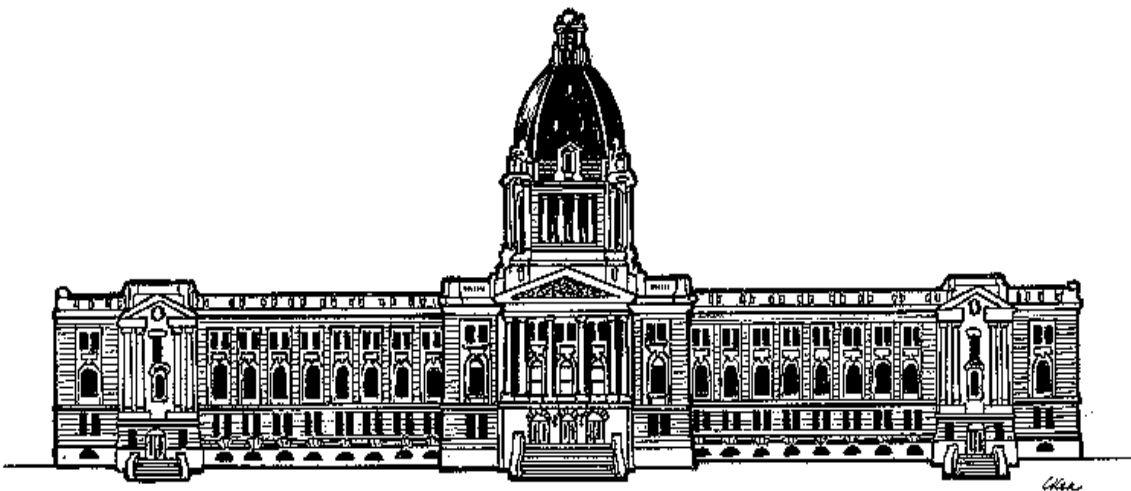




STANDING COMMITTEE ON PUBLIC ACCOUNTS

Hansard Verbatim Report

No. 38 – November 7, 2006



Legislative Assembly of Saskatchewan

Twenty-fifth Legislature

**STANDING COMMITTEE ON PUBLIC ACCOUNTS
2006**

Mr. Elwin Hermanson, Chair
Rosetown-Elrose

Ms. Joanne Crofford, Deputy Chair
Regina Rosemont

Mr. Lon Borgerson
Saskatchewan Rivers

Mr. Ken Cheveldayoff
Saskatoon Silver Springs

Mr. Michael Chisholm
Cut Knife-Turtleford

Mr. Andy Iwanchuk
Saskatoon Fairview

Mr. Kim Trew
Regina Coronation Park

[The committee met at 10:30.]

**Public Hearing: Special Report to the Standing Committee
on Public Accounts Regarding
Oyate ataya WaKanyeja OwicaKiyapi Inc.**

The Chair: — Good morning everybody. I'll call the Public Accounts meeting to order. This morning we are continuing to deal with the special report undertaken by the Provincial Auditor at the behest of the Public Accounts Committee regarding the Oyate Safe House. As you may recall from earlier discussions, there was a decision to invite the former deputy minister to appear before the committee. She is here this morning, but I understand not feeling very well, and we appreciate the fact that you have made an effort to be here. I understand that perhaps you'll not be able to answer questions. I'm not just sure how that will transpire. If the members wish to ask questions of you, we may have to do those at a subsequent meeting of the Public Accounts.

We still do have the final Tuesday of November slotted for the Oyate, but we thank you, Ms. Young, for coming even though you're not particularly feeling 100 per cent this morning. I've told the Provincial Auditor that we won't require a rehashing of the summary of the chapter that he's already given us.

Also just a matter of preliminary business, I would inform the committee that Kevin Yates will be substituting for Joanne Crofford on the committee this morning as a voting member of a committee. I want to welcome . . . Oh and we also have Judy Junor substituting for Kim Trew on the committee. So we have two substitutions filed with the Chair.

Would like to welcome the deputy minister of Community Resources and Employment, Mr. Fisher, back to the Public Accounts Committee. Mr. Fisher, you provided us a great deal of information to the committee since we last met. In fact I received my last package yesterday. Do you want to take just a minute or two to outline the information you have brought forward, and then I think we should get into questions as quickly as possible. And you may also wish to reintroduce your officials if you choose. Mr. Fisher.

Mr. Fisher: — Thank you, Mr. Chair. I'll take a moment to introduce the officials from Community Resources that are here with me this morning. First off though I would like to introduce Wynne Young who is the current deputy minister of the Department of Learning. To my right is Bob Wihlidal who is the assistant deputy minister of client services. Also with us are Shelley Whitehead who is the assistant deputy minister for policy; Darrell Jones, our assistant deputy minister for central administration and housing; Lynn Allan who is our regional director for our southwest region; Marilyn Hedlund, the executive director of child and family services division; and Don Allen who is the executive director of our finance and property management division.

In terms of the binder of material that's been submitted to Public Accounts, this was in response to the questions that were raised at the October 5 session. You had sent me a letter outlining the committee's requirements, and I think I would just summarize to say we've attempted to go through questions one

through seven and provide the information that I committed to provide at our last session.

The Chair: — Thank you very much, Mr. Fisher. I would also remind the committee that there are two items that will guide me as Chair. First of all, we have 20 recommendations in the auditor's report that at some point we have to deal with, either in today's meeting or in the final meeting of the committee dealing with this issue, unless the committee directs me to lead you otherwise. And I expect we will be dealing with those recommendations.

And the second thing that I will be guided by is the fact that there is a motion that's been carried unanimously by the committee that we would have the former deputy minister here to answer questions. And I'm not sure whether she will be able to adequately do that today, through no fault of her own.

So I will at some point try to make a determination as to whether Ms. Young would have to come back to that final meeting as well, if she is not able to communicate through the current deputy minister or to the satisfaction of the members. Having said that, I will open the floor to questions. Mr. Borgerson.

Mr. Borgerson: — Yes. Thank you, Mr. Chair. I think guided by the first of those points that you made, I think it might be useful for us to start off with those recommendations. Just in terms of review, on March 9 this committee unanimously agreed that the Provincial Auditor should do an investigation of the Oyate Safe House. And I don't want us to lose the opportunity to address the recommendations that the auditor has made.

So with your approval, I would like to begin the session by asking the deputy minister, if he would, to give his response . . . and I don't think to all 20 but to the 15 recommendations regarding Oyate which end, I believe, on page 17. So if that's all right with committee members?

The Chair: — Mr. Borgerson, we can do that, but I would also strongly suggest that the committee leave enough time for questions to be raised regarding the information that has been tabled with the committee as was requested by the committee.

Mr. Borgerson: — Oh absolutely, yes.

The Chair: — Now do you want to deal with the recommendations prior to dealing with the . . . I would think, and again I'm guided by the members of this committee, but I would think that it would be better to entertain any questions arising out of the material that's been provided by the department to more fully inform our discussion as to the auditor's recommendations.

Mr. Borgerson: — I would like to, partly for the sake of review but also to get it on the record to hear — and I won't interrupt with many questions — just simply hear the deputy minister's response to those 15 recommendations. And then we can go wherever.

The Chair: — Can you provide us a very brief summary of

how you're dealing with the auditor's recommendations?

Mr. Fisher: — I can start off and provide you with a summary if it's . . .

The Chair: — If you do that as succinctly as possible because I do know members will want to ask questions regarding the information you provided. Mr. Fisher.

Mr. Fisher: — Well starting with recommendation no. 1, I guess, which is the recommendation that the board of directors “. . . maintain a complete and approved set of all minutes . . .” Well I should preface my remarks by saying that in the department's work with Oyate, we have agreed that we will accept and implement the 15 recommendations that the Provincial Auditor has raised here.

So on the board minutes, the board has agreed to maintain minutes and approve minutes for all meetings. The progress to date is they are currently doing that in their board meetings. They've agreed on a format, you know, the basics for board minutes: who's in attendance, what's the agenda, what did you talk about, what are the decision items, were any financial items, the next meeting date and time.

I think the auditor also commented in his recommendation that there needed to be a complete set kept at the facility in a identifiable place. The board has also agreed with that. So that recommendation has already been put in place. And as I said, we've had full co-operation with the board of Oyate on that one.

Recommendation no. 2 was that the board of directors of Oyate adopt a code of conduct that is consistent with The Non-profit Corporations Act and that the department monitor compliance of that code of conduct. Again the board agrees with the recommendation, and they have agreed to have a code of conduct as part of their operation procedures manual.

The board has further agreed that this will be part of ongoing board training. So not only will the manual and the policy exist, but all board members will be fully aware of it and fully trained as to how its application would normally roll out during the course of board business. It will be incorporated into a board orientation package, and there will be a mandatory review of that code of conduct by the board at a board meeting once a year. A draft of that policy has been inserted into their reference manual, and I understand that the board reviewed that policy at a September 30 meeting.

The third recommendation was “. . . that the Oyate Board monitor board members' compliance with the conflict of interest policy.” I think the issue here was that the board had a conflict of interest policy but perhaps wasn't using it as consistently as they should have. So the board agrees with the recommendation that a conflict of interest policy that currently follows the File Hills Qu'Appelle Tribal Council policy will be the one that they will use. Again this policy will be part of their operational policy manual and that there has been an agreement that as part of board training that the individual board members will familiarize themselves with the content of said policy. Again this policy has been put into a draft administrative reference manual, and I understand it was reviewed at a

September 30 board meeting.

One further comment on that item, we have had discussions with the board, and they have agreed that on the conflict of interest, that one of the items in the policy that we suggested needed to be strengthened was that there was an actual procedure, if an individual in the community had reason to believe that there were conflicts of interest, that there was a formal procedure adopted by the board about how those conflicts of interest were going to be addressed.

The fourth recommendation: “We recommend that the Oyate Board define the scope of its authority and responsibilities.” Again the board agrees to the development of terms of reference that outline board responsibility, the terms and the scope and authority of the board. And the board is currently in the process of drafting this document, and we're looking for final approval in the very near future on that one.

Recommendation no. 6: we recommend that Oyate approve a strategic plan for the organization. Again the board agrees that a strategic plan is needed to provide the services that they're under agreement for.

The board has an approved vision, but the strategic plan will be something that will be fleshed out and reviewed by year-end as it relates to new programming options for Oyate. This will be a written document. It will be approved by the board, and it will again be part of the administrative manual and will be something that the board members will have placed in their orientation manual so that each and every board member is aware of its existence and aware of what its contents are.

Mr. Borgerson: — You missed five.

Mr. Fisher: — No. 5, sorry about that: that the board define the authority, responsibilities, and performance standards. The board is currently working on job descriptions for positions at the facility, improving and strengthening those, and is developing performance standards that will be put in place by the board to annually review the performance of their director.

The other point that I will make here is that the board has agreed with the department that there needs to be an evaluation process for the executive director, and this process is currently being defined and will be in place prior to reopening.

Recommendation no. 7: that Oyate establish standards and procedures to guide the delivery of services. Once again the board agrees that these standards and procedures must be in place. These will be linked to the new program, designed for the new program at Oyate.

As you're probably all aware, there aren't any children at Oyate at this point in time, and so the current acting executive director is working on establishing standards. And we have informed Oyate that until those standards are in place, that this is one of those areas where readmissions cannot occur until we have this area fully scoped out and finalized.

No. 8 is that we recommend that the board provide governance training. The board agrees to this. The acting executive director is leading the planning on what the board governance training

package will be looking like. The department certainly has been involved in those discussions, and the current schedule for having that done will be . . . we will have the training package in place hopefully by the end of the calendar year, and board governance training again will be something done prior to reopening the facility.

I think I might have touched on nine in my early remarks. It's simply that the board assess the performance of its executive director, and I think I mentioned that they have agreed to do that, and that will be done annually.

No. 10, “. . . that Oyate accept only children who are eligible to receive its services.” We have had fruitful discussions with Oyate on this one. The understanding, I believe, is that all placements will be reviewed by the regional special placements committee to provide Oyate with perhaps a better understanding of how that special placement process works. Their executive director will have a seat on that special placements committee regionally and that the only children who are eligible to receive services at Oyate will be children in the care of the minister.

No. 11, “. . . recommend that Oyate establish adequate processes to reduce the risk that children run away from the safe house.” This will be captured in the residential care guidelines that I mentioned earlier. Not only will the guidelines for this be in place to help the program reduce the risk, but that prior to reopening there will be a training program provided to all staff so that they are aware of the appropriate procedures and techniques that are available to help children stay in the place where the residential services are being provided.

Recommendation no. 12, “We recommend that Oyate properly account for its expenses in accordance with its service agreement with the Department . . . Again agreement that this will be put in place. The board is currently working with Community Resources and the File Hills Qu'Appelle Tribal Council to provide the financial accountability required. I think as was mentioned at the last session of Public Accounts, we're working on a financial reconciliation. And that will be the basis for go forward in terms of setting up the appropriate financial and programmatic reporting systems.

No. 13 is that we recommend that Oyate follow its hiring practices. The board has agreed to review the hiring practices that are currently in place. Again this is an area where there were policies, but we need to ensure that those policies are appropriate, and more importantly we need to ensure that those policies are followed. So we have board agreement on that item, using the File Hills Qu'Appelle Tribal Council personnel policy manual as a guide. But that is something that we hope to have completed with the board by the end of October.

Recommendation 14, we recommend that Oyate comply with its service agreement. Again the board has agreed that they recognize the importance of this item. The new service agreement for this organization will be the last step once we get through the other recommendations that the Provincial Auditor has raised. Once we get agreement and actual documents and processes in place, we will use that to help aid the development of our new service agreement.

And that will also be impacted not only by the financial

reporting requirements mentioned in the previous one, but also there were several recommendations ago about residential care guidelines and processes in some of the earlier recommendations. So both the financial and the programmatic work that's currently being done will be incorporated in the new service agreement.

And then the final recommendation that the Provincial Auditor made was that, recommend that Oyate spend public money only for the purposes for which it was intended. And again I would make a similar comment to some of the others that I've made. The board has agreed. The board is working with us and the File Hills Qu'Appelle Tribal Council and the board's auditor to ensure that this recommendation is fully implemented.

So with that I would conclude my summary of the work that we've done with Oyate and some of the instances of progress that we've made to date.

The Chair: — All right. Thank you, Mr. Fisher. Mr. Borgerson.

Mr. Borgerson: — Yes this was very helpful. Just one quick follow-up question, a couple of times you have used the phrase, prior to reopening. So I just want to clarify. This work has been progressing, but a decision has not definitively been made with regards to reopening Oyate.

Mr. Fisher: — I would make a couple comments in that regard. The facility ceased to operate on April 12 when admissions were suspended, or April 13 when admissions were suspended. We've been working on a new service model with Oyate since that time, but it's always been contingent upon the recommendations of the Provincial Auditor and the Children's Advocate being addressed and implemented. So the final decision around whether or not Oyate will reopen will be based on the progress that is made towards development of policies, procedures, training — the things that have been incorporated in the auditor's recommendations. Those things have to be in place before a final go-ahead to reopen is given.

Mr. Borgerson: — Thank you.

The Chair: — Okay. Further questions? Mr. Cheveldayoff. Oh, Mr. Merriman.

Mr. Merriman: — Sorry. Thank you, Mr. Chairman, and thank you to you and your officials for being here today. In listening to your comments on the recommendations put forward by the board, in most of your comments you said the board agrees with all of these recommendations. Yet yesterday in the newspaper the head of the board, the chairman of the board says she doesn't agree with the findings of the auditor or the Children's Advocate. What assurances does that give us that these will be followed?

Mr. Fisher: — Well I won't attempt to put words in Chief Day Walker-Pelletier's mouth. But I mean she was . . . I agree she was quoted in the newspaper yesterday. But I would point out that she was quoted on Missinipi radio last week as saying that she's aware that problems exist at Oyate, and that's why the board is listening to the recommendations laid out by the Provincial Auditor and that they will follow those

recommendations before giving up control of the home. And today I believe she made some further clarifying remarks in the *Leader-Post* that the plan is to accept and receive the recommendations of the auditor.

Mr. Merriman: — In the report in Missinipi, she reported that she was aware of problems that had been going on. Also in the press conference held here in this building she admitted that there were problems and that the board was aware of them. Yet she stated she disagrees with both the auditor and the advocate's report.

If that's the case, I don't know what comfort level, what comfort level that we have in assurances that someone that disagrees with the two reports that are out there . . .

The Chair: — Excuse me, Mr. Merriman. I have a point of order.

Mr. Yates: — Thank you very much, Mr. Chair. The questions to the deputy should appropriately deal with what the deputy can actually speak to and do. To speculate or speak on what somebody else's comments are aren't necessarily appropriate or aren't appropriate questions to the deputy minister.

To ask the deputy minister what they will do if they're not complied with is an appropriate question. But to speculate on what a third party is saying and what that means puts a deputy in the position of trying to answer something that they're not in the position to answer because they don't know what the other person intended.

The Chair: — Excuse me, I hear the point of order. There is . . . You're correct on the point you made. I'm not sure that the point you made is in conflict with Mr. Merriman's line of questioning because in fact he was talking about factual things that occurred, reports that occurred in the media, and the deputy minister was attempting to answer based on his knowledge of those facts. So I'll let the questioning continue. Mr. Merriman.

Mr. Merriman: — I'll rephrase the question. As you're meeting, I would assume, as the deputy minister with the Oyate board, has this been conveyed to you directly by the chairman of the board that they have concerns with both the advocate's report and the auditor's report?

Mr. Fisher: — We have actually a meeting . . . The first opportunity we've had to meet with Oyate since the report on, I believe it was, Friday is today. And so we will be seeking clarification on what those concerns are. But as I said earlier, we are moving forward with this organization on the basis that the recommendations of the Provincial Auditor as laid out in his report will be accepted and implemented.

Mr. Merriman: — Will you report back to committee on the question I asked if it comes up in this meeting today?

Mr. Fisher: — I'm sorry?

Mr. Merriman: — The question I asked was . . . I assume if you're having a meeting today with the chairman of the board, the question should be asked or I assume will be asked is, do they agree with the findings of the advocate's report and the

auditor's report in order to continue on? If there's no agreement from the chairman of the board that they agree with these reports, I fail to see why we would continue on.

Mr. Fisher: — Well I would make the comment that whether or not you agree with everything in a report — there may be disagreement on wording; there may be disagreements on particular points within a report — I think the important thing in my mind is that the recommendations are accepted and implemented. I believe the meeting today may be with officials. But as I said we will be seeking clarification on this issue.

Mr. Merriman: — I guess the question was, Deputy Minister, will you report back on that finding if that question . . . ?

Mr. Fisher: — If we're back in Public Accounts, certainly, yes.

Mr. Merriman: — Thank you. On the reports that I received yesterday for the chairman of the committee which outlined meetings that we had requested that went on between board officials and the Oyate board . . . and there were background materials provided for those meetings which we had asked for, which I appreciate, except the two that are missing are the two meetings that the minister was involved in of March 16 and May 1. Could you tell me why those were omitted?

Mr. Fisher: — Can I ask you to repeat the dates? One was March 16 . . .

Mr. Merriman: — According to your document: March 16, '06; second date, May 1, '06 . . .

Mr. Fisher: — And which . . . Could I ask you to refer me to the document you're using?

Mr. Merriman: — This is on page 577 of the documents received by this committee November 2, I think it was . . . [inaudible interjection] . . . or 3, November 3. I don't have the covering letter in front of me. Page 577.

Mr. Fisher: — I'm going to have to ask you to repeat that.

Mr. Merriman: — Page 577, date March 16, '06; May 1, '06. Minister Belanger and DCRE [Department of Community Resources and Employment] officials.

Mr. Fisher: — And you're asking, these meetings occurred and so . . .

Mr. Merriman: — No, I'm asking where the documentation is from those meetings which is what we requested. We've got information on other meetings but not on those meetings.

Mr. Fisher: — I see. I understand. As you can see from this list, there are many meetings where we've met with either a representative of the board or the full board over this course, this period of time. And you'll also note that in the package that we've submitted, I mean there were not written records maintained for each of . . . or written minutes for each of those meetings maintained. So we've provided you with the material that we have that recorded formally in a minute the meetings. So the meeting on March 16 and May 1, we would not have a minute that recorded the discussion at that meeting and so it

wouldn't be . . . that's why it's not in this package. It doesn't exist.

Mr. Merriman: — So two meetings with the Minister of Community Resources with the DCRE board and no minutes taken. Correct?

Mr. Fisher: — Yes.

The Chair: — Mr. Fisher, if I could just interject, it is quite common when those types of meetings are held that — I don't know; were you there or was Ms. Young attending those meetings? — that some senior person would keep notes of the meeting and keep those on file. Could any of those notes be provided to the committee?

Mr. Fisher: — Well I mean, we tried to respond to the request that was for minutes that were kept of the meetings. And I was at the . . .

The Chair: — But there were no minutes kept, but there were likely notes kept of the meeting.

Mr. Fisher: — There may and there may not have been. I can't answer that question.

The Chair: — Is that something you could research for the committee and provide those, if notes were kept by a senior department official of those meetings?

Mr. Fisher: — We can research that. I don't know . . .

The Chair: — Thank you. Sorry. Mr. Merriman.

Mr. Merriman: — Thank you, Mr. Chairman. Yes, and if you can research those, could you commit that at a time frame you would return those to the committee if you find . . . There must have been a ministerial assistant with the minister that takes notes on all of these meetings. Could you commit to a time frame to get back to whether they exist or not exist?

Mr. Fisher: — Well I believe we're rescheduled for the 28th, did I hear you mention? So we could attempt to research that question for that meeting.

Mr. Merriman: — Thank you. One last question on the board minutes because I was informed late yesterday that Ms. Young wouldn't be here today, so I had prepared some questions in lieu of her absence. And then I will turn over to Ms. Young who was kind enough to come under duress.

In '05, which I find really interesting is that from November '04 to January '06 when all of these problems were being identified, there was only one meeting between your department and the Oyate board that is documented which was in February '05 — February 7, '05. So from November '04 to January '06 when all of these problems were going on, it is identified here that your department only had one meeting that was recorded. Is that correct?

Mr. Fisher: — Well this list reflects meetings that were held between department officials and either a board member or the full board. There would be many other meetings that were held

between departmental officials and Oyate officials. And in fact the majority of our work would have been working with the executive director and his or her staff trying to rectify some of the issues that had raised themselves at Oyate.

Mr. Merriman: — Sir, they had so many executive directors I don't know which ones you could be meeting with. What I am saying here is that there was only one meeting with officials and their board, which is their official guideline people, in the whole year of '05 according to your documents. I am asking is that correct.

Mr. Fisher: — Well I believe the document to be correct.

Mr. Merriman: — I'd like to now switch to Ms. Young if she is up to it. And at any time please let me know . . .

Mr. Fisher: — I would just like to state for the committee's consideration that as deputy for the department, I would like the opportunity to respond on behalf of the department to your questions. I can certainly take advice from Ms. Young, but as the current deputy I do believe I am responsible for the day-to-day operations of the department.

Mr. Merriman: — I think when we originally asked the questions, you were unable to answer — which is why we asked Ms. Young to come to the committee — which were questions that you weren't privy to the answers because you weren't involved. And I think that is why we are sitting here today with Ms. Young here. So unless you have been currently re-briefed . . .

The Chair: — Perhaps the Chair could interject. We do have a motion which was carried unanimously by the committee that the former deputy minister of Community Resources, Ms. Wynne Young, appear before the committee as a witness at the next meeting of the Public Accounts Committee. So that it was quite clear that while, Mr. Fisher, we obviously expect you to answer for the committee, the committee also expressed a desire that Ms. Young would be a witness to the committee which obviously means that she can be asked questions as well.

Now do you have a point of order, Mr. Yates?

Mr. Yates: — Yes, thank you very much, Mr. Chair. The responsibility clearly is that the questions be answered, and Ms. Young is here today to provide information to the deputy that he may not have had, but the responsibility of the department is in fact to answer the question. So for the deputy minister to answer the question is most appropriate, and that's the way it has been over history, unless he refers that question to another official.

So the questions asked will be answered. Who answers them is really the privy of the department.

The Chair: — Mr. Cheveldayoff?

Mr. Cheveldayoff: — Mr. Chair, I think the motion was quite straightforward. The request was for the former deputy to appear and answer questions before this committee, and I think that's what should happen.

The Chair: — Mr. Yates, the committee can do whatever it chooses, and it chose unanimously to ask Ms. Young to appear before the committee as a witness. Those are the words of the motion.

When we do have witnesses speak representing the department, you're correct, the deputy minister is the quarterback and would answer the questions unless he or she designates to some other person. But the committee has the right to ask anyone to appear before this committee. In fact we can even subpoena witnesses, and we have seen that in other Public Accounts committees to where former ministers and former deputy ministers have been subpoenaed or have been asked to appear before Public Accounts committees, and those requests have been agreed with and have occurred.

So while you're talking about what would be normal practice if we had a department appear before us, that does not relate to the fact that the committee has passed this motion and asked the former deputy minister to appear before the committee.

Mr. Merriman, are you still wanting to question the witness?

Mr. Merriman: — Yes, Mr. Chairman, thank you.

The Chair: — Now again before . . . Now, Ms. Young, I recognize that I was told that you're not physically able to answer questions and if that is the case, obviously we will not ask you to do something that is physically difficult or impossible to do. That is why I suggested that if it's not possible and the committee does want to ask you questions that that could occur at the subsequent meeting that we've scheduled for . . . [inaudible] . . . Obviously the Chair will not permit you to be subjected to something that physically is not only inappropriate but inexcusable. So I want to make that very, very clear that the Chair is not putting any pressure on the witness to ask questions today if she's unable to do that. And I don't know, Mr. Fisher, if you're speaking on her behalf in that regard. Obviously the Chair will be directed by her physical needs.

Mr. Yates: — Mr. Chair.

The Chair: — Mr. Yates.

Mr. Yates: — I'd like to make a motion that the deputy minister of the department answer questions on behalf of the department proposed at this meeting.

The Chair: — Fine. Do you have that written? Well we'll get the motion, and then we'll have discussion of the motion. I see you signing your name, Mr. Yates. Do you have the motion for us?

Mr. Yates: — I do:

The deputy minister of the department answer the questions on behalf of the department unless he refers the question to another official.

The Chair: — And that's for this meeting? I think that was what you stated in your . . .

Mr. Yates: — Yes.

The Chair: — All right committee members, you've heard the motion:

That the deputy minister of the department answer the questions on behalf of the department unless he refers the question to another official.

Is there discussion of the motion? Mr. Cheveldayoff.

Mr. Cheveldayoff: — Mr. Chair, with all due respect, I think that that motion contravenes the motion that was passed unanimously at an earlier point:

That this committee request the former deputy minister of Community Resources, Ms. Wynne Young, [to] appear before the committee as a witness at the next meeting of the Public Accounts Committee.

If there's a health reason, by all means let's just postpone the appearance of Ms. Young, and I understand that we have several questions that we can ask the current deputy.

I'll remind this committee that we have also asked the current minister to appear before this committee, and that was voted down by the government members. And it's quite important that this motion that was passed unanimously be honoured and that the former deputy be able to answer for herself. What's the point of having a witness if the witness can't answer the questions for themselves? We're quite prepared to go on to other questioning of the current minister and have Ms. Young come back before the committee on November 28.

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. The reason for having any committee or having witnesses before the committee is in fact to get the information. Our goal should be to seek and get the information. If we can get the information through the current deputy minister of the department, that should be sufficient for any members of the committee.

We're here to get the most up-to-date and available information on any of the issues that are before us. It is the responsibility of the current deputy minister of any department to answer to this committee. And I don't see any reason why . . . We have with us today the former deputy to provide those advice and answers to the current deputy. But our goal is to get the information, and we can do that through this process.

The Chair: — Mr. Cheveldayoff.

Mr. Cheveldayoff: — Again, Mr. Chair, I would say that the motion is specific. It has asked for Ms. Young to appear as a witness on her own behalf.

I would remind this committee that there was an earlier point of order that talked about the inadmissibility of third party evidence or the appropriateness of asking questions on third parties. And here we have a situation where that indeed would occur. I think a deputy minister of the Crown is quite able to answer questions on her own behalf. And that is clearly what

the intention of the committee was, and that's clearly what should be done. If it's not possible for health reasons today, then it should be done at a later date.

The Chair: — Mr. Borgerson.

Mr. Borgerson: — Well I'll just simply add that I cannot imagine any question that cannot be answered with the process that's being suggested here. So I just think that this does not, as well this does not preclude her, the previous deputy minister from responding to questions either. But we're talking about, the motion talks about going through the deputy, present deputy minister. So I don't see this as creating any difficulty in terms of getting information at all.

The Chair: — Committee members, if we pass the motion that has been submitted to the committee, that will negate the motion that was unanimously agreed to on October 5. I think it's fairly clear.

Now when Mr. Yates initially worded his motion, he said that that was for today only. The actual wording that we receive is open-ended, and therefore it would basically be in effect for all future, I suppose, for all future Public Accounts Committee meetings which causes me some concern because there are on occasion Public Accounts Committee meetings where in fact we don't have a deputy minister present. So, you know, we may be hearing testimony from an agency where there isn't a deputy minister. So those are cautions that I throw out to the committee.

That being said, if there is no further discussion, I will be calling the question on the motion momentarily. So I will — because this is somewhat controversial — I will just give a minute for any further comment or input from members before I call the question. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Mr. Chair, could we have a five-minute break to discuss? Even two minutes?

The Chair: — All right. I've done that for the other side. I'll do it for the opposition side as well. We have a five-minute recess which means we will be promptly reconvening at 25 after 11.

[The committee recessed for a period of time.]

The Chair: — Fellow committee members, we will call the meeting back to order. The recess is over. Mr. Cheveldayoff, you asked for a five-minute recess. I give you the floor.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Just to speak to the motion, to be clear, I find this motion offensive. I find it flies in the face of an earlier motion that was passed by this committee. Now there's clearly an agenda by government members to ensure that this deputy does not appear before this committee as a witness — as a direct witness — as outlined in the earlier motion. I find that it flies in the face of my rights as a member of this committee, and I would say that I will strongly oppose this motion.

The Chair: — Any other discussion. Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. Clearly the

intent is to answer every question. Every question will be answered. The information will be provided. The process of going through the deputy minister of a department has been the regular process as has been used by this committee. There is no intent to, in any way, to not answer questions or to hide any information or take away the rights of the committee. It's simply to have a process in place as it's been. And the questions will be answered, and you'll get your full answers to each and every question.

And you know, to assume there's some hidden motive is totally incorrect. It's a matter of process how the questions are answered and who's responsible, which is the current deputy has a legal responsibility for the department . . . and just want to keep the process where the accountability should be, which is with the current deputy of the department. But there's no attempt at all to, in any way, not answer any question that you have.

The Chair: — Mr. Cheveldayoff, at some point very soon the Chair will be directing that there be no more discussion on the motion unless there's a new point brought to bear. But, Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. I would remind this committee of the actual wording of this motion:

That Ms. Wynne Young appear before the committee as a direct witness.

Now I realize the member is substituting in and wasn't at the meeting, but at the previous meeting, we requested that the minister of DCRE appear before this committee. That was defeated by a unanimous vote of the government members. Having Ms. Wynne Young appear before this committee was approved by a unanimous vote of the whole committee. And you know, we're very concerned if this indeed doesn't happen because the government is using the majority on this committee to ensure that it doesn't happen.

The Chair: — Mr. Borgerson.

Mr. Borgerson: — Mr. Chair, I would like to get to the questions. I am assuming that if we follow this procedure, the deputy minister will respond to the questions that he feels capable of responding. I assume that for some questions he will get the advice of the past deputy, and for other questions he will defer, and she will respond directly to the questions. That has been the process always. So I would like to get to the questions, so I would call question.

The Chair: — All right. Is there further discussion? I've had a call for the question. Are we ready for the question? All in favour? All opposed? Motion is carried four to two.

Thank you, colleagues. We will continue on with the questioning. I believe, Mr. Merriman, you had the floor. Do you still desire the floor? Mr. Merriman.

Mr. Merriman: — Yes. Thank you, Mr. Chairman. Mr. Chairman, the reason for the questioning directly, and as called as a witness, was in discussing with Deputy Fisher, he couldn't answer the questions in the last meeting, so that's why we took

this approach. As late as 3:30 yesterday afternoon, I was informed by the former minister of DCRE that Ms. Young wouldn't even be able to be attending this meeting today, so could we continue with other questions. And we were certainly willing to do that based on her illness.

I'll go back to the questions to whoever wants to answer. And has the board of directors received any monies from the department from the date the safe house was closed, on or about April 13, until today?

Mr. Fisher: — Final payment, I believe, that was made to the safe house was their monthly April payment.

Mr. Merriman: — Was that monies . . . Is the \$345,000, which I believe is the total annual payment, is that distributed out monthly?

Mr. Fisher: — They would have received a one-twelfth allotment of their annual budget in April, yes.

Mr. Merriman: — So even though they weren't actually open for a whole month, they still received the month's allotment.

Mr. Fisher: — They received the one-twelfth allotment for April.

Mr. Merriman: — Now what was this money used for?

Mr. Fisher: — The money was used for the operations for the first portion of April. And then once admissions were suspended on April 13, I believe it was, the money was used to keep the staff on-site to do some maintenance functions at the facility and also to participate in additional staff training.

Mr. Merriman: — Another briefing note dated May 15, 2006 states that the department is continuing to fund Oyate during the review. Can you tell me how long that funding continued?

Mr. Fisher: — May 15 now?

Mr. Merriman: — May 15, 2006.

Mr. Fisher: — Well as I said, the funding for April was provided. And we have not released additional payments to Oyate since that payment.

When we were in discussions with them around what was going to happen subsequent to the referral, I believe there were some discussions about how quickly could we reopen the facility, what needed to happen to reopen the facility. And I think we discussed at that time that if it looked like it was going to carry on quickly that additional funding would flow. But I can state that for this fiscal year the only payment that's been made to them was the April payment.

Mr. Merriman: — Is the board of Oyate receiving any funding from your department or any other government department — the board itself?

Mr. Fisher: — No. Well they're certainly not receiving anything from Community Resources. And I'm not aware that they're receiving funding from any other government

department.

Mr. Merriman: — From the minutes I received yesterday, number 585, there appears to be a status report from the Oyate board of directors dated June 13, 2006. This report indicates staff continue to be employed at the safe house as of that date. Can you then tell me who's providing the funding for these staff?

A Member: — Page 585?

Mr. Merriman: — That's correct

Mr. Fisher: — Well as I said in response to your earlier question, the funding the department has provided to Oyate for this fiscal year is the one-twelfth April payment that they would have received in April. We've not paid anything beyond that. I believe that the funding that they are receiving that they're using to maintain operations or to . . . not operations, but to maintain the activities at this point in time there, is coming from the tribal council.

Mr. Merriman: — Can you tell me who provided the funding for the staff training sessions, as indicated by the June 13 report?

Mr. Fisher: — Well I believe the staff training sessions were provided by our staff. But I can just confirm that if you'll give me a moment.

So we were involved in some of the training sessions that occurred during that period, but they brought in some other trainers, I understand, to provide additional sessions as well.

Mr. Merriman: — And could you tell me who provided that funding for that outside training?

Mr. Fisher: — Well all I can respond is that as part of the financial reconciliation that we've spoken at at length, we will be in a position when it is done to know whether any of our funds were used for that, whether that met the conditions and terms that we set out for Oyate in April when services were suspended. But at this point in time I can state confidently to you that the one-twelfth payment that we provided to Oyate is the only funding that has flowed from Community Resources to that organization this fiscal year.

As I said, for the first 13 days of the month, that funding would have been used for operational issues. For the days immediately after the closure, staff would have been . . . On staff there would have been some wrap-up work that would have had to occur in terms of file work, I am assuming. And then after that, as I stated, we had agreed that the balance of the funding could be used for training and maintenance of the facility.

Mr. Merriman: — So the assumption must be employees were terminated also, that that would have come out of that one-twelfth for employees, that as the house was closed down, any employees were let go.

Mr. Fisher: — I believe the employees were actually laid off in early June. So I can't comment on the severance costs that were associated with that at this point because that will be part of the

final reconciliation as well.

Mr. Merriman: — When is that final reconciliation due, again? I should know that but I'll ask.

Mr. Fisher: — We've stated that that is one of the things that we need to report on, on November 14.

Mr. Merriman: — So based on that — that's a week away — we don't know where these funds claim yet for severance. Is that what we're saying?

Mr. Fisher: — Well I think it would be unfair to comment on the full reconciliation process without seeing the final product, yes. So we do not have the final reconciliation to date.

Mr. Merriman: — Part of the discussion we had the last time was around the board being paid for honorariums and other entities, and you had said that you were looking into that. Has that been clarified to this point in time that the board was in effect getting honorariums?

Mr. Fisher: — Again I would just state at the outset that the auditor did mention in his report that board honorariums contravened our agreement. The point that I would like to make is that our agreement is silent on that, so it's assuming that our practice has always been that board honorariums are not paid, that CBOs [community-based organization] are voluntary agencies and part of the voluntary nature of that service is that their board members do not get paid for sitting on a board.

As I said at the last meeting, we do allow certain expenses for board members in terms of travel, meal costs, to come to a meeting if you're from out of town for example. So that is one of those items that is part of the reconciliation process. And as I said in response to your earlier question, I've not seen the final product. I've not been briefed as to where we are on the reconciliation product, but we will be reporting whether that's been completed next week.

Mr. Merriman: — So okay basically we're going to find this out on the 14th which I understand. In the discussion that I'd had with you and we had talked about, if this was in fact the case and these had been paid out, that how would we retrieve this money back from the individuals that had received it contrary to the agreement? Is that still your plan, to get from those individuals those funds back?

Mr. Fisher: — Our plan would be to recover . . . if there are ineligible expenses, including board honoraria, we would make efforts to recover those from the organization. I don't know that we would go after, you know, individuals, but we would get it from the organization.

Mr. Merriman: — The concern I have with that, when you say the organization and the organization being Oyate, okay, hypothetically if \$10,000 has gone out for honorariums, we refund . . . or give them \$345,000 next year and they pay back \$10,000 of those honorariums, the kids have lost out twice. Is that the program we're putting in place?

Mr. Fisher: — No, we will . . . I mean if the money is due, we will recover it.

Mr. Merriman: — But you said from the organization, sir; you didn't say from the individuals. That's my question.

Mr. Fisher: — Well I mean that would be up to the . . . how the organization made arrangements for that money to come back to the organization, either from individuals or from the organization or from the Tribal Council. I mean that's quite frankly not something that I'm all that worried about. I'm worried about getting the money back if it's an ineligible expense.

Mr. Merriman: — My point is though, if we're getting it back from the organization . . . The organization is funded by us, you know. It's by the people's money from the government, from DCRE to them. So they're just giving us back our money. It's a double take for the kids. It's twice out of their program in my opinion.

Mr. Fisher: — Well again this is all hypothetical at this point because we're not sure whether the board honorarium . . . While I will concede that they were labelled board honorarium as noted in the auditor's report, as I explained at the last meeting, there is some uncertainty as to whether those expenses were coded properly. And we need to go through that process and ensure that we are not just talking about a hypothetical situation and there are actual expenses that are ineligible that need to be recovered. And then we will try to develop an appropriate mechanism to recover those funds to ensure that the government got value for its money.

Mr. Merriman: — I'd like to turn your attention now to the issue of nepotism. Yesterday in the rotunda, Minister Belanger said we have no evidence of that. By that he was referring to nepotism. In your opinion, is that an accurate statement when it comes to Oyate?

Mr. Fisher: — Could there have been statements made that, allegations made that there were . . . Oyate didn't follow its hiring policy? I think the HR [human resources] policy that they have did not prohibit relatives from being employed in the agency, but it laid out certain conditions under which that employment could occur. I think the auditor has pointed out that there may have been instances where people were . . . relatives of staff were hired, but again whether that was inappropriate or not, I can't comment.

Mr. Merriman: — On page 14 of the auditor's report it states, "We were aware that several employees at Oyate were relatives of people in supervisory roles." It goes on to say, "We understand that several [board] employees and contracted staff were relatives of Board members."

Could you please tell me what board members had relatives working at the safe house?

Mr. Fisher: — I'm afraid we don't have that level of detail in terms of who's . . . you know, all the relationships between all the board members and all of the staff that have worked at Oyate. That is something that we've had discussions with the board about, a go-forward practice about are they following their own HR policies.

You know, I would just suggest that may be a question that

needs to be asked directly of Oyate about who their employees are and what relationships because the board HR manual does state that it is allowable in certain circumstances and spells out what those circumstances are and how board members are expected to ask . . . going back in relation to the conflict-of-interest policy of excusing themselves from the discussions that occur around the hiring of a particular staff person. So I haven't had access. We don't . . .

The Chair: — I'm just going to interject because we just have a couple minutes left, and I would like to pursue Mr. Merriman's comments just for a question or two.

Could you tell me when the department was first aware that relatives of a board member were employed at Oyate?

Mr. Fisher: — I think the response I can provide to you today, Mr. Chair, is that in some of the correspondence included in the binder that we've provided to Public Accounts, I think there was mention, allegations were made about relatives working at the facility in March '04 I believe.

The Chair: — March '04. Could you ask your predecessor when she was first aware that there were allegations that relatives of board members were on staff? And could you also ask her if the department did any investigation to see whether those people were qualified for the positions they held?

Colleagues, while they're discussing the answer, members from the NDP [New Democratic Party] have suggested they have a few more minutes. I understand, is it till 12 o'clock noon that we can continue before we adjourn? So we will reschedule the adjournment at 12 noon. Mr. Fisher.

Mr. Fisher: — We're not sure of the actual date, but it would have been early in Ms. Young's tenure as deputy that the allegations put forward by some of these folks would have been brought to her attention.

The Chair: — Can you ask the former deputy minister when she informed the minister of this?

Mr. Fisher: — While we're looking for that piece of information, I would say that the general relationship between the department and a community-based organization is that we provide general guidance around appropriate policies, including HR policies, but the board is the agent that actually hires and fires people within the CBO sector and has the responsibility for hiring and firing people according to the policies that are in place.

So in many instances when we're made aware of allegations around, for example HR policies, our immediate reaction is to bring these issues to the attention of the board of the particular agency — in this case Oyate — and assure that the board actually takes the appropriate action.

The Chair: — Even if the board could potentially be in a conflict of interest on this issue, you would do that?

Mr. Fisher: — Well generally speaking, the hiring of staff in a facility is done by the executive director. So the board would have oversight over the executive director.

The Chair: — But don't you see a problem that if there is a potential for staff being hired who are relatives of the board, that could potentially place the board in a conflict of interest? And there is some concern about proper documentation, minute keeping, accountability by that board, expressed by the auditor. Obviously these concerns must have been expressed to your department and to your predecessor and expressed to the minister. And I think it's incumbent upon you to inform this committee as to the details, the wheres and whens, and why decisions were made — or in this case probably not made — to deal with that issue.

Mr. Fisher: — Well I take your point in the spirit it's intended. But I would disagree with the comment that it wasn't dealt with. I mean in talking to the board, the governing board of any agency, it would be our expectation that the board would take the appropriate steps to deal with allegations that were made about the conduct of their executive director and his or her hiring practices. So . . .

The Chair: — Do you have the documentation to alleviate our concerns?

Mr. Fisher: — The material that we have talks about advising of the allegations that were made in March '04. It talks about HR issues. So I can say to you that HR issues were discussed, but I cannot state what exactly those HR issues that formed the basis of that briefing were.

The Chair: — Can you inform the committee as to when the minister was made aware — the former minister I guess it would be in this case — was made aware of those specific concerns?

Mr. Fisher: — The HR issues would have occurred on or about March '04.

The Chair: — And can you tell me when the current minister was briefed about those issues?

Mr. Fisher: — Well the current, as I said earlier, the current minister received his initial briefing in February and I'll just . . . So again I think my response to that question would be quite similar, that in the briefing that was provided in February there was mention made in the briefing note that there were personnel management difficulties at Oyate that we were working on.

The Chair: — February '06?

Mr. Fisher: — Yes.

The Chair: — Help me recall this correctly, but I believe in one of the reports we received there was concern about someone who had had a criminal offence of a sexual nature being employed for a short time by the Oyate facility. Was that person a relative of a person of authority within Oyate or a member of the board?

Mr. Fisher: — It's the information that I have that that person was related to a staff person, not a board member.

The Chair: — All right. Mr. Merriman, I interrupted you. I apologize for that, but I wanted to get those questions in before

our time expired. We still have about six minutes. Do you have further questions?

Mr. Merriman: — Many of them, thank you. The last question just asked by the Chair that it was related to a staff member, was that staff member related to a board member?

Mr. Fisher: — I don't know.

Mr. Merriman: — Now we're interested in reviewing a document created by the department July 2005 and was provided to this committee on October 27 of this year. It bears the title "Possible Financial Impropriety at the Safe House." Is Ms. Young familiar with this document?

Mr. Fisher: — Could I ask for the page number on that one?

Mr. Merriman: — I don't have a page number. Sorry. July 2005.

Mr. Fisher: — Up in the right-hand corner.

Mr. Merriman: — No, these are questions that were prepared. I don't have those. People are yelling 52 so . . .

Mr. Fisher: — As part of this . . . You know as part of this package, this would have been one of the briefing notes that was used for the previous minister so, yes.

Mr. Merriman: — So would Ms. Young be . . . what would her role have been in the preparation, distribution, and review of that document?

Mr. Fisher: — Well the general process of briefing notes within the department is as they flow from the divisions in the department that create them, we would have an approval process. And the final approval obviously of notes coming out of the department would rest with the deputy.

Mr. Merriman: — Does Ms. Young remember this document?

Mr. Fisher: — She does not remember this specific document.

Mr. Merriman: — On that document under the heading issue, at the top of the page you can read the following, "Department officials have been provided with information from the former Executive Director of Oyate Safe House suggesting that financial impropriety had taken place." Who is the former director this document refers to?

Mr. Fisher: — Pardon me? Who is the former executive director? Is that the question?

Mr. Merriman: — And the document says, issue, quote, of "financial impropriety."

Mr. Fisher: — I believe that the name of the actual executive director would be protected under the confidentiality provisions, if I understood your question correctly. That's what you were asking? Who it was?

Mr. Merriman: — That's what I asked, yes. Did the person who replaced this person, was he related to an executive

member or any board member?

Mr. Fisher: — Not to our knowledge.

Mr. Merriman: — On page 2 of the document dated July 4, 2005, it makes reference to a misappropriation of funds. It reads, "[Blank, which is blacked out] has identified a number of specific cases of misappropriation of funds."

Can you tell this committee what you know about this, Ms. Young?

Mr. Fisher: — Well the process that was used was outlined at the bottom of the next page of the briefing note.

These were allegations that were made by an individual regarding the operation of the safe house. They were provided to the department. We sat down with that individual to see if those — and with the information we had at hand — to see if those allegations could be verified with the information that was on hand at that point in time. We couldn't verify that those allegations were true or not.

We requested additional information, but the individual wasn't interested in providing that. And we believe that we have passed that again. We requested the additional financial information from the board as part of our — whatever you want to call it — the wrap-up or reconciliation of the funding that was provided to Oyate over the previous years.

Mr. Merriman: — Question to Ms. Young again, if this incident was investigated and subsequent actions or non-action taken place, I can find nowhere in the documentation provided of those meetings with that subsequent investigation and/or follow-up.

Mr. Fisher: — Well I guess I would point to that very briefing note, where it says that:

“. . . the information . . . provided to Department officials to determine if the information . . . has provided can be verified . . . It cannot.

So we do have that record that we took action in terms of reviewing the allegations and were unable to verify whether those allegations had merit.

Mr. Merriman: — You know the questions I'm asking . . . [inaudible] . . . to you and you're not even conferring with Ms. Young which was the whole point of this exercise of having her here to answer the questions that we had. And the last two questions that I've asked which were directly referred to her, you have not even taken any notes or actions to ask her the question.

On page 3 the document says:

[Blacked out] alleges that an employee [blacked out] was paid for approximately 5 weeks salary although [blank] was not working at the Safe House and had no leave entitlements. Alleges that this payment was a result of [blacked] directing payment.

Could the former deputy minister explain this, how an employee who wasn't working there got paid?

Mr. Fisher: — I believe the comments that I made in response to the earlier question . . . all of these allegations in this briefing note I believe were received at the same time. We did sit down with the individual that made those allegations to try to verify those allegations. At that point in time, with the information available we had, we could not verify it, but these are issues that are being looked into as part of the final reconciliation of the safe house.

Mr. Merriman: — As we're almost out of time, I'd just ask one more question today of the former deputy minister because I'm not getting any answers from her. Did she brief the former minister of these issues and serious allegations going on in the Oyate Safe House directly?

Mr. Fisher: — The department would have briefed the minister. The former deputy advises me that whether she actually provided the debriefing or not, she does not recall, but she was in attendance, and it would have been provided. This material would have been provided to the minister.

Mr. Merriman: — So she has no briefing notes about this or documentation from when she met with the minister to give her these briefing, and there was no briefing documents presented to the minister on this issue?

Mr. Fisher: — It would be the briefing note you have in front of you.

Mr. Merriman: — I just asked the question, had she briefed him. And you had said that, you know, she had, but she may or may not have been present. I am asking were. . .

Mr. Fisher: — No, the deputy would have been present. What I am stating is that she does not recall whether she was the actual employees of the department that presented this material to the minister, or whether it was another employee that took the lead in presenting it. But the minister did receive this material.

Mr. Merriman: — Did the former deputy minister brief the current minister at all during the transition?

Mr. Fisher: — That would have been the February 6 briefing that we have spoken of earlier.

The Chair: — Are you concluded, Mr. Merriman?

Mr. Merriman: — Well I have more questions but obviously the clock has caught up to me.

The Chair: — Well thank you, colleagues. This meeting took some unusual turns, and obviously we did not quite accomplish, I think, what we had hoped to accomplish. And the fortunate thing is that we will be revisiting this issue on, I believe it is, November 28. We will have a more normal, if I can use that term, session a week from today. And then we have a special session on November 22 with the CCAF in attendance to bring us up to speed on what is happening with other Public Accounts committees and how we stack up against them I believe.

I want to thank Mr. Fisher, and I want to thank Ms. Young for appearing before the committee, as well as the Provincial Auditor and other officials. And I declare the meeting adjourned.

[The committee was adjourned at 12:04.]