

# STANDING COMMITTEE ON PUBLIC ACCOUNTS

June 5, 1986

**Mr. Vice-Chairman:** — I call the meeting to order and get on with the first item of business.

**Mr. James:** — Mr. Vice-Chairman and members of the committee, the first item of business on our agenda today is the election of a chairman, and nominations are open for chairman of the Public Accounts Committee.

**A Member:** — May I ask why?

**Mr. James:** — Are you asking me?

**Mr. Katzman:** — Last time we had a chairman resign and the vice-chairman stayed in the Chair, we didn't bother replacing the chairman.

**Mr. James:** — No, the usual procedure in the committee and the same as in the House is where there happens not to be a Speaker and there happens not to be a Chairman, the first order of business is the election of the Speaker or the Chairman, and that's the first item of business this morning.

**Mr. Katzman:** — I'm not arguing; I'm just saying both precedents have taken place in this committee.

**Mr. James:** — Then they may possibly be bad precedents.

**Mr. Vice-Chairman:** — I think we will carry on and consider the nomination for . . .

**Mr. Weiman:** — Just one question. Traditionally it's always — not traditionally — in fact, it's always been a member of the opposition?

**A Member:** — No.

**Mr. Shillington:** — I will nominate Allen Engel, member for Assiniboia-Gravelbourg.

**Mr. Vice-Chairman:** — We need a seconder for that.

**A Member:** — Hold it, I thought there was a question asked?

**Mr. Shillington:** — Oh, I thought his question was answered. I'm sorry.

**Mr. James:** — Mr. Weiman, I refer you to the report of the special committee on public accounts procedures which was concurred in February, 1964. And in it says that the special committee recommends, item no. 2:

That the chairman of the Public Accounts Committee be a member of the opposition, while representation on the committee be based on the voting strength of parties in the legislature.

And that's where the tradition comes in in terms of an opposition chairman.

**Mr. Katzman:** — Mr. Clerk, is there a report on . . .

**Mr. Vice-Chairman:** — Could I have a seconder for the motion that is on the floor first.

**Mr. Katzman:** — I want to clarify something, Mr. Chairman. Is there not — and I don't remember who was the chairman of the committee; it might have been . . . I know Andrews was on it, Berntson, Lane, Romanow and a bunch of others, in the last House. It's the one that brought about the Board of Internal Economy. I think that one also made that kind of recommendation. Am I correct in this, or do you not have that document?

**Mr. James:** — I don't have that with me, but I believe you're correct, yes.

**Mr. Katzman:** — So that what I'm trying to say, is it says "opposition member." I'm trying to make that point. It doesn't say the "official opposition," it says an "opposition member."

**Mr. James:** — That's correct, yes.

**A Member:** — So it could be Billy.

**Mr. James:** — If he were so chosen, yes.

**Mr. Meagher:** — I would like to ask a question as well. If a nomination is forthcoming from the committee, is the member free to refuse the nomination, or must he accept it?

**Mr. James:** — No, he can refuse.

**Mr. Shillington:** — Okay, if it's necessary to repeat my nomination, I nominate Allen Engel.

**Mr. Weiman:** — I will second that.

**Mr. Vice-Chairman:** — It has been moved the member from Regina Centre, seconded by the member from Saskatoon Fairview, that the member from Assiniboia-Gravelbourg be the new chairman of this committee. Is that agreed?

**A Member:** — No, there are some other nominations.

**Mr. Vice-Chairman:** — Oh, all right. Are there any further nominations then? I guess I'll put that question.

**Mr. Meagher:** — I would like to nominate Ned Shillington, member from Regina Centre.

**Mr. Young:** — I'll second that.

**Mr. Shillington:** — I'm not sure, Mr. Chairman, at what time it's appropriate to ask people if they'll stand. I will say, whatever the appropriate time is, I appreciate the courtesy of their so doing. I would have to decline the nomination.

**Mr. Young:** — It's a personality thing. Come on.

**Mr. Shillington:** — No, it's nothing, no personality thing.

**Mr. Katzman:** — Well Engel wants to do the job.

**A Member:** — No, it's between you and Engel, for us.

**Mr. Engel:** — I suppose, after that, I really do. Number one, I'm overwhelmed. I'm overwhelmed that ... (inaudible) ... by the opposition's choice of words. I think I'll leave it at ... There's certain conditions under which I would take the Chair. I'm not prepared to accept the nomination unless I can get an assurance, and I think what I'd like you to ... (inaudible interjection) ... Yes. What I'd like to do ... (inaudible interjection) ... No. What I'd like to say, first of all, that ... (inaudible interjection) ...

**Mr. Vice-Chairman:** — Member from Saskatoon Fairview.

**Mr. Engel:** — Can I not finish the statement?

**Mr. Vice-Chairman:** — Well, you're passing it around, and I thought I would just take a question while it's being passed around.

**Mr. Engel:** — Well if you would allow me to finish at least the middle of a sentence, Mr. Chairman, rather than ... I had a statement I was going to go through.

**Mr. Vice-Chairman:** — Go ahead.

**Mr. Engel:** — I'm not talking about ... What I'm circulating are six questions, Mr. Vice-Chairman, that we thought we should be ... our summary, or some of the questions we thought we should ask when my colleague resigned as chairman.

**Mr. Vice-Chairman:** — Order, order.

**Mr. Weiman:** — The question before the Table is the nomination of the member of Assiniboia-Gravelbourg to the Chair.

**Mr. Engel:** — Right.

**Mr. Weiman:** — The question before the Table has nothing to do with past meetings. And, as I may point out, I think it's an inappropriate ... and probably is a strong point of order that anyone seeking a nomination or agreeing to a nomination is non-conditional. You don't set conditions to nominations that you seek. Either you are seeking this nomination and agreeing to take it, or you're not seeking it.

**Mr. Engel:** — No, that's not true.

**Mr. Weiman:** — There are no conditions attached to a nomination. I've never heard of that. You know, it's like getting elected in my constituency. I wouldn't tell the people, unless you do these things for me, I'm not going to seek it.

**Mr. Katzman:** — Mr. Chairman, can I put another nomination in?

**Mr. Vice-Chairman:** — I'll take your nomination.

**Mr. Katzman:** — I want to nominate Billy Sveinson.

**Mr. Shillington:** — Is it that serious? It's the second or

third meeting he's attended.

**Mr. Weiman:** — I don't think Bill will come with a set of pre-conditions to seek a nomination.

**Mr. Vice-Chairman:** — Do we have a seconder?

**Mr. Katzman:** — Do you need a seconder in this committee?

**Mr. James:** — For nominations, yes.

**Mr. Katzman:** — For nomination, okay.

**Mr. Vice-Chairman:** — Do we have a seconder ... (inaudible interjection) ... Okay, we should have order here.

**Mr. Shillington:** — I'd like to make a point of order.

**Mr. Vice-Chairman:** — Well I think I'll speak to it first. And the way I'm going to address this is that I don't consider there being a point of order. What I do consider is that there's a motion for the election of the chairman on the floor, and I don't think that we can consider discussion on pre-conditions or things of that nature. We must consider the nomination in it's own light.

**Mr. Shillington:** — May we have some discussion ... is the motion debatable?

**Mr. Vice-Chairman:** — Yes.

**Mr. Shillington:** — Okay. Then we want to debate the motion.

**Mr. Katzman:** — ... be debating one motion?

**Mr. Shillington:** — The motion ... We want to debate the motion that ... the nomination. We want to discuss the nomination before it's voted on.

**Mr. Katzman:** — Oh, okay.

**Mr. Young:** — Discuss the nomination, not debate it. You can't debate it.

**Mr. Shillington:** — We don't want to debate it; we want to discuss the nomination.

**Mr. Meagher:** — Well has the member from Regina Centre formally declined my nomination?

**Mr. Shillington:** — Yes ... I don't know if I have, but I certainly will when the ... Yes, I have. I don't know when you're going to ask me if I'm going to decline it, but I'm going to decline it.

**Mr. Vice-Chairman:** — Well it was on record that you had declined, and ...

**Mr. Meagher:** — Would you decline even if the same conditions were ... (inaudible) ...

**Mr. Shillington:** — No. You can't ... (inaudible) ...

**A Member:** — You can't put a condition on it.

**Mr. Vice-Chairman:** — Order. The member for Regina Centre.

**Mr. Shillington:** — Would I decline if these conditions were agreed to? I don't think so. I don't think I would. This is . . . If I could . . . (inaudible) . . .

**Mr. Meagher:** — And you wouldn't accept a nomination even if these conditions were met?

**Mr. Shillington:** — Well I would . . . I say I would if these were agreed.

**Mr. Meagher:** — Oh, you would?

**Mr. Shillington:** — If things were agreed, yes.

**Mr. Meagher:** — Okay, so then we're coming to the real . . . (inaudible) . . .

**Mr. Shillington:** — This is an attempt to arrange . . . This is an attempt at a compromise position, gentlemen.

One of the things that was said to us in the hallways was that you felt this was going to be a wide-open discussion, which was going to consume the balance of this public accounts meetings, and next July, or in July we'd still be arguing about Pioneer Trust. We have thus attempted to limit the discussion. And we think these questions are reasonable; we don't think these questions impinge to seek any information that's confidential. It is an attempt to strike a compromise with you people.

I am not enamoured with the notion that any subject which is in the year under discussion is off limits. I still don't like that. I don't like the approach, but a democracy survives, thrives — survives through compromise, but this is an attempt to reach a compromise position, and that is why the member from Assiniboia-Gravelbourg wanted to make the points he did. This is our attempt to be reasonable and compromise on this issue since everyone found it so objectionable when we distributed this ahead of time; last time we didn't do that. But you may want to take a moment to consider the questions you just got.

**Mr. Engel:** — If I can make a further comment, Mr. Vice-Chairman, I would go along with the wishes of the government members on this committee, and I would withdraw my nomination if the committee would agree that we can discuss some of these questions because I feel that Ned's a good chairman. He's devoted a lot of time to it, and in light of this summer's events and all, I think the government is getting themselves backed into a corner by changing chairman over an issue of discussing questions that should be in order and are related to the year under review.

And we give you a specific example, saying we've only got about six specific areas that relate to questions under the year under review. And if we can discuss those, and if you agree to that, and then I'd even appreciate the member from P.A.'s motion, because I think Ned has proven over the years that he's reasonable, he does a good job, and he tries to involve as many of you in the

questioning as possible of the accounts.

And why shouldn't Public Accounts be able to talk about the past and what the Department of Finance's involvement was with Pioneer Trust. And that was just that simple, and if we can bring that to a head, and if we can get some agreement here, I'll withdraw the nomination by Mr. Shillington . . . (inaudible interjection) . . . No, I can refuse to accept the nomination.

**Mr. Weiman:** — Well first of all, let me clarify a couple of things. The comment made by the member of Assiniboia-Gravelbourg just now was said, stated, and I tried to take it down verbatim. I will probably have to paraphrase it. He said, the government is putting us, the Public Accounts Committee, in a difficult position. The government is not putting you in any difficult position.

**A Member:** — I said, the government members.

**Mr. Weiman:** — The government members are not putting you in any difficult position. It was not the government members or any one of those members who resigned as chairman. That was at the volition of the chairman himself. He determined that.

I find it objectionable that a person who is intending to become chairman of a non-partisan, Legislative Assembly, three-party committee would not agree or flatly disagree to that position without pre-conditions. I find that totally objectionable. This is supposed to be a totally non-biased committee. We don't set pre-conditions to become chairman or not to become chairman.

You either determine that you've been duly nominated, and I'm sure that you would have been duly nominated without your approval beforehand. You've been seconded by myself. The question at hand is whether you are going to stand or not stand. Now don't bring in all these periphery things of "I will, if . . ." "I won't, if . . ."

I made a statement last Thursday on the verbatim, and I'm just trying to find it; I can't find it. What you are doing, in fact, is blackmailing this committee.

**Mr. Engel:** — Right.

**Mr. Weiman:** — Well, I hope you understood what you just said — "right."

**Mr. Engel:** — Let the record show . . . May I give an answer to that?

**Mr. Weiman:** — I'm not finished. I'm glad that you said that on the record.

**Mr. Vice-Chairman:** — Order, order, order. There are speakers on the list here.

**Mr. Engel:** — He's being specific. On this topic, can I answer that?

**Mr. Vice-Chairman:** — In turn.

**Mr. Weiman:** — No, I'm not finished yet. You have

identified yourself, member from Assiniboia-Gravelbourg, and you acceded on the record, and it's in the verbatim now that, yes, you are blackmailing this committee. That's totally unobjectionable. With that comment, I rescind my seconding of your nomination. I do not want a chairman who is going to blackmail this committee.

And secondly, to resurrect — you know, you must be one of the greatest followers of Christianity with the amount of resurrections that you bring forward week by week. But to resurrect this issue again, which you said is not finished — is finished. We went through two hours of discussion last week. I just want to remind you of your motion which was defeated last week, because in a sense your motion became a *fait accompli*, and I'll explain further.

Your motion stated:

That the motion of Mr. Glauser of May 22, 1986, that "on the basis of the comptroller's statement regarding Pioneer Trust, this committee not consider the affairs of (the) same," now be reconsidered.

Well we reconsidered it for two hours, and we debated it for two hours, and we defeated that motion. To come forward with this . . .

**Mr. Engel:** — Do you call that blackmailing the opposition?

**Mr. Weiman:** — You have just finished . . .

**Mr. Vice-Chairman:** — Order, order. Order, order, order.

**Mr. Engel:** — I call that a blackmail.

**Mr. Weiman:** — To come forward with this statement of pre-conditions today, I find totally objectionable. I want to state further — last week and the week before there were two issues at hand. One issue was the comptroller's statement that the financial expenditures regarding the pay-outs were not under the year of review, and we could go through a lengthy debate on that. We did that for two hours, but that was one issue, and there was agreements, but, yes, that wasn't under the year under review even though you prefer to able to ask various questions, and we don't have to get into the diatribe of what those questions are.

The second issue, as it relates to the auditor's report, page 32, 2.7(7), and the second issue is about three very specific investments of which debate was open to you. Now to come forward with this statement of pre-conditions that you wish to discuss, that is not even in the auditor's report, and to again ignore what is in the auditor's report before us and not ask one single question about those investments — that's \$4 million — again I will accuse you — and I will use the word accuse you in your own statement of blackmailing this committee, politicizing this committee — totally politicizing this committee — and not getting to the issue at hand at all — not one bit. I don't know why you keep banging your head against the wall. I just don't understand that.

**Mr. Vice-Chairman:** — Are you through?

**Mr. Weiman:** — One last statement. You are basically grandstanding, and I will underline that — politicize the issue, blackmail the committee. I can't think of anything other than grandstanding, and I will come back to the original statements of the past chairman from May 22nd who stated, and I can quote that for you — I won't pull it out — and that is two weeks ago:

I would be prepared to leave the matter for another year, except that I know full well, in the unlikely event that the Conservative Party wins the election . . .

On and on and on. In other words, you didn't give a care about the items in the auditor's report. He was more convinced about . . . more concerned with politicizing, more concerned with grandstanding. That's the end of my . . .

And lastly, I think it's totally inappropriate that you would make pre-conditions. You either are accepting the nomination, or decline the nomination.

**Mr. Vice-Chairman:** — The Clerk has a statement he'd like to make.

**Mr. James:** — Mr. Vice-Chairman, and members of the committee, I'd just like to correct a misconception regarding seconding of motions, and in particular the nomination motions, and that there are no seconding needed . . . seconds of motions in . . . (inaudible) . . . nominations, and Mr. Sveinson's nomination still stands.

**Mr. Weiman:** — Then it's beneficial to the member from Assiniboia-Gravelbourg because I've rescinded my seconding, on that statement of blackmailing this committee.

**Mr. Vice-Chairman:** — Order.

**Mr. Young:** — Fairview did a really good job out there of outlining the motivation behind all this, but leaving all that aside, I don't think there's anything I could add to what he said. I endorse it totally, but leaving all of that aside, in dealing strictly with the precedent that's trying to be set, and the fact that this is totally unprecedented, attempting to put pre-conditions on being the chairman of anything, whether it be the United Appeal or be it whatever, is something that would only come from an NDP member, and I'll leave it at that.

**Mr. Shillington:** — With respect to the pre-conditions, there was another way to handle this which . . . Let me just back up one step if I might.

The motion of reconsideration that was moved last week was moved by Mr. Engel, and we had discussed it ahead of time. It was very much a joint effort — a team effort. He had somewhat the same problems in accepting the chairmanship that I did, and that is he had said he felt strongly about the motion which was moved the week before. He has somewhat the same problems in assuming chairman, at this point in time, that I do. Thus we've tried to bring in a compromise position that everybody can live

with.

With respect to the pre-conditions, let me dispose of that problem as well. There's another way to do this which we thought was even less palatable, and that was for Mr. Engel to accept the nomination and then say, I'll continue, providing you'll answer these questions; if you don't, I'm going to quit. That's no better. This was an attempt to diffuse the issue. Nobody told . . . nobody made any statements to the press this time.

We heard a couple of comments. One was the wandering all over the issue; that may be a problem when you're dealing with public accounts, because the witnesses must answer questions, so it may be that there are some questions that shouldn't be asked, because the witnesses can't say, as the minister can say, I'm sorry, it's not in the public interest to disclose it. The witnesses can't say that; they've got to answer the question.

So to be fair to government members, we've always handled that on other occasions by simply saying to each other: do you think that's an appropriate question to ask . . . (inaudible) . . . But maybe you've got a concern about raising this issue in front of witnesses who cannot refuse to answer questions. So there was that, the wandering all over which, the more I thought about it, the more I thought it perhaps had some shades of legitimacy. I put it no higher than that.

The second thing was the suggestion that the questions were going to be other than under the year under review. To attempt to lay both problems to rest, we thus brought forward a list of questions which we think — and if we're wrong, please point us to the area where you think we're wrong — which we thought did not violate any public interest to disclosing and which, we think, are clearly in the year under review. So we attempted to deal with what we thought were your concerns. We attempted to diffuse it, and nobody's grandstanding. We're attempting to arrive at a compromise on this thing, and we think it's reasonable. If you people have got a different list of questions that you think we could ask, let's hear your side.

**Mr. Young:** — Something in the Auditor's report.

**Mr. Shillington:** — I intended to mention that as well. That may have been an oversight. We had intended to include . . . it was assumed that we would deal with what was in the Provincial Auditor's report as well. That was an oversight in drawing up the list of questions. It was assumed if you agreed to this . . . I didn't personally write this thing out. I did discuss what questions would be raised, but the staff member who drew this up overlooked the questions raised by the Provincial Auditor. We intended to deal with those as well. It was just assumed if you were prepared to agree to these, you were prepared to agree to discuss what the Provincial Auditor raised.

So there should be a seventh one there, the issues raised by the Provincial Auditor's report.

**Mr. Engel:** — I've been accused of looking before I leap. And I want to make it very, very clear, I've been a head of a company that did lots of work in its day. Before I took

that job on, I knew what my job responsibilities were going to be and how far I could go and what I could do.

And that's basically what this is all about. I'm saying that to be chairman of this committee, if we're not going to get agreement from the government members, and if you think that you can set the agenda of what we will talk about and the agenda of what we won't talk about, that's blackmailing the chairman, and that is specifically gagging the committee.

This committee deals with topics that are in the past; issues that have been covered off in the past years and recorded in *Public Accounts*. Those issues are issues we should be talking about as far as the Department of Finance is concerned.

If we can get in and discuss . . . And we gave you an example of six areas that we want to talk about as far as Pioneer Trust was concerned. We said, if you agree to that kind of discussion . . . Here's an example of the kind of questions that I would see, as chairman, that we'd lead into that topic. If you can pre-agree to that, that is laying it on the line that we don't need to go through this hassle tomorrow or after the next meeting, because when the Department of Finance is recalled, these are the issues that I thought should be talked about.

If you say, yes, we'll agree to that, then I'll let my name stand. It was just that simple. And if Weiman wants to call that blackmail, then I'll say that's his choice of words. But what I'm saying . . . (inaudible interjection) . . . I never used the word. I said, if that's what you want to call it, yes. I said, yes, if that's what you want to call it.

And the yes means that I will only accept the position as chairman under the terms that we can discuss the issues that passed under the year under review. And one of the issues in the Department of Finance is their direct involvement with Pioneer Trust.

And if we can't discuss those issues, then you've got to go through this process of finding another chairman. It was just that simple. And I think the committee has been making themselves quite obvious at the start that it sounded as though there was going to be some compromise here and that we can get on with the work.

I say there's another issue. There's another issue that's up and about, and that's the annual conference that's coming on this year. I would far prefer a member from Regina that's around and available to be here when those meetings are conducted and chair the public accounts thing from across Canada.

I think if you'd reconsider this and then say that you will give him latitude as chairman, as public accounts chairmen have had in the past . . . and the tradition of this committee has been right across Canada and from our pattern, from the old country, that what we patterned our committee after, like they do in the House of Commons in London, where the committee is chaired by an opposition member, and they have a wide range of latitude to discuss. There's no muzzling of that committee. There's no muzzling of the committee in Ottawa. The government doesn't tell that committee what they can

discuss and what they can't discuss. They have free-wheeling.

And Meagher knows, when we were in Charlottetown, and the issues they raised, I even said at that conference — and you look at the verbatim of that one — I even said there are some topics that our government is trying to sweep under the rug and refuses to debate. And here's an example.

This is a thing that's in the past; it's a thing that happened under the year under review, and you guys are trying to sweep it under the rug. And I'm saying that's not grandstanding. Any time an issue is politically sensitive, any time an issue would indicate that the government maybe made a mistake, then you don't want to talk about it. That's one issue we're not going to talk about.

Well, I'll tell you, in public accounts, if we want to do our job as a Public Accounts Committee, it should be wide open to discuss all the areas. There shouldn't be even this kind of terms on there. But we're saying that, under the Pioneer Trust issue, these are the six areas beyond what the auditor raised — these are the six areas we want to get into.

And if you go along with that, my name stands on there; and if you decide to go along there, I'd withdraw my name and say, let the former chairman do his role and cover these topics off. So I think it's up to the committee to give us some kind of an assurance that this committee is going to function, or that we're going to be a little rubber stamp and just stamp the goodies and talk about the little things you love talking about.

**Mr. Meagher:** — Well I've listened with interest to the comments, and in a spirit of co-operation, I would like to put forward a suggestion that — I can't speak for my colleagues — but I would be in favour of rescinding the motion that's been so much of an irritant to the opposition members in favour of one worded somewhat differently, that suggests that the chairman carry on in the tradition of this committee. But an interpretation of tradition, of course, is where we may be at loggerheads.

Clearly a question such as, did the government approve Pioneer press releases on December 1984, are not questions that fall within the auditor's report or the legitimate concerns of a public accounts committee anywhere in Canada. So I'm not prepared, of course, to accept this set of questions. But certainly I would say that it would be a reasonable suggestion to reopen, if you like, the auditor's report on that question and ask questions that are within the tradition of this committee. And I would be prepared to support that and my nomination of the past chairman under those conditions.

**Mr. Weiman:** — We're getting bogged down in that same smoke-screen of last week. To suggest that there wasn't a compromise offered or an olive branch proffered is wrong, because it was offered . . .

**Mr. Engel:** — What was?

**Mr. Weiman:** — The olive branch of returning the past chairman. The past chairman . . . let's go through this in

some logical sequence. The past chairman left May 22nd in a huff; May 29 resigned through his own volition; June 5 was nominated, declined. And so I can't see where you can keep carrying on this issue. Maybe he's in; maybe he's out; let's find out what mood he's in; let's find out if there's pre-conditions attached to it. The olive branch was put out and again declined.

Now let's get back to this concern of yours, and I am getting tired of this. And yes, I used the word "blackmail"; and yes, you agreed "yes" to it; and it's on the verbatim.

Now let's get back to these choice of words of muzzling, and hamstringing, and gag orders, and all of that kind of thing that have been flying about these last couple of weeks and including today.

**Mr. Engel:** — Boy, you sound reasonable . . .

**Mr. Vice-Chairman:** — Order, order.

**Mr. Weiman:** — Point one, you have never been gagged or muzzled or has this committee ever refused you or any member to ask questions in the appropriate year on the appropriate topic. You know full well that there is nothing preventing you as a member to ask these types of questions which I call pre-conditions to this year. There's nothing preventing you asking those questions under the appropriate year under review because all of these questions have to do with the expenditure of money to the depositors, the unsecured depositors. And there's nothing preventing that, and you know it. What does bother you is that you can't ask them this year instead of asking them in the appropriate year.

Number two, there is nothing preventing you asking these very same questions this year in the appropriate forum. These questions — and we reiterated it last week — you can ask these questions during question period, and you know full well, Mr. Member, that you can. You know full well that this year you can ask . . .

**Mr. Engel:** — You don't even know what question period is about if you think I can ask questions about last year, you're . . . (inaudible) . . .

**Mr. Weiman:** — You ask questions on various topics, practically about anything. Secondly, you know full well you can ask these questions at great length, as witnessed by the Health estimates. You can ask these questions at great length, not to an official, but to the minister present during estimates, and there's nothing preventing you doing that. And if you are concerned about an upcoming election when his estimates come up, the Minister of Finance, you can ask these questions. You know that full well. So there has been no democratic or undemocratic muzzling, gagging, or anything to that effect.

Now you mention that you have been in business a long time and that you like to plan ahead and you like to know what is coming down the road. Again I may be paraphrasing your words other than quoting them. However, what we're talking about now are two distinct issues, because you'd indicated, I would like to know what's down the road in concern to being the chairman. Well what we're talking about there is criteria of the

chairman's job. And I'm sure that the Clerk can tell you the criteria of the chairman's job, what he is empowered to do, what he is not empowered to do — the actual mechanics and flow and process of this committee. That's the criteria of this committee. And the Clerk can tell you that.

That is far different from pre-conditions. You know there's a big difference between a criteria of a job . . . Now let's go back to the types of jobs that you may have been involved in.

**Mr. Engel:** — That has nothing to do with . . .

**Mr. Weiman:** — I'm still on the floor. You're going to become a general manager of an earth-moving company, or whatever. Okay. So you want to know the criteria. That's fair. But you're going one step further and you're saying, hey, wait a minute, now I know what the criteria is, but unless you can assure me that every day I can move so many yards of earth, every day or every month I know I'm going to get a contract to build a highway — that's conditions. And there's a big difference. The criteria, the Clerk can tell you. What you're asking here is conditions. I won't do it unless I have this, this, this, this, this. That's not criteria. And Ned is even smiling; he knows darn well the difference. There's a difference.

**A Member:** — We're laughing at you and not smiling.

**Mr. Weiman:** — Laugh you may, then.

Lastly, I want to show you . . .

**Mr. Engel:** — Let the record show you're funny.

**Mr. Weiman:** — Okay. Fine. Now let's go one step further on this. I will indicate to the committee how ludicrous, as much as I indicated earlier, objectionable this type of situation is — pre-conditions.

Let's stretch our imaginations a little bit further and really show the ludicrousness of this so-called criteria, that I prefer to call pre-conditions. Why haven't you stated in your concern to be chairman or seek the chairman's position, why don't you have five or six questions for each department, so that you have all the latitude you want? Well I can't be chairman unless I can ask these six questions of Highways; I can't be chairman unless I can ask these 12 questions of Education; I can't be chairman . . .

**Mr. Engel:** — There's no motion in the book saying we can't ask them. There's a motion in the book saying I can't ask these on Pioneer Trust. There's no motion on the books saying I can't . . .

**Mr. Vice-Chairman:** — Order, order.

**Mr. Weiman:** — Order, I have the floor. There is . . .

**Mr. Vice-Chairman:** — Order, order.

**Mr. Weiman:** — I have the floor. There is a motion on the books that indicates that questions regarding the ones that you are seeking, notwithstanding the fact as I indicated

earlier that you can ask in question period, and you can ask them in estimates, and they border on the realm of policy as opposed to what we will be looking at in public accounts — notwithstanding that — the motion on the books stated that questions regarding expenditures that will not show up or haven't been completed through '85-86 cannot be asked now because it's redundant. It doesn't make sense.

We've never stated that you can't ask those questions in the appropriate year. We have never said, or stated as a committee, that you could not ask questions regarding the three specific investments in Pioneer Trust. And don't point your finger because if the chairman had not left in a huff, and the verbatim will show that we said open the discussion to those three specific investments. Last week I know I'm on record reiterating, go ahead and ask those specific questions.

**A Member:** — Then rescind your motion.

**Mr. Weiman:** — You're doing the baby act. If I can't have the ball, I don't want to play. And I'll state, if you don't want to play, then leave. I'm tired of this damned nonsense.

**Mr. Shillington:** — Thank you very much. I just want to make a couple of points. One, I want to respond to a couple of things the member from Saskatoon Fairview said. One of them is that the role of the committee has always been larger than the role of the Provincial Auditor. We've talked about comprehensive auditing, and it hasn't been raised for serious discussion in a couple of years, but it has been discussed in committee. In a sense, the committee has always had a responsibility for comprehensive auditing; it's the auditor which does not.

Our mandate, very clearly, includes a mandate to discuss the efficiency, effectiveness, and economy with which expenditures were made. The Provincial Auditor's mandate includes no such responsibility; therein lies the difference.

That is why . . . I disagree with the member from Saskatoon Fairview that . . . The member for Saskatoon Mayfair's motion of two weeks ago did permit us to discuss what was in the Provincial Auditor's report. I think he quite clearly made it clear that he thought his motion was broad enough to exclude that. But be that as it may, if . . . I think I can say, while though we . . . (inaudible) . . . the thing, I think I can say, though, that even if you said you can discuss what's in the Provincial Auditor's report and no more, I think we find that unacceptable.

We may not find that acceptable, some abbreviation of these questions that the member from P.A. took objection to me asking about press releases.

**Mr. Engel:** — Yes. There's a certain topic that that press release dealt with that you would have to read to know why we asked that question.

**Mr. Shillington:** — But still, if the members from government caucus have a list of questions which they think is acceptable to ask, I'd like to see it. If it's restricted just to the Provincial Auditor's report, then I've got a

problem.

What you're saying is, on a given area of sensitivity to government, you can't go beyond the Provincial Auditor's report. We've always have that responsibility and we've always done it. If you're saying for some reason or another that this isn't acceptable and not in the public interest, then I want to see your list of questions. But to simply stand on holy ground and to say you're not asking anything at all or you're not asking anything except what's in the auditor's report, that I don't find acceptable.

**Mr. Katzman:** — Mr. Chairman, I cannot hear a word Mr. Shillington is saying because all I can hear is Engel talking.

**Mr. Shillington:** — We're not being very conciliatory, Mr. Member.

**Mr. Katzman:** — Well I would like to hear you, your comments, rather than him visiting.

**Mr. Vice-Chairman:** — I think it also plays havoc with the recording clerk, so I would ask that those conversations . . .

**Mr. Shillington:** — Anyway, that's my comments with respect to the role of the committee. Members have always been larger than the role of the Provincial Auditor. I think it's essential to the effectiveness of the committee that that will be continued.

It has been suggested that we should ask the minister in estimates. I say two things about that: one, that's a reason not to have a committee, because you can always do that. Anything we ask here, we can legally ask upstairs. The difficulty is that the ministers . . . these are relatively detailed questions. The minister will not know the answer, and it is the habit of ministers of this government not to get the information on the spot, but to get back to us, and it sometimes takes the far side of for ever.

This is the appropriate forum to ask questions of detail, not the Legislative Assembly. The Legislative Assembly is an appropriate forum to discuss questions of policy. We shouldn't be discussing questions of policy here. Equally, I think, the Legislative Assembly is not a very appropriate forum to discuss questions of detail. The ministers don't know that, and in my view, could not discharge their responsibilities if they did, because if they did, they'd then be experts and not generalists.

So I think this is the appropriate forum to ask these questions. I think they're reasonable, but if you've got another list that you think is reasonable, I want to see it. If you stand on holy ground, then we've got a problem.

**Mr. Meagher:** — Mr. Chairman, one or two comments following on the member from Regina Centre's suggestion that the Provincial Auditor, his mandate is so limited. I'm not sure, and correct me if I'm wrong, but I understand that the Provincial Auditor may issue management letters on departments and agencies of the Crown which in effect deal with the items that you are concerned about and may in fact be discussed in this

committee. And I get back to my original contention that most of the concerns that you may have can either be raised in estimates where ministers with their officials certainly have detailed information; and your suggestions are just not reasonable. I can't understand it. Yet at the same time, I'm very much inclined towards some kind of a reconciliation here that would permit this committee to carry forward its work, and I would like something to be forthcoming from the opposition members that would be a little bit more acceptable.

**Mr. Shillington:** — Well we've put ours on the table . . . (inaudible) . . . I'm sorry, I'm getting out of order here.

**Mr. Muller:** — Well I reiterate what the member from Prince Albert has just said. The member from Regina Centre said that they can't get detailed information in the House, in committee of finance, and I find that very disturbing because I chaired that committee for three and a half years, and I know very well that ministers do send over written answers and detailed information in writing to members of the opposition, and they can ask a question for days in a row and finally get the answer.

I know sometimes there has been some difficulty — I will give them that now — but they have sat in committee for days and finally got the answers to questions that they wanted, and it was just a matter of time for putting it together, not necessarily that they wanted to withhold information. But I find that disturbing, the member saying that you can't get answers in committee of finance, because I'm sure before they left that cabinet minister off the hook as such, they do get their answers.

**Mr. Weiman:** — I certainly concur with the member from Shellbrook and the member from P.A. I've sat in the chair on various occasions also, and as I earlier stated, notwithstanding the demonstration we had in the House earlier this spring, where we had the minister of . . . where the Minister of Health was questioned at length for over three weeks. You can ask as many questions, and as at great length, and in as great detail as you choose, and you know full well that, member from Regina Centre.

However, you'd indicated what was our list. We don't come with a preconceived list. I don't know where you get this attitude that you come with a preconceived list, that we're willing to trade one item for another item. There is no preconceived list. I don't know how your members react, but when we come to this committee, we're prepared to get down to work. We don't have any hidden agendas, any hidden lists. There isn't any at all.

But to bring this to a head, I want to reiterate again, the issue at hand right now — because we've talked at great length now for two weeks on those other things — the issue at hand right now is not the list of questions, not a pre-conditioned list of questions that you may or may not ask, because I think we've indicated earlier that you can ask them at the appropriate time, or in the appropriate forum. There's nothing preventing that, and to suggest that you couldn't ask these questions in the appropriate year is not correct, because you can.

And I agree with you, the member from Regina Centre, that there are certain areas in which we can ask expanded



questions, as opposed to what's just in the auditor's report. But the fact of the matter remains, the questions that you put forward have nothing to do at all with this auditor's report, because as I indicated earlier, the expenditures were not made until after the year under review, which allows you to ask those questions in the appropriate year.

The issue at hand, again, is not the list of questions that you put forward; the issue at hand is whether the member from Assiniboia-Gravelbourg approves of his nomination, and is prepared to be chairman, if voted thus — and I will underline — unconditionally.

Now that is the issue at hand. Now we've discussed it fairly fully. Is the member — and I put the question to the vice-chairman — is the member prepared to stand on his nomination, or step back, so that we can vote?

**Mr. Katzman:** — ... (inaudible) ... ask this question: I understand we have one, or do we have two names on for nomination? Mr. Shillington has removed his. I understand Mr. Sveinson and the member from Assiniboia, Mr. Engel, are the two names. Has Mr. Engel removed his name, or has he left it stand, is the question I ask.

**Mr. Engel:** — Thank you, Mr. Chairman. Because I had my name on the speakers' list, and not necessarily to answer to Katzman's question right now. I would like to make a comment on a member from Mayfair's ...

**Mr. Katzman:** — Mr. Chairman ...

**Mr. Vice-Chairman:** — Order. Order.

**Mr. Katzman:** — My question was directed as a point of order. Do we have one name, or do we have two names to vote on? I'm asking as a point of order.

**Mr. Vice-Chairman:** — We have the name of Sveinson on, and we have a name of Mr. Engel on.

**Mr. Katzman:** — That's the two names that we had the first time.

**Mr. Vice-Chairman:** — That's right.

**Mr. Engel:** — I want to respond to the member from Mayfair's suggestion that they don't have a hidden list or a hidden agenda.

**Mr. Vice-Chairman:** — That is not the member from Mayfair.

**Mr. Engel:** — Oh, I'm sorry.

**Mr. Shillington:** — He was secretly thinking that, but he hasn't said it.

**Mr. Engel:** — What I was secretly thinking is that the member from Mayfair did set up an agenda ...

**Mr. Shillington:** — The member from Fairview.

**Mr. Engel:** — This is Mayfair, isn't it? The vice-chairman

is the member from Mayfair? The member from Mayfair has — to the member for Fairview, I would like to suggest — has established an agenda. The motion on our ... accepted and voted on by you, by the government members of this committee, states that we cannot discuss any topic related to Pioneer Trust, period. And that is a hidden agenda; and it's more than a hidden agenda — it's the kind of agenda that hides things we should be investigating.

When I and Paul were down at Charlottetown, we listened to other public accounts committees talk about an investigative group, where they even hired special staff to investigate and look into the proceedings and operations of companies where governments were giving grants to. And they were doing thorough investigations, pulling in bank accounts and everything else, and looking at to see if there was any fraud involved or any misuse of government funds.

Here we've got a situation where the largest company in Saskatchewan went under; and in the year under review, when that happened, you won't let us ask any questions about it. You talk about a hidden agenda. Let me tell you, you guys are hiding the facts — that's what you're trying to do. And I'm saying to you that the role of the Public Accounts Committee is to be an investigative committee. We should be able to go far beyond the role we are now.

If I'd like to see a committee really operate, I'd like to see them have a team of people that are investigative people that help us get down to the bottom of government spending and government waste ...

**A Member:** — If we're all in favour.

**Mr. Engel:** — Yes. Right. The member makes a good point there. I'd like to see this committee proceed, and I just said that if I'm going to be chairman of this committee, I don't want a bunch of shackles placed around me. I don't want gags on the committee saying that you can't talk about this, you can't talk about that.

And we're saying, as far as your motion is concerned, that the motion that's before this committee, that we have to live with the guide-lines that are set there. We're giving you six specific questions we want to ask of the Department of Finance. Detailed, we wrote the questions out for you, so you knew the area we were going to open up.

And I said I can't be chairman of a committee that isn't allowed to function for the role of public accounts. If we're supposed to do it upstairs, if we're supposed to do it upstairs in the pit, then let's do it there and let's not bother with the committee. That's the point I'm making.

Because what role does this committee have if the government can decide and hide from the agenda what they want to hide? Issues where they made mistakes, they want to hide them. And you want to cover them up and you want to say, don't ask them this year, wait till after the election to ask anything about Pioneer Trust. That's what you told us. You said there's no related questions there.

We're saying, if I'm chairman of this committee, that

motion has to be amended or rescinded completely. If you want to just amend it and say, we'll amend that motion to not talk about Pioneer Trust, except these six questions, then I'll act as chairman. But if I can't get back into that issue, then as far as I'm concerned this committee is a mockery of the reason why it was set up. It is a mockery of the reason it was set up.

You want to call it blackmail. You blackmailed us. That's what I'm saying. You blackmailed us.

**Mr. Vice-Chairman:** — Order, order. Order, order.

**Mr. Engel:** — And I think the member for Fairview had his way and could say what he jolly well wanted without interrupting from me this last time around. And I'm thinking that this time . . . He talks about a hidden . . . less than a hidden agenda . . .

**Mr. Katzman:** — On a point of order . . .

**Mr. Vice-Chairman:** — Order, order. Order, order. State your point of order, member from Rosthern.

**Mr. Katzman:** — The point of order, I believe, is: a moment ago I asked if we had one or two names. I understand Mr. Engel has withdrawn his name . . . (inaudible interjection) . . . Is that correct — we now only have one name?

**A Member:** — How many names do we want to list? That's what Katzman asked 20 minutes ago.

**Mr. Katzman:** — I understand he withdrew his name just a moment ago in his statement. Therefore we only have one name on the list. Is that correct?

**Mr. Engel:** — Mr. Chairman, I have a simple question to ask of the members. Can we discuss these questions or can't we? If they say no to discussing these questions, then you don't have my name on the list.

**Mr. Vice-Chairman:** — I think that . . . I have my name on the list, and I want to make . . .

**Mr. Engel:** — Can I get an answer to that, so I know if my name's on the list or not?

**Mr. Vice-Chairman:** — We will get an answer. I think that before that answer is forthcoming, my statements will be quite relevant to the situation. The bottom line in this whole exercise with Pioneer Trust was that the depositors would be paid back their money. The depositors will be paid back their money in the year not under review. That is the substantive question in this whole thing. And those moneys will be accounted for in the Public Accounts of 1985-86.

Now that was my sole purpose in the motion I made, was that we could then look at the dollars that were put out either through the guarantees — not guarantees, but through the deposit insurance — or by the government.

And that, gentlemen, was the underlying factor in my motion. Is that a hidden agenda? I suggest to you it is not because it will be dealt with in the year under review of

1985-86. And to state anything differently is absolutely asinine. It is premature. I'll repeat what I said before. It is premature to consider that when it is not . . . And you can get into all these questions at that time.

Now why were those moneys paid out? That is the question. And it's to be dealt with simultaneously when the moneys are paid up.

**Mr. Katzman:** — I had a point of order that I'm still waiting for an answer to. I don't know what the answer to my point of order was.

**Mr. Vice-Chairman:** — Well your point of order was only dealt with in a reverse way in that the member from Assiniboia-Gravelbourg is saying he wants that question answered before . . .

**Mr. Katzman:** — Well we have a motion on the . . . we have a motion for nominations. That is the order of business. Period. We now have to had handled that question first. That's what my point of order is saying. I'm asking: when I go to vote, do I have one name or do I have two; as a point of order.

**Mr. Shillington:** — At this point in time . . . (inaudible) . . .

**A Member:** — Technically two.

**Mr. Shillington:** — But one was . . . Allen's has not been withdrawn. I want to comment on what I think is an impasse here as soon as the member for Mayfair is finished.

**Mr. Weiman:** — Fairview. I will not deign to speak for the committee, I will speak for myself, because the question was put by the member of Assiniboia-Gravelbourg. I will not agree to any pre-conditions to seeking the Chair. If he wishes to seek the Chair unconditionally I have no difficulty with that. And to reiterate what has been said and is shown on the verbatim is nothing more than blackmail.

**Mr. Shillington:** — I think my comments are going to move a motion of adjournment. Let me say what I'm going to say. It's apparent we've got an impasse. It's apparent that the government members are not going to agree to what we thought was a reasonable compromise. You're not going to agree to it.

That is going to leave us with one nomination. And I have very serious questions about Mr. Sveinson. I've made them in the Legislative Assembly; I'll make them here. He has shown no interest in the committee. This, I think, would be the third meeting. It would be the first full meeting he's ever attended if he actually sat in as chairman. You may judge for yourself whether or not he has the diplomatic skills to act as chairman. I think he won't be on that list. But I have another serious objection to his appointment, far more serious, I think, than the first two.

**Mr. Young:** — I am going to move that you be the host of the thing regardless whether you're chairman or not . . . (inaudible) . . .

**Mr. Shillington:** — No way. You can't do that. That's not our decision. That is not our decision.

**Mr. Young:** — I can make any motion I want.

**Mr. Shillington:** — That is not our decision. That's not a decision for us to make. That decision . . . (inaudible interjection) . . .

**Mr. Vice-Chairman:** — Order. Order. Order.

**Mr. Shillington:** — Please let me finish. By the constitution of the Canadian Council of Public Accounts, the chairmanship of the conference is an *ex officio* position. Whoever is our chairman is the chairman of that conference. That means, gentlemen, that a member of a WCC (Western Canada Concept Party) is going to chair a national conference. I think that is going to create an unfortunate . . . I don't want to malign the practitioners of the black art, but I don't trust all of the journalists who'll be attending that conference to report that fact fairly.

I think it may leave outsiders with the impression that separatism in western Canada is a significant force. I've said in the Assembly, and I'll say here, I think it was a scam. I think those two members found a loophole in the law, crawled into an empty shell of a party, and picked up 140,000 bucks. And I think we ought to put an end to such nonsense; but that's a different subject.

I think that the impression that this would create, I think, would be most unfortunate. I don't think he's got the skills, and I object to anyone who formally or substantively professes separatism for western Canada ever being chairman of the committee.

I think therefore we ought to adjourn this meeting. There may be another . . . I speak for myself only; I'm not speaking for anyone but myself. I speak for myself. I think the work of the committee has to carry on. This impasse can't carry on endlessly. It may be that the resolution to this problem requires a motion of the House, bringing in some of the members of the committee, with the two intransigent members you have now.

So that is why I would move a motion of adjournment, to give us a chance to resolve this in the House. But I speak only for myself. I don't know that any other member of our caucus agrees. I'll withhold the motion of adjournment because once I move the motion of adjournment it's not debatable, so I'll withhold it until people have had a chance to discuss it.

**Mr. Meagher:** — Mr. Vice-Chairman, I would like to pose a hypothetical question to the two NDP members of this committee. In the event some kind of a reconciliation was accomplished and a wide-ranging investigation, if you like, of Pioneer Trust was conducted by this committee, as you're suggesting; and in the event this investigation revealed . . . here are the two questions I'm posing to you: one, that the PC Party of Saskatchewan was not a depositor and did not receive money from the Government of Saskatchewan. The second question . . . (inaudible interjection) . . .

**Mr. Vice-Chairman:** — Order.

**Mr. Meagher:** — Well I'm making my . . . You asked for some questions; I'm giving them to you.

The second question is: in the event that was revealed in this committee, will you two members commit yourselves here and now to calling for the resignation of the member for Shaunavon . . .

**Mr. Vice-Chairman:** — Order, order.

**Mr. Meagher:** — . . . if that is a result of this investigation. I would like to know if you'll make that commitment here today.

**Mr. Young:** — I would think, Mr. Shillington and Mr. Engel, if you people got stubborn on this thing and Bill Sveinson was elected to be the chairman, that practically, Mr. Glauser would end up chairing most of the meetings, and that I would think that we're ingenious enough to have yourself, Ned Shillington, host the thing this summer. There's got to be a way.

**A Member:** — There isn't, there isn't.

**Mr. Shillington:** — I can't do that. I'd ask for Ralph . . .

**Mr. Young:** — There's got to be a way.

**Mr. Shillington:** — That's not our constitution.

**Mr. Weiman:** — There is a way, but first we want to know: is your name standing, or not standing? Because if it's not, then I'm prepared to make another motion. But I have to know whether you're standing or not standing.

**Mr. Engel:** — You're talking to me?

**Mr. Weiman:** — That's right, the member from Assiniboia-Gravelbourg. That's what we've been talking about now for an hour and 15 minutes. Is your name standing or not standing?

**Mr. Engel:** — My name is on the list, but the function of this committee is up to you guys. If this committee is going to function, we have some ground we've got to stand on. I'm the one that moved the motion at the last meeting suggesting that Mr. Glauser's motion be rescinded or . . .

**A Member:** — Reconsidered.

**Mr. Engel:** — . . . reconsidered, and you decided not to reconsider it. So why should I step in to the Chair, is my question to you, and have a committee that isn't going to co-operate and isn't going to work and do the role and the work that is legitimately assigned to public accounts. And on that basis I'm saying that I can't function, I can't function on this committee if it's going to be a farce. Maybe some of my colleagues can.

**Mr. Katzman:** — Mr. Chairman, I suggest that we now call in the Department of Health; we put a delay on the motion that is before us, deferring it until next week; we bring in the department waiting in the chair outside the door; Mr. Glauser, as Vice-Chairman, continue in the Chair until the resolution of who is chairman is settled. I

think that is the proper way; I think it is the only way for this thing to continue, and I will move, Mr. Vice-Chairman:

That this committee defer a decision — that is legal — to a later date on the chairmanship and continue, or to the next meeting if you'd like that word rather than that, and that we continue with the department scheduled for today.

**Mr. Shillington:** — I, for my part . . . I don't know if I'm on the speakers' list . . .

**Mr. Vice-Chairman:** — Well, are you making a motion, member from Rosthern?

**Mr. Katzman:** — I'm prepared . . . I think we're going to go around the Horn and get nowhere today. He's saying that he wants to adjourn the committee, and I'm saying, no; let's get the Health people in here and get doing some work.

**Mr. Shillington:** — Well, I think we want to deal with the chairmanship issue. I want to resolve it.

**Mr. Katzman:** — Adjourning the committee for the day isn't going to resolve it though.

**Mr. Shillington:** — Well, I think it may, in a way that it cannot be resolved here. I think we ought to deal with this first. We're not going to finish with Health today, anyway.

**Mr. Shillington:** — I believe we should adjourn the committee, seek a resolution, another resolution of the matter, which may involve a motion in the House, and hopefully get back to work next week — even meet early if you want to meet next week. The morning's shot to pieces anyway.

So I didn't move my motion because members wanted to discuss it. I know the member from Rosthern wasn't trying to be unfair but . . .

**Mr. Katzman:** — I didn't move mine. I left you that courtesy.

**Mr. Shillington:** — I will then move that we . . .

**Mr. Weiman:** — A point of order. How can we deal with two subsequent motions when we haven't dealt with the original motion yet?

**Mr. Engel:** — That's why we're moving a motion of adjournment.

**Mr. Shillington:** — You can always move a motion of adjournment.

**Mr. Katzman:** — Both these motions are legal.

**Mr. Engel:** — You're right on.

**Mr. Weiman:** — I would like a clarification from the clerk on that.

**Mr. James:** — Mr. Weiman, and members of the

committee, if the committee so desires, they can adjourn the consideration of the election of the chairman until the next meeting.

**Mr. Katzman:** — Or you can adjourn the committee.

**Mr. James:** — That's right.

**Mr. Katzman:** — Before you move your motion, can I make one comment? I believe that courtesy requires me now to give Mr. Shillington his, because he deferred to allow the rest of us to speak, but may I make only one comment from what you said prior. The history of *Public Accounts* says, in Saskatchewan, '64, and I believe it later again reaffirms: that a member of the opposition shall be the chairman where possible.

**A Member:** — Where possible.

**Mr. Katzman:** — And if there's no member, of course, that's assuming the government was all one party, then obviously you didn't have that option. You have stated that you do not like the idea that Mr. Sveinson could be chairman because of who he represents. He is legitimately elected; he is, by the rules of the House, a member of the Assembly, and if you don't like it, then it is you who have caused it by refusing to accept the position.

**Mr. Shillington:** — If that's it, I will move my motion that the committee adjourn until next week at an hour at the call of the chair, call of the vice-chairman. I leave that in the discretion of the vice-chairman if you want to start early.

**Mr. Vice-Chairman:** — Do you have a comment . . .

**Mr. Weiman:** — Yes I do, because I do want to clarify the record. I've asked the question five times; I've never gotten a straight answer on it regarding the nomination of the member for Assiniboia-Gravelbourg. His last comment stated that he would have great difficulty . . .

**Mr. Engel:** — Can he ask questions after a motion of adjournment? Is that in order?

**Mr. Vice-Chairman:** — Order, order. He's seeking clarification.

**Mr. Weiman:** — I'm seeking clarification. And the word that he indicated that he'd have great difficulty being the chairman if the members of the government could not co-operate. The clarification that I want to make for the record is, it seems illogical to me, the logic doesn't stand, that if the committee follows the rules of the committee, that that is identified as non-co-operation. We've indicated already that the rules of the committee are, in pertaining to the year under review, that we had to follow the dictates of the rules of the committee. And he calls that non-co-operation. I just cannot understand the logic of that.

**Mr. Vice-Chairman:** — Well, we have a motion. Question. All those in favour? Those opposed?

Negated

**Mr. Weiman:** — I would like to make a suggestion, in the same vein as the member of Rosthern, that we have reached this supposed impasse, and that we continue on with the Vice-Chairman until such time as we have received an indication from the member from Regina North West whether he is willing to let his name stand — because we don't know that — or/and till such time that the opposition put forward a new member to the PAC, to the Public Accounts Committee, who is willing to stand. Until such time, Mr. Vice-Chairman, I would move:

That we continue on with the order of business with the Vice-Chairman in the Chair.

**Mr. Vice-Chairman:** — Would you write that out please.

**Mr. Weiman:** — I can.

**Mr. Shillington:** — . . . The rule appears to be in this country that, if a trust company or bank goes broke, the taxpayer picks up the tab. That may be a good rule; but if it is, then those institutions have to be treated as semi-public institutions and there has to be an inspection of trust companies. We have to know what they're doing. We have to be certain we're not going to get caught with a \$20 million calamity. If that's the rule . . .

**Mr. Young:** — It's an unwritten rule, so that's why they're getting away with it.

**Mr. Shillington:** — If it's to be a rule that's to be followed, then these are not private buccaneers out spending their own money. They're spending taxpayers' money. We've got to have a mechanism to make sure the taxpayer isn't going to get caught with a bunch of loose ends. That was the whole point of the questions I wanted to raise with the Department of Finance. What is in place to . . .

**Mr. Katzman:** — That's all legal in the House under estimates.

**Mr. Shillington:** — What is in place, if anything, to deal with . . . (inaudible interjection) . . . Yes, it is, in effect.

**Mr. Katzman:** — It's all legal in estimates, Ned.

**Mr. Shillington:** — You may wish to discuss such things with Gary Lane. I . . . (inaudible) . . . an impossible person to raise a sensible issue with.

**Mr. Katzman:** — Oh, well you say you can't discuss it with Gary Lane; that's why you want it here. That's . . .

**Mr. Shillington:** — No, I want information here. The policy itself, I admit, is a proper subject for discussion in the House. The facts of the situation are a proper subject for discussion here. While the member for Rosthern is . . . Well I'll wait till the member from Fairview writes out that motion.

**Mr. Young:** — Ned, I want to touch on something here. Say we go into the summer just half-baked like we are now with Cal as the Vice-Chairman acting. Could he not in that situation refuse to act as the host of this Canadian thing. You could just say, listen, I'm too busy, I live in

Saskatoon, blabbidy, blah, . . . at which point whammo, it's right back into your lap.

**Mr. Shillington:** — No. let me finish. The vice-chairman is the member from Quebec, isn't he. What's his name?

**Mr. James:** — Jean-Guy Lemieux.

**Mr. Shillington:** — Jean-Guy Lemieux becomes chairman. That's not all that bad; that's not Bill Sveinson, but it's not a terribly happy situation.

**Mr. Young:** — Otherwise it would be Cal, right?

**Mr. Shillington:** — Otherwise it would be Cal, yes.

**Mr. Young:** — But if Cal can't do it, then it goes to some Quebec guy?

**Mr. Shillington:** — It goes to the vice-chairman of the council, in my view.

**Mr. Katzman:** — If you're worried about that, there's another way around it. If you leave Cal in the chair as Kim said, we have a motion for dates A to dates A — Ned Shillington will be the chairman.

**A Member:** — For that window of time.

**Mr. Katzman:** — For that window of time, and Cal becomes the vice-chairman. if that's what your concern is

**Mr. Young:** — Save face, Ned. Save face.

**Mr. Shillington:** — I'm not particularly worried about my face . . . worried about saving it. I'm more worried about getting the committee functioning again.

**A Member:** — Which one?

**Mr. Shillington:** — Which one . . . whichever one is convenient for the day, Paul. I have, I think, a solution which will get this committee rolling.

**Mr. Weiman:** — Mr. Chairman, I'm prepared to read the motion.

**A Member:** — Good Lord, just like war and peace.

**Mr. Weiman:** — Yes, it is war and peace.

Until such time as the member from Regina North West is consulted as to whether he is in agreement to allow his name to stand in nomination for the chairmanship of the Public Accounts Committee, and/or the members of the official opposition can put forward a willing member for same, I move that the vice-chairman, the member from Saskatoon Mayfair, fill the Chair to expedite the ongoing business of the Public Accounts Committee.

**Mr. Shillington:** — I will speak very briefly to the motion. I think it is inappropriate for the committee to be proceeding for whatever is left of the day. The first order

of business is the chairman. I don't think this committee is really going to function until we have that issue settled. If we had agreed that the member from Saskatoon Mayfair were an appropriate person to continue as chairman, that would be different. While we all appreciate his strong personal qualities, I think all of us agree that it is going to be unfortunate if the chairmanship reverts to the government caucus.

We don't have an ongoing chairman. I think I have a solution to that. I think this motion is inappropriate. I think we ought to adjourn for the day. I think it is inappropriate to be discussing Health under these circumstances.

**Mr. Katzman:** — Mr. Vice-Chairman, clarification if I may. I believe, Mr. Vice-Chairman, if I stand corrected and I'm going by the rules — which order takes precedence here?

**Mr. Shillington:** — I'm sorry. What takes precedence over what?

**Mr. Katzman:** — Did you make a motion?

**Mr. Shillington:** — No.

**Mr. Katzman:** — I thought you made a motion.

**Mr. Shillington:** — No. I'm speaking against the motion . . . (inaudible) . . .

**Mr. Katzman:** — I thought you'd made a motion, because an adjournment motion, once again, always takes precedence.

**Mr. Young:** — I want to speak to the motion, too, Mr. Chairman . . .

**Mr. Vice-Chairman:** — The member from Fairview, yes.

**Mr. Weiman:** — In response to the member from Regina Centre, as any committee, in the absence of a chairman, the vice-chairman fills the spot, irrespective of what political party he may belong to.

Now we have indicated that we have gone through just about an hour and a half now of trying to get a chairman. My motion is very straightforward until those things can happen, and I am putting the onus on the official opposition and until we have contacted the member from the WCC. The motion is very straightforward. Therefore the fact before us is: we do not have a chairman. In the absence of a chairman it is quite proper for the vice-chairman to fill the Chair. I don't see any difficulty with that.

**Mr. Young:** — I agree with Mr. Shillington that it's unfortunate that we would have to resort to a government member as chairman. But we're not doing that. You are denying the duties and responsibilities of a vice-chairman. When we don't have a chairman, then the vice-chairman fits into that role and that's exactly what is transpiring here. I think it would be unfortunate if we had a government member as chairman.

You seem to want to put this committee into that

awkward situation for motivations which have been laid out earlier today, but we are certainly not having a chairman as a government member when we have the Vice-Chairman, Mr. Glauser, sit in until you guys can get over your temper tantrum.

**Mr. Shillington:** — I don't think it's a temper tantrum. I don't think I've raised my voice this morning, actually.

**A Member:** — You have.

**Mr. Shillington:** — Well, perhaps I have; it doesn't matter. The role of the chairman in this committee is really unique. The chairman's the chief prosecutor in a sense. That's not quite a correct term because I think the witnesses might object to the term, but that's kind of the role, the chief questioner, unlike other committees where the chairman's impartial. The traditional role of the chairman here is you're the chief questioner. Now we've tried to get around that by assigning departments and so on, but go back to the days when Gary Lane was chairman. He asked 75 per cent of the questions.

**Mr. Vice-Chairman:** — Okay. I wonder if I could just add a word to this. While I do find the motion in order, I think that I would be placed in an awkward position to deal with this. So I think that I would entertain the statement that Mr. Shillington has made in that he feels strongly that a resolution can be found in this, and if he wished to discuss that with me before anything is done further, then perhaps we could reconsider this motion.

**Mr. Weiman:** — Seeing that I put forward the motion and you had indicated you would be in an awkward position, I refute that by the previous statement of the member from Regina Centre who had stated: the role of the chairman is to be impartial. Impartial means that you do not take sides. You do not take sides — that means you do not have any "political allegiance." You are an impartial Chair. Being impartial should offer no difficulties in filling that Chair.

And again I state: the motion is very straightforward; it cannot be misconstrued. And until such time, I think it is our responsibility to continue on with the business of this committee because it seems totally ironic that the role of the committee, whose concern is the government expenditure of public funds, and it seems ironic that this is the purpose of our committee. For two weeks we have had officials out there cooling their heels when we should be getting down to the business of finding out about these public expenditures. And what we have done is wasted a lot of money having them standing there when they could have been doing very important work — in this case the Department of Health — which has tied up the deputy minister and his officials for two subsequent Thursdays. And it's totally ironic that we're talking about the expenditures of these funds and not getting down to the business at hand.

Therefore, I want to put forward the question, the question of the motion.

**Mr. Vice-Chairman:** — Okay, we have the motion. Those in favour of the motion; those opposed? I guess it's carried.

Agreed

**Public Hearing: Department of Health**

**A Member:** — Mr. Vice-Chairman, are we ready?

**Mr. Vice-Chairman:** — No, I believe I have a statement first. I want to apologize to the officials of the Department of Health for the situation that they have been working under for the last couple of weeks. And in view of the fact that we do not have any members of the opposition here today, I will have to apologize to you again by stating that this meeting will come to adjournment.

**A Member:** — Mr. Vice-Chairman, on a point of order.

**Mr. Vice-Chairman:** — What's your point of order?

**Mr. Katzman:** — On a point of order, this committee does not say it must have a member of each political party — or if two political parties — here. It says it needs a quorum of four members to operate. And this committee can now operate.

**Mr. Vice-Chairman:** — With all due respect to the member from Rosthern, I think out of courtesy alone the committee will adjourn and . . .

**Mr. Katzman:** — Mr. Chairman, on a point of order. The committee needs four people. If there is not four people, we cannot function. We have functioned in the past without members from opposition. I have been on this committee for 10 of 11 years, and there has been meetings function without a member of the opposition at it before. And usually it was because Mr. Merchant left early and there was no opposition member left. That goes back a long ways.

**Mr. Young:** — I agree with the point of order put forward by the member from Rosthern. And if it is found in order, we would still be in a position to adjourn the meeting. But to do that, Mr. Chairman, would result in us allowing the opposition members to control the carryings on of this meeting and blackmail the meeting, as pointed out by Mr. Weiman in his earlier speeches, through the back door. And that just cannot be allowed. These people have sat here, high-priced men, for two Thursdays in a row, and I think it would be abhorrent if we were to adjourn the meeting right now and go up to our respective offices and these people go back to their various departments.

**Mr. Katzman:** — We have always done the courtesy of waiting until the opposition member comes, but if they leave early . . .

**Mr. Vice-Chairman:** — All right. It is obviously the wishes of the members to continue. However, I felt that I should indicate on the record that we were endeavouring to provide the opposition with that courtesy.

And so with that, Mr. Podiluk, you've been before the committee before. You know the circumstances under which you operate in here. I don't think I need to go through that again. And if you would just like to introduce your officials, we will open discussion on the Department of Health.

**Mr. Podiluk:** — On my immediate left, I'd like to present the associate deputy minister, George Loewen; next to him, assistant deputy minister, Don Philippon; on my right, Lawrence Krahn, who is the director of our administrative services branch; and on his right, John McLaughlin, who is the associate director of the administrative services branch. I believe you have a list of officials that would be in attendance. Dick Bailey, an assistant deputy, is not in attendance today because of illness.

**Mr. Weiman:** — Mr. Deputy Minister, as wont, to save us some time, are any of the concerns listed by the auditor under the Department of Health — have any of them been resolved since the printing of the auditor's report? Could you indicate which, item by item, so that we can zero in on those items that we may have concerns about then?

**Mr. Podiluk:** — The home care has been resolved . . .

**Mr. Weiman:** — That's item sub 1?

**Mr. Podiluk:** — That's item sub 1. Home care has been resolved in the fact that we do have approval by the minister in a policy manual dated January 5th, '86. And we accept the fact that this is a valid criticism. The problem arose about the fact that due to the fact that we did not have specific legislation; that legislation has now been drafted and, I believe, is coming before the legislature this spring, and it will be rectified as well.

**A Member:** — It has had second reading.

**Mr. Podiluk:** — It has had second reading, yes.

**Mr. Weiman:** — The auditor's department is in compliance with this? Or not in compliance, but in agreement with this? I'm sorry . . . Comptroller.

**Mr. Kraus:** — Yes, we're satisfied. If the action they say is occurring, we're satisfied.

**Mr. Young:** — I have questions on item 1. It's my understanding, Mr. Podiluk, that the home care delivery system in Regina is virtually all contract work, and the situation in Saskatoon is just the opposite of that. And I also understand that the Regina system is far more cost effective to the taxpayers than the Saskatoon system. In other words, you're getting a bigger bang for your home care buck in Regina than you are in Saskatoon.

I also understand that your department has been approached by various private companies to provide that service in Saskatoon. One, for instance, Upjohn home care company, and for some reason or another the government has not opted for the more cost-effective mode of delivery. And I can't figure this out. I'd like you to explain why this hasn't happened if in fact all my preamble has been correct.

**Mr. Podiluk:** — We don't have a . . . We have not expressed a preference for one system as opposed to another system. Last year in Regina, when there was

consideration being given to the possibility of terminating contracts, we asked the board to reconsider their . . . that kind of a direction.

And as a matter of fact, we undertook a study to explore the advantages of a contracting system — not only to explore the advantages, but also to provide the board with a basis, with a more detailed basis, on which to arrive at contracts.

And that report, which has become known as a Brown Ehman report, was distributed to all the major home care districts — that's Moose Jaw, Prince Albert, Saskatoon, and Regina — and it was indeed intended to identify contracting as an alternative, as a viable alternative, as a possible alternative.

Now in Regina the situation is different than in Saskatoon, in the fact that in Regina they had started . . . the home care district was organized quite a bit later than it was in Saskatoon. They entered into contracts, and it was a matter of determining then whether they wanted to deliver the services themselves or whether they should be contracting.

The problem they ran into is that they were not too terribly — if I might put it this way — experienced in contract arrangements. So therefore I think that our study contributed to them working out more satisfactory contracts and arriving at a better understanding through the people with whom they were contracting.

There is no indication whatsoever, in terms of any accounting that we have, any experience that we have, that would suggest that cost effectiveness is gained.

**A Member:** — You don't?

**Mr. Podiluk:** — No. No. There's not . . .

**Mr. Young:** — I thought that, you know, not that all of home care is house cleaning, but certainly a great portion of it is dusting and house cleaning.

**Mr. Podiluk:** — Oh, no. No. Professional services.

**Mr. Young:** — Okay. Some of it is that, though.

**Mr. Podiluk:** — But a very considerable part of it is . . . The home care program, the home care services are increasing in sophistication because in reality — in a way they're outreach services of acute-care institutions and long-term care institutions which minimize or reduce a possibility of space in hospitals, or even avoid stays in hospitals. So it's a fairly sophisticated program.

The one component is the component of looking after a yard for a person who is less capable, or looking after and painting a fence or something, or removal of snow; I don't know about painting a fence, or cleaning . . . But that, really, as home care is developing as a part of a total health delivery system, that is becoming the least significant component.

**Mr. Young:** — Oh, will it be 20 per cent, would it?

**Mr. Podiluk:** — I don't know. Percentage wise, I . . .

**Mr. Philippon:** — It varies tremendously from board to board, but that falls under a home-making or home maintenance categories that all home care boards got into. But Walter's comment is that this is happening throughout the province. It increasingly . . . Home care is becoming involved with the provision of what we call heavy care where we're maintaining people . . .

**A Member:** — . . . R.N.s and stuff going out.

**Mr. Philippon:** — That's right, and not only that, but even some time what the other people are doing — the home-maker — is to help people stay in their homes, as opposed to being admitted to an institution.

**Mr. Podiluk:** — There's another important consideration, as in terms of government involvement, and that is that the home care . . . Well first of all, as far as Saskatoon is concerned, Saskatoon home care district was one of the first districts to be organized, and certain services were in place that were organized without government incentive at one time. So to some degree, the kind of service that was available, and some other arrangements in Saskatoon, were determined by what existed previously.

**Mr. Katzman:** — May I interrupt you? Was that the youth, the alliance for youth . . . (inaudible) . . .

**Mr. Podiluk:** — Yes, sure. Sure. And then the home care legislation that is before the legislature at the present time, and also because of just general principles that we have adhered to, whether rightly or wrongly, we take the position that local boards should have responsibility in making these decisions rather than centrally.

I have a reservation about myself or having my officials determine policies at a local level. I think in terms of responsiveness, in terms to local needs, it is important to have local boards who do this, and that applies to school boards, and I think it's the wish of government's understanding.

**Mr. Young:** — I understood that Barbara Shourounis and the Regina people had contract work for nurses or dusters or on and on, and that their price per hour for their people they contract out this work to was less than the Saskatoon home care board which hires, as I understand it, the people directly themselves and sends them out on these various missions. And you're telling me, Walter, that that's not the case?

**Mr. Podiluk:** — I'm saying that in maybe one particular program component there may be some variation of this kind. But in terms of the total per, the total cost for, on a per capita basis when the total package is taken into consideration, then it is no significant difference and no advantage gained. As a matter of fact, we have instances where some contracts cost more than the delivery of services, but in the overall I don't see any advantages gained because I can cite examples where contracts have been higher than the hands-on delivery.

**Mr. Young:** — And even on the overall there's no big difference.



**Mr. Podiluk:** — No, there isn't.

**Mr. Young:** — I understood this to be different than that. It's very enlightening.

**Mr. Podiluk:** — I think that this is right, that the home maintenance program in Regina might be a bit less expensive than it is some place else; that's quite true. But I think that there are also some differences in the program, in the services that are available.

**Mr. Young:** — That's the end of my questions.

**Mr. Katzman:** — Mr. Chairman, and Mr. Deputy Minister, in here you mentioned the areas of concern, Department of Health, Frank Eliason, and regional park centre, and so forth and so on down the list. On the page 33 you had just indicated that on January 5th, 1986, you now have a policy in place as approved by the Minister. Did I read that . . .

**Mr. Podiluk:** — Right.

**Mr. Katzman:** — So basically now what you are saying is the concerns under 1, which was the grants and so forth, have now been approved properly?

**Mr. Podiluk:** — That's right.

**Mr. Katzman:** — And you also indicated the \$60 per month thing is also resolved?

**Mr. Podiluk:** — Yes, everything . . . I think all those areas are resolved.

**Mr. Katzman:** -Okay. Moving to the second page, page 34. You notice they refer to a minister's order for payments to special care facilities which includes a grant from the Saskatchewan hospital services plan for level 4 beds in the amount of 19,395,000. I assume that's an overpayment, or was that an improper payment?

**Mr. Podiluk:** — No. I would like to suggest there's a more appropriate term to use, rather than overpayment. It's a legitimate payment. It's an appropriate payment on behalf of level 4 beds in the acute care hospitals.

The problem here, it's not a matter of it being inappropriately paid; it was a matter of an improper authorization. The people who should have been authorizing it did not authorize it. The executive director was not around. The director who should have done it was not around, so someone else signed it. And I can assure you that we have heightened awareness of the fact that this is not to occur that way.

**Mr. Katzman:** -Okay. That brings up a second question, and I assume when you say "acute" you're talking hospitals?

**Mr. Podiluk:** — Yes.

**Mr. Katzman:** — So what you are saying is: \$19.395 million was paid out of which budget?

**Mr. Podiluk:** — Is transferred from continuing . . .

**Mr. Katzman:** — Continuing health.

**Mr. Podiluk:** — . . . care to Saskatchewan hospital services plan.

**Mr. Katzman:** — So what I now . . . and I'm going to get, I assume . . . if I'm out of the year under review, please tell me so, and I will not continue. What I am suggesting here is approximately \$20 million worth of beds in the year under review were paid for — or is there more? — paid for by the hospital . . . sorry, by the acute care, to the hospital budget, which tells me that the amount of level 4 beds in Saskatchewan was lacking because we had to keep them in the hospital because we had nowhere else to take them.

**Mr. Podiluk:** — Well these are designated beds. Some of these will always be there — they'll always be there. Any program of adding to level 4 beds and special care homes will not completely eliminate the need for some designated beds in hospitals.

So the figure may go down in the future, but it will always be there because continuing care had the responsibility for . . .

**Mr. Katzman:** — Sorry, Mr. Chairman. Could we just hold for one second, for a minute, please? Sorry, Mr. Chairman. I think that cures your problem.

What I am trying to say is, okay, what percentage of beds in hospitals are assigned for acute care then?

**Mr. Podiluk:** — The number has been going down. I don't have a specific figure; the number has been going down. In Saskatoon, for instance, there were 50 who were transferred. Can we speak of percentage . . .

**Mr. Philippon:** — We know what designated beds there are. Off the top of my head, I think there's about 150 designated beds.

**Mr. Katzman:** — Okay, there's 150 beds out of all the hospitals in the province.

**Mr. Podiluk:** — By the way, it's also an intentional program in some instances because of the fact that we have rural hospitals under-utilized. So therefore it is intended to provide them with . . . You know, it makes a more viable operation because of the fact that the costs some of the costs are built in — are going to be the same, whether you have three people in there or seven people.

**Mr. Katzman:** — That's exactly where I was going to, Mr. Deputy Minister. My point is: in some of the rural hospitals — and I'm about to say something that's probably not politically popular but financially wise occasionally — that occasionally a bed in University Hospital or St. Paul's or City or the Plains in Regina, which is an acute-care bed, could be better used by other purposes, and the people who are level 4 and unfortunately may have their residence in Regina, but there are 20 beds sitting vacant in . . . What's the closest town that would have a hospital, to Regina?

**A Member:** — Craik.

**Mr. Katzman:** — Craik? Okay. That Craik has 10 beds empty and only two patients in there, and that we, if trying to get agreement from the families to allow the parent because it's usually a parent — to be placed in Craik to allow the bed to be used for surgery in another hospital. In other words, what I'm trying to say, do we get much agreement? As I see in my own area, I see people moving from Saskatoon to Rosthern occasionally, and that helps the City or the University, and yet they're getting the care they need, because there's no space in a home for them.

**Mr. Podiluk:** — Sure. I think that it's evident that the preference that is expressed by people is to have those that require long-term care located in the communities where they probably originated or where they have families. And that is the main reason for the large expansion of special home care construction in smaller communities of Saskatchewan. And that in itself is going to contribute significantly to the reduction in pressures in the larger communities. So it's responding and it's providing an opportunity where there are preferences expressed for the location of people in the smaller communities, and this occurs all over.

However, it is one of these situations where to try to determine it by kind of a central policy would be considered inhumane, because then you would be locating people in a place that they don't want to be.

**Mr. Katzman:** — Mr. Chairman, I have a question under item 3 if nobody has anything else under 2. Okay. Under 3, I am very disappointed to see this. Over the years this has been a problem that I would hope would soon disappear from all government agencies, and I see it has raised its head in your department again. Is it a case where there's only one official possible, or is it a case of mistaken problems?

**Mr. Podiluk:** — I understand that part of the problem has been due to the kind of system that has existed in government previously, and that this situation is likely not to occur because of the changed system. Am I right in that regard — some changes?

**Mr. Kraus:** — I could make a few comments in that regard. I believe in this particular case that our office has to share part of the blame because we changed our financial system on April 1 . . .

**A Member:** — It's the wrong year.

**Mr. Kraus:** — It's the wrong year. Okay. Well then, I won't say that. I'm sorry. There may be some problems for April 1, 1985.

I think part of the problem is that the departments may not always request reimbursement as quickly as they should. It takes some time to process payments through the government, and if you're going to keep your account with some money in it, you must anticipate when you're going to be drawing your money down to close to zero. So it's a matter of asking for reimbursement earlier.

**Mr. Podiluk:** — Basically it was a paper-flow problem. And the total amount involved in this case was \$1,500, I believe — or \$1,900, rather. It was all related to the fact that we do have quite a bit of casual and part-time help during the summer months, particularly in places such as the Saskatchewan Hospital in North Battleford, and the bank account was \$1,500 short in paying salaries. It's paper flow. It maybe should have been requisitioned a little bit in advance or . . . It was just one of these . . . I think with the new financial system that this would be indicated.

**Mr. Kraus:** — The reason I raised my point was, as I see in my notes here, is that it did happen again in April, May of '85, but it was our fault because of the new system. That should not be happening now. The problem has been resolved.

**Mr. Young:** — When the request comes in that they hire these staff, and as a request for payment comes in, do you zap the money right into their account, or do you send it by way of a cheque to their administrator who toddles down and puts it into their bank account?

**Mr. Kraus:** — At this point in time we would issue them a cheque.

**Mr. Young:** — Because if you could zoom it into their bank account, then this problem probably would have been saved.

**Mr. Kraus:** — Electronic banking is a feature we're building into our new payroll system, and as time progresses we will be looking at other applications for this type of expenditure or whatever.

**Mr. Young:** — I have a question on 4, when we get to it, if we're done with 3.

**Mr. Katzman:** — Go ahead on your 4 if you want.

**Mr. Young:** — My 4 is: in this case, did the people at Frank Eliason and other situations not know the rule, they were to bill the registered Indians higher, or did they not know that their patients were registered Indians? It would be one of the two.

**Mr. Podiluk:** — It was a matter of . . . what happened here was that we were having negotiations with federal authorities had changed the basis for payment, and unfortunately the need to change the regulations was not addressed as quickly as it should have. In other words, the regulations did not reflect the changed agreements. And so we were cited for having regulations that did not . . .

**Mr. Young:** — They were charging them extra, but not enough.

**Mr. Podiluk:** — Yes, there was a new deal worked out in terms of how much the federal government was going to pay.

**Mr. Young:** — Tell me, Walter: when I go into Frank Eliason, how is it determined that I'm a registered Indian or not? What's the procedure?

**Mr. Philippon:** — Okay. First of all, if you're a registered Indian, you'll have a health card that has an R number in front of it.

**Mr. Young:** — Oh, so they get it right on your hospitalization card.

**Mr. Philippon:** — That's how you're identified. This is a long-standing issue. It started in 1981 when basically the level 4 program in Saskatchewan was transferred to the Department of Social Services, basically taken out of the hospital system. The federal government argued that because the level 4 program had started as a hospital program, a cost-shared program, that treaty Indians should be treated like any other residents of the province.

However, in 1981 when the government made the move, it began to bill treaty Indians the full cost of the service, not only the resident charge, I think at the time which was 390 or something. And the federal government simply stacked up the bills and said, we're not paying that because we think that you've basically breached an understanding. So this government dealt with the matter, and I think it went to treasury board, and it was agreed that we would change our policy, and we would begin charging only the resident fee.

When the letters went out to the institutions that they start doing that, in fact there was quite a bit of dispute among our legal people whether the regulations had to be changed at all. And if you look at some of the wording of the new regulations versus the old ones, you can see why there was a debate on that.

So that was part of the reasons the regulations weren't changed. We weren't sure that they had to be changed, because it doesn't really label treaty Indians specifically in the regulations.

**Mr. Podiluk:** — But it was a matter of the negotiations having gone ahead . . . (inaudible) . . .

**Mr. Young:** — The way things are at now, the cost to stay in Frank Eliason would be, let's say, \$500 a month. And then welfare would pick up just about all of that if, in fact, you were fortunate enough to be on welfare.

**Mr. Philippon:** — We're not talking about welfare here. We're talking about treaty Indians . . .

**Mr. Young:** — Right, I know that. I'm going to get to that. Now if you're a treaty Indian, the real cost — the real cost of running the thing would be \$1,000 a month, shall we say, a lot less than you bill the people. Right?

**Mr. Philippon:** — Yes, that's right — or more.

**Mr. Young:** — Now are you in fact today only charging Indians the 500, or are you charging them the real cost of 1,000?

**Mr. Podiluk:** — We're charging the 500 because of the fact that the federal . . .

**Mr. Young:** — So we're subsidizing the feds by 500 bucks.

**Mr. Podiluk:** — No, we're not, because of the fact that . . . because of their EPF payments, because of the payments that come into Saskatchewan for all kinds of programs. And they're saying we are making payments for these people; our share is paid, as a direct payment partly, and partly as a . . .

**Mr. Benson:** — I was just wondering now if the subsidized portion then becomes cost-shareable.

**Mr. Philippon:** — Well, you see, that gets very complicated because what happened — you have to go back to 1957 with the HIDS agreement, Hospital Insurance and Diagnostic Services Act of the federal government.

At that time level 4 was a hospital program; it was a cost-shared program. Now that cost-sharing program no longer exists. Instead we have the EPIP arrangement which is based on a 1976 base. The federal government argues that the program is in the base and therefore we're making a contribution to the province. And several agencies within the provincial government reviewed this and have concluded that they're correct.

**Mr. Young:** — Now I'm going to ask you something that you'd probably have to be a federal official to answer, but maybe you can answer me. Is a registered Indian that lives in Saskatchewan — say, on the Moosomin reserve or something like that — is he required to have his care in Saskatchewan, or could he wander off, if he wanted to, to Montana, receive his care there and bill Ottawa? Or does he have to stay within the province that he's in to get his care, or is it up to him?

**Mr. Loewen:** — He can't bill Ottawa for hospital and medical care. He must accept the terms and conditions of services that are available to all other Saskatchewan residents. So they are able to do the same things in terms of going out of province that any other Saskatchewan resident can do.

**Mr. Young:** — We can't casually go to Montana and have some operation you can do here because you'll get bounced at MCIC (Medical Care Insurance Commission), and the registered Indian is in the same boat. Otherwise he'd go to the Mayo Clinic for minor surgery if he wanted to.

**Mr. Weiman:** — Mr. Vice-Chairman, in that we have approached 11 o'clock, I would suggest that we adjourn till next week and invite the officials of the Department of Health back for the first thing next Thursday morning at 9 o'clock.

**Mr. Vice-Chairman:** — You are excused, gentlemen, and thank you very much for your patience.

**Mr. Katzman:** — Mr. Chairman, I would like to make sure that I understood Mr. Weiman's comment. Would he please make it one more time.

**Mr. Weiman:** — Well I indicated that being after 11 o'clock, which is past the purview of the committee's time allotment that we have, that we adjourn and bring

back the officials from the Health department first thing next Thursday morning at 9 o'clock.

**Mr. Young:** — May I note on the record, Mr. Chairman . . .

**Mr. Vice-Chairman:** — Mr. Vice-Chairman.

**Mr. Young:** — Mr. Vice-Chairman, it's two minutes after 11.

**Mr. Katzman:** — I would agree. I think we have to vote because he has two things in that motion, not only adjournment but a second issue. That's what I thought he'd said. That's why I thought maybe we'd better have a vote.

You have been specific, Mr. Weiman, to say that we start with them at 9 and then deal with the other issues. They're first on the agenda and then other business comes behind them.

**Mr. Vice-Chairman:** — All in favour?

Agreed

The committee adjourned at 11:03 a.m.