

STANDING COMMITTEE ON PUBLIC ACCOUNTS

April 3, 1986

Mr. Chairman: — I call this meeting to order. The meeting was billed as an organizational meeting. Unless members felt to the contrary, I hadn't intended to suggest the committee do any business this morning.

There are a couple of minor matters. One is the conference last year in Whitehorse. I've prepared and circulated a written report. I'm prepared to answer any questions that members might have about that report.

A Member: — Who all went to that?

Mr. Chairman: — Myself and the member from Saskatoon. Mayfair went to it, as it turned out.

A Member: — Is it still in camera, this stuff?

Mr. Chairman: — No, we can do that. It's not in camera. We can do that if you want. I don't know if you have anything to add to my report, Mr. Glauser.

Mr. Glauser: — No.

Mr. Chairman: — This year's conference is in Saskatchewan, and we have . . . our Clerk has been energetically working on this. I believe we circulated to the committee the agenda. Have members had a look at that agenda?

Mr. Katzman: — It's the standard agenda, basically, isn't it?

Mr. Chairman: — It is. I don't know if there is a standard agenda.

Mr. Katzman: — Well basically the same as what we saw in Toronto.

Mr. Chairman: — Yes, it's basically the same as what we had in Toronto.

Mr. Katzman: — Just a matter of when — different functions to look at. And it's with the fellows from the auditor's department, as is normal. Well the date is July what?

Mr. James: — 6 to 9.

Mr. Chairman: — 6 to 9. Depending on whether or not an election intervenes, it might change part of our agenda. Part of our agenda was a discussion between Bob Andrew, the former chairman and former minister of Finance, and Mr. Blakeney, who also has occupied both those positions. I guess he's never been chairman of public accounts, but he's certainly sat on it for many years. And that was one of the things we had.

We had difficulty, I think, nailing down the guest speaker for our . . . Perhaps, Mr. Clerk, do you want to give the boys a report on it?

Mr. James: — For the guest speaker we were looking at the chairman of the Nielsen task force. His last name is Shelton, who happens to be the president of Nova corporation in Calgary. We've tried many different

people from Donald MacDonald to Michael Wilson, the Minister of Finance, and others, who have graciously declined to attend the conference as a guest.

We thought we would attempt to get Mr. Shelton to address the joint conference with the legislative auditors, who also have as their proposal an expanded agenda for the joint conference, as well. Shelton, I think his name is.

Mr. Katzman: — Has he tentatively agreed?

Mr. James: — I don't know. We sent the letter out last week, so I haven't heard from him yet.

A Member: — . . . (inaudible) . . . Auditor General of Canada.

Mr. James: — Well, the Auditor General of Canada will be attending as a delegate to the conference of legislative auditors.

Mr. Young: — The federal vice-chairman who was nominated is from Saskatoon. I don't know who the chairman of the federal one is. I presume it would be . . .

Mr. James: — Of the public accounts?

Mr. Young: — Yes.

Mr. James: — Aileen Nicholson, who is a Liberal member.

Mr. Chairman: — We have tried . . . Some of the ones I have attended recently have been a little long on recreation and a little short on actual work that assists members in their work for this committee.

I'm not going to be rude enough to point to any specific example, but we have tried to be good hosts to members who are here and provide some recreation they'll enjoy, but we've also tried to provide a meaty series of work sessions that will assist members in their work on committees across the country. So we've consciously tried to make this a hard-working session. I wouldn't accuse all the other jurisdictions of that.

Mr. Katzman: — I've only attended one . . .

Mr. Chairman: — What's that?

Mr. Katzman: — I've only attended one, but my point would be this: the brain can only absorb as long as the seat can sit. And sometimes . . .

Mr. Weiman: — Which means that your brain can absorb a lot.

Mr. Chairman: — Noted that remark.

Mr. Katzman: — Do you want to clean the tape up a little?

Mr. Chairman: — Yes, we'll just tape back . . . No, no. Go ahead.

Mr. Katzman: — Seriously though, the one thing about

the Toronto convention, the mix was good enough that you sat . . .

Mr. Chairman: — At which convention?

Mr. Katzman: — The Toronto one. You sat and worked for about two hours and you had about two hours off. Then you were back at it for another two, and then you were up for about two, and then you were at it again.

And I'm thinking that, considering the House and everything else, anything more than a two-hour session in a row is a little . . . You can push two and a half, but don't try to push more than that or guys start shifting and they're not sitting.

Mr. Weiman: — You're not against more work. What you would like to see is the work staggered more with breaks in between.

Mr. Katzman: — Staggered with the breaks in between is key, because then you can function.

Mr. James: — I know our business sessions are an hour to an hour and a half long, and then the joint business session. Considering what the auditors would like to see in the joint session, as well as us, will be in the neighbourhood of two and a half hours.

Mr. Katzman: — You're pushing it.

Mr. James: — Yes.

Mr. Katzman: — You're pushing it because unless . . .

Mr. James: — With a break.

Mr. Katzman: — Unless you have a seventh inning break somewhere, it's rough?

Mr. James: — Yes.

Mr. Glauser: — I thought the Whitehorse one was pretty good. We did quite a bit. We did quite a bit at Whitehorse. They weren't long — too long, that is — but we accomplished quite a bit.

Mr. Chairman: — No, in fact I thought the one at Whitehorse actually wasn't bad.

Mr. Engel: — Did they have case studies at Whitehorse, too?

A Member: — Yes.

Mr. Engel: — I liked that one at Charlottetown. They had a number of case studies were given jurisdiction to report on an issue they got into, like just using an example, Saskatoon . . . (inaudible) . . . In a year or two down the road from now we could do a case study on the Weyerhaeuser deal and prove what a great give-away this was. That kind of a case study . . .

Mr. Glauser: — Strike that from the record, Doug.

Mr. Engel: — No, I'm not being facetious. I'm just saying

they actually delved into some cases that needed investigation and there were some worthwhile sanctions. We haven't really gotten into . . .

Mr. Katzman: — Do you want to go into the bigger thing where you guys gave it away? You want to go to the original pulp . . .

Mr. Chairman: — Order, order, order. This is not a debating session.

Mr. Katzman: — If you want to do a political thing, Al, let's get into it now, or let's go up to the House. If you want to do public accounts like we're supposed to, let's not get into the political jargon day one, minute one.

Mr. Engel: — The point I was making is that is a nice example of getting into a case study.

Mr. Chairman: — Order, order. We're getting a little off the subject of our conference. We have tried with the conference to provide a mixture of case studies. There are some, and we are working on one from Saskatchewan. We are also trying to work on some things that are not on case studies. I felt in Whitehorse we relied too exclusively on case studies. Some of the jurisdictions, to be quite frank, didn't do their work. Some of them came in poorly prepared. So we've tried a mixture of some case studies plus some other subjects of general interest.

We've spent a fair amount of time getting the translation services. I was embarrassed in Whitehorse by the lack of translation services. My experience has been that Quebec members, when they get to be ministers, have to start speaking in English and they develop a fluency. But public accounts is largely private members, and a very large number of private members from Quebec cannot speak English well enough to follow a conversation. If you're talking to them one to one, you can get by, but to listen to a group of 10 people talk, it's just impossible for them.

And I was embarrassed in Whitehorse that the Quebec members simply couldn't follow it. So I moved the motion in Whitehorse that from here on in, and seconded by the province of Ontario, at all conferences we provide simultaneous translation. That has involved our Clerk in a six-month long shouting match with the federal government, culminating finally in a letter over my signature and the vice-chairman from Quebec. We sent a letter to the Prime Minister, who happens to be the minister in charge.

I am firmly of the view . . . and I think Mulroney means what he says when he says that this must be a bilingual country. I happen to agree with that. If this country is going to survive, it's one of the prices we're going to have to pay, whether we like it or not. I happen to agree that all national institutions must be bilingual. And this is a national institution involving the Government of Canada and all the provinces, and therefore it should be bilingual.

Mr. Engel: — Whose responsibility is it?

Mr. Chairman: — Therein lies the problem. The auditors, I think recognizing that, have long had simultaneous

translations. But there is in Ottawa, as members will know, a secretariat which provides this. Well it doesn't fit in their budget to come to Regina next year, and that was the crutch of the problem.

Our argument has been, it's unrealistic to expect provinces like Saskatchewan, which has very few French speaking people, it's unrealistic to expect that we can provide translation services. It just isn't available here. Unless the secretariat is prepared to accept the responsibility, you aren't going to have it. So, I think we exhausted the bureaucratic channels.

We have now, Lemieux and I from Quebec, who incidentally, I think, would have difficulty following a conversation in a group. By way of example, the vice-chairman of our group would have difficulty following these discussions.

A letter is going out over our signature. This hasn't gone out yet. If the matter is not shortly resolved . . . After the meeting in Quebec one or two of them who knew the ministers, who personally knew ministers in the Quebec government, were going to contact the ministers and see if this nonsense could be laid to rest.

Something has happened because we were told then to hold off on the letter, but the follow-up, if this isn't shortly resolved, is that Lemieux and I are jointly going to sign a letter saying that this is a necessity. We want it. If the answer is yes, all well and good. All we need is an answer to the letter. If the answer is no, we are going to journey to Ottawa and make a case in person. So if they're going to say no, they're going to say it to our faces. They're not going to send us one of these inane letter of theirs.

Mr. Katzman: — Mr. Chairman, I'd have to disagree with you. I think we have some responsibility as host as well. Obviously we may not have the equipment type of things that are required, and that may be part of the problem . . .

Mr. Chairman: — Or the personnel in Saskatchewan either.

Mr. Katzman: — Now, I don't agree with you. I think you can find translators that are qualified, except we don't have the technical machinery, and therefore we would have to arrange that through one of those rental companies that do that for Ottawa and a lot of conferences that I've attended.

I know of enough out of Saskatoon who did some translation at one function that was a federal thing, that there were just people in Saskatoon who were fluent — of the university types — who did the translation for a function I was at. Mind you, it wasn't . . . I said what I had to in English, and then she stood up to the mike and repeated it all in French for them. She took notes. Senator Buckwold did his thing and she did the same. We had the Chinese group in. They had another person from the university group who was qualified to be able to . . . she took notes and repeated for the Chinese.

We may have the manpower but we may not have the machinery here. That's why I think we should maybe say, okay, we have some responsibility as well as Ottawa

does, or, you know, there's some responsibility on us as well.

Mr. Engel: — That would double the length of time it'd take to run a conference, if you don't have simultaneous translation. I wouldn't go along with that process as all. I think that would really slow the thing down and make it boring.

Mr. Katzman: — Oh, I think you misunderstood me.

Mr. Engel: — I think you need the thing where if you're speaking in English and I can't understand it, I'll put my German set on and listen to it in German. But . . .

Mr. Katzman: — I think you misunderstood me. I said we don't have the equipment but we can get the equipment from the rental companies. It's available for rent.

Mr. Glauser: — Well they did this for the hearings in Saskatoon just a couple of months ago. The hearings, it was a . . . What was the commission that was going around?

Mr. Engel: — You can tell you're not a farmer.

Mr. Glauser: — It was a federal one. It wasn't anything to do with agriculture.

Mr. Engel: — Yes, the agriculture one was translated.

Mr. Glauser: — That committee's not aware of that.

Mr. Engel: — That committee that came in had a couple of French guys on it and they had it simultaneous.

Mr. Glauser: — For your constituents, eh, Al?

Mr. Engel: — No, they had simultaneous translation for the committee.

Mr. Katzman: — Ravis was on that committee.

Mr. Chairman: — The difficulty, gentlemen, that I see with that is that I've been at any number of conferences, particularly before '82, and the translation services make all the difference in your ability to follow it. And it's very difficult. Someone who can quickly translate a letter is not qualified by virtue of that ability to translate simultaneously. This is difficult. As you hear it, you say it. You don't get time to rephrase it. As the person speaks in French, it comes out in English almost simultaneously. Thus, when a joke is told — and that's another difficult thing to do, is translate humour — but as a joke is told in French, the French people will laugh first and then five or 10 seconds later the English people will all laugh when they get it.

But if you don't have good translation services, the people who are dealing in the second language are at a real disadvantage. Moreover, it does slow things down. But my essential disagreement with Mr. Katzman is not over our ability to provide the service. I'm not convinced we could. But I really disagree with it because unless . . . I think we must establish simultaneous translation as a permanent feature of public accounts conferences.

Saskatchewan may be prepared to do it. But unless we establish the precedent that the secretariat does the work for us as it does for all other national institutions, including the provincial auditors, it won't be a permanent consistent feature of public accounts conferences. The only way we're going to make that a permanent consistent feature of public accounts conferences is if we establish the precedent that the secretariat provide the service. That is why the secretariat exists, because when they first began to have ministers' conferences, some provinces provided translation services, but the odd province wouldn't do it. And to avoid the hassle, they simply said, we have a secretariat; it's available; it does the job.

So that's my real argument, is that we need to establish the principle. Maybe we could do it. I'm not convinced, but that's not my real argument.

Mr. Katzman: — Could the Clerk get a hold of CPC office in Saskatoon, who I believe for some reason has some of this facility in Saskatoon. It's a national office.

Mr. Chairman: — I might add, it's not in our budget. It just doesn't cost us anything to get it from Ottawa. That's an obvious consideration but it's not central to my main argument. My main argument is that we've got to establish precedent that the secretariat does it.

Mr. Young: — I missed something here. But wouldn't there be some giant department in Ottawa responsible for bilingualism and multilingualism? They could just fly the stuff in in a Hercules and take care of it.

Mr. Chairman: — That's precisely the process. I don't think they need a Hercules, but they do bring it out on Air Canada.

Mr. Young: — Because they have a budget in the . . . (inaudible) . . . I'm sure.

Mr. Chairman: — It used to be the same woman did it for years and years. Her name was Penny Shapko.

Mr. Young: — So why don't we just use the feds on this stuff?

Mr. Chairman: — Because they initially said no to Craig.

Mr. Young: — I've had breakfast and you guys still haven't come around on this.

Mr. Chairman: — That is what I say. If this federal bureaucracy, as you refer to it, does not say yes, we're going to personally go and make our arguments.

Mr. Katzman: — Where are you going to buy the money?

Mr. Chairman: — For what?

Mr. Katzman: — To personally go and make your arguments.

Mr. Chairman: — If the committee won't cover it I'll pay for it myself. I'll leave that to the conscience of the

committee members.

Mr. Katzman: — Well I'm not being facetious when I say it, because if we can find the money to fly people out there, maybe we'll say, okay, we'll give you this much money because your budget's short. I mean if they're saying their budget's short, that's why they're not giving it to us . . . (inaudible) . . . Okay here's some money we'll pay to get your people out here. We'll pay their costs while they're here, but you send the equipment and the people.

Mr. Chairman: — My main argument Ralph, I don't think it will work to get someone from the university. To translate this is an acquired art. It's something that the more you do the better at it you get, and to get someone from the university who speaks both languages I think will provide you with awfully poor simultaneous translation. But my main argument is that we must establish the precedent that this body is treated as any other national body is and the secretariat provide the bloody services. And I don't understand what the problem is, apart from the fact that I think we're dealing with a difficult official in Ottawa.

Mr. Glauser: — Well they're probably looking at . . . You know, when you think of two people being at that conference that are French, and not much more, two people and the rest are all English speaking, it's probably the consideration that they're talking about because you're flying this stuff from Whitehorse to Timbuktu, to provide that service.

Mr. Chairman: — But the next one is in Quebec City. If we're not going to provide translation services in Regina, then I hope everyone's going to be happy as can be next year in Quebec City when it's all in French, and it will be. I say that: if you're satisfied with English in Regina, then I hope you're happy with French next year in Quebec because that's what's going to happen to you.

Mr. Katzman: — If I go to Quebec, I'll just get Pierre from the Speaker's office to sit next to me and I'll understand it all . . .

Mr. Chairman: — No, it won't work. You won't follow very much of it.

Mr. Young: — I think the cost of bilingualism is too high.

Mr. Weiman: — I think what we'll be doing is jousting at imaginary ghosts. That thing when we were up at Yellowknife three years back, Mr. Chairman, that was simultaneous-quadrilateral translation. You remember — Dene, Inuit, English, and French. Do you recall that?

Mr. Chairman: — Yes, in Yellowknife.

Mr. Weiman: — It was quadrilateral. I can't see any great difficulty in that. I think we're just jousting at ghosts. Go ahead and find out what the feds say.

Mr. Chairman: — Okay, agreed. Perhaps we are.

Mr. Engel: — Mr. Chairman, I have a real problem with this committee making plans for the future. It really

bothers me . . . (inaudible interjection) . . . No, but I know for a fact not one of you guys are going to be there.

Mr. Katzman: — You're talking July? You know the mandate of the government doesn't run out till the 8th of June 1987.

Mr. Chairman: — I want to disagree with my good friend and colleague from Assiniboia-Gravelbourg. The committee must make plans and we must have the authority to bind our successors in office. There's no assurance at all that there's going to be an election before the 8th of July. Even if there were, some decisions have to be taken. Those decisions have got to be made, and the member from Saskatoon Fairview has every bit as much authority now to participate in those decision-makings as he did before he announced he wasn't going to run again. I think the member from Assiniboia-Gravelbourg was just trying to enliven the proceedings . . . (inaudible interjection) . . .

Mr. Weiman: — If not more, if one considers my attendance record as opposed to the member from Assiniboia-Gravelbourg.

Mr. Chairman: — Order, order. Okay. That's all for that. Is there anything that you gentlemen want to raise with respect to the conference in July?

Mr. Lutz: — Thank you, Mr. Chairman. We are also conducting some ongoing negotiations with this thing in Ottawa on the translation. They have pleaded with us that their budget won't support bringing the two people and the equipment to Regina. we are saying to them, fine; you tell us what it's going to cost. We're prepared to bill each of the 11 jurisdictions with auditors who will be paying this cost, and we'll pay them to come to Regina, which will remove their objection, if that's what the objection is. Certainly it's going to bring it down to, why won't you come here? If we offer to pay them, then the budget objection is gone. And I suspect we can get the whole schmeer here for something like \$1,000 a jurisdiction, or maybe less. I don't know.

Mr. Chairman: — It would be less than that.

Mr. Lutz: — That's right. And I'm sure that Mr. Ken Dye in Ottawa and Mr. Joe McGrath in Newfoundland will be quite prepared to pay \$1,000 a head to put up the French-English translation. Because I do know that when we have our joint session with the PAC people, while Mr. Rhéal Chatelain, the Auditor General of Quebec, is fluently bilingual, the minute his political masters sit at that table, he does not have a word of English. And I understand that, and he has no choice in the matter. So we have made the offer that we will pay them. Now tell us how much. We will try to keep Craig advised as to how this is going on, and hopefully you people can keep us advised. I can see no reason why they won't be here, for a nominal sum for each jurisdiction.

Mr. Chairman: — That's why he's your Provincial Auditor and we are merely members of the committee. That's a great idea; I wish I had thought of it, because you'll never get a bill. But it's a great bluff. Good idea.

Mr. Lutz: — If we can't get the translation people here for whatever reason, then we will hold our conference in English and we will pay the price another year when we have to hold it someplace else in French. And I can't help that.

Mr. Chairman: — I just don't think that will happen. I happen to believe the Prime Minister when he expresses his support for bilingualism. I think he means it. He is from Quebec, after all.

Mr. Glauser: — Does this mean, then, that we end up with two sets?

Mr. Chairman: — No. It's the same people, Cal.

A Member: — It's the same people.

Mr. Glauser: — But when you hold your joint sessions, fine. But when you're meeting independently . . .

Mr. Lutz: — But there's not that much equipment involved, really. It's the people, primarily, that will cost the money, I believe. There will be their transportation out and back, which is about 13, 1,400 . . .

Mr. Glauser: — No, but we are looking at two sets of equipment.

Mr. Lutz: — We may well be, yes. But I say, so what? If you're going to do it, you're going to do it.

Mr. Chairman: — The equipment is very simple.

Mr. Katzman: — The cost of the equipment is peanuts. The cost is going to be the extra flight, and that's why my comment to the chairman earlier: save your money on the flight and give the money to bring their guy back and forth.

Mr. Lutz: — If they're telling me the reason they can't come here is because of budget restraints, we've solved that problem for them. We'll pay them.

Mr. Chairman: — That's not a bad idea — not a bad idea. We'll keep that in mind.

Mr. Lutz: — We're going to try it. We've started . . . a couple weeks ago we've done this one.

Mr. Katzman: — Save your ticket money.

Mr. Chairman: — Okay. Anything else you want to comment on the conference?

Mr. Lutz: — I don't believe so, Mr. Chairman, except that there will probably be some attendees, ladies, come with them, I would think, including perhaps some of the PAC people. We're trying to do a bit of a social program for the ladies, which will include all of the ladies.

Mr. Chairman: — As well as the attendees at the public accounts.

Mr. Lutz: — Well, no. The social functions for the ladies happen all day when all these other members are

purportedly very busy. And that's the ladies' programs. We'll lay on the transport for them and we'll get them to fashion shows, and luncheons, and I don't know what all you want to get them to, but we'll get them there. The evening social functions aren't going to be very numerous because there's very few evenings. But we will keep your person involved on what's happening, and we would certainly welcome the PAC members' ladies to join in any social functions for the ladies. Now that was not always the case.

Mr. Katzman: — Mr. Chairman, I hate to dispute our hon. Provincial Auditor, but I would suggest he would say "the spouses," because nowadays there's quite often been males that are on the other side while the females are sitting at the table.

Mr. Lutz: — Okay.

Mr. Katzman: — When I was in Toronto the chairman was a lady from our side.

Mr. Lutz: — Yes. I submit to you, Mr. Chairman, that if my wife was one of these attendees and I was the spouse, I ain't getting on any bloody bus with 40 women to go to lunch and a fashion show. But that's all right.

Mr. Chairman: — Ah, the world changes, the world changes. He was, I note, using a word with no gender, that is, "attendee."

A Member: — "Bloody."

Mr. Chairman: — "Bloody" — neither one. Neither "bloody" nor "attendee" has any gender.

Mr. Lutz: — Mr. Chairman, we're trying to do a thing for the people, and we'll keep you informed . . . (inaudible interjection) . . .

Mr. Chairman: — Order, order, order. I think that's a good idea, because there's so few attendees that if you try to organize something separate, it gets to be a very small group. It's much better, I think, that the attendees from the Public Accounts Committee go together. Then they have a reasonable sized group. At best, only about half the delegates to the conference have attendees with them, as you describe it.

So anything else on attendees before we go on?

Mr. Young: — I just want to compliment the Clerk on the nice application that we got sent here — gosh, I don't know, a month, six weeks ago, something like that. Pretty good.

Mr. Katzman: — That's right. All of us in Saskatchewan are allowed to come.

Mr. Chairman: — That's right.

Mr. Lutz: — However, only spouses of official attendees will be invited to the social functions. We can't afford to pay for a couple of hundred.

Mr. Chairman: — Well I must tell the Provincial Auditor that all members of this committee are entitled to come, entitled to have their way paid, I guess, entitled to the per diem. And all spouses therefore become official attendees. So you may be flooded with Saskatchewan-based . . .

A Member: — Not all MLAs.

Mr. Chairman: — All members of the committee. That's what I meant to say.

Mr. James: — We've had a terrific response from public accounts committees across Canada so far. It looks like our conference this July could be the best in terms of turn-out than any previous conference. For instance, Ottawa is sending up to three times their usual delegation. And Ontario is sending their entire committee, which is 11 members, one committee Clerk, and one researcher.

Mr. Chairman: — Expo has to do with that.

A Member: — Yes, it's on the way to Expo.

Mr. James: — And some of the other jurisdictions as well, are increasing their participation in the conference.

Mr. Chairman: — Well all I can say is, I wish they'd hold an Expo every year then. I'd like to see more people attend this conference, not fewer. I think it's good for the committee members. I know this is an old movie . . .

Mr. Katzman: — . . . (inaudible) . . . discussions last time about our whole committee going or not going.

Mr. Chairman: — Well we should have sent them, too. I still felt that.

Mr. Kraus: — I was wondering whether officials such as ourselves are allowed to attend some of the sessions.

Mr. Chairman: — I meant to say that, that we will be . . . And the Clerk will shortly be sending this out, an official invitation to you and your staff to attend. As observers or delegates?

Mr. James: — Observers.

Mr. Chairman: — As observers. So you'll get an official invitation, and we do hope you take time out to attend our conference, Mr. Kraus. That'll include you and your staff.

Mr. Kraus: — Very good.

Mr. Katzman: — I will attempt to suggest that . . . (inaudible) . . . get Mr. Engel going again, I'm afraid, but let's make an assumption that he is correct, which I say is June 8, 1987 again . . . (inaudible) . . . Assuming the election is either had, being had, or completed . . .

Mr. Chairman: — If it's being had, we're going to have a heck of a problem, actually. That will be a disaster. I would like to say to the members of government caucus, that's not a very important consideration of calling an election. But if you call the election, if the vote is July

15th, that's going to be a bloody disaster.

Mr. Young: — We're no longer MLAs; we don't have that . . .

Mr. Chairman: — That's right. We'll just simply have to postpone the conference. I think that's all we could do.

Mr. Katzman: — Now I was going to make a suggestion, Mr. Chairman. You may not agree with me. There is a way around this one that's been done other places. I'm not sure if it's been done in this particular case. Yes, you've got the numbers counting now, but some of the members from this committee may be able to pull the three days away that is required, and that may be an option rather than cancelling it.

Mr. Chairman: — Our delegates might well be the member from Rosthern and the member from Saskatoon Fairview, and the member from . . . I'm sorry, I overlooked you, Kim.

Mr. Engel: — And the vice-chairman and the chairman?

Mr. Chairman: — People who aren't running again. Yes. That's what Ralph's saying.

Mr. Katzman: — Yes. I mean, let's not . . .

Mr. Young: — But we're not MLAs. When the writ dissolves the legislature, then we are not MLAs during the writ. So therefore we are not members.

Mr. Chairman: — All I can say is, pray to God I hope it doesn't happen.

Mr. Katzman: — Either way I'm suggesting, and Mr. Chairman, I make a second part of the suggestion. The second part of the suggestion is, Mr. Chairman, you may choose, subject to being an election and it's subject to it being completed by the July 8th date, some of the members that were on the committee may come back for resource people as has been done at other delegations when the election had just been completed and the new people really hadn't got a clue which way was up.

A Member: — Or hadn't even been appointed yet.

Mr. Katzman: — That's correct.

Mr. Engel: — If the session isn't called after the election, you haven't got a Public Accounts Committee, so you'd have to go with the old one.

Mr. Katzman: — You'd have to go with the old ones. It's like the Speaker, it's the same process. Oh, no. We've changed the rule now. The Speaker is there until . . .

Mr. Chairman: — Well, let's just hope that doesn't happen. If there's an election . . . I think the chances of an election, a vote on July 15th, I would think would be slim. Perhaps not.

Mr. Katzman: — I think you have two options: we'll all still be active, or there will be election before . . . (inaudible) . . .

Mr. Chairman: — Let us agree to the following, just in case this happens. If an election intervenes and no new members are appointed, the Speaker will be requested to appoint the old members to the committee with a possible change in chairman — there's no problem with Cal acting as chairman — if there's a change in government. I'm not now trying to start an argument. I'm still trying to promulgate a rule that we'll all agree to.

Mr. Katzman: — I can't agree. I would suggest that it would be improper because if there is a . . . it shouldn't be. It should be . . . The Executive Council would be asked.

Mr. Chairman: — For what?

Mr. Katzman: — For an order in council to allow these people to act.

Mr. James: — Last year in Whitehorse . . . Of course Ontario had their provincial election in the spring, and although they had a House, they didn't have any committees. And the Speaker designated certain individuals to attend on behalf of the Assembly, but not on behalf of the Public Accounts Committee. It so happened that the people that were attending were former Public Accounts Committee members. So it worked out fine. But the Speaker did, in Ontario, had that provision that he was allowed to do that.

Mr. Katzman: — What's our legislation on that? I thought our legislation . . . Basically the Speaker is dead. Now just hear me through. Because of the situation with Brockelbank and the changing of government, Mr. Brockelbank was still the Speaker until the House got together and elected a new Speaker.

Mr. James: — That's right.

Mr. Katzman: — Therefore, even if there is not a change in government, the Speaker is dissolved as well and has to be reappointed when the House starts again.

Mr. James: — But he's still Speaker up and to that point . . .

A Member: — Until a new Speaker's appointed.

Mr. Katzman: — No.

Mr. James: — Oh, yes, yes.

Mr. Katzman: — No, I think that was changed.

A Member: — No, you're wrong. You're wrong.

Mr. Katzman: — No. If Mr. Swan is re-elected, the Conservative government is re-elected, Mr. Swan . . .

Mr. Chairman: — If no issue arises, obviously he's still the Speaker.

Mr. Katzman: — No, no. I believe . . . (inaudible interjection) . . . Now, just a minute, and I would like the Clerk to check it — that we had passed something following the problems with Mr. Brockelbank having to be Speaker until a new Speaker . . . That there was

something said that the Lieutenant Governor would appoint the Speaker when the Speaker wasn't . . . the Brock situation. Now there was something done about it and I don't remember what it was, but there was somehow that the premier just says, okay, he's the Speaker, but it has to be validated or something. So if there's a government change, then Blakeney would say, he's the Speaker. Herb wouldn't continue to function or if we're re-elected, then the premier would say, Herb is still the Speaker. There's something that they do. I don't know what it is.

A Member: — I'll follow up on that.

Mr. Chairman: — Perhaps we should get a report back from the Clerk if there's some dispute about it.

Mr. Weiman: — I don't know why we're playing silly bugger with this. You have my guarantee there isn't going to be an election during the committee, the . . . (inaudible) . . . What I would suggest . . .

Mr. Chairman: — Mr. Eisler, there's something here of interest to you. We're getting the election date.

Mr. Weiman: — What I would suggest, and very, very simply, no matter what scenario comes about, if this so-called scenario does happen that automatically we become ex officio members of it. And that's it. And that's the total committee. No change in chairmanship. No change in vice-chairmanship.

Mr. Chairman: — Unless the legislature sits.

Mr. Weiman: — You know, we just automatically become ex officio members.

Mr. Chairman: — Moved by the member from Saskatoon Fairview, seconded by the member from Regina Centre. You move it and I'll second it. That's what I was trying to say. Unless and until the legislature sits, the members of the committee carry on. It may be formally necessary to have us appointed by the Speaker, but we'll observe all due formalities.

Any comments about that?

Mr. Engel: — I think that if that motion can be clarified a little bit. You're saying, unless the House reconvenes and appoints a new committee . . .

A Member: — We are automatically ex officio members.

Mr. Engel: — . . . carry on until another one is appointed. I think that makes good sense. Then we'll avoid all the if's and but's and hassles because like I tried to point out earlier, it's rather ironic that we'd be planning for the future with . . . I won't even finish that sentence, Mr. Chairman.

Mr. Chairman: — I thank the member from Assiniboia-Gravelbourg for not finishing his sentence.

Mr. Weiman: — My only concern regarding that motion is that when the conference does take place, I'm going to be saddened by the depressed state of the various

members who will be there because I feel that they will be in a deep depression. But aside from that . . .

Mr. Katzman: — You mean the chairman that was the chairman that won't be re-elected . . .

Mr. Weiman: — I didn't say that.

Mr. Chairman: — Any of you guys want to come and run in Regina Centre, you're welcome to it. Okay. These political jibes apart, any other serious comments on this? If not, all in favour. Nemine contradicente. I think we still need to know. I think we still need your report on what the role of the Speaker is in this thing. Okay, now.

The Provincial Comptroller's Report to the Standing Committee on Public Accounts on matters raised in the committee's seventh report to the Legislative Assembly

Mr. Chairman: — Members have, I think, had a chance to look at this. Any comments or questions arising out of this report?

Mr. Katzman: — I still don't understand what item 2.5 means.

Mr. Chairman: — Perhaps Mr. Kraus can give you an explanation.

Mr. Kraus: — Well that's a situation where the auditor had concerns regarding the legislative mandate of this SaskPen as a legitimate pension fund investment vehicle. And that was where this agency or company was created so that a number of pension plans could invest in that particular company, and then that company in turn could make some real estate investment, if you recall that.

Mr. Katzman: — If I read your report, the bottom line says: we're going to keep doing it; we'll either make the legislation change to make it legal, or we'll make sure that the existing legislation is legal. Do I read it right?

Mr. Kraus: — That's right. In fact, I think the department continues to feel that probably they have sufficient legislative authority; however, they're still . . . Justice and Finance is working on it to determine whether they shouldn't make some amendments.

Mr. Katzman: — That's my feeling too, because that was . . .

A Member: — Does the auditor have a comment on that?

Mr. Lutz: — I don't believe so, Mr. Chairman. I think, if they're looking at it, we really can't comment till they tell us they've ceased looking at it.

Mr. Katzman: — I think the committee last year, Mr. Auditor, suggested: get an answer, tell us if you do or don't have the authority; and if you don't have it and you're going to do it, then change your authority; otherwise, cease and desist.

Mr. Lutz: — Mr. Chairman, Mr. Katzman, last year the committee actually recommended that the proposals I had included in my report respecting SaskPen should be

adopted.

Mr. Katzman: — That was that they would make themselves legal and continue to do what they're doing.

Mr. Lutz: — That's right. My point was: if you're not allowed to invest in this real estate directly, you shouldn't be able to buy shares in a company whose only asset is this real estate which you couldn't invest in.

Mr. Katzman: — So if you're going to do it, do it properly; amend your legislation or quit doing it. That's what I said. Cease or desist, or correct. And the committee agreed with you.

Mr. Lutz: — Yes.

Mr. Katzman: — And now they're saying, yes, we're checking to make sure if we have to change the laws or not, which is exactly what we asked for. 2.9's okay.

Mr. Kraus: — Any questions on 2.10? 2.10, the first part of it is the E&H tax problem. Part 1 is the E&H tax issue that the Provincial Auditor has raised for a number of years. And the department responsible is advising that they are looking at a new audit selection system that's going to assist them in ensuring that revenues and coverage are maximized. I'm not sure that that would satisfy the auditor, but I do know that's the department's position on it.

Mr. Katzman: — Well that goes back to the same old argument. How much does it cost . . . The auditor has no . . . And it's truthful. He shouldn't have. His concern shouldn't be what it costs for them to make sure they're getting their money. His concern should be: they're doing a good job or not. And he says, I don't believe that they're doing sufficient audits.

The department is saying, if we do more audits it's going to cost us more money, and the amount of money coming in will be not enough to pay the cost of the audit; therefore, for the ones we might catch, it's not worth doing. So you're damned either way.

Mr. Benson: — Well I don't think that's what the auditor is saying.

Mr. Katzman: — What's the auditor saying? Am I misreading it? You're saying that they're supposed to make sure that there is sufficient audits, make sure that they're getting their funds. They're saying to do what you want, Mr. Auditor, Provincial Auditor, we can't afford it.

Mr. Lutz: — Yes. Well I think a point we're trying to make here, of several, is that, in my view, the department should have already done a review of this situation, duly documented, so that all parties can understand what they have done and be able to assess what they have done.

And I guess the other point I make is that these are trust moneys out there. It's not like it's self-adjusting tax. It's my money, your money, people's money in the hands of the retailers and it's supposed to be here, not out there.

Now, if Mr. Kraus tells me he's going to do a study of this

thing, I would hope that they document their study. I would also hope that I will have access to a copy so we can assess the position and see where it's going.

Mr. Kraus: — I think, Mr. Lutz, I wasn't saying I was going to do a study, but the department responsible has said that they're establishing a new audit selection system that will assist in ensuring that both revenues and coverage are maximized. I do not believe they'll actually be undertaking a study to determine whether or not . . .

Mr. Chairman: — Cost-effective balance.

Mr. Kraus: — It's a cost-effective balance. That's correct.

Mr. Lutz: — The Department of Revenue and Financial Services will be doing this study.

Mr. Kraus: — Well they'll be doing what they're saying . . .

Mr. Lutz: — Well they're not going to do a study?

Mr. Kraus: — As far as I know they will have their . . . They're in a better position than I am to address it, but I don't believe that they'll be undertaking a study, no.

I think what they are trying to do and, quite frankly, is ensure that they're getting the most coverage they can with the resources that are made available to them.

Mr. Glauser: — What has changed to have this . . . You know, what has been the change in procedures that you feel . . .

Mr. Young: — We're just talking straight field audits, not what goes on in the department. If it's the guy that goes in the car it's . . . (inaudible) . . .

Mr. Kraus: — It's really a combination of both. They're able to do work at the desk as well as out in the field. Obviously there's a combination of both, and they're constantly juggling their procedures. Like, they obviously are looking for those individuals, or companies I guess it would be, that appear to be not paying their fair share or are not collecting on a . . . Their collections aren't coming in some type of consistent pattern.

And from there I know that they then begin to decide who they're going to audit. They're trying to assess where the greatest risk is and they can do that in part from the desk, and then they select the companies to be audited and out they go. But I know that they do not have the resources, obviously, to audit everyone by any means.

And they are constantly — as I can't say it often enough — I guess is juggling how they can go where the risk . . . They try to go where the risk is the highest with the resources made available, and the last part is really the key.

Mr. Lutz: — Mr. Chairman, annually, when we write my report we go back over the last several sittings of this committee and we endeavour to keep track of the recommendations this committee has made and, in this case, I'm reporting to the committee members that one of the recommendations that was made to this committee

has not been complied with.

Mr. Chairman: — I see more than one area in the comptroller's report where there's a failure to resolve the problems to the satisfaction of all concerned. My suggestion to members of the committee is that when we're going through the Provincial Auditor's report, as I assume we will do at the next meeting, we keep these things in mind and we may want to recall these departments and bludgeon them a bit further to see if we can get the problem resolved.

Mr. Kraus: — In this case, I feel the department can speak to it best. I think on the next issue, 2.11, we have to speak to it as well as municipal employees. Well on 2.11, we've had an ongoing discussion with the auditor and it gets pretty technical to say the least. We have, and they have had their lawyers involved. We've also been talking to the Canadian Institute of Chartered Accountants, who has a technical advisory board and so on. And after a considerable effort, I believe we may be seeing a resolution. It's not that we're not trying to resolve it, it's just that we as professionals have different opinions. We are at this point, as I understand it, looking at perhaps some suitable changes in the words of the existing legislation so that we could both be satisfied. We've been asked to work on this last year and we did work on it, but we kept coming to a point of disagreement.

Mr. Chairman: — Perhaps, what we'll do with that . . . In that case, Mr. Kraus, perhaps the way to handle that would be to leave the Department of Rural Development until the end. We may then decide we want to defer it further to give you a chance to work on it over the summer, or if you think the bear is coming out of the cave and the thing is about to be resolved, then we may . . .

Mr. Kraus: — If the auditor's staff would concur that it appears that there might be a light at the end of the tunnel here, then I would support that.

Mr. Chairman: — Is it the end of the tunnel or the train coming down the tracks . . .

A Member: — Did you read that article?

A Member: — No.

Mr. Chairman: — Anyway that was a facetious comment to which I don't deserve a reply.

Mr. Lutz: — Mr. Chairman, before this goes away, in case this particular matter does get moved down in priority I would perhaps . . .

Mr. Chairman: — Not moved down in priority, moved forward in terms of dealing with it.

Mr. Lutz: — Well whatever, I would like perhaps to have Mr. Atkinson respond to Mr. Kraus's comments at this time so that the members may have some appreciation of what we perceive as the problem. Brian, if you would, please.

Mr. Atkinson: — I don't think the problem is any different than what we've stated in the past. We've made our

opinion as to what presents fairly with the existing legislation. If it is necessary to change the legislation to allow the commission to report differently, then we have currently our lawyer looking into what would be an appropriate legislative amendment. I don't know whether that will resolve it to the committee's satisfaction. It will allow the commission to report in the manner that they have in the past. The only different will be that there won't be a qualified auditor's report attached to the financial statements. That's the only difference.

Mr. Katzman: — I'm afraid my dander is going to get up today. It's starting to be one of those days. As far as I'm concerned, the municipal employees' pension plan has got to be broken out properly. No more fooling around. They're the only ones that don't seem to want to correspond with everybody else — formula plans and the purchase plan shown everywhere else separately somehow, and I don't know why this particular group is being different.

Now I know that the moneys have been put in and the way they've been put in. And they've mixed them up and they've played all kinds of games — not intentional games to cause problems, but they're just doing what they thought was proper legit. And I am one who I guess spent more time fooling around with pensions than any other member because I've had some interest there, being a former chairman of the pension plan.

And what I'm saying is, to heck with you guys. I don't care what your comptroller says; I don't care what your accountant says; I don't care what anybody says any more. Separate the sucker and let's get it done, because we can find legal opinions to tell us no matter which way we're going. And I don't care anymore. Separate them. They've got to be able to be shown both fairly, so the employees know what's going on and where the benefits are coming. And I know that some people don't like that but that's my strong opinion.

Mr. Atkinson: — Mr. Chairman, Mr. Katzman, although we currently have our lawyer looking at this matter to attempt to change the legislation to allow the commission to report their activities in the same fashion that they have currently that has resulted in a qualified auditor's opinion, I've indicated to the comptroller's office that when this amendment is arrived at by our sister, I'll pass it on to them. But the comments that are going to go with it is that, here's what will fix your problem, but it does not result in good reporting.

Mr. Katzman: — It doesn't result in good reporting.

Mr. Atkinson: — In my opinion it will not result in good reporting. It will report in accordance with the law, but you'll have to change the law to do it.

Mr. Chairman: — Sounds like we're going to be calling the Department of Rural Development.

Mr. Kraus: — I think as Mr. Katzman said: how should they operate? And it seemed to us that the commission was somewhat in control of their destiny subject to legislative direction. And if the legislative committee says change — if I can put it that way — I suspect that will put a

different perspective on it. Because they think what they're doing is just correct, and that's the way they want to continue, you see.

Mr. Katzman: — That's correct. Maybe I'm misreading, but my understanding of this committee is: they met with some of us privately, trying to convince us to go their way; they met with the committee. And I am still of the opinion — balderdash — report them separate. That's the end of that.

We told them last year, that's it. We don't care what they think any more. Report them separately like everybody else. Do what you've got to do. If we've got to change legislation, we change it. But no more of this being different, the odd man out in the whole system.

Mr. Young: — We all know all they have to do is comply with the legislation. You're wanting them to stand on their head, and they're saying, by law we don't have to stand on our head.

Mr. Katzman: — No, no, but there's an argument between those involved saying, you can't do it. They say they can. We said, stop fooling around. The auditor is right, 100 per cent, as far as I'm concerned. You have to report them separately. They're saying they don't have to.

Mr. Chairman: — Well, I must say our motion last year didn't exactly rivet them to their seats. We recommended last year, page 55:

That the Public Accounts Committee recommend to the Municipal Employees Superannuation Fund that the fund should report its activities . . .

It's basically your motion. I gather from the comments of the comptroller, that life goes merrily on in the superannuation plan.

Mr. Kraus: — I was just going to say that there are . . . this is the problem that exists, or not the problem, but the situation is you have a commission that's represented by — probably some government people sit on it as well as the employer groups, that being your municipalities and your employee groups, that would be your secretaries and so on, and of course they like the way it's being run. This is the way they would like to see it operate, and the people that have constructed the thing say this is what we wanted. But there appears to be something inappropriate about it. I don't disagree. It's just that if everybody says this is the way we're going to do it, and the legislature says, okay, that's the way you can do it, well then that's the way it's done. But if someone else, if the legislature says no, you won't do it that way, that puts a different light on it for the commission.

Mr. Chairman: — Well they seem to be tenacious in their views. If they are, I guess we're going to give them an opportunity to defend that tenacity before the committee.

Mr. Katzman: — I don't think that they're last in here; I think they're first in here. I'm the reverse of you, Mr. Chairman.

Mr. Chairman: — All right, we have them in first.

Mr. Katzman: — I think they're first in here and we settle this issue once . . . Because it's not what the lawyers say any more, it's: are you going to conform. And what they're saying is, because they have a surplus and because they can play some games with this surplus if they leave it in one account, where if they have to split it up they can't do the benefit game that they want to play by changing benefits for those who aren't paying for them . . . Let's put it in a nutshell; that's what they want to do. If they don't separate them, they can give benefits to those who never paid for them. If they have to separate, they can't play that game anymore.

Mr. Chairman: — I was going to suggest to the members of the committee that we meet again next Thursday, for reasons I'll explain. I'm not suggesting we meet before that. Perhaps since this is not, it doesn't arise primarily out of the Provincial Auditor's report but does arise out of the comptroller's report; perhaps we should agree to call them next Thursday and nail the beggars and see if we can't solve the problem. Mr. Atkinson.

Mr. Atkinson: — Mr. Chairman, Mr. Katzman, what you're saying is true. They are, in fact, operating in accordance with the law. They can do all the things that you say, but that is in accordance with the law. The problem that we're having is not the fact that they are operating in accordance with their law. I mean, that's fine. What we're talking about is how you financially report those operations.

We're not talking about changing how they operate; that's not the issue. They will operate in accordance with their law, as everybody should. The concern that we have is not the operations; it's the financial reporting. In other words, it's fine that you're operating in accordance with that legislative set of rules, but then how do you financially report that activity?

Mr. Katzman: — Because the rules allow them to do that on one game that I referred to, and that's what they're trying to cover. The rules are clear; they can do it. Except what they're doing is giving benefits to those who never paid for them and taking away possible future benefits from those who actually paid for them.

Mr. Chairman: — You're probably right.

Mr. Engel: — I don't think that my role on this committee is one to tell the municipal people that: look you didn't have a pension plan back there that doesn't cover somebody, don't change your plan now that it doesn't cover those — or whatever. I don't think I want to do that.

I think my concern is that we try and come up with some kind of a reporting mechanism that would satisfy the auditors. I think our basic thing isn't to change their pension plan and say: look, this one isn't being covered, or that one isn't being covered. If they have a piece of legislation that outlines the kind of pension plan they are offering . . . In that plan if they tried to get into a plan to cover off an area that wasn't covered for some employees in the past and saying, this is how we can put a plan together that will pay those guys some pension that normally wouldn't get any, you know, because if they

don't run into an unfunded plan type of an operation — if that's what they're trying to do I'm not here to say I'm going to stand in their way and say: report it, do this or do that, or split the plan up or do whatever — I think we should be doing what's being suggested here by the auditor, is that their reporting is such that we know what the heck is going on and that there's no misuse of the funds.

And to me it isn't a misuse of the funds if they have a plan in place that is trying to cover off some of the former employees that weren't covered before. So I don't think I'm anxious that they change their law or change their plan or cover off a guy that is working for them now. I think they are trying to cover off some of their former secretaries that didn't have a good pension plan.

Mr. Chairman: — May I make a suggestion here? Order, order, order. May I make a suggestion here? My views are tempered, in part, by the fact that I've got to run; I've got to run at 11 o'clock. But may I make a suggestion that we adjourn the discussion until we have the witnesses before us, and then we can have a thorough go at it in an informed fashion when they are here to answer questions. I'm not sure this is productive, gentlemen.

Mr. Katzman: — One comment and then I will agree with you, Mr. Chairman. I want this on the comments so they can be prepared to comment on it Thursday, and that's why I'm putting it on.

The understanding this committee had last year, they reported their funds as one grouping, and they have both the cash plan and the formula plan. What the auditor said is, when you report that way, we do not know which fund part of it is of . . . You're giving benefits which would make you unfunded liability and which part has surplus because they've rolled them both together.

If they so wish to give people, who didn't earn benefits, benefits, that's fine, but that should be charged to a separate fund rather than the people who are presently paying. If they want to put extra money in, as cities and other communities have put in, that's perfectly fair to give them benefits. But that those who now are paying on a cash purchase plan should know what their cash purchase plan is, separate from the funded plan. And they've mixed the cash purchase plan and the formula plan up.

Mr. Chairman: — I see the nodding of heads by the members of the Provincial Auditor's staff, so I gather that you state, in part, at least their concern.

Is it agreed, gentlemen, that we'll pick this up again when the witnesses are before us? I think the discussion would be more productive.

Anything else arising out of the comptroller's report?

Mr. Kraus: — I think 2.31, the next item, we are working towards resolving the issue, or most of the issue, so I feel we're making strides on that one, as we say there. We are going to be getting information from the federal government that will help verify how many grants were received by the museum from the Government of

Canada. So that looks positive.

Mr. Katzman: — Are we done with the legal suit that was going on? Are we done with that suit — was it Phelps, or somebody that was yelling, that stuff belongs to me?

Mr. Kraus: — I'm not aware of that.

Mr. Katzman: — No, no, it's the same issue. There was a bunch of people donated things to the museum — isn't this the issue?

Mr. Kraus: — I don't think that was the issue.

Mr. Katzman: — Okay, sorry. It's a different issue. A different issue then; fair game, okay.

Mr. Chairman: — On Thursday, we, I think, want to go through the Provincial Auditor's report as we usually do. Do the members of the committee want to leave this municipal pension commission as the first department following the Provincial Auditor's report, or do you want to bludgeon them beforehand?

The member from Rosthern is nodding his head; he wants to bludgeon them now, rather than later.

Mr. Weiman: — Well I'm just going from the short past experience on this committee. I suspect it's going to take us a little bit of time just to go through the auditor's report and to pick out our priorities and that we should have our focus just on that alone.

Once we reach our priorities, and as the member of Rosthern has indicated already, he feels that the first priority should be the municipal people, then we can place them in that particular sequence.

But I think we should be spending the next meeting just digesting and focusing just on the auditor's report and selling our priorities for future meetings.

Mr. Chairman: — We have two different views stated, gentlemen. What's your pleasure?

Mr. Katzman: — My view is, Mr. Chairman, that we bring the one group of people in, because we have them here, the Provincial Auditor is here anyway, and when we're done with him, if it's quick, fine, we're onto his report. If we take all day, we haven't . . . And these people come from other places than Regina. Am I correct? I think one of them was Saskatoon, if I remember correctly last time.

A Member: — I don't know.

A Member: — For municipal . . .

Mr. Katzman: — Yes, I think one of the guys came from Saskatoon.

Mr. Lutz: — I believe in the past we have met with this committee Tuesday, Wednesday, Thursday. Is that correct? Have we any kind of a general meeting schedule lined up for this term so that we can get some kind of a feel for it?

Mr. Chairman: — No, I was going to . . . This is, I guess, the time to introduce that problem which has been relayed to me informally, and that is that I gather the government caucus is now meeting on Wednesday, and there was some suggestion the committee might want to meet on Tuesdays and Thursdays. We went last year to a two . . . to longer meetings, and just two a week.

I am now informed informally that the date of the . . . the timing of the government caucus meeting may be reconsidered. A Tuesday meeting would be extremely awkward for me and I . . . That's not a reason to reschedule your meetings. I don't necessarily have to attend — I don't know if we need a chairman. But a Tuesday meeting would be just extremely awkward for me. I assumed that we're going to meet Wednesday and Thursday, and I made plans that I'm going to have difficulty changing.

Mr. Weiman: — Again, if I may interject, I think that that type of housekeeping duty again is something that can be taken up at that Thursday meeting when we go through the auditor's report; set the priorities, because there may be some issues that may have been resolved by that time.

Mr. Chairman: — You mean with respect to the timing of the meetings? Yes. They may have been. Something may have been resolved, who knows? It can always happen.

Mr. Young: — Getting back to the initial topic that's between Weiman and Katzman here, I got to go with Katzman on this one because regardless of which ones we check off in the book, we're going to go with these municipal employees, anyhow. So we can do them first without checking off any, but we know we're going to do them. And gosh knows where they come from — I don't know — but certainly efficiencies would suggest that we should do them first so that they're here for the shortest period of time.

And I want to go on record. I think that, if Mr. Katzman is proved to be right in how he overviews this whole thing, I have to commend him on his insight. Maybe it's partially due to the fact that he was a municipal employee working for the city of Saskatoon prior to getting elected. But I'm really impressed with the apparent insight that he has into what's happening in that pension fund. And if he's proved to be right, then I think he needs an accolade from a lot of people.

Mr. Chairman: — Anybody else have any views on the Weiman-Katzman dispute here? I'm kind of with Weiman. From my view, it's more rational to have an overview of the Provincial Auditor's report and then call our first department. I gather, and I think, Ralph, you're the lone dissenter here.

A Member: — No . . . (inaudible) . . .

Mr. Chairman: — Oh, I thought you were with Weiman.

A Member: — Oh, hell no.

Mr. Chairman: — Oh, I misunderstood your comments.

Mr. Glauser: — Well I wanted to get a word in there, but

you cut this off.

Mr. Chairman: — I'm very sorry. It certainly wasn't intentional.

Mr. Glauser: — No, it's a revealing thing, and I think that it should have the attention, as was very evident when we discussed this a year ago — that that reporting would reveal what is actually happening in there — and it deserves the attention that Mr. Katzman has . . .

Mr. Chairman: — So you're in the Katzman corner as well.

Mr. Glauser: — Yes.

Mr. Chairman: — Which corner . . .

Mr. Engel: — . . . (inaudible) . . . without looking at the auditor's report or looking at . . .

Mr. Glauser: — We're going to do it anyway, so . . .

Mr. Benson: — Just by way of information, it's important to realize that the chairman . . . (inaudible) . . . is from Saskatoon, so whatever you do . . .

Mr. Chairman: — All right. So that is accurate. Member from Assiniboia-Gravelbourg, do you care how we handle this?

Mr. Engel: — Well, I think we should go through the normal process we go through — the auditor's report — and see how much we have to do, and then we'll line up who we're going to call and when we call them. I have no objection to calling the municipal pension people, municipal employees' superannuation fund people, or whoever you want to call here, first on the list. But I think we should get an overview on Thursday as to where we're going to go, and what we're going to do, and then bring those people in because it looks like they'll maybe bring a lawyer down; they want to do this and do that, and they might need some time for preparation on that. I think we should look at the entire report and then decided what order we're going to call them, rather than start slapping around like Topsy and not having a plan to go on.

Mr. Katzman: — Except, Mr. Engel, I'm very strong on this one because it is the first time we have had, in all my years, a group that's been told to do something defy the committee, and that's what they're doing. They've told this committee to go to Sam. We don't know nothing. And that's why I'm saying, rules thrown away, I want him on that chair, on record, and we're going to settle this once and for all. Either he proves we're right, we're wrong, or we tell him to change.

Mr. Engel: — We can be just as tough, Mr. Chairman, we can be just as tough once we've got a plan of action and everything in place. I agree with my brother member from Rosthern that that's important for the committee to take action and get an explanation. But I don't think it's the kind of thing that we have to upset . . .

Mr. Chairman: — Yes, I do. I get a vote.

Mr. Engel: — Mr. Chairman, can we have some order here.

A Member: — You're a non-voting member.

Mr. Chairman: — But I do get a vote.

Mr. Engel: — I'm in a middle of a sentence, Mr. Chairman.

Mr. Chairman: — I'm sorry.

Mr. Engel: — I don't think we have to upset the plan and strategy of public accounts committees from over history, since back in '71 when I've been around here, that you have a series of meetings when you decide who you're going to call; you line them up in the order you're going to call them in, and then you start calling them once we've gone through these auditor's reports with the letters and stuff that comes from the comptroller's office. I think we should follow that plan and not get so hasty and have our tempers flare up, that we're going to call these people right now before we do anything else, at the first possible meeting. I don't think we need to do that.

Mr. Weiman: — Aside from the fact that a vote wasn't called on this, and aside from the fact that I've been swayed by the eloquence and the presentations of colleagues around the table, and also to the point that I'm now a believer in impasses, and it looks like it's going to be that way, I will rescind my suggestion.

Mr. Chairman: — I think the member from Saskatoon Fairview is just ashamed of the company he's keeping. He doesn't want to be with the two opposition members alone against his own caucus. Well it looks like the member from Assiniboia-Gravelbourg and I are in a minority.

Mr. Engel: — You mean we're electing to have no plan strategy and go through the paper and decide who we're going to call . . .

Mr. Chairman: — I think it's four to two.

Mr. Engel: — I want to register strong objection to that kind of process and say that the decorum of this Public Accounts Committee is getting into the political arena.

Mr. Chairman: — Heaven forbid that we should be politicians.

Mr. Katzman: — Mr. Chairman, I think what we've decided is that it's the first time we've had somebody tell the committee that we're not listening to you, and we're bring them ahead of everybody else to settle it once and for all.

Mr. Engel: — I disagree with that assessment of what the Public Accounts Committee has done in the past.

Mr. Chairman: — Anyway, I gather it is now four to two as I hear the view spoken, the member from Saskatoon Fairview having lost his nerve. I therefore take it that, while you and I are right, we're in a minority, Allen. From Thursday, 9 a.m., start off with the employees from the

municipal pension commission, whatever you call it.

Mr. Weiman: — I just want to interject one more time. The member from Fairview may have lost his nerve, but has gained some wisdom.

Mr. Chairman: — Anything else for the good and welfare before we scram? Nine o'clock, Thursday.

The committee adjourned at 11 a.m.