

STANDING COMMITTEE ON PUBLIC ACCOUNTS

June 7, 1988

Mr. Chairman: — Apparently we have a Regulations Committee meeting here at 10:30, and the Clerk is wondering if it's at all possible for us to vacate the premises by that time. Is it agreeable we'll work towards that time line?

A Member: — You bet.

Mr. Chairman: — We don't have a quorum but we can, you know, consider items as long as we don't make any substantive decisions, as I remember the rules.

Mr. Muller: — There's supposed to be some more guys on the way. They said they were coming.

Mr. Chairman: — Well I don't think that we need to wait for them for these particular items. The first items we have on the agenda are these reports by the Provincial Comptroller. There's three of them in total, although only one's listed on the agenda. I don't recall sort of dealing with the other two. Maybe we could just take a minute to go through those. The first one is PAC 5, the revenue and expenditure system controls. Any questions?

A Member: — I didn't bring mine with me. Doesn't matter, go ahead.

Mr. Chairman: — Okay. Any questions on that one? I just have one, Mr. Kraus. The role of the departments . . . You talk about the input of information, and it appears that in terms of checking the information that's inputted as to, you know, votes, functions, vouchers, is:

(An) official with signing authority reviews the items for payment and the printout and certifies that the payment is complete and accurate.

Is there any possibility under that system that one person could be doing both; that is, input and doing the reviewing and checking?

Mr. Kraus: — The input is normally done by someone in the clerical ranks. The review would be done by somebody else. I don't think there's a problem in that regard.

Mr. Chairman: — Yes, my concern was just that in a case like that there's at least two people. I know that you've got a number of checks in the system, but they're basically to make sure that they're, you know, that they're payments in accordance with budgets and legislation.

Mr. Kraus: — Well now of course what should be happening . . . (inaudible) . . . does happen in most cases is that eventually each manager who's been held accountable for some subvote or some part of that subvote should be reviewing his expenditures as well, and making sure that the charges are appropriate, the ones that they thought they had sent through a few weeks before.

So there are a lot of people involved in the process from, you know, from the time of making a payment to actually reviewing the reports that come out of the system.

Mr. Chairman: — Any further questions on PAC 5, revenue and expenditure system controls?

Mr. Kraus: — I should just conclude by saying that this was an information item with respect to concerns raised in Mr. Lutz's 1986 report, and I believe the 1987 report didn't raise them again and, in particular, in his report to the legislature. So I think, by and large, we've resolved most of the concerns about this particular system.

Mr. Chairman: — Any comments, Mr. Lutz?

Mr. Lutz: — I have no comments.

Mr. Chairman: — Can we move on to . . . Before we do that, would one motion after we've dealt with all three to receive and file them, would that suffice? Let's move on to PAC 6, agreement respecting the delegation of authority to purchase investments. It's simply an information item. Any questions on that?

Mr. Rolfes: — I'd just like to, if I could, Mr. Chairman, just ask on the procedures. I don't quite understand this, that some have to seek agreements or have to seek authority to purchase investments.

How do we distinguish which seek authority and which are done by the Minister of Finance?

Mr. Kraus: — It's based on the definition in a piece of legislation, so in some cases the authority to purchase investments has remained with the Minister of Finance and . . . because of legislation.

Mr. Rolfes: — Okay, could I just ask a question? The ones in the top there, the one, two, three, four — seven of them — were they always by legislation, that they did their own investments?

Mr. Kraus: — I believe that would be the case, yes.

Mr. Rolfes: — In order for the Minister of Finance to release himself of the responsibility for investing, does that mean it has to be done by legislation?

Mr. Kraus: — There would have to be a legislative amendment for him to be removed.

Mr. Rolfes: — Divest himself of that authority.

Mr. Kraus: — Exactly. Yes.

Mr. Rolfes: — So any of the ones at the bottom are still with the Minister of Finance, and unless there is legislation they will remain with the Minister of Finance, right?

Mr. Kraus: — Yes, that's correct.

Mr. Rolfes: — Thank you.

Mr. Chairman: — Any further questions on PAC 6? Okay, PAC 7, the Provincial Comptroller's report to the Standing Committee on Public Accounts, and it's his report concerning matters raised in our reports to the Legislative

Assembly. Any questions?

I just have one, the first item, the virements under section 9 of The University Hospital Act. You're saying that the matter is academic at this point, inasmuch as they're not going to be in any way having to challenge that section and make use of that section.

Mr. Kraus: — Yes, that's correct, Mr. Chairman, because it's a capital project subvote they don't always have in the estimates. And as I understand it, it isn't there this year in '88-89, and they may not have it for another year or two. So they don't feel they have to rush to change the legislation and at their next opportunity will amend it. So that I guess it's a "shall" word would become "may", so that there's no dispute as to whether or not those moneys shall be paid out, that there is some discretion. But as I understand it, that subvote doesn't exist this year so it's not a problem. It's only in the years that it does exist.

Mr. Chairman: — I had this feeling that it's one of those things that may be shelved until such a time as it becomes a problem again, but I guess you can't comment on that.

Mr. Kraus: — No, because the department has undertaken that it is on their list for amendments, so we have to take their word that they will go forward at the next opportunity.

Mr. Chairman: — Under the Justice internal audit, the department has prepared an implementation plan. You're saying that you'll be providing input as the plan proceeds. Any thoughts from the department as to when it might proceed?

Mr. Kraus: — Their plan is that they will undertake it throughout the summer, and fall it will begin. They, you know, quite frankly, they've had this on their agenda for a while and they're concerned about it, so I'm hoping that they do proceed because we, as well, would like to see more review of the revenue side of the equation. There's a lot of review on the expenditure side, but not so much on the revenue. So we're hoping that they're going to move forward on that this summer or fall.

Mr. Chairman: — Any other questions on this item. PAC 7? Any comments?

Mr. Rolfes: — The only thing, Mr. Chairman, I want to . . . I may just ask the Department of Health why they wouldn't bring forth that minor amendment. It's such a minor amendment; it would take up very little time of the legislature. Why they would want to even take the chance that they may . . . I don't know why they wouldn't bring it forward because it isn't a major amendment. So I just want to ask them when they come before us.

Mr. Chairman: — If there's no further items, I'm informed that it's . . . these things are listed in our minutes as having been tabled with the committee, so no further action is required at this point.

The next item I have on the agenda is the draft paper for the Canadian Council of Public Accounts Committees, respecting a model public accounts committee. This is a major document, and I'm wondering if perhaps the best

way to proceed might be to just go through it page by page or section by section and have members stop me when there's comments that they want to make or things they want to say.

I guess again, because of the press of time, rather than trying to get into a substantive discussion about something that might be raised in there, if we just might flag it at this point for future consideration and perhaps note any differences in practices in so far as this Public Accounts Committee and what is outlined in the document, so at least Mr. Muller and I will have the benefit of knowing where we stack up relative to this one, because even if his experience in this committee is a great one and he might know all these things, mine is not that great. And certainly if there are substantive issues that you think that the document raises that we should discuss, then let's flag those for some future time for consideration.

Mr. Neudorf: — Mr. Chairman, for a point of clarification, this tabled document was compiled by whom and for what purpose?

Mr. Chairman: — As I understand it, it was compiled by the Newfoundland and Nova Scotia public accounts committees, and it's been prepared for the convention of . . . conference of public accounts committees to be held in Halifax in July. And I gather that it's normal for that conference to every number of years consider what a model public accounts committee should look like; what the components of that should be; what its function should be, as a means of involving public accounts committees throughout the country on public accounts; and what their objectives and functions should be.

Mr. Neudorf: — What relationship do you perceive this document having to the operations of this committee in the Saskatchewan legislature?

Mr. Chairman: — Well I think from . . . The reason that the committee last time, I think, agreed that we go through this — and two points would be: one, it would be helpful to have the comments of members of this committee on that document for those members of this committee who will be going to Halifax and supposedly being asked to get into a discussion on this. See if there's any comments, indeed even direction, that you may wish to provide.

Secondly, the Public Accounts Committee such as ours should set aside time once in a while to do more than simply discuss the items referred to it from the Legislative Assembly, but to look at the role, the function, the workings of a public accounts committee, if you like, an in-house educational, so that we better understand what our role is; we better understand what our relationship is with the legislature; we better understand how we can do our job for the taxpayers of this province. And those are the reasons that the document is before us.

Mr. Neudorf: — I certainly concur with your comments there, Mr. Chairman, that it is appropriate to sit down and to assess the mandate given to this committee by the legislature, but I suppose a question that I would have is why are we then spending so much time on a document

such as this that has been made up in Nova Scotia and some of the other provinces, and not spend more time taking a look at our own mandate given to us by our legislature with our own document? Are we not going to be using our document here as a basis for our discussions, rather than taking this, which is from an outsider's point of view, if you like, and spending time on that one?

Mr. Chairman: — I guess the idea is that these people have defined an ideal, or what they perceive to be an ideal Public Accounts Committee and what it should be doing. And I guess, from our point of view, it might be some benefit in looking at that to see how we stack up, compared to that, and having that provide the impetus, if you like, for discussion on our own mandate and our own functions.

I am open to the dictates of the committee that was put on the agenda from the last meeting.

Mr. Rolfes: — Mr. Chairman, I just want to comment. I don't disagree with the member from Rosthern. I spent a fair amount of time reading this report, and I had forgotten that it was prepared by the Newfoundland and Nova Scotia committee. But when I read this, I was really impressed. I was really impressed with it, and I said, by thee golly, if Public Accounts Committee could function like this, we'd really be an effective committee. Now it's an ideal, there's no doubt about that. It's an ideal. It's a model that we, I suppose, would like to emulate, but I think it is worthwhile studying, and I don't think you would find it very different from what the mandate of our committee is.

In reality, we don't particularly meet the objectives, I don't think, but I don't think you would find it very different. I'd challenge any member here, if you didn't know it was prepared by an outsider, that objectively, if you looked at objectively, that you would, I think, object to too much of what is stated in this report.

As I've said, I've spent a number of hours on it and studied it in detail, and I know it's pie in the sky kind of a thing, because in reality many of the things are not being done that they hoped the Public Accounts Committee could do.

But I think if we set our minds to it, and studied this report, I think we as a committee could recommend to both our chairman and the vice-chairman that in essence, we probably . . . Pardon me, in principle we probably could support this report although there may be details that would be not applicable to Saskatchewan. But I would be hard pressed to find very many things in here that don't apply to our situation; very much so.

And some of the things, you know, like staff, may be going a little too far — making a chairman a paid member, you know, with some staff. Maybe at this particular time that's out of the question, but I think in the future, certainly it's something that we could keep in mind.

The first statement, you know, I wrote . . . It says the first statement, it says the process of spending and accounting for public money begins and ends in the legislature. I don't think anybody would disagree with that statement

in principle. I just made a statement beside in reality this no longer is true. And I think we could give countless number of examples right across Canada where this really is not true any longer, but it's the ideal.

So I think there would be some benefit in us maybe not going through it in detail because we haven't got the time, but to certainly discuss this report and see if we could accept many of their recommendations that they make for a public accounts committee for our own committee. I'd be certainly interested in discussing it.

Mr. Hopfner: — Well go ahead. I'll pass. I'll reserve my comments for later. Go ahead.

Mr. Neudorf: — There's a basic premise here that I fail to understand, and that is: why are we spending this much time on a report that has been done outside of Saskatchewan entirely when we have our own report and our own mandate from our own legislature? Why do we not use that as the basis for discussion instead of going and picking up this document that has no bearing on Saskatchewan directly? We have our own Saskatchewan report, our own Saskatchewan mandate. Let's concentrate on that if we're going to be making changes.

And with due respect to you, Mr. Rolfes, I don't have the confidence in this document that you just indicated because, unlike you, I may be taking an unpopular decision here, but I don't agree with the first statement. That's why I don't have all that confidence in this report — its very first sentence is wrong. It's built on a . . . It's based on an inaccurate premise when it states that the process of spending and accounting for public money begins and ends in the legislature. That's patently untrue.

Mr. Rolfes: — That's the principle of democracy.

Mr. Neudorf: — No, the principle of democracy, Mr. Rolfes, is that that process ends with the electorate. At the time the writ is dropped, the electorate is going to pass final and ultimate judgement on what this legislature is all about, so that's the basic premise that democracy is based on. It does not end in this room; it does not end in this legislature. It ends with those folks out there who have put us here through the electoral process. That's the ultimate end, not the legislature.

So if that's an indication of what the rest of the document is about, we'd better have an awfully close look at it.

Mr. Hopfner: — Thank you, Mr. Chairman. I think possibly what we could be looking at is at a total different scenario altogether. I must admit I haven't had a whole lot of time to read the document. I skimmed through, and I haven't had a whole lot of time, put a whole lot of thought into it, so what I would like to suggest to the committee, and maybe we could discuss it in this point, is that we have the chairman and the vice-chairman, I believe, or someone going down to this conference.

Instead of us maybe speaking in regards to an out-of-province document, we could sit and listen to the debate that carries on and have a report brought back to this committee, and from there then we could have a discussion. This is a discussion paper that's going to end

up at this particular convention anyway, so I imagine it'll be ripped and torn and all kinds of different various things will come from it. And maybe then you could bring back these suggestions to this committee and we could compare them with our rules and regulations that we here adhere to, and then if we feel as a committee that we should adopt some new changes from that conference, well then I think we have something to discuss. But until then, I would suggest that we just leave this at abeyance and carry on with other business.

Mr. Rolfes: — Mr. Chairman, I just want to make a comment that we had agreed last week that we should discuss this report today. We had indicated also last week, it would give us sometime over the interim to study the report and come back and give some suggestions to our chairman and the vice-chairman so that they knew where this committee basically stood on the objectives of a public accounts committee.

I really don't care if the members opposite don't want to discuss the report; I have no particular desire to discuss it if Mr. Muller and Mr. Van Mulligen don't want our guidance and we feel that they shouldn't have our guidance, fine. I have no objections. That wasn't the decision of the committee last week. I'm glad I studied the report. I think it's a good one. And if the members opposite don't want to, I have no desire to argue as to whether we should study this report or not study it.

Let's get on with the *Public Accounts*, fine with me. I have no objection to that. But they had asked for our, you know, that we should study it so we can give them some guidance. Committee wants to change that, that's fine with me. I have no objection.

Mr. Chairman: — Okay. I have Mr. Muller, Mr. Muirhead, Mr. Neudorf, but I just might say that we seem to be getting in an area of almost a procedural wrangle about how we should handle the report without actually getting into the report.

Mr. Muller: — Well I was just going to say that I perused this, not in any detail like Mr. Rolfes, but it would be kind of nice to have a comparison of what our mandate is in Saskatchewan and compare the two before we went to the meeting, and maybe we could pick some good things out of both of them to put forward.

But there's some things in here I disagree with, like Mr. Rolfes mentioned, just the one on page 23 where the chairman and vice-chairman should be paid, and have a staff and things like that. But it might make us more effective if we had a comparison of what our mandate is in Saskatchewan to compare with this.

Mr. Muirhead: — Yes. Thank you, Mr. Chairman. I haven't even perused it very well at all. I went through it and picked out a few highlights in it and went through it very quickly.

But as far as I'm concerned, if we wish to . . . If the majority here want to discuss this thing every Tuesday and Thursday from now for a month, that's fine with me. If they rather do that then discuss *Public Accounts*, that's up to the majority here, I don't care. If the members opposite

want to work on this report and study this report for two months, I don't care. If they think that's more important than getting into *Public Accounts*, that's fine with me.

Mr. Chairman: — I just might back up that we put this thing on the agenda, I think, before we had the auditor's report, and we thought we might have more time pending the arrival of the auditor's report to do that but . . .

Mr. Muirhead: — I want to be fair. By not studying it very carefully, I'm not going to comment on whether it's good or bad because I will admit that I didn't study it, and I should have. I apologize.

Mr. Neudorf: — Yes. I don't want you, the committee, to get the wrong impression from what I was saying. I'm quite prepared to discuss this issue. I think it's of fundamental importance to this committee to know exactly under what parameters we are operating. I'm fully prepared to discuss that report as it has been tabled here. My concern is that that report should not form the basis for the mandate of this committee and the mandate that this committee is going to adopt, because the Legislative Assembly of the province of Saskatchewan has already presented us a mandate, and I would prefer to use that as the basis of our discussion, and wherever we can round some of these issues that are brought up in this other report, fine, so be it.

And having said that, I would say that if we're going to pursue this discussion — and I think you as chairman and Mr. Muller as vice-chairman going to this conference should have direction from this committee as to certain issues and so on — so I'm fully supportive of that. My concern is that we continue this discussion from this point on, based on the 1964 mandate that the Legislative Assembly gave this committee. That is my point.

Mr. Chairman: — I just might throw out as an alternative that perhaps Mr. Muller and anyone else that's interested could get together just to go review the document among ourselves and identify any specific questions that we either want to put to the Clerk, by way of getting historical information on our mandate and traditions, so that we have that information for Halifax, and/or put specific questions to the committee in the coming weeks that we feel that we might like to have some clarification from the committee on, if that's acceptable. I throw that out as a suggestion.

Mr. Hopfner: — I would like possibly to maybe even have the outside study in comparison to our mandate, have the comparisons broke down, and where there are no comparisons, have them noted so that if there are any additional things that we should be discussing away from those comparisons, then we can recognize them immediately.

Mr. Chairman: — Perhaps that's something Mr. Muller and I can do for the committee is to note those things. just in that vein, I would ask the clerk to hand around just some single sheets. It's called, "Public Accounts Committee Activity", which is a comparison of public account committees in Canada. That information, I think, is dated now, but it's a useful way; at least in a summary fashion, you get some appreciation of how we stand

relative to other public accounts committees on a number of items.

I throw that out as a suggestion that perhaps Mr. Muller and I could meet and review the document, along with anyone else that's interested, and come back to the Clerk with any specific questions, and also to the committee if we had specific questions that we feel we would like input from the committee on. I throw that out.

Mr. Prebble: — Mr. Speaker, I've been listening with interest to the comments made this morning. I take it that members are not anxious to reassess the role of this committee. I think that's perhaps at the root of the issue.

That's a source of disappointment to me. I think that when you compare this Public Accounts Committee with the work of public accounts committees in many other jurisdictions in Canada, it's very clear, first of all, that our role is much more narrow than a number of the other committees, and I think our role is probably more partisan than that of some of the other committees. And it seems to me on both those accounts we should be seeking to review our mandate.

I've always noted with interest that many other committees seem to have more authority to, for instance, examine areas of government waste than we do. And certainly some of the committees seem to be able to manage to operate in a more non-partisan fashion than we do, which I think are two objectives that are very effectively outlined in this report, which is one of the reasons why I'd like to discuss it.

But if members don't want to discuss it now, perhaps we could discuss it in detail and examine the role in detail after Mr. Muller and Mr. Van Mulligen return from Nova Scotia. But I really do think that at some point we should have a discussion of the role of the committee. Whether it takes place now or whether it takes place at some point later this year, I don't feel strongly about it. But I do feel strongly about the fact that at some point the committee, as a total body, needs to discuss what the role of the Public Accounts Committee in Saskatchewan shall be, and we should examine in some depth the mandate that our committee has versus the mandate that committees in other parts of the country have, with a view to perhaps looking at broadening our mandate.

And I'll just leave it at that, Mr. Chairman.

Mr. Neudorf: — Yes, I thought I had made myself patently clear that I do not oppose a discussion on the mandate of this committee, and I am quite prepared to discuss this mandate in detail, and I am prepared to do that now.

So perhaps what I should do then is to refer the members to the Saskatchewan Public Accounts Committee booklet here, which is a report of the committee of the Legislative Assembly of Saskatchewan, constituted to examine the function, terms of reference, methods of, and the information and assistance provided to the Saskatchewan Public Accounts Committee. This has been concurred in. It was drafted in '63, I think, and finished in '64, and given approval by the legislature, I think, in '65, if I am correct.

Having said that, I believe that except for one change in the committee no longer operating in camera, and with The Provincial Auditor Act that has just been passed, I think other than that, this document still is the mandate of this committee. If we want to go into it in detail, I'm prepared to do that right at this moment, and we'll discuss the mandate.

Mr. Anguish: — Thank you. I didn't know that such a document existed, and I would ask that the chairman of the committee, or possibly the Clerk to the committee distribute that document to members of the Public Accounts Committee. Would that be possible? Thank you very much.

Mr. Chairman: — Sorry, Mr. Anguish, if you could restate that.

Mr. Anguish: — I wasn't aware of that document. What I'm asking is: could the Clerk of the committee distribute copies of that to the members of the Public Accounts Committee because I would like to make a comparison as to what's in that document?

Ms. Ronyk: — Yes, Mr. Chairman. The document Mr. Neudorf was referring to is the report of the special committee of the legislature that reviewed the whole issue of the Public Accounts Committee in the early to mid-'60s, and actually did bring about the major changes in the committee that changed it from a very large 35-member committee prior to that time to more of its current structure. We do have a few copies, and if we don't have enough I can get copies made and distribute it to the members, if they would like.

Mr. Anguish: — On that document, I was not aware that it was in existence. If I could . . . (inaudible) . . .

Mr. Chairman: — I just might add that in 1982 the committee discussed at some length, then, a report: Improving accountability at Canadian Public Accounts Committees and Legislative Auditors. I gather it was a report not dissimilar to the one that we're discussing now, and at that time the Public Accounts Committee here agreed to a number of recommendations, and perhaps those might, too, be distributed at the same time to members.

Mr. Neudorf: — That's where it ought to be in cabinet.

A Member: — In '82.

Mr. Chairman: — Yes. It could well be; I don't know.

Mr. Hopfner: — Well this brings another point . . . a question for me and for clarification. I agree with Mr. Anguish that we should have them documents distributed to each member.

I also want to get some clarification as to whether we have the authority to make the changes here, or whether we have an authority to even be discussing for the changes we could possibly be suggesting to the legislature that that should be open for change. Maybe that's what we have to do first, is get the permission of the legislature to have this

thing opened up for even discussion. I don't even know if we're operating under a proper mandate to even be discussing this kind of stuff.

Mr. Chairman: — That's a good question, Mr. Hopfner. I frankly don't know the answer to that but I'd be surprised if there wasn't some proviso somewhere that at least allowed the Public Accounts Committee to examine its function and to make appropriate recommendations.

Mr. Hopfner: — Well the reason I brought that point to question is because basically I think this is a forum where I think it's rightfully to say where opposition and government have a chance to come out and debate the expenditures of the government, and where it was stated by previous speaker in the opposition side that it may get away from partisan views and be more of a co-operative nature and stuff like this.

Basically I don't believe that that can be done, because I don't believe they can . . . unless you have the same type of ideology and the same . . . the direction of the dollar and the way it's going to be spent, that you can get away from those points of views. And therefore I think that we would be discussing opposite views here continually, and therefore to shorten the arguments we could bring it forth to the legislature and if they want . . . you people that sit on the opposition side can bring forth what changes you'd like to see in Public Accounts and we can debate them in the legislature. If they pass, well they pass. If they don't, they don't. We can carry on with the business.

Mr. Neudorf: — I was going to react to Mr. Hopfner's initial question about the role of this committee. It would seem to me that, as a committee, we're certainly within our purview to look at and to discuss our mandate and perhaps ultimately to come up with some recommendations to be included in the report to the Legislative Assembly. And like Mr. Hopfner said, that's perhaps the forum in which the ultimate decisions — if there's going to be a change, of course — and direction of this committee to be done at that time, and in that forum.

Mr. Chairman: — Ultimately we are a creature of the Legislative Assembly, and if there's to be major changes, or I guess any substantial changes in how we operate, that body should have its say.

Mr. Muirhead: — I just want to set the record straight, Mr. Chairman — perhaps Mr. Prebble wasn't here when I made my comment before, I'm not sure — that I've absolutely no problems studying this new report Tuesdays and Thursdays for a month or two, whatever, if they think that's got more priority than to study *Public Accounts*. I just want to set the record straight in case Mr. Prebble wasn't here.

Mr. Chairman: — I wonder if we might bring this discussion to a close. I think we've had a good go-around about the report and I sense that there is some support for the notion that we do discuss, or find an opportunity to discuss, questions of our mandate and role and responsibilities and all the ancillary questions that go with that. The question is whether this is a good time.

I wonder if, towards that end again, whether the

suggestion I made that perhaps Mr. Muller and I, at least in terms of getting immediate input for the conference in Halifax, that we sit down and review the document and put specific questions that we would like answers to the Clerk and for the committee as we see the need to put those questions and leave it at that at this point. And then perhaps following the Halifax conference and following a report from us on some of the discussion there, that we then might find an opportunity to get into a more substantive discussion on our mandate and role recognizing that the last time that occurred, I think, was in 1982, some six years ago. And that at least from the point of view of discussing of who we are and where we're going, that to get into that kind of discussion every six years might be a good thing.

Mr. Martin: — I'm rather surprised. I mean, we've heard for weeks on end that where are the *Public Accounts*? We even went to court on the issue, or almost . . . It didn't go to court. I mean, it was such a pressing item, particularly from your members, and now we're not even talking about discussing those particular issues but moving on to something else, somebody else's ideas about how a Public Accounts Committee in parliament should be organized. I mean, what's our priority here anyway. I mean, that's really my point on the thing.

Mr. Chairman: — I might explain, and you may not have been at that meeting. But this document arrived at a time that, I think, the *Public Accounts* were tabled but we did not have the auditor's report. It was felt that given the fact that the auditor's report might be here in a week or two, that we might have the opportunity to get into a discussion on this report pending the receipt of the auditor's report and, therefore, we had a window of opportunity to do that. But given the fact that we now have the auditor's report since the last meeting, that we may want to put this one on the back burner, so to speak.

Mr. Rolfes: — Mr. Chairman, I agree with the member from Wascana in chastising his own members for making that decision last week, and our members for making that decision last week.

Mr. Member, you were here last week. If you weren't, your members agreed that we should discuss this. I said this morning, if it's no longer important, then let's go to the auditor's report. I think it's unfair of you to criticize our members on this side when the committee decided last week. If we don't want to discuss it today, then let's get on with the auditor's report. But I think it's unfair to criticize our members, and we should criticize the committee for making that decision last week.

It was a unanimous decision last week that we study this report today. I spent the time on the weekend to study it in detail because that was the decision that the committee made, that we should give Mr. Van Mulligen and Mr. Muller some guidance as to the discussions in Halifax, I believe it is, where they're going. So I spent my time on the weekend to do it. And I'm glad I did because I think it's a good report.

If we want to go on with the auditor's report today, I'm quite prepared to go on with it. Now let's go on with the auditor's report. But I think it's unfair to criticize the

members on this side who now want to discuss this report, which the committee decided last week we were going to do.

If we decide today not to discuss it, fine. Let's move a motion then and go on with the auditor's report. But I'm simply not going to sit here and take chastisement from the member from Wascana on what the committee decided. Now he wants to chastise us for that decision. I think that's unfair.

Mr. Martin: — I'm not chastising the committee and/or your side for making the decision to discuss this report. My point is that we've been here for almost an hour now, and you guys made the big issue about getting the *Public Accounts* into the Legislative Building, and even went to court on the issue, and we spent three-quarters of an hour arguing over whether or not we should read this document or do the public accounts.

I mean it's obvious to me that you want to do the public accounts. Let's do the public accounts. That's what we're here for. We got lots of time to discuss those other things — I mean, how to improve the operation of the thing.

Mr. Chairman: — Again I would point out that in fairness to the committee that when this document was before us we did not have the auditor's report, Mr. Martin, that the committee agreed . . . (inaudible interjection) . . . well that was subsequent to putting this on the agenda.

Mr. Rolfes: — You agreed with the committee to accept responsibility then.

Mr. Chairman: — In any event, hopefully we're flexible enough that in the light of changing circumstances, that we can adapt, to paraphrase Mr. Martin.

Again, just to end this discussion, if that's possible, I throw out the suggestion that Mr. Muller and I review the document. If there are specific questions for the committee and the Clerk, that we put those questions prior to the Halifax conference. Secondly, that we try and find an opportunity subsequent to that, and possibly subsequent to a review of the auditor's report in the *Public Accounts* to get into a more substantive discussion with the committee on our mandate role responsibilities and the like.

And I just throw that out and I ask whether there's agreement on those points. Is there agreement?

Mr. Neudorf: — I say again, Mr. Chairman, that I'm quite prepared to follow Mr. Rolfes's suggestion and to get into detailed discussion on it right now.

Mr. Rolfes: — Mr. Chairman, please, I did not say that we should go into detail in discussing that report. I said if the committee is willing, I'm quite prepared at this time to go into the auditor's report in *Public Accounts*. The committee agreed last week that today we should spend our time on studying this report. If the committee wishes to reverse its decision today, it's perfectly fine with me. I've also studied the auditor's report and I'm quite ready to go on that.

But don't say that I said we should go into details. The committee decided this; I didn't. And I'm quite prepared to leave this document alone and go to the auditor's report.

Mr. Chairman: — Can I ask, is it agreed that Mr. Muller and I review the documents and come back with any specific questions; and secondly, that we try and find an opportunity after the Halifax conference, and hopefully after we finish consideration of the *Public Accounts* and the auditor's report, to get into a more substantial discussion on these issues? Is that agreed?

Mr. Neudorf: — Not completely, Mr. Chairman, because I still come back to my basic point is that we have a mandate right here.

Mr. Chairman: — Yes.

Mr. Neudorf: — So why then are we going to be using this document and react to it? Let's build on what we have.

Mr. Chairman: — No, I didn't say that we should get into either document. I said get into a more substantive discussion on our mandate and role, and whatever documents . . .

Mr. Neudorf: — But you and Mr. Muller, I understood, are going to take this document here and review it and come up with questions and comments after.

Mr. Chairman: — Mr. Muller and I will be faced with a prospect of having to discuss that document in Halifax, and we may have some questions before we go there, both from the Clerk in terms of what our mandate is, whether it's in that document or otherwise, and also if there are any specific questions from the committee, and we'll try and identify those. But anyway we will be faced with the prospect of having to debate that particular document.

Mr. Neudorf: — Mr. Chairman, I think we're getting somewhere here. All I'm suggesting to you is that you can take that report and you can discuss it, but using it as the basis for all of your discussions and decisions, our own document is of paramount importance because that's what your answers would be based on. Until this document has been changed by the Legislative Assembly, your answers are based on this document, based on Saskatchewan rather than that other one.

Mr. Chairman: — We'll take that into account as we try and anticipate any questions that we might have.

Mr. Muirhead: — Just to clarify maybe what you and Mr. Muller will be discussing, would it be in order to make a motion this way, that we have our own document, you look at it and look at the good points out of this one and compare what you liked . . . or put additions and bring back to us what you'd like to have put into this one? is that what you're really saying? Is that what we're saying as a committee?

You look at what we've already got, because naturally you just couldn't go read this document and not look at the other one. Whatever our rules and regulations to run

this Public Accounts Committee is already there, and so I would suggest that you and Mr. Muller look at this one, in what you'd like to take out of this one to be in addition to this, and bring back recommendations to this committee.

Mr. Chairman: — I think that would be the intent, that we . . .

Mr. Muirhead: — I make a motion to that extent.

Mr. Chairman: — We're discussing again in Halifax an ideal committee, and in doing that it would be good for us to have the information as to what our mandate and what our traditions are, and some of that is to be found in that document from 1964-65. Some of that may come from traditions, and the Clerk may be able to help us on that, but there may be the odd question that we will need to come back to the committee on to get an appreciation from the committee.

For example, one of the issues that's raised in that particular document is the question of value for money auditing. We may not need to come back with a specific question because the auditor also raises it and we may be able to get a sense from the committee through that discussion as to where this committee stands on that point. I hope that I've made myself clear on that.

Mr. Rolfes: — Mr. Chairman, I want to say that first of all I agree with the member from Arm River's motion. I think that's the direction we should go. But I do want to, to set the record straight . . . Number 6, decision of last committee meeting, said this:

The Committee agreed to consider documents PAC 7 & 8 tabled . . . at the next meeting.

Today is the next meeting. That's the basis I was going on. But that doesn't mean, that doesn't mean that we can't change our minds today, if that's what we . . . obviously we're doing — we don't want to consider this report. And I agree with the motion made from the member from Arm River — let the chairman and vice-chairman examine those documents, come back to the committee.

I'd like to get on with the business of *Public Accounts* then and the auditor's report, if we don't want to study this report. But I came here to study this report because that's what the committee said we were going to do, and now suddenly we don't want to.

Mr. Chairman: — Again, could I just draw this to a close, and with all respect to what Mr. Muirhead has said, that Mr. Muller and I will review the documents. If we have any questions we will refer our questions to the written mandate of this committee and of this legislature and, if necessary, put any additional questions to the Clerk and perhaps to the committee, before proceeding to Halifax.

Secondly, that we try and find an opportunity after the Halifax conference, and hopefully after the *Public Accounts* and auditor's reports are dealt with, to get into a more substantive discussion again, if you like, a re-evaluation of our role and mandates, utilizing whatever appropriate documents there may be. Is there agreement on those points?

Mr. Hopfner: — Well when I got that report it was a report for us to read and for our consideration. Now that's what it was about. It wasn't that we were going to come in here and all of a sudden make some changes or suggest to you to go down there and say, yes, this is what we want to adopt, necessarily.

I think the better question here is: is there some dissatisfaction the way our public accounts is running? I think that's the question that should be answered. And if there is some dissatisfaction the way our public accounts is running, then I think we have to decide in this room that there is that dissatisfaction, and go to our authorities and suggest some changes. But I don't think we should be looking at a whole bunch of reports and making some unilateral decisions here which is not under the mandate of the legislature. Now I don't know . . . Is there dissatisfaction?

Mr. Chairman: — I don't know if dissatisfaction is the right word, but certainly when one looks at what these people have written in terms of a model public accounts, or you do reading in other areas, it raises questions about some of our mandates and roles.

Mr. Hopfner: — There must have apparently have been some dissatisfaction in other jurisdictions. That doesn't necessarily mean that we should all of a sudden start studying other people's dissatisfactions and changes that they may want to make. I would like to know if there's dissatisfaction here. If there is that dissatisfaction, then we should get into some suggestions and/or just go down to the conference and forget it. I don't know why you and Mr. Muller wanted to even extend the time to that particular topic if there's no dissatisfaction here.

Mr. Prebble: — Well I was hoping we could wrap this up, Mr. Chairman, but yes, Mike, I think there is a lot of areas where the work of the committee could be improved. That doesn't necessarily mean that there's great dissatisfaction with the current work of the committee, but there are a number of obvious areas, potential areas, where the work of the committee could be improved.

You know, I just point to a number of things that are raised by this report that I think are worth looking at. One is the question of whether we shouldn't get into examining the question of waste in government or reviewing capital expenditures of government, to see whether we're getting value for money, which is one of the suggestions made here.

You know, another is the suggestion, for instance, that there be a day set aside in the legislature to debate the report of the Public Accounts Committee when we make it, and currently there is not, or whether there should be a provision whereby the cabinet and the government is required to formally respond to the report of the Public Accounts Committee, which to my knowledge there is not right now. I mean there's a number of those sorts of issues, the question of the timeliness of the *Public Accounts* documents, and whether there should be specific provisions with respect to when they're tabled.

I think those are important issues, and at some point we

ought to discuss them, and it's just a matter of when. And I like the chairman's suggestion that we discuss them after he and Mr. Muller return from Halifax. But I think we should have such a discussion. I just wish we could leave it at that and get on with the work.

Mr. Hopfner: — And that's what brings him back to the argument. You and I both agree then that there must be some sort of dissatisfaction. But, like, for you to say government waste, well that's your thought and possibly not my thought.

And I would suggest then that the members, if you're dissatisfied, then the members should bring their request for change to this table, and then we deal with that change at this table. And if the arguments are won or lost at this table, so be it. If they're won, we take them a step further to the legislature, otherwise I think we're beating and flogging a dead horse here.

Mr. Chairman: — Speaking of a dead horse, I wonder if we might move on. And again I wonder if there is agreement that we try and find an opportunity at some future time, post-Halifax, to enter into a discussion on the question of mandate and role for the committee. Is that agreed? Agreed.

Mr. Neudorf: — I look forward to some very stimulating discussions under section 8.

Mr. Chairman: — Exactly, Mr. Neudorf. Exactly.

Mr. Martin: — I'm really anxious to move on here, so I'll make this a real quick question. Will you and Mr. Muller be examining the green document, the Saskatchewan document, along with this proposed document from Nova Scotia, to compare the two before you go down East, before you go to Halifax, so you can stimulate some of the discussion down there?

Mr. Chairman: — Yes, we're looking at a model public accounts committee document, and for us to be able to enter into that discussion it's good for us to know, or it's very important for us to know, what the traditions and mandates are here so that we can report those to our colleagues from other parts of Canada, you know, so at least we'd know the established facts.

We may have other comments that we may only throw in as individuals, in addition to that, but yes, I think that it's good for us to know that. And certainly one of the sources of that information will be that particular document. There may well be other sources, too, that perhaps aren't as documented as that but may be part of our traditions.

Mr. Chairman: — The next item on the agenda is a review of list of standard questions for departments. I think all members received from Ms. Ronyk a list of standard questions. I might ask at this point: are there any other questions that should be added to the list?

Mr. Muller: — Well I have some problems with a couple here. Number 6 for one, under heading of your honorariums, special services, and fees in each department, provide a list of all allocations, including the name of the person, company, and the reason for the

allotment. You know, I mean from time to time we're giving out things when we go to conferences or whatever, and I just don't really see any need for this question. You know, not only . . . I mean we as even elected members, when we go to a Public Accounts Committee meeting or . . . like we're going to in Halifax, or you go to CPA (Commonwealth Parliamentary Association) like I've been to in London, and I mean we give out things, honorariums. You know, I think it's really not necessary to bring all that up to the Public Accounts Committee.

Mr. Chairman: — Okay. Any further comments on this? I just might say that what we're looking at is a list of questions that we propose to submit to departments in writing before they show up here so that they're well apprised of what . . . If the committee decides that we don't want to put that particular question in writing, to my knowledge there's nothing to prevent a committee member from then asking the question.

Mr. Muller: — No, no. Nothing solid. I went through them; I agree with all of them except number 6 and the last sentence of number 7 — an itemized list of services received and costs allocated for each item. I think, in that case, that's the property management corporation. It may take some of the competitiveness out of the market-place. So I'd ask that that last line be stroked out of there in question number 7.

But other than that I have no problem with: "In each department, please provide a complete accounting of all moneys paid to Saskatchewan Property Management Corporation, including the amount paid out in total." It's after that that I would ask that it be stroked out.

Mr. Chairman: — Okay. Now I sense we're getting into a grey area. Again I want to point out that at least my recollection is that any member of the committee may ask any question that it wishes to of a department.

A Member: — No.

Mr. Muller: — Yes, they can ask it. I think you should put some limitations on that wide-open statement, Mr. Chairman.

Mr. Chairman: — Okay. So I'm informed by the Clerk that if the committee disapproves, it's majority decision of the committee as to which question shall we put to the department . . . Correct? So that Mr. Muller has . . . you know, wants to make changes to these things, and if the majority agree, then those changes should be made.

Mr. Rolfes: — A question, Mr. Chairman, just on a procedural matter here. You mean to tell me if the committee says that there shall be . . . we can't ask for an itemized list of services received, that means when the officials from the Saskatchewan management corporation are here I'm not allowed to ask that question?

Mr. Chairman: — My understanding is that if the committee deems such a question to be unnecessary, the committee can make that decision and the department is not obligated to provide an answer then to an individual member's question, if the committee deems that question to not be necessary.

Mr. Rolfes: — Well somebody could ask . . . Okay, someone could move a motion and then simply rule the question out of order.

Mr. Chairman: — Yes.

Mr. Rolfes: — I could understand that, but surely the questions here are not . . .

Mr. Neudorf: — Is the purpose of these questions, Mr. Chairman, not to just facilitate and expedite matters so that there's a prearranged set of questions given to each department so they can, beforehand, get the answers to all of those? And the committee has agreed, yes, that's a good standard set of questions. And it still behooves any member to ask whatever question they want afterwards as long as it's under the year under review and within the parameters set out by the mandate of this committee. And sure you can still ask the question, but because you ask the question, that may not necessarily mean that that person has to answer if he feels that it's beyond their scope.

Mr. Chairman: — The advice I get from the Clerk is that the committee may say that, well, this aspect of this question is not necessary and therefore the committee does not wish to ask it. So . . .

A Member: — I hate to say it, yes.

Mr. Muller: — That's the only two problems I have with the standard *Public Accounts* questions.

Mr. Chairman: — I'm open to the committee's suggestions as to what we should do, whether there should be then amendments to this in terms of questions that are put to departments, or you want these questions to go as is?

Mr. Rolfes: — Mr. Chairman, in order . . . I mean if we, if I may . . . In order to facilitate things here, if we don't agree with Mr. Muller's suggestion, we're going to get voted down anyway, so we may as well agree and get this thing . . . no, I'm just facing reality. You've got more people over on your side than we have on this side, and I'm quite prepared to strike that out and so we get a common agreement of what we can send to the department and we'll still have the opportunity to ask those questions in committee. That's fine.

Mr. Chairman: — Okay, the first thing was then item no. 6. You wish that item struck?

Mr. Muller: — Yes. Item no. 6, then the last sentence of item no. 7.

Mr. Chairman: — Okay. Any discussion on item no. 6?

Mr. Muller: — The last phrase, yes.

Mr. Chairman: — Okay.

Mr. Rolfes: — Well I disagree, but I mean, I know it's going to go through anyway.

Mr. Chairman: — Okay, your disagreement is noted. And the last part of item no. 7 — an itemized list of the services received and the cost allocated for each item; do you wish that to be struck? Any question or any discussion on that . . . (inaudible interjection) . . . Okay.

Noting those changes, is there then agreement for all the other items? All the other . . . the list of questions as informally amended. Is that agreed? Agreed.

Mr. Chairman: — Okay. As I understand it then, these questions will be sent to each department that is proposed to be called, and we will expect them to . . . again recognizing that some departments may be here within a matter of days. But certainly after a couple of weeks notice we would expect departments to be able to provide answers to these questions unless they can give a good reason why those questions can't be answered.

Ms. Ronyk: — Mr. Chairman, if I might clarify. Is it your wish then that once the committee has established your list of departments to be called that I would just send out this list to each department and ask them to have it ready by the time the department will be called before the committee?

Mr. Chairman: — Yes, that's correct.

Ms. Ronyk: — Because sometimes we don't give them more than a few days notice of when they're going to be called up, so if I send this ahead of time it should help.

Mr. Chairman: — Yes. Recognizing that some may be called within days or in a week and they may not be able to get that on time, but certainly after a couple of weeks most should be able to.

Mr. Muller: — Certainly that's my understanding of the standard questions that would be sent out to the departments, and if the time frame is long enough that they can have the answers here when they come before the committee, fine, if that's what we'd like.

Mr. Hopfner: — Could we get a copy of the revised question list then as worded?

Mr. Chairman: — Okay. The next item on the agenda is the consideration of the Provincial Auditor's report, and I suppose related to that is, if you want to discuss that now, is the determination of departments to be called.

Mr. Anguish: — First off, a question. I'm assuming, when you say consideration of the Provincial Auditor's report, that also means consideration of the *Public Accounts*. And I guess my question is that: do we discuss the auditor's report and the *Public Accounts* at the same time while we have the department here, or do we have to have separate meetings, one for the auditor's report, and one for the *Public Accounts*?

Mr. Chairman: — No, the practice has been that we identify departments we wish to have called. When that department is here, we will entertain questions for that department both on the items raised in the auditor's report and/or questions raised in the *Public Accounts* at the same time.

Mr. Anguish: — I would propose that we remain open to calling all of the departments and agencies listed in the *Public Accounts*, with the priority for the first five being on the Department of Highways and Transportation; secondly, the Department of Supply and Services; thirdly, Parks and Renewable Resources; fourthly, Advanced Education and Manpower; and fifth, Economic Development and Trade. If that's agreeable to the members of the committee, then I would suggest that as we deal with those we then continue to prioritize other departments and agencies which we wish to call before the Public Accounts Committee.

Mr. Neudorf: — What do you mean by Supply and Services?

A Member: — That would be under property management now, wouldn't it?

Mr. Anguish: — Well, I don't see any property management listed in . . .

Mr. Neudorf: — Page 36, or chapter 36.

Mr. Anguish: — I was going by the *Public Accounts*. I would assume that if we called the Department of Supply and Services, it would be property management people that appear here since the property management corporation is not listed in the *Public Accounts* for 1986-87, that when we speak of the Department of Supply and Service we mean that to include the property management corporation, Mr. Chairman.

Mr. Chairman: — I just might back up that it's normal for the committee to take some time, a meeting or two, to go through the general comments of the Provincial Auditor that he raises in his report and then subsequent to that to determine the departments that are to be called. Although there's nothing wrong perhaps in terms of standard questions and so on, it might be a good thing to at least identify the first departments that we wish to call so that they can recognize that they may not be called for a couple of weeks. If that's your wish, then at least they'll have that additional time to consider standard questions before they appear before us.

Mr. Muirhead: — Mr. Chairman, could we have Mr. Anguish just repeat those in order again, please. I'd like to jot them down, so I can write them down.

Mr. Anguish: — Mr. Muirhead, the order that I suggested, taking into consideration what the chairman has said about the auditor's office, is that number one would be Highways and Transportation; number two would be Supply and Services; three would be Parks and Renewable Resources; fourthly would be Advanced Education and Manpower; fifth, Economic Development and Trade.

And as we proceed with those departments, that we will continue to prioritize other departments and agencies to come before the committee.

Mr. Chairman: — Is that a motion or just a suggestion at this point?

Mr. Anguish: — I don't know if we need motions if we have consensus. I imagine it's as good as a motion if the members of the committee agree with that. If it requires a motion, I would so move, but if . . .

Mr. Neudorf: — Mr. Chairman, on a personal basis, it makes no difference to me which ones are called and which ones are not, or in what order. So whatever, I'd be quite in favour of going along with what Mr. Anguish has suggested.

Mr. Muirhead: — Yes, I was going to say the same . . . (inaudible) . . .

Mr. Chairman: — As I understand it then, our intent would be to deal with the general comments of the auditor, but to let these departments know that when we do get into specific departments that they will be first up, and to provide them with the list of standard questions, so when they do arrive here that they will be prepared at least with those standard questions.

Am I reading you correctly here, Mr. Anguish? I just might say that the committee has in the past spent, oh, a couple of meetings or three, Mr. Rolfes, would you say?

Mr. Rolfes: — A couple of them, yes.

Mr. Chairman: — A couple or so to deal with the comments, the current issues of importance.

Mr. Anguish: — Well my concern about doing the auditor first would be getting into departments or agencies and not having individuals here from those departments or agencies. But if what you're saying is that in dealing with the auditor's office we would be dealing with pages 1 to 14, inclusive, of the *Report of the Provincial Auditor*, year ending March 31, 1987, if that's what you're saying, then I agree. But I would not want to get into the balance of the document without departmental or agency people being present at the meetings.

Mr. Chairman: — Your interpretation is correct. We would first deal with the current issues of importance. then move on to departments, I suppose now in the order of priority that you've listed them, subject to the agreement of the committee, and discuss with those, then, any comments that the auditor might have in his report and any questions that may arise out of the *Public Accounts* for those particular departments, with departmental officials in attendance.

Is there agreement then that we will deal with the current issues of importance and then deal with the departments that Mr. Anguish has listed as being priority departments for call by this committee? Is there agreement from those points? Agreed.

The time is 10:16. I know the Clerk has asked that we vacate the premises by 10:30 because of another committee meeting, and some of those may be arriving a few minutes early. So I just would like your direction — it's now 10:16, 10:17 — whether we want to start on the Provincial Auditor's report or . . .

Mr. Neudorf: — I would like to make the suggestion that we adjourn at this time because some of us are also on the next committee. There's just a few minutes to change our hats and move into that one.

Mr. Chairman: — Okay. I don't know of any other outstanding items on the agenda. I think that's it. Mr. Neudorf has moved we adjourn. All agreed?

The committee adjourned at 10:17 a.m.