



STANDING COMMITTEE ON PUBLIC ACCOUNTS

Hansard Verbatim Report

No. 1 – April 21, 2004



Legislative Assembly of Saskatchewan

Twenty-fifth Legislature

**STANDING COMMITTEE ON PUBLIC ACCOUNTS
2004**

Mr. Elwin Hermanson, Chair
Rosetown-Elrose

Mr. Lon Borgerson, Deputy Chair
Saskatchewan Rivers

Mr. Glenn Hagel
Moose Jaw North

Mr. Glen Hart
Last Mountain-Touchwood

Mr. Ken Krawetz
Canora-Pelly

Mr. Kim Trew
Regina Coronation Park

Mr. Kevin Yates
Regina Dewdney

The committee met at 10:30.

Ms. Woods: — All right. I'll bring this meeting to order. We're here for the Standing Committee on Public Accounts. And I have distributed an agenda for you. What the purpose of this meeting is to elect the Chair, the Deputy Chair, as well as do two standard motions with regard to the operations of the committee. And then we're going to go into a brief overview of some of the areas of responsibility for the Public Accounts Committee.

So without further adieu, I'll ask, are there any nominations for the position of Chair?

Mr. Borgerson: — I nominate Elwin Hermanson.

Ms. Woods: — Are there any further nominations?

Mr. Yates: — I'll move nominations cease.

Ms. Woods: — I'll then invite Mr. Borgerson to move the motion.

Mr. Borgerson: — I so move.

Ms. Woods: — The motion before the committee is therefore:

That Mr. Elwin Hermanson be elected to preside as Chair of the Standing Committee on Public Accounts.

All those in favour? All those opposed? The motion is carried. And I'll invite Mr. Hermanson to take the Chair.

The Chair: — Thank you, Margaret, and good morning everyone. We will make a few comments after we get through some of these other motions. I just appreciate the unanimous support. That's very nice — a good way to start this Public Accounts Committee off.

We will now go to point two on our agenda where we must elect a Vice . . . Deputy . . . our Deputy Chair of the committee; that's the new terminology, Deputy Chair. And so I would ask for nominations for the position of Deputy Chair.

Mr. Hart: — Mr. Chair, I nominate Mr. Borgerson.

The Chair: — Mr. Borgerson. Are there any other nominations?

Mr. Hart: — I move nominations cease.

The Chair: — Okay. It has been moved by Mr. Hart:

That Lon Borgerson be elected to preside as Deputy Chair of the Standing Committee on Public Accounts.

All in favour? None opposed, so that's carried. Congratulations, Lon.

The practice of standing committees is to have a motion to put in place a steering committee. A steering committee normally would be comprised of a member from the government side and

a member from the opposition side. What usually occurs is that the Chair and Deputy Chair would comprise the steering committee. I guess others can be added if that's the wish of the committee. Also it's a standard procedure for the Clerk of the committee to preside at all steering committee meetings.

The steering committee just does the housekeeping work of the committee — to arrange the times of the meetings; to work on agendas; to ensure that witnesses are invited and are made aware of the meetings and the content of the meetings.

So is there discussion first of all as to whether or not the steering committee should be comprised of the Chair and the Deputy Chair, with the Clerk presiding, as well as I guess a non-voting member? But really you don't vote in a steering committee. You just basically present the business of the committee. No decisions are made. If decisions have to be made, those items are brought to the committee as a whole, and those decisions are made here.

Mr. Yates: — I would move:

The steering committee be composed of the Chair, the Deputy Chair, and the Clerk.

The Chair: — All right. I guess we don't need a seconder to that.

I guess we need a vote on the motion that's moved:

That the Chair and Deputy Chair and the Clerk comprise the steering committee.

All in favour? That's agreed upon. That's carried.

In the provincial legislature I've not had the opportunity to Chair a standing committee. I've been involved in committees at the federal level and we are, I think, modelled somewhat after the committees. So you'll bear with me if I find my way for a while in this new role.

It has been my experience in the past that these committees would function best if we don't make too many rules, if we remain as informal as we possibly can, and yet ensure fairness. And it is my intention as Chair to allow us to be as informal as possible but to make sure that there's fairness in the proceedings, that members on both sides have adequate time.

It is my belief that the . . . while we can have any MLA (Member of the Legislative Assembly) join us, that first of all members of the committee should speak and address issues, and then as there is time remaining other members who are non-voting members that might want to sit in the committee can address us as well after the members of the Standing Committee have had an opportunity to adequately address the issues.

I think that we will . . . I would suggest that rather than setting up a bunch of rules — and I've seen this happen in committees, I've never liked that where you have, you know, so many minutes and you become clock-watchers — that we try to function in an environment where we're respectful of time, try to keep our questions a reasonable length, and then hear the

responses so that everyone can get through the proceedings. And so that's the manner that I would like to see this committee follow and we'll see how we progress. Mr. Hagel.

Mr. Hagel: — Yes, Mr. Chair. Could you just clarify for me, is it the rule for the Public Accounts Committee that for members who are not the official members of the committee here to participate, do they have to chit in for one of us or . . . because I heard you refer to other members participating after and it was my impression that we had to use a chitting system in order for members to participate.

The Chair: — The Clerk can correct me. My understanding is that only the members that are appointed to the committee are voting members but that other MLAs can sit in and not have a vote. And if there's time, and if the Chair recognizes another member they can also . . . I know that's the case in the policy committees. Is that the case in this committee as well?

Ms. Woods: — Yes, that's right.

Mr. Hagel: — But we can chit to have our votes in?

The Chair: — Right. And Mr. Dearborn, for instance, is chitting in for Ken Krawetz whose brother passed away actually yesterday. So normally Mr. Krawetz would be a permanent member of this committee; Mr. Dearborn is a voting member because he's chitted in and is not an additional person sitting at the table.

Mr. Hagel: — Thanks.

The Chair: — Are there any other questions on just the general procedure that the committee will follow?

If not, we also have to make a decision on the broadcasting of the proceedings. Of course, this newly designed room has broadcasting capabilities and my understanding is that the other committees are having their proceedings broadcast. They sit . . . at least the policy committees sit in the afternoon. So this room has priority and then the proceedings in the House are recorded and played at a later time.

I'm not sure what the options are but I understand that we can make the decision to have these proceedings recorded. Whether that's broadcast live, I'm not sure. Do you know?

Ms. Woods: — My understanding is, with the committee meetings if they are broadcast, the meetings coming out of room 10 will be broadcast live. Those that are in the Chamber will be taped and broadcast at the conclusion of the room 8 proceedings.

With regard to the morning meetings, they should be broadcast live, except for in Regina because of the arrangement that there is with the local cable company that it's not possible to broadcast them within the city itself, but they will be broadcast elsewhere in the province. That being said, they will be broadcast within the legislative building on the internal system.

The Chair: — And would they be broadcast in Regina at a time convenient to the local carrier?

Ms. Woods: — I'm not sure what the arrangement is there but certainly if the committee felt that that was important, I think we could probably make arrangements for that.

The Chair: — Perhaps then we should have a motion either to broadcast or not to broadcast, and we can debate that motion then have a vote on it. Is someone prepared to make a motion?

Mr. Hart: — I would move that we broadcast our proceedings, Mr. Chair.

The Chair: — All right. Any discussion? We don't need a seconder for these motions?

Ms. Woods: — No.

The Chair: — Right. Any discussion on the motion? Mr. Hagel.

Mr. Hagel: — Yes, I think it is preferable given the intention of the . . . our shift to the policy committees that we're using now that one of the intentions is that it will help to facilitate greater public involvement in the scrutinies that the legislature undertakes. Now public involvement can be in two ways. The policy committees provide for public presentation, but another very important part of public presentation is the ability to observe and in an unscreened kind of way. And so I would think broadcasting would meet that second criteria. It would be an important one.

Before voting on this, I think I'd like to have a little more clarification as to just what are the implications here because it wasn't clear to me. If I understood what you said, Meta, that it would . . . if we were broadcasting, then we'd be live now everywhere but in Regina then, is that . . . And then in Regina we'd be live within the building . . .

Ms. Woods: — Right.

Mr. Hagel: — . . . but not beyond. And then what about . . . So we'd be live in every other community, is that correct? Yes?

Ms. Woods: — My understanding is — and I stand to be corrected by the broadcast people — is that within Regina, the legislative channel shares a channel with the shopping channel. And that is a revenue channel for them, and so they would prefer to have that on in the mornings. And then in the afternoon, certainly the House takes precedence over that. But I think that's where it's a question of revenue for the company — but I stand to be corrected.

Mr. Hagel: — But is . . . Oh, I'm sorry.

The Chair: — You still have the floor.

Mr. Hagel: — Yes. It is difficult to conceive of people preferring to watch the shopping channel than Public Accounts, so — as dumbfounding as that may be — but . . . So would that be . . . it would be played in Regina on a delayed basis, is that what you're . . . or would not be played on the Regina at all?

Ms. Woods: — I'm not sure on that. I could certainly clarify that. I think part of it has to do with, in other areas of the

province there is a dedicated channel for the legislative channel
...

Mr. Hagel: — Right.

Ms. Woods: — . . . which is the case in Saskatoon. So in that case, whenever the House or the committees are sitting, they are broadcast. Whereas in Regina, because there is that shared arrangement with the same channel, that's why there's a bit of a conflict between the two.

The Chair: — Would it be fair, would the committee feel it's fair that we have the Clerk contact — would it be Access Communications, their provider? — and ask them to make this committee . . . these committee meetings available on a delayed basis?

Mr. Hagel: — I think probably what we'd do is work through our broadcast folks who have the connection.

Ms. Woods: — We'll check with them.

Mr. Hagel: — Yes.

The Chair: — Mr. Yates?

Mr. Yates: — My one concern about this — I believe we should broadcast them if possible — would be a cost implication of delayed broadcasting another time on Cable Regina. And if that time happened to be at a period of time where nobody would be watching anyway — after 10 o'clock at night or something, because of other commitments or something — then I would have a concern about increased financial implications.

The Chair: — Again — thank you — I could be corrected but my understanding is there is no cost other than the in-house cost of having people to run the equipment here so I don't believe we pay for any air time anywhere in the province of Saskatchewan to broadcast the proceedings. I could be corrected on that but I'm not aware of anything.

Mr. Hagel: — I think if I remember correctly I think we have a contract for a sort of an umbrella number of hours and then if . . . in total for all broadcasts but then if we go over that in total then we start paying additional fee. I think that's the way the fee structure is.

The Chair: — My suggestion then would be that if the committee agrees with the motion that we carry that, but that we also find out exactly what the implications of broadcasting are so that we can bring this back as a future agenda item at probably the next meeting, if we have the information, so we know exactly what the situation is in Regina and what costs might be incurred. Is that fair enough?

All right. All in favour of the motion? Any opposed? That's carried.

I've asked that our committee be given an orientation because some of us, including the Chair, are new to the Public Accounts Committee. I believe the Deputy Chair, of course, is new to this committee as well and we have officials here. First of all,

though, I'm going to ask the Clerk, Margaret Woods, to give us a general overview of the work of this committee and then she will call on some of our experts who regularly sit in on this committee to perhaps go into a little more detail.

Ms. Woods: — You'll see on the agenda that I've identified five points that are within the responsibility of the Public Accounts Committee. What I propose to do today is to just identify them and go through them briefly so that you have an awareness of what is involved with each of them.

The first area of responsibility of the Public Accounts Committee is, of course, a review of the public accounts and the reports coming from the Provincial Auditor. That particular area of responsibility will comprise, I would suspect, the majority of the committee's time.

What the practice has been with regard to the review of the auditor's reports is that the committee will invite a department to come before the committee with regard to a particular chapter. At that time, the deputy minister and other officials from the department will be present as witnesses before the committee.

At the start of the meeting what normally happens is that the auditor or a representative from his office will give an overview of the chapter including any concerns or issues that they have identified, as well as identifying any recommendations that they have brought forward.

After that we then engage in a question and answer period with the officials, both the officials from the department, from the auditor's office, as well as any comments from the Provincial Comptroller's office if they've got something to add.

At the conclusion of that discussion the committee then goes through each of the recommendations in the chapter to indicate what the committee's opinion is. In the past the committee has established a fairly standard way of preparing the minutes and indicating its view on the individual recommendations. And those different options that the committee usually follows are, first of all, they might agree with the recommendation at which time that would be recorded in the minutes. They could disagree with the recommendation and cite the reasons for that disagreement. The committee could also choose to put forward a recommendation of its own choosing, something that they draft themselves.

Alternatively the committee could also . . . or what it also does is indicate whether the department has complied with the recommendation, whether they're in the process of complying, or whether the department has indicated they do not intend to do that.

At the conclusion of that then, the committee will record its view in the minutes. And at the end of a longer period, perhaps over the course of a session, all these recommendations from the committee are compiled into a report of the Public Accounts Committee which is then submitted back to the Assembly.

It is also customary in that report to request that the government respond within a certain time period. In the past the Public Accounts Committee has asked for a response within 90 days. I

think the new rules and the changes that have been implemented indicate that the government should respond within 120 days. So I would suspect that the maximum length of time for that response would be 120 days but the committee could choose to carry on its practice of 90 days if it so chooses.

That response normally comes from the Minister of Finance and I know we have received a response from the minister last fall in regards to a report that we presented last session. That document, along with any others that have come in over the past intersessional period, will be provided to the members of the committee at the next meeting.

So that in a nutshell is what the committee does with regard to the reports of the Provincial Auditor. I'll then just touch briefly upon the other areas.

The next item that the committee looks at are the estimates or in effect the budget of the Provincial Auditor's report . . . Provincial Auditor office. That responsibility was given to the committee I think about two or three years ago. So they've taken over that responsibility from the Board of Internal Economy. That's an area of responsibility that they usually carry out in a meeting sometime towards the end of the year in December, early January. I think the auditor's going to say a bit more about that when he makes his remarks.

The next point that the committee looks at or can be involved with is the appointment of the Provincial Auditor. That again is one of the new areas of responsibility that were given to the committee during the last legislature. We did, or the committee was involved with the appointment of Mr. Wendel, and that term is for 10 years. So I suspect this particular committee may not have to address that area of responsibility in the near future.

That being said, what the committee did do at that time was to carry out a competition on behalf of the Assembly in which it invited those interested in the position to come forward. The committee had what it referred to as a nominating committee made up of an individual from the Public Service Commission, a representative from the private practice, as well as myself as Clerk to the committee, who came forward and did some of the leg work for the Public Accounts Committee itself.

At the end of the process the committee did carry out an interview of the final list and then arrived at its unanimous recommendation. And this unanimous recommendation is required by the provincial auditor's Act and that is what is then reported back to the Assembly for the Assembly to actually make the appointment.

Another area of appointment that the committee is involved with is with regards to the Audit Committee. That also was added to the auditor's Act at the same time the other changes were put in. That involved appointing a committee of experts or academics from outside the Assembly on to an Audit Committee, which would then be there as a resource to certain individuals or organizations.

And these were set out in the auditor's Act, and they include the Public Accounts Committee itself, what was called at the time the Standing Committee on Crown Corporations which I assume under the new rule changes will be the Crown and

Central Agencies Committee, as well as the Office of the Provincial Auditor, and then the Minister of Finance and the minister responsible for the Crown Investments Corporation. So any one of those five individuals or organizations could then access the Audit Committee for assistance in carrying out one of its area of responsibilities, or it could request them to do a study, or come back with advice that would then assist one of those individuals in the course of their work.

At the time the first Audit Committee was appointed, it was the view that that term of appointment would last the length of the legislature. So currently there is no Audit Committee and that would be something that this committee could look at going forward and making those appointments as well.

The last time this occurred, what the Public Accounts Committee at the time decided to do was to seek nominations from five different areas. And once we had those nominations, the committee then looked at the resumés that they had before them, and decided upon one from each of the five areas and these names were put forward to the Speaker who actually made the appointments.

In terms of what those . . . the areas that were identified that should be represented on the Audit Committee, the committee felt that on this Audit Committee that there would be five individuals: one of them who would be representative of the Institute of Chartered Accountants of Saskatchewan; one who was a member of the Society of Management Accountants of the province; another individual who had a background in accounting from one of the universities — i.e., someone from the academic sphere of knowledge. As well they wanted someone who represented the legal profession in the province, so someone who was a member of the Law Society. And finally someone who had experience or was working in private business to represent the private sector. So the committee felt that that would give the Audit Committee the breadth of background and experience that would be valuable to either one of the ministers or the committees as a resource.

So that then was in a nutshell what happened with the Audit Committee. Now as I mentioned earlier, it's up to the committee to decide if it wants to go forward with those recommendations to the Speaker for the appointments again.

Finally there is the catch-all responsibility that I think most of the committees have and that's any other duties as assigned by the Assembly. So this committee could be asked on an ad hoc basis to carry out other work. That would depend upon something that the Assembly felt that it would be appropriate for this committee to look at. It could be, as has happened in the past, to provide recommendations with regard to changes to the auditor's Act because that's something that this particular committee might have specific knowledge of. But there again, that would be done on a case-by-case basis.

The Chair: — All right. Thank you very much, Meta, there's a bit of fodder there to consider. One question I have just before we carry on and hear from the other officials is: who were the five people that were on the last Audit Committee? Their term has expired. In the past have these people tended to be reappointed? Is there any precedence or protocol involved here, or do we normally start with a fresh slate?

Ms. Woods: — The last Audit Committee was the first instance that those people were appointed. At the time they did inquire whether they could continue their appointment or not. The committee of the last session felt that it did not want to give . . . or put restrictions on the subsequent Public Accounts Committee, so they left it up in the air. I suspect there are some of those individuals that may be interested in continuing, so it could be something for this committee to address, whether they want to just continue the appointments from the past and allow them to sit on the Audit Committee for a longer period or if they want to open up nominations again.

The Chair: — Likely then the steering committee should meet and we should bring this back as an agenda item for either the next meeting or a meeting in the very near future. Mr. Hagel?

Mr. Hagel: — Yes, just a question on the . . . as I listen to the . . . and I have no idea who the actual individuals are who make up that committee, but as I listen to the categories the question going through my mind is, is there a difference between standards used in public auditing as opposed to private auditing? And if so, is that reflected in the makeup structure of the committees that we have? Is somebody able to answer that?

The Chair: — Mr. Wendel?

Mr. Wendel: — Our mandate would be much broader than what happens when there's an audit of financial statements in the private sector. We look at compliance with authorities, processes to safeguard public resources, accountability, many other issues.

Mr. Hagel: — Okay, and in answer to my question, are there different standards and is that reflected in the makeup?

Mr. Wendel: — The standards would be generally accepted auditing standards in any event. We all follow generally accepted auditing standards. We have different objectives when we go and do an audit — I guess that would be a better way to put it.

Mr. Hagel: — Okay. And is that . . . sorry, is the Provincial Auditor one of the members of that committee?

Ms. Woods: — No.

Mr. Hagel: — But the Provincial Auditor can call on that committee, is that . . .

The Chair: — That's I believe correct.

Mr. Wendel: — Yes, I can use the committee for . . . (inaudible) . . . wish to.

Mr. Hagel: — As a reference. Okay. Is it appropriately balanced in terms of the expertises brought to that committee, in your judgment, to reflect the clear understanding when there may be differences between the objectives of public auditing versus private auditing, because largely, I think we're living in the world of public auditing here.

Mr. Wendel: — For my purposes it would be appropriately balanced. What they would bring is their private sector view. I

already have the public sector view.

The Chair: — Mr. Yates, did you still have a question?

Mr. Yates: — I was just going to point out when we made the original appointments, those very discussions took place . . .

The Chair: — Right.

Mr. Yates: — . . . and were taken into consideration.

The Chair: — Okay, thank you. I think at this point in the agenda we should — and I should have done this earlier — we should have the officials introduce themselves and just briefly tell us what their responsibility is. I believe they will be regular attenders of these Public Accounts Committee meetings. And then we will go on to their presentation.

So we'll perhaps start over here at the end.

Mr. Bayda: — Thank you, Mr. Chairman. My name is Chris Bayda and I'm the executive director of the financial management branch within the comptroller's office.

Mr. Paton: — Yes, Mr. Chair. My name's Terry Paton. I'm the Provincial Comptroller for the province of Saskatchewan.

Mr. Wendel: — Yes, Fred Wendel, the Provincial Auditor for Saskatchewan.

Mr. Atkinson: — Mr. Chair, my name is Brian Atkinson. I'm the assistant provincial auditor.

Mr. Jersak: — Mr. Chair, I'm Rodd Jersak. I'm a principal in the Office of the Provincial Auditor and I help our office coordinate its activities with this committee.

The Chair: — Okay. Thank you very much, gentlemen. I apologize for not allowing you to introduce yourselves sooner.

Now I'm not sure who is first but I would assume, Mr. Wendel, you would be first.

Mr. Wendel: — Whatever you wish, Mr. Chair. I have a brief prepared presentation that will take three to five minutes, depending how fast I talk. And then I was going to have Rodd Jersak speak. And Rodd, as he said, attends all of the meetings of this committee and he coordinates our activities here to make sure we get the right officials from our office, and we get the pieces of paper you need out of our office and those kind of things.

So he's going to explain how we might get through this stack of reports. This is the work the committee has to get through from our office in an efficient way. Some items would be repeated and this and that. So with that I'll just make a few brief opening remarks and then turn it over to Rodd to talk to you about how we might get through the reports.

Our role is to help the Legislative Assembly hold the government accountable, and we do that by auditing each government agency every year and making a public report that consists of three volumes. Volume 1, released in the spring,

covers agencies with December 31 year-ends; volume 2, released in the summer, talks about the government's financial condition; volume 3, released in the fall, covers government agencies with March year-ends.

When we audit government agencies we, as I was saying to Mr. Hagel earlier, we have three objectives generally, which is, first is to give you a report and advice on the government's management of public resources. So that would be for each government agency as we look at how they manage public resources.

We talk about the agency's compliance with governing authorities and, of course, that's very important too because the rule of law is so important in the public sector.

And we also talk about the reliability of agencies' public reports or performance reports and, for example, that would be a financial statement that would be tabled in the Legislative Assembly. We tell you whether that was reliable or not.

We also encourage discussion and debate about accountability and management. We're an agent of change; we're trying to improve the management of public resources and the accountability of the government to the Assembly.

To do this our audits result in recommendations to improve the public management . . . or management of public resources and accountability. But we need the support of legislators to make the improvements.

We measure our success and how we're doing in improving practices by the number of recommendations that this committee supports and the number of recommendations the government accepts and acts on if we're going to really make a difference in improving practices.

Now to gain legislators' support we work closely with two committees. That's this committee . . . and it used to be called the Crown Corporations Committee, and I'm not sure what our relationship will be yet, but I think it will be similar to our relationship here which is the Crown and Central Agencies Committee. But I haven't had an opportunity to meet with them yet.

And we have a special relationship with these two committees. We are special advisers to these committees as opposed to witnesses, when these committees review our public reports. By special adviser I mean we assist the Chair and the committee in its review of the public reports. We do this by making presentations on our findings, included in the report, and answering questions of committee members. We also help the Chair in his or her capacity as the Chair.

Another special relationship with this committee is that it recommends the resources for my office. This committee also recommends to the Assembly the person to be appointed as Provincial Auditor.

To recommend the amount of resources for my office, the Assembly refers to the committee two other public reports that we make. The two reports are annual business and financial plan which we release in November, and our annual report and

operations which we release in June. When the committee considers those two reports we don't appear here as a special adviser. I sit down at that end then as a witness and you can ask me questions about what I'm doing with the money and what I'm planning to do with it.

So just before I conclude my remarks I just want to tell you that I'm available to meet privately with members at any time about things that we've reported or about government financial statements that we released that are public that you may want to talk and ask how things work. It's a very complex. The government is large and complex and sometimes people are reluctant to ask questions with a large group around. So if you want to phone me on matters or if you would like me to drop by or if you'd like to drop in, we're certainly open to talk to members at any time.

And that concludes my comments and then I'll just turn it over to Rodd, and then we'll just open it up to any questions you might have about us.

Mr. Jersak: — Thank you, Mr. Chair. As Fred mentioned I will briefly describe for you how we track the committee's progress through our reports, and I will suggest a way for the committee to get through the outstanding chapters in an efficient manner.

A few moments ago I distributed to you a current list of all the chapters that the Public Accounts Committee has not yet reviewed. The process I use to update this list . . . (inaudible interjection) . . . The process I use to update this list is generally straightforward. When our office issues a new report I add all chapters that are relevant to this committee to the list. When the committee completes its review of specific chapters I remove them. However, there are a few circumstances that complicate the process a bit.

First, if the committee completes its review of only a part of a chapter or it defers the recommendation then I leave those sections on the list. An example of this is the Liquor and Gaming Authority. If you look a little more than halfway down the first page you'll see a section that relates to the Liquor and Gaming Authority. And the first two items that are listed there are there because recommendations were deferred back in May of last year.

Second, when we issue a new report we sometimes repeat recommendations that were made in earlier reports especially if the government has not yet addressed those recommendations. When this occurs I remove the older chapters from the list so that your committee only has to consider the recommendation once.

Third, at times some of our recommendations may no longer be relevant by the time the committee is ready to review them. For example this can happen because of organizational changes within government or because the government may have addressed the recommendations prior to the committee's review.

I update this list periodically and I share it with Meta to be used in setting the agenda for the committee. With regards to getting through the list efficiently you will find that it groups chapters

together that relate to each government agency. This allows you to call witnesses to deal with all of our chapters that relate to one organization at one time.

We also list the chapters in chronological order, oldest listed first. We suggest that where possible you go through the older chapters first. And we note that this has been the approach that the committee has used in the past. Thank you.

The Chair: — Well thank you Mr. Wendel, and thank you Rodd for updating us. Just at first blush it looks like there's a lot of unfinished business and you said that there would be mechanisms by which we can clean up some of this material quickly.

The steering committee, I guess, will have to sit down and perhaps will even have to discuss with you what we put on upcoming agendas of our Public Accounts Committee so that we can get through all of this material.

Would any of you care to give us some idea as to the amount of time that we would need to schedule to get through here, and how much time we have before we're going to be loaded down with some new material? Just so we have some ideal of what's required here.

Mr. Wendel: — Mr. Chair, there will be another public report coming out at the end of May or early June dealing with the organizations with December year-ends and a few of the carry-overs that were from . . . that we didn't get done in time for the . . . last fall's report. So that will be out towards the end of May or early June, at which point you may want to include the review. If you are calling that organization anyway, you may want to then bring them forward at that point.

The Chair: — Okay, I understand.

Mr. Wendel: — Just one other point I forgot to mention there. Some of the chapters in this report deal with Crown Investments Corporation, related corporations, those don't come to this committee. They, at the moment, are being referred to that other committee which was . . . everybody was aware of that . . .

The Chair: — So that would be the same practice as before where the Crown Corporations Committee dealt with the Crown corporations and the Public Accounts Committee basically deals with everything else that is under your purview.

Mr. Wendel: — That's correct and I presume that will continue.

The Chair: — Are there any questions or any comments involving Mr. Wendel or Mr. Jersak's presentations? Mr. Hagel.

Mr. Hagel: — Yes, Mr. Chair, just following up on your question. I think, not having been on the committee before here, I'm kind of guessing but would appreciate just a sense of the voluminous task before us here.

It would be my sense that those things that are listed as 2003 would be considered to be normal to be on the agenda before

the committee at this point in time, and that things prior to 2003 would be considered then to be not normal. And so my . . . it was my impression when I first glanced at it, although the list is long, that it's . . . We're probably into a circumstance of kind of business as usual and not with a need to have a ton of extra meetings, but that we're proceeding in a relatively . . . on what we consider to be a responsible, timely basis.

Am I making the correct assumption?

Mr. Wendel: — I think the committee's fairly current. It may be slightly behind some years. And usually the committee has met intersessionally in the fall, at which point they might have addressed one of these reports or a good part of the first volume of a particular year. So in that respect you may be slightly behind because the committee didn't meet intersessionally this fall or last fall.

Mr. Hagel: — Right.

The Chair: — Because of the election.

Mr. Wendel: — But it isn't, you know, that far behind.

Mr. Hagel: — Right. Are we looking then, and I don't . . . I assume it's going to . . . I don't see it on our agenda here, but I think, Mr. Chair, one of the things you were wanting to address at this meeting is the prospect of schedules into the future. And I don't know if this is the appropriate time to just dabble in that a tad, but I think you were thinking of a regular . . . regularly established meeting agenda.

The Chair: — That's right, Mr. Hagel. My preference — and I wanted to wait and see what the workload would be — but my preference is to schedule, when the House is sitting, regular meetings. My recommendation to this committee would be every Tuesday morning from 10:30 to 12 o'clock noon — unless there was some unusual circumstance which, you know, required the cancellation of that meeting — as long as there is work to do. That way the meetings don't get excessively long.

I'm not a fan of three-, four-, or five-hour meetings or all-day meetings. I'd rather meet more frequently and stay on top of things. Also I like the . . . I like regularity in scheduling meetings because then we can all put it on our calendars and we're then able to schedule the rest of our lives around this responsibility. So that would be my preference. Of course as Chair I'll take direction from the committee members because we all have to agree to be here at the same time to make this a successful exercise.

So that would be my preference, and what I would suggest is Tuesday mornings, 10:30 to 12 o'clock, as long as there is work to do.

Mr. Hagel: — Do you want us to deal with that as a decision maybe at the end of our agenda here after the . . .

The Chair: — I think that would be appropriate, Mr. Hagel.

Mr. Hagel: — But it gives us something to think about while we're . . .

The Chair: — Right, right.

Mr. Hagel: — Yes.

The Chair: — Are there any other comments or questions regarding the work and the scheduling of covering that work?

Seeing no hands asking for the floor . . .

Mr. Hagel: — Well I was just reflecting that having been on the Board of Internal Economy for a number of years, I was significantly disappointed not to be able to deal with the auditor's own estimates for the last couple of years and so you just don't know, Mr. Chair, how thrilled I am to be able to engage in this deliberation once again.

The Chair: — I don't know if that should scare you or make you appreciative and positive.

Unless there's other questions about the, you know, dealing with some of the details that we'll get into, I don't think we need to pursue this any farther.

My recommendation is that at our next meeting we get an update on the broadcasting.

I would also think that we should undertake the beginning of the appointment of the Audit Committee. I think we should have that as an agenda item, and I'll meet with the Deputy Chair and we will determine what is required to move that issue along.

And then I believe we need to start cleaning up this unfinished business before there's new business thrust upon us, and again we will have to determine where we start. I don't think we can make that decision this morning, but I'll meet with Mr. Wendel and Mr. Borgerson and we'll determine where we start and what bites we can chew in upcoming meetings.

Is that favourable with the members of the committee?

Some Hon. Members: — Agreed.

The Chair: — All right. Is there any other business then for the meeting today . . . (inaudible interjection) . . . Oh, yes.

Mr. Trew: — I wish to speak to the time of the meetings. I have a proposal.

The Chair: — Mr. Trew.

Mr. Trew: — Thank you, and I think you want a motion. So I move:

That Public Accounts Committee meet from 10:15 to 11:45, Tuesdays.

The Chair: — Could we make that 10:30? Actually our caucus on the opposition starts at 10 o'clock. So with a 10:30 start we're able to at least be present just for the first, you know, the first two or three agenda items and then we slip out and come to this. Is that . . . And I think you have a meeting, is it at 12 o'clock?

Mr. Trew: — It's at 12.

The Chair: — And I know it's cutting it close for you and there may be times when we get through the agenda prior to 12, but I was thinking that was fair. It kind of cuts us off on one end and maybe it squeezes the NDP caucus members on the other end. Is that a fair compromise?

Mr. Trew: — Mr. Chair, knowing . . . With that explanation, I have no quarrel with your proposal — 10:30 to 12. But I'm really urging that we do everything we can to adjourn at 5 to 12.

The Chair: — Sure, sure.

Mr. Trew: — And I'm not precluding earlier than that, but 5 to 12. I know that the Chair of the government caucus is a stickler for starting caucus on time.

The Chair: — And that Chair might happen to be present with us right now. Why don't we then, why don't we then just say that the meeting will go from 10:30 to 11:55.

Mr. Trew: — That's perfect.

The Chair: — Is that all right? Is that a fair accommodation?

Mr. Trew: — Yes.

The Chair: — And you'll make that in your motion then?

Mr. Trew: — Yes, thank you. Yes, I do.

The Chair: — All those in favour?

Some Hon. Members: — Agreed.

The Chair: — Any opposed? None? That's carried.

Did the comptroller side want to present anything at this initial meeting?

Mr. Paton: — Mr. Chair, if you have a minute I have a few comments I'd like to make.

The Chair: — Sure, excellent.

Mr. Paton: — As most of you are aware, Chris Bayda and I do attend all meetings of the Public Accounts Committee in an attempt to help you in your proceedings and deliberations. We will invite staff periodically, but for the most part they're here to observe the proceedings and understand what's going on.

I've got a couple of responsibilities of our office that kind of relate to the operations of this committee, so I just wanted to speak briefly about those two issues.

The first one is my office is responsible for the preparation of the public accounts for the province of Saskatchewan. And that comes out in two volumes. The first volume of the public accounts we release in July of each year, and that covers the general financial statements of both the General Revenue Fund and the summary financial statements. The second volume of

the public accounts we release in the fall of each year, which covers the detailed spending.

What I'd like to bring up for the committee's consideration is when I was reviewing the mandate that was distributed to you, I noticed that there's one item that I believe might be lacking from your mandate, and that's actually the review of the public accounts themselves. Those items are referred to this committee on a regular basis, and in the past years, for quite a number of years, we've spent very little time in reviewing those. I think the committee might benefit from going through those accounts on a regular basis and becoming a little bit more familiar with them.

Our office spends a lot of time working on them, developing accounting policies, and trying to explain how those items can be used to help manage the province. And I think that's one of the mandates of this committee, is to be quite familiar with those.

Most of you recently attended sessions that Chris Bayda and myself offered on the public accounts and the changes that recently took place where we've adopted the new model for capital accounting and the summary budgeting aspect that's being moved forward. And it's those types of issues that I think we can help you to more fully understand what's included in those accounts.

The second area that we're involved in is in developing financial and administration policies for the province of Saskatchewan. So hopefully when you come up to some of these issues, we can try to help you understand what those policies were meant to say, or perhaps clarify their intent.

And often what we find from this committee is direction that those policies aren't clear. So if there's something that the committee thinks should be addressed, we will often take those issues away and try to address them so that we don't have similar problems in the future.

In the past we've provided a fairly formal presentation to some of the new Public Accounts Committee members — and that goes from the budget process through the public accounts, the review of the Provincial Auditor's reports, and then finally how they come to this Public Accounts Committee — and kind of give you a full picture of what that accountability process is in the province of Saskatchewan. It's a little bit longer presentation, you know, someplace around, you know, 30 minutes to an hour. But it's something that we'd like to offer to you in the future if the committee would like to go through it.

I know we've got some new members on the committee and some members that have been in government for quite some time. So there might be a mixture of feelings on how we might be able to offer that to you, whether it's a committee as a whole or individual members that might benefit from that type of a presentation. So we haven't got that prepared for today. But in the future if individuals or the committee as a whole would appreciate it, we'd like to offer that to this committee.

The Chair: — Thank you, Mr. Paton. Is this a more of a mechanical presentation than the one that you presented to the caucuses as showing the mechanics of what you do, or is it

similar material to what you presented, I know, for our caucus and I think the NDP caucus as well?

Mr. Paton: — No, it would be entirely different than what we presented in the past. I would try to walk you through the full accountability process that the province has, like I say, going from the introduction of a budget and then right up to the point where those reports from the auditor and from myself come to your committee, and how that brings a full circle of events.

The Chair: — Is this the kind of a report that the committee members would find valuable? I think it sounds certainly worthwhile. Okay your steering committee will look at scheduling that into our workload as well.

Mr. Bayda, did you have anything to add to that?

Okay thank you very much. There is one final item on our agenda, 5(b), and Meta will, I guess, tell us what resources there are for particularly us rookies on the committee. Meta.

Ms. Woods: — The Canadian conference . . . or Canadian Council of Public Accounts Committees has a conference every year, and it's a wonderful opportunity for members of Public Accounts Committees to develop some, you know, professional development in a way with their colleagues in other jurisdictions. It's a two-day gathering where representatives from each of the Public Accounts Committees or their equivalent across the country, gather together and discuss items of interest or of topical importance of the time.

The meetings are held in conjunction with the annual meeting of the provincial auditors, also from across Canada, and there are some joint sessions between them so you do get that discussion back and forth between the two groups. Each year the conference is hosted by a different jurisdiction. In 2004 it will be hosted by New Brunswick. From what I understand it will be in Fredericton and it's going to be at the very end of August.

We were trying to determine the dates; we think it's the last weekend. Generally what it would be is an arrival on a Sunday with meetings the Monday, Tuesday, so that if you're within a neighbouring province you can get back later that Tuesday to your home jurisdiction.

In the past the committee has provided the resources for usually the Chair, the Vice-Chair, and one member from both sides of the House to attend that conference. Towards the end of the session, usually sometime in May, June, the committee does have to adopt a motion indicating that these are the individuals that they would like to send to the conference. The budget of the committee does cover the cost to attend, but generally we'll do that towards the end of the sitting, closer to the actual date so that members are aware whether they're available to attend or not.

The Chair: — And there's a Web site.

Ms. Woods: — There is a Web site. I was just speaking with my colleague in Victoria, Craig James. It's his jurisdiction that hosts that particular site. He did send out an e-mail, just actually this morning, indicating that they are in the process of updating

it. They've been preoccupied with other matters recently so it is a little bit dated, but they do hope within the next month or two that it will be revamped and updated and some more material will be put on it.

The Chair: — Thank you very much. That's certainly good information to have. Are there any other comments or questions before we bring this meeting to a close? The Chair of the NDP (New Democratic Party) caucus will have time for coffee.

Seeing none, I declare the meeting adjourned. Thank you very much.

The committee adjourned at 11:30.

