a previous meeting. Because the agenda has been postponed once, it has not been altered. It is the same agenda that you had before you a week and a half ago, and now all we're doing is moving it forward to today's date, that being Thursday, June 22.

Ms. Lorje: — I don't see it quite that way. And as I say I . . . initially all I wanted to do was draw your attention to the importance of us following the Operating Principles and Practice and to say to you that it seems to me that this matter then begs the issue of this committee, at an early date, reviewing the Operating Principles and Practices and the mandate of this committee as established in February 1993 to ensure that those are still the Operating Principles and Practices that we want to follow.

And I am therefore requesting that we will, at an early meeting

date, review our mandate and our Operating Principles and Practices. It seems to me if we're reviewing The Provincial Auditor Act at this time, that it only makes sense that we would also be reviewing how this committee conducts itself. And indeed, with many of the changes that are proposed in the legislation that we're dealing with now, we are going to have to make changes to our Operating Principles and Practices.

The Chair: — And I see nothing wrong with reviewing our operating principles and our practices on a regular basis to ensure that we're doing what we're supposed to be doing. I see nothing wrong with that.

However, I come back to your allegation that this agenda has been somehow amended by me without consultation with anyone from your political party. And I beg to differ with you because if you look at the minutes of last meeting and the minutes of previous meetings, you will see that we have been discussing the process for the appointment of a Provincial Auditor and proposed changes to The Provincial Auditor Act, point no. 1 a).

The other point that we discussed was that we needed to put in place a timeline to discuss the reports that the former auditor and the Acting Provincial Auditor have produced since the last committee dealt with all of these things, and that is our responsibility. And that is the reason for putting in place a timeline, which is item b). Those are . . .

Ms. Lorje: — But that's not what . . . (inaudible) . . . says.

The Chair: — It says exactly that. It says that we need to put in place a timeline to review the reports of the Provincial Auditor.

That was our discussion at the last meeting. I make that very clear — that that was what we wanted to do because there was some discussion about trying to get started on the business of this committee and we said that it was not appropriate to do so in June, that we needed to put in place a timeline. And I would suggest that you consult the minutes and you will see exactly that.

I would like to come back to the request of Mr. Kwiatkowski. You have asked for an amendment to the agenda. Could you explain why you would need . . . why would you want a particular new item added to this agenda?

Mr. Kwiatkowski: — Thank you, Mr. Chair. We feel that at today's meeting it would be entirely appropriate to receive a briefing from the Provincial Auditor as it relates to his reports on the Saskatchewan Liquor and Gaming Authority and SIGA (Saskatchewan Indian Gaming Authority), his letter written to the minister responsible for the Saskatchewan Liquor and Gaming Authority dated June 4, 2000, and the written statement from the minister responsible for the Authority dated June 16, 2000.

And I've taken the liberty, Mr. Chair, of providing the committee with copies of all three of those documents.

I think we've got an issue here that is very, very important to the people of Saskatchewan. This is the first time that we've had an opportunity to hear from the Provincial Auditor on what

is obviously a very significant misuse of public funds.

There are obviously some questions that I think would be appropriate to ask the auditor about the issue he raises in his letter of June 14, and I believe that the Public Accounts Committee is the most appropriate place to ask these questions and receive the opinions of the Provincial Auditor.

I think I should also mention that we're very, very pleased with the Minister responsible for the Saskatchewan Liquor and Gaming Authority having acted so quickly to deal with the matters raised by the auditor. The minister has indicated that she wants a full and transparent investigation into the misuse of the public funds by SIGA. And we very, very obviously support that.

And just in conclusion, Mr. Chair, I think the Public Accounts Committee has a very legitimate role to play here in this process, and it wouldn't be unreasonable for members of the Public Accounts Committee to want to hear the views of the Provincial Auditor on this issue. Thank you.

Mr. Trew: — Mr. Chairman, what we're talking about here today, leave aside Mr. Kwiatkowski's proposal or motion, what we're talking about today is a matter of process. This committee has only just started to meet for some very, very good reasons, Mr. Chair.

What we . . . what our Vice-Chair is talking about is a matter of process. You'll look at item 2 on today's agenda and I know that there was consultation with both parties on that. I know there was consultation with both parties on item 1. There was no consultation with respect to this motion. And I don't think, Mr. Chairman, I would be astounded if you would tell me that this came out of the blue. Certainly this is part of the process, and the Vice-Chair should have been informed that this was coming.

I'm not for a second trying to address the issue of whether or not this committee should be the committee to deal with it. I'm dealing with process. And if the committee is going to be effective, we darn well have to follow the process as best we can. That will generate more business getting done than anything else.

So I think Ms. Lorje's comments are just simply . . . they're very serious, and I take them equally seriously. Process, process, process — and then we'll get this committee functioning, and we'll look at things like SIGA. And maybe SIGA will be the third thing.

Today I'm not trying to enter that whether we look at SIGA or not process; I'm talking about the process of the Public Accounts Committee and the consultation. Thank you.

The Chair: — Thank you for your comments.

Ms. Lorje: — I had no idea that members of the opposition were going to be bringing in a surprise motion to have this committee enter into what I consider to be a premature and inappropriate discussion of the SIGA matter at this meeting. And when I mentioned the question, the whole topic of the change in meeting time, or meeting date rather, and what I

consider to be a change in agenda, because the Tuesday agenda that we had agreed upon was to meet with representatives of the Baxter committee.

When I raised those two issues, I had no idea that we were going to have a surprise motion for an agenda . . . and an addition to an agenda item as well. And I think it simply makes the point that if this committee is to function in an harmonious and work-like manner and to follow the mandate that is already outlined — that we should be operating in a non-partisan manner — then we have to ensure that we are following proper process, which is why I wanted us at an early meeting to review the Operating Principles and Practices of this committee.

Dealing specifically with Mr. Kwiatkowski's motion and his request to add an agenda item, I would like to point out to committee members that the auditor will be and, even as we speak, is conducting a review of SIGA. It seems to me it is highly inappropriate for us to be engaging in this kind of . . . in a discussion of the SIGA matter when an audit is underway.

Opposition members have the ability, if they choose, to bring up questions about SIGA during question period in the legislature, and they have availed themselves of that opportunity for the last two question periods.

I would suggest that is the appropriate place if you have something that you're just . . . that's just burning on the tip of your tongue that you have to get out, that you deal with it there, but not during this committee before we have received a report from the Provincial Auditor. It is simply not the practice, nor is it appropriate for this committee to be engaging in what could literally, if we're not careful, amount to witch hunts.

We need to receive a proper, well documented report from the Provincial Auditor. We need to be courteous to the Provincial Auditor, give him the space and the opportunity to review this very serious matter, and to present a formal, properly documented report to the legislature and to this committee. At that time, that's when we discuss the SIGA matter.

The Chair: — Thank you for your comments.

Mr. Kwiatkowski: — Well, Mr. Chair, quite frankly, I'm a little surprised that the government members are saying that they're surprised, given the events of the last week or so.

I think that this addition to the agenda is very, very timely. Given that there have been a lot of developments on this issue, right up to within a matter of hours ago, and given the importance of the issue and the Provincial Auditor's role and ability to be able to provide us with a briefing on his activities to date, I find it disconcerting that they would be attempting to, in some way, thwart the ability of this committee to be able to discuss this issue — particularly given that the minister responsible has very, very clearly stated that she is calling for an open and transparent investigation and process.

And as I said in my previous comments, Mr. Chair, we as the official opposition are very pleased with that. And we simply think that this would be the opportune time this morning to get some further clarification from the Provincial Auditor, and that this process would complement what it is that the minister

responsible is indicating she wants to do.

Mr. Thomson: — Well I'm not sure exactly how things are going to run under this regime, but I know during the past four years that I sat on Public Accounts we always worked these matters out beforehand.

When there were issues to be conducted or investigated, particularly sections of an auditor's report, there was consultation beforehand. There was agreement reached that that would be on the agenda and the appropriate officials were invited.

We don't have discussions in Public Accounts without officials present. We don't have briefings. We don't have chit-chats. This isn't a coffee club. This is a committee of the Assembly which is mandated only to discuss items presented by the auditor in his reports that are then referred here. This committee has no ability to deal with matters outside of this mandate as established by the legislature.

Now if the suggestion is that we deal with this chapter 7 of the Provincial Auditor's report of 1999, his spring report, then that's one thing. And there's nothing wrong with doing that, except that the appropriate officials must be present to do that.

And to new members here, we have always in the past had the Provincial Auditor present the findings of his report, followed by a report from the officials, in this case in the Liquor and Gaming Authority, who would then report on what action they've taken. Not to minimize the important role that the Department of Finance plays obviously in its advice to the committee also.

That's the way the process works. And I think . . . I'll give the members opposite the benefit of the doubt, that because they're new, Mr. Gantefoer may not have been aware of this motion coming forward, nor may you, Mr. Krawetz — but that's the way this has always worked. And I think that there's no reason to change that.

And there's nothing wrong with this being discussed. Clearly the Provincial Auditor has provided a report. Clearly in time that will need to be discussed. Is that today? No. And it can't be today because we have not given the sufficient notice to invite the appropriate officials here so that this committee can have an informed discussion.

I don't know that much more needs to be said on it. But I think that that is really the issue. It's not a case that the government is unwilling to discuss the issue. The issue in time will come forward. It'll be appropriately dealt with by both sets of officials being here. And I think until that happens and until those processes are followed, this discussion would not be timely.

The Chair: — Thank you, Mr. Thomson.

Mr. Wakefield: — Thank you, Mr. Chairman. If I understood the lesson, the history lesson is the process has evolved over the period of time that nothing then comes to this committee that hasn't been formally discussed.

I guess my concern as a new member is that, if something in my view as a committee member is important enough that should be addressed from a Public Accounts point of view and from Public Account's public . . . or taxpayers' money, I believe I should have the right to try and put it on the agenda.

I think you're telling me that that has not been the process and therefore I would have been disqualified if, under normal process, if this amendment was to come forward, or this change to the agenda.

I guess my concern is that this is a timely issue. We're talking about something that has very recently happened. We're talking about public money. We're talking about public money in a Public Account forum. And in fact, from an auditor's report earlier on, there was suggestions that this in fact be addressed and I'm not sure if it has but I think we have an opportunity talk to the acting auditor, because he is here, to expand a little bit on exactly what was meant, what has happened since that point.

I don't think that it's, in my view, maybe I'm, because I'm a new member, I don't think that it's a requirement to bring an impromptu change to the agenda. If it's accepted, fine. If it's not accepted, that's a process too. But I guess I'm having a little problem with what is meant by process here.

The Chair: — Thank you, Mr. Wakefield. I have two other speakers on the list right now for comments. I want to clarify I think, if I might — Mr. Thomson, get your attention now — I wanted to clarify what you said and I think what Mr. Wakefield said as the role of the Chair.

And I've had the opportunity to review minutes of past Public Accounts and I have not sat on Public Accounts before. And I do notice that there were resolutions brought forward numerous times by individuals to add items to an agenda. They are either accepted by this committee or they are defeated.

So your suggestion that, you know, everything is predetermined by the Chair and the Vice-Chair, I don't think is accurate from what I see in the minutes. And I stand to be corrected if you, having sat on the Public Accounts for four years, never dealt with a resolution to amend an agenda, then please say so.

And Mr. Wakefield's comments about whether or not someone can ask for an amendment to the agenda is an accurate one because, as Ms. Lorje has pointed out, there is consultation beforehand. These items that are on the agenda I believe were discussed before and there was an agreement that we would deal with them, with additional people that would be present on Tuesday — they're not here today — but they're the same items that we've talked about.

Now for someone to ask for an additional item half an hour before the meeting, there is no consultation, the process that I have as Chair is to ask someone to put forward that item, to have discussion on it. There will be a vote very shortly that will be called that will ask for whether or not there is acceptance of an amended agenda. If there isn't, we are reviewing . . . we are back to the original.

If you would like to comment now before I move to Mr. Kwiatkowski and Mr. Trew?

Mr. Thomson: — Certainly. I mean amendments are permissible. There's nothing wrong with that. I mean let's be honest — this is political gamesmanship. These are politicians sitting around the table.

The key part of the point that I wanted to make is not that the agenda can't be amended, but that this committee only has a mandate from the legislature to discuss items referred to it by the legislature. In this case that means the Provincial Auditor's report. To accept the discussion on anything other than that would be outside the mandate of this committee.

The second point that I wanted to make is that that discussion always happens in an informed way. We have the report of the Provincial Auditor, we have the recommendation and the advice of the comptroller's office, and also then of the affected department. That's the appropriate process.

So even if today you had wanted to amend it, really you would need to make sure that the officials were available to come and discuss it. Otherwise it's simply inappropriate for committee members to discuss a report without all the information in front of them.

The question of the amendment, certainly an amendment can be in order if it deals with those two items.

The Chair: — Just to let you know, previous accounts had never dealt with . . .

Mr. Thomson: — But there was in the past, I just want to emphasize this. In the four years that I sat on this committee — although never being a member of the steering committee — there was always a high level of bipartisan or tripartisan support of bringing forward the actual working agenda of the committee. I think Mr. Gantfoer will agree on that.

I mean certainly outside of this there may have been minor amendments, and obviously there's a little political grandstanding, but for the most part when the work agenda was laid out it was by bipartisan support, or when we had the Liberals here, tripartisan support.

The Chair: — Thank you. I have Mr. Kwiatkowski, Mr. Trew, and Mr. Gantfoer in that order.

Mr. Kwiatkowski: — Well, I absolutely and categorically reject the accusation of political gamesmanship. This is a very, very timely and important issue of misappropriation of public funds. And if you go to page 94 on the *1999 Spring Report* of the Provincial Auditor you will find that the following observation is made, that the Saskatchewan Liquor and Gaming:

Authority needs to improve its rules and procedures (to regulate and monitor SIGA) to ensure SIGA operates in a manner that maintains gaming integrity and adheres to the approved policies and procedures.

And this is something that this committee should be concerned about. And given the events, as I say, of the last week or so and the fact that developments have occurred to virtually within hours ago, and the minister's statement that she wants a clear and open transparent process and investigation, then I think that

this is absolutely something that this committee should be looking at and in support of and complementing her efforts.

The Chair: — Thank you.

Mr. Trew: — I thank you. I'm sure glad, Mr. Kwiatkowski, you're not playing politics with this and that's why the media were briefed by your people before we came in here today. It's just so refreshing that this committee wouldn't deal with politics and that nobody would grandstand.

What this smacks of is the McCarthy hearings in the '50s in the United States of America — people are guilty until proven innocent. What nonsense!

Mr. Thomson has pointed out the process that Public Accounts has followed — a process that we have to follow. This is not, as Mr. Thomson pointed out, a coffee club where we talk about the issue of the day. There are hundreds if not thousands of coffee shops around Saskatchewan where this issue will be discussed this day to one degree or another. And that's fine and that's appropriate — that's part of the democratic process. This isn't a coffee club, notwithstanding there's coffee provided.

What we have is a need for Public Accounts to deal with the auditor's reports. And to make the committee work, you need consultation with the steering committee that involves the Chair and the Vice-Chair so we know what's coming on. The chairman properly said he's reviewed minutes past. And I noted what you were saying, Mr. Chair — motions have been made in the past. Some are approved, some are defeated.

Simply because there's prior consultation, I point out, does not mean that you have prior approval or that anything is going to pass by way of a specific . . . or more specific example, I'll go outside of the Public Accounts Committee to the Legislative Assembly of Saskatchewan where in advance the opposition are told what the government's agenda is for the day. I know that there's an attempt to provide that at least a day, you know, 24 hours in advance. I also know that there are many, many, many times it's updated the day of, okay, but always — always — notice of what the government's agenda is, and there are very, very rare exceptions where surprises are sprung. I can think of none actually where an opposition isn't informed of what's coming.

And you look at the Legislative Assembly and we certainly do not have . . . I mean although it's true we have agreement on more issues than we have disagreement — more votes are the same than are different — but motions are made by members when they know that those motions are doomed to failure, and that's properly so.

There's a second point, and that being of officials always being here. If the officials to respond to the Provincial Auditor's report that's clearly not the case. So I mean I don't know how we could add this item today to the agenda.

The other thing I wanted to comment on is that this is a timely issue, and it certainly is. And it's timely that the legislature is sitting, and it's timely that there's a 25-minute question period provided every day, and it's certainly appropriate for the opposition to ask questions in question period. Absolutely. And

it's proper for the government to respond, the minister responsible to respond, to the best of the government's ability. That's the process.

On timely today's issues, it's question period and other venues. Public Accounts Committee is to deal with Provincial Auditor reports and have the appropriate officials to respond, then we engage in the appropriate questions. I think I'll just leave it right there. But with the final thing I'm just really pleased that you're not playing politics with this.

The Chair: — Thank you, Mr. Trew.

Mr. Gantfoer: — Thank you, Mr. Chair. A couple of points in response to Mr. Thomson's comments of prior practice. Certainly in my experience of spending some time in the Chair, there was every attempt to arrange an agenda or come to a consensus on agenda by pre or prior discussion.

That wasn't always possible. I mean there may . . . there were instances where there was a pretty divergent view of what agenda items should be proposed to the committee and the order in which they should be presented. There were issues surrounding saying, well, I may have felt as the Chair that a certain department should come up at the next meeting. The Vice-Chair might have felt that a different issue or they didn't want to talk about it at that time. And that's fair game.

And in some of those instances then there were cases where individual members then made a proposal where that advisory committee couldn't come to that consensus. There were certainly agenda items that were added and considered by the committee as a whole. And certainly I think it is completely appropriate for this committee to consider any requests by any of its members for additions to an agenda.

So I think that that is completely appropriate. And while there were attempts to have these prior discussions and a consensus happen, they certainly didn't happen in every instance. And I can recall instances where that didn't happen and I think that was quite fine and okay.

In terms of that other issue, I think that one of the important things here, at least as I look at it, is that first of all this is a timely issue, and second of all, I think the minister has handled this in a pretty effective way. And what is a real motivation for us, I think, today is the minister released the letter that she received from the Provincial Auditor and tabled it in the House yesterday, I believe. And so as such, that is now a public document that, I believe, is quite appropriate for us to discuss.

It may not. And Mr. Thomson says that it hasn't been referred — and that's quite true — as a specific reference from the legislature, but it is a document in the public record of the legislature. And the government members opposite say that the opposition has an opportunity to ask questions of the minister in question period. That is also very true.

I think what was hoped for by Mr. Kwiatkowski, and particularly because of the nature of his responsibility in the legislature, is there is not an opportunity at question period to ask questions of the Provincial Auditor who is the author of this letter that was tabled yesterday.

And I think that was the intent of adding this item at this time, because the Provincial Auditor's letter has been tabled, it's a public document, and the Provincial Auditor is here to be able to clarify or to expand or to expound on the matters included in his letter to the minister.

I think it's very appropriate as this is unfolding — the minister in a quite timely way tabled the information, has called for the process to be complete — and I think it's appropriate for the committee to ask the auditor for clarification and to see where he's heading on this thing.

The minister has said that there is an audit team, that the Provincial Auditor is going to be a part of that. Is it a team that the auditor is directing? Is it a lead role that he has? Is it a minor role that he has? I think those are legitimate questions for this committee to ask at this time.

I don't think for a minute that the intent of this discussion — as I think the wording is, as a request — is a detailed investigation in all the matters surrounding the SIGA issue. But I think that there is a desire for Mr. Kwiatkowski to ask the Provincial Auditor some clarification and expansion on the letter that was tabled in the House. So I think it's worthy of consideration.

The Chair: — Thank you, Mr. Gantfoer.

Ms. Lorje: — Well, Mr. Gantfoer, what you say sounds reasonably compelling on the face of it. But I think we should step back and really consider exactly what the implications are of what you're saying.

It seems to me when you're saying the committee has to be timely, that you're saying that this committee and the audit process, the independent audit process that is conducted in the province of Saskatchewan by an independent officer of the legislature, namely the Provincial Auditor, should be scandal driven.

You're saying that whenever something comes up immediately this committee has to intrude in that process rather than let the process unfold as it properly ought to.

I do not wish to ask the auditor how he is going to be conducting his investigation into SIGA. I am extremely pleased that he will be conducting an investigation into SIGA, and for that, I commend him. And I have the utmost faith in the competence of the Provincial Auditor and in his independence to conduct that.

I am prepared to wait, to let the process unfold and to let the Provincial Auditor report to the legislature and then to this committee on his findings. There is no ... in saying that I disagree with Mr. Kwiatkowski's very general motion — because this motion, if we adopt it to make this change to the agenda, could involve this committee engaging in a witch hunt without any parameters and totally inappropriately.

This committee is to review reports by the Provincial Auditor. It is not to be conducting itself as if this were question period in the legislature.

I want to point out the mandate of the Public Accounts

Committee, firstly:

To examine and inquire into all such matters and things as may be referred to it by the Assembly, and to report from time to time its observations thereon with the power (as Mr. Thomson has pointed out) to send for persons, papers and records, and to examine witnesses under oath.

Secondly, the order of reference of the Public Accounts Committee is to:

Review the Public Accounts of the Province of Saskatchewan and the issues raised in the annual report of the Provincial Auditor which have been referred to the Committee.

And then a note:

This enables the ... (Public Accounts Committee) to proceed without delay (in) ... its examination of the subject-matter(s) of these documents. With the current Order of Reference, the PAC can initiate, **but is limited to**, an examination of any subject contained in these reports.

Mr. Kwiatkowski, the government has faith in the process and has faith in the independence of the Provincial Auditor. The Provincial Auditor has indicated, as you have pointed out by letter of June 14, 2000 to the minister responsible for Liquor and Gaming, that he will be conducting an audit over the summer to determine whether SIGA had adequate rules and procedures to safeguard and control public money and to comply with the laws.

I must say, as I decide whether or not to agree with your motion to add this item to the agenda, I do not feel in my objections to it that I am engaging in any kind of a cover-up or trying to impede the process at all. What I am saying is it is time that there is no political gamesmanship in this. This is a very serious matter — the allegation of misappropriation of \$360,000.

It is imperative, it is imperative, Mr. Kwiatkowski, that we give the Provincial Auditor the space and the independence to do his proper work. Engaging in showmanship through the vehicle of the Public Accounts Committee at this time is totally inappropriate. It is inappropriate for instance to alert the media to your motion.

We've had three meetings now and there have been no media present. Curiously enough, when you bring in this, this little grandstand effort, all of a sudden the media are alerted. Now perhaps you're telling me this is entirely accidental, and I will accept your word if you say that it's accidental.

But I do tell you that this is not the way to engage in an appropriate and responsible discussion of a very, very serious matter. It is imperative that this committee allow the auditor the opportunity to do an appropriate and thorough investigation into the matter that's happening at SIGA. And it is not appropriate for this committee to be engaging in political grandstanding or political gamesmanship.

For that reason, Mr. Kwiatkowski, I will not be voting in favour of your motion.

The Chair: — Thank you, Ms. Lorje, Mr. Kwiatkowski. And I think we need to wrap this up and determine what our agenda is going to be and move forward. Final comments, please.

Mr. Kwiatkowski: — Thank you, Mr. Chair. As Mr. Thomson quite rightly points out, I am a new member of the Public Accounts Committee. But one of the things that I understood the Public Accounts Committee was able to do was to solicit the advice, observations, opinions of the Provincial Auditor. And as Mr. Gantfoer quite correctly pointed out, we're not able to do that in question period.

And that was the intent of this motion — is the intent of this motion. There are issues that the Provincial Auditor has been involved in that perhaps he could provide us some insight into.

But I guess at this point what we have to do is make a decision between what Mr. Thomson is describing as a rather rigid, mechanical, clinical process and our ability to be able to be responsive and timely with issues.

So at this point I would just simply like to say that I think it would be entirely appropriate for the committee to consider the motion that I've made, given the importance and the seriousness of this issue and our inability to be able to converse with the Provincial Auditor in any other form except this one. Thank you.

The Chair: — Thank you. I'd like to move to the question, but Mr. Trew, you would like to comment, please.

Mr. Trew: — I sure would, Mr. Chairman. This is . . . I mean, now we're focused on the motion. Up until now I've been focused on the process and how totally inappropriate this process is for Public Accounts. And I'm just astounded that collectively opposition members and/or their staffs wouldn't have taken the time to read what the Public Accounts terms of reference are and wouldn't know that. I'm astounded that you would come here so totally unprepared, so unprofessionally.

And then I look at the motion. Well as I understand it, there's one person that lost his job over not having a proper paper trail, at minimum. The auditors are checking and will uncover whatever, and this thing is going to follow the proper course.

The motion says, discuss with the Provincial Auditor blah, blah, blah, on public funds by officials — plural — at the Saskatchewan Indian Gaming Authority. Well do you know something that nobody else in the universe knows? Now it's everybody at SIGA? I hardly think so.

Anyway, this is clearly an ill-advised motion, and it's just clearly ill advised. The process is one that is all wrong.

The Chair: — Thank you, Mr. Trew. We have before us, if I might . . . If there are no other comments, I'd like to move forward. I don't want to cut off discussion.

We have a request to amend the agenda by the addition of a third item, and I would call that question. All those in favour of an amended agenda as circulated with point no. 3? Those in favour? Those opposed? I declare the motion defeated.

I would like to back up to the agenda that was circulated, and I would like . . . Yes?

Ms. Lorje: — Before you back up to the agenda that was circulated . . .

The Chair: — I would like to have a motion on that, please, if I might.

Ms. Lorje: — Well I think there's still an outstanding matter from Mr. Kwiatkowski's motion.

The Chair: — Go ahead.

Ms. Lorje: — When he was last speaking, what he said was, well perhaps this whole thing rises and falls on whether or not the officials are available. And I would like to make sure that we all understand that our objection to this is not whether or not officials are available.

What we are saying very clearly is that we want to have the proper process that this committee is mandated for be followed, and that what we want to do is discuss the SIGA report when the Provincial Auditor provides his report through the Legislative Assembly to this committee.

I don't want to be put in the invidious position, Mr. Chair, of having to deal with Mr. Kwiatkowski's motion at our next meeting and our next meeting and our next meeting.

I think that what we have to clearly understand is that we review reports that have been tabled in the legislature and that are then subsequently provided to this committee. And what we are doing is waiting until the Provincial Auditor conducts his review of SIGA and provides us with that report.

The Chair: — Your points are duly noted.

Mr. Wakefield: — Thank you, Mr. Chairman. I would agree with Ms. Lorje about reviewing the auditor's report when it comes, and other reports that do come here.

I guess the . . . Here's a situation where we have a current issue before us. And I'm not talking particularly about I guess the report that you anticipate that will be coming from the auditor. I'm talking about a situation that might arise at any time. And here we are in a Public Accounts Committee, and we're responsible to address issues that I think come before us under what is generally perceived as the mandate given to us — some of it in written form from previous committees, and some from probably the practical way to do things.

But if we in fact are asked if there is a current issue, we'd have to say yes. If we were asked if there has been public money involved in this particular issue, we would have to say yes. If we were asked, is there an item in the auditor's report from a previous report, we'd have to say yes. If we were asked if the auditor has a letter that was in fact made a public document in the legislature, we'd have to say yes.

And then if we were asked, did you ask the auditor in your capacity as Public Accounts to expand on some of these items, we'd have to say no, if that's the ruling. And we'd have to

explain that we couldn't have the auditor comment because of process.

I guess that's where I'm having a lot of difficulty here with this particular issue. And I don't want us to get bogged down in a debate about whether we're right or wrong or whatever. I think that there's an opportunity for Public Accounts Committee to do the job that I expect the Public Accounts Committee to do.

The Chair: — As pointed out by the Chair, I think we're re-debating the motion that has already been put forward. And I do have two other speakers, which are Mr. Thomson and Ms. Jones, and if you would like to make comments. You're going to pass? Ms. Jones, is it re-debating the motion?

Ms. Jones: — Not re-debating the motion but the mandate. And the mandate is that we observe and discuss things that are referred to us, and this most certainly was not referred to us.

Ms. Lorje: — At the start of this meeting I said very clearly, perhaps what we need to do is review our mandate and our operating principles.

The Chair: — And I said that was a good idea.

Ms. Lorje: — I think that Mr. Wakefield's continued questions simply emphasize my point. So rather than continue to plough this ground, let's at an early meeting put it as an agenda item and review our mandate and operating principles.

The Chair: — Thank you. Which leads me back to the original agenda that is before you that you questioned. And I would like to have a resolution which states — and I want to clearly point this out — it says that the agenda is as follows: we would determine in point no. 1, the business agenda for future meetings that would involve a) a process for the Provincial Auditor; and b) when we would review the reports of the Provincial Auditor and Public Accounts. Which I think we've clearly heard today that in the past report, that SIGA is part of that, and there is a chapter, and blah, blah, blah. Okay.

Clearly there is no intent by myself as Chair to somehow amend this agenda from what was previously discussed. It is an agenda that I ask for consideration of what our future meetings will be.

I think that that's what point no. 1 says. If there is a difference of opinion — and I'll come back to you, Ms. Lorje, in a second — if there is a difference of opinion as to this agenda and what was previously discussed, if there's that kind of feeling amongst the other eight members, I would appreciate your comments at the moment, after Ms. Lorje speaks, or else I would ask for a motion to adopt this agenda.

Ms. Lorje: — Mr. Krawetz, having heard what you said about what your intent is and what you plan to have on the agenda, I would like to apologize to you. Because quite frankly when I read this agenda, that's not what I was reading at all — that we were to do timelines for review of the reports of the Provincial Auditor in Public Accounts. What I read was you expected us to come today to review the reports of the Provincial Auditor.

So I think it's probably a misunderstanding. And it's probably a symptom of the fact that things . . . that we're working very

long hours in the House right now, and we're all of us getting a little worn down. I think my point simply was that I would have appreciated being consulted about the agenda before it went out. So I would like to, at this point, simply move the agenda as circulated.

The Chair: — Any further discussion? I will reserve my comments, and thank you for your comments.

Seeing none, all those in favour of the agenda as proposed? Unanimous. Thank you.

Okay, let's move forward then. We have had a lot of discussion about the process for the appointment of a Provincial Auditor. I believe that there was consensus on concepts — if I might use that word — last time around.

The Acting Provincial Auditor is here for a period of time, and that we have no hurry to push this process, and to ensure that this committee does a good and thorough job in reviewing not only the appointment of a Provincial Auditor but also the changes to The Provincial Auditor Act.

We had asked for . . . at least two members were able to be . . . had originally indicated that they would be present last Tuesday for that meeting that we had to postpone due to the power problem. And I think what we need to do is to look at a timeline when two things need to occur.

We need to put in place members of that committee to answer your questions on comparisons, and we need to also review a document that was circulated by the auditor — which was this document that you've had a chance to look at — where the Acting Provincial Auditor has had the opportunity to put together sort of a step-by-step procedure how we might deal with some of the changes in both the recommendations in The Provincial Auditor Act and the advisory committee to the minister.

With those comments, Mr. Gantefoer, I'll . . .

Mr. Gantefoer: — Mr. Chair, Mr. Chair, what I would like to suggest — and if you'd like and need as a motion — is that yourself, in consultation with the Vice-Chair and the Clerk, suggest a timeline for this committee in terms of its next meeting and the prioritization of the issues that we have to deal with. Certainly there are two different courses or two different major issues that we have to deal with — the changes, proposed changes to The Provincial Auditor Act and also our responsibility to review the Provincial Auditor's reports.

I would suggest that both of these issues be discussed by yourself and the Vice-Chair in consultation with the Clerk, and that suggested meeting dates and timelines be set in the future.

I also further suggest that when we do meet we come together for, you know, a period of basically the week so that we can stay here and do the work. I've found in the past that a lot of work got done when we could do that. And certainly for us, at this time, to set dates and all the rest of it would be inappropriate because I don't think we can understand what dates officials and other related parties in both these issues are available.

So I move:

That the next meeting be at the call of the Chair, upon consultation between yourself and the Vice-Chair and the Clerk of the Standing Committee on Public Accounts.

The Chair: — Discussion? Any discussion on that?

Mr. Wakefield: — I'm sorry, on that motion would you include . . . did you include the appropriate agenda items as well? You referred to that in your discussion.

Mr. Gantfoer: — That would be determined . . .

The Chair: — I think Mr. Gantfoer's comments are dealing with point no. 1 a). First of all we're talking about The Auditor Act revisions and we're talking about the appointment of the auditor, the kinds of things we've been discussing. 1 b) is all of the reports and I think . . .

Mr. Gantfoer: — The whole thing — 1 a) and b) — you should set it all.

The Chair: — Okay.

Ms. Lorje: — Questions?

The Chair: — Seeing no further hands, all those in favour? Opposed? Carried.

Are there any suggestions . . . and I know, Ms. Lorje, maybe you had the chance to talk with your members; I haven't asked my members. Are members looking at holidays in July and August?

Ms. Lorje: — I don't think members are looking at holidays so much, Mr. Krawetz, as important responsibilities with respect to the Commonwealth Parliamentary Association. I'm aware that both government and opposition members are to be attending various CPA (Commonwealth Parliamentary Association) functions in July and I believe also in August.

And I think it would be important that we try to schedule our meetings so that as many of the regular committee members are available as possible.

So it sounds like July and August are times when both opposition and government members have key commitments with the Commonwealth Parliamentary Association.

The Chair: — We'll move to item no. 2 on the agenda which is the invitation from the host committee of the Canadian Council of Public Accounts and that being a conference in Halifax on the dates September 17 to September 19.

Before we go into discussion, I'd like to point out to all members that the committee has asked for topics to be placed on the agenda and that's part of the invitation. Which I guess is something that we should ensure, that if this committee has a topic that they would like placed on the agenda, you have that ability to recommend that topic to the committee in Halifax.

So keep that in mind even though you may not be a member

that is intending to go. You have that ability. I just point that out to you.

Mr. Gantfoer, discussion on this committee.

Mr. Gantfoer: — Thank you, Mr. Chair. First of all as a past member — and Mr. Thomson being here today, I think would appreciate as Mr. Thomson and I had the privilege of going to a Canadian Council of Public Accounts convention in Victoria — I certainly found it very informative, very valuable in my role as a member of the Public Accounts Committee, and I certainly am very supportive of the fact that members be encouraged to go to these conventions.

It's an unique opportunity to look beyond the issues in your own province and to rub shoulders, if you like, with other legislators from other provinces who are, generally speaking, also members of standing committees on Public Accounts and to understand how they operate, how they actually deal with issues and how issues are referred. And indeed, topics of interest on a current basis. I think it's extremely valuable.

When I was first on the committee, the precedent had been for the committee to send two delegates, generally the Chair and Vice-Chair or alternates plus the Clerk of the committee. That was expanded at one time to include a member of the third party as was the situation in the House at that time. And I think that was appropriate.

As you are aware, Mr. Chair, since the last general election, that status or reality has changed again in the House, and I think that we should make some alteration in terms of what our standard process is. I also recognize that for this budget year, in terms of what the request has been for funding for this committee to fund members to go, that it was done on the basis of the precedent that was there, which was to send three committee members and the Clerk, and I recognize that for this year that would require some accommodation by members.

But I certainly would like to suggest that we send two members from the opposition and two members from government — more specifically the Chair and Vice-Chair and a government member and an opposition member or their alternates, plus the Clerk of the committee — so I'm not limiting to necessarily Chair and Vice-Chair. But I think on the record we should give that precedent to those two positions in the first instance. But if that is not available or not appropriate for those individuals to attend, that they could name an alternate in that stand.

In this instance I believe that there are methodologies that members could co-operate with in terms of allocating some of their individual MLA (Member of the Legislative Assembly) travel allowance or constituency allowance for registration, and things of that nature. And so I would move a motion:

That the Standing Committee on Public Accounts authorize the attendance of the Chair, the Vice-Chair, a government member of the committee, an opposition member of the committee, and the committee Clerk at the 21st annual meeting of the Canadian Council of Public Accounts Committees to be held in Halifax, Nova Scotia, Sunday, September 17 through Tuesday, September 19, 2000.

And further that if the Chair or Vice-Chair cannot attend, they be authorized to designate another committee member to attend in their place.

those in favour? Opposed? Carried.

The committee adjourned at 10:32 a.m.

I so move, with the suggestion that if this motion is accepted, that those individuals would meet and work out an arrangement whereby this year's shortfall in funding could be accommodated. And clearly I suggest that this committee request that four members plus a Clerk are to be budgeted for in the future. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Gantefoer. Before I ask for any comments or discussion, I'd just like to point out — which might mean your discussion or your thoughts might be centred around the fact — that in the year 2001 we actually host this council. And I think it would be a tremendous opportunity for more individuals to know what is involved in a Canadian council and all of the things that are necessary since we will be the hosts in 2001.

And I think your comments about the funding is something that's important. Any discussion?

Ms. Lorje: — I just think it's too bad that we can't second these motions because I totally agree with what Mr. Gantefoer has just said.

The Chair: — Thank you, Ms. Lorje.

Ms. Jones: — Oh well, then I'll be in trouble with my Vice-Chair. I'm assuming that the arrangements for three members to go is on the basis that under normal circumstances there would be a third party, and so it was arranged for a government, an opposition, and a third party member.

I don't think we can always assume that it will be two and two into the future. So I have no objection to the motion on the basis of the current situation, but I do have . . . I do object to the idea that it be handled this way into the future — so that it's two opposition and two government — because that precludes ever having a third party on the committee and able to attend.

So my point is if it's a current situation, I don't object to the motion. If it's a recommendation to the Board of Internal Economy or something, I do.

The Chair: — Mr. Gantefoer's motion clearly states Halifax, Nova Scotia, the year 2000, and as indicated by Mr. Gantefoer, each and every year there must be a motion authorizing members to attend. So it will be different each and every year. Any further comments?

Mr. Thomson: — I must admit I was initially hopeful by the preambles by Mr. Gantefoer that he was going to suggest he and I get to go to this conference together. But regardless I will support the motion.

The Chair: — Thank you for those comments, Mr. Thomson. Seeing no further discussion, all those in favour? Opposed if any? Carried.

That is the items that were on the agenda as accepted. I would ask for a motion for adjournment. Mr. Thomson, thank you. All