

STANDING COMMITTEE ON PUBLIC ACCOUNTS
May 25, 1989

Public Hearing: Department of Social Services
(continued)

Mr. Chairman: — Good morning, Mr. Kutarna. And we'll just start where we left off last Thursday.

Mr. Martin: — Yes, we left off after question no. 12. And just before I move to question no. 13, Mr. Kutarna, I've had an occasion since last Thursday to read through the material, again, and again I want to express my appreciation to you and your department for being so forthright and extensive in your answers.

It's a useful exercise to ask these questions, and I'm glad we've had this opportunity. So I want to thank you and your officials and your department for not only doing what appears to be an excellent job, but being so honest in your answers.

I'd like now to ask question no. 13. What was the amount of the average overpayment owed in the year under review, and what was the amount of the average monthly payment being deducted from the cheques?

Mr. Kutarna: — Mr. Chairman, the response to that question is that we have taken a sample from the early part of that fiscal year, and at that time the average amount of the overpayments was \$697. The average monthly recovery was \$36.

Mr. Wolfe: — That's an annual overpayment of \$697?

Mr. Kutarna: — That's the total overpayment on average. So it would represent the complete overpayment for an individual on average.

Mr. Wolfe: — So that could be over a period of one or two years, or even more than that.

Mr. Kutarna: — The way I would describe it is it's a cumulative balance. It's something that has accumulated and is being reduced at the rate of \$36 a month, on average.

Mr. Wolfe: — How do you calculate the monthly deduction for overpayment; like how do you go about that? Would it be different if the assistance was greater, or less for let's say one family over another?

Mr. Kutarna: — Mr. Chairman, there would be a schedule of overpayment deductions based on the situation that the individual is in. So as an example, we have what we call category one, where a single and fully employable person would have an overpayment deduction of \$5 per month if the amount of the overpayment is \$1,000 or less, and it would vary all the way up to \$20 a month if the overpayment is over \$2,000.

And there are other categories. For example, other employable recipients with overpayments of over \$2,000, the maximum would be \$60 a month. So for that year, the maximum deduction would be \$60 per month. But it ranges according to the situation that the individual is in.

Mr. Wolfe: — Have those schedules changed from the previous year?

Mr. Kutarna: — Mr. Chairman, the schedule does not appear to have changed from the previous year. They may be some technical changes within that schedule, but our belief is that it's the same schedule that's been in effect for a few years preceding that.

Mr. Martin: — Has this been . . . In the event where it might create some kind of a hardship for an overpayment client, what procedure would you follow then? It would then be difficult for them.

Mr. Kutarna: — There are really two procedures. One is that the regional director can be flexible in the schedule. If there is demonstrated hardship, then the schedule can be reduced. And secondly, if the individual is still not satisfied with the decision, there is the appeal process, which I described the other day, which can be followed.

Mr. Wolfe: — The reason that I was asking the question is I remember it wasn't too long ago — I think it's three or four months ago — there was a television interview with a family who had been complaining about not having enough money to feed their kids, and those sort of things. And as I understand, it was related to an overpayment and the money being taken off or something like that.

Do you know anything about that, or those kind of situations?

Mr. Kutarna: — The schedule is determined to be . . . The schedule is . . .

Mr. Lyons: — Was that interview of . . . (inaudible) . . .

Mr. Wolfe: — No, but the question's related to the year under review. It's the question of overpayments and how that's calculated.

A Member: — I don't think it's asking . . . (inaudible) . . .

Mr. Chairman: — Fair question.

Mr. Kutarna: — Mr. Chairman, I don't know the exact case that's being referred to, but the situation is that the schedule is determined with some sensitivity to the dollars that are being received by that family, and if the situation becomes apparent that there's a hardship, then we do review the situation and attempt to be as reasonable as possible on the overpayment schedule.

Mr. Neudorf: — The comment that I would have with this overpayment situation is the fact that . . . And I think all members of the legislature, no matter what side of the House we're sitting on, face this problem from time to time as an MLA dealing with constituents. And I find that in my own office when issues like this come about, it's a traumatic experience for the people who come in and say, look, I'm not getting my full payment now because I have to pay back things which the department says I got overpaid for. And it's a very traumatic experience, and I think this is a serious situation that we should try to resolve as fully as possible.

The auditor makes the comment on page 104, 19.05:

Errors in social assistance payments result from two sources, namely, errors made by the employees and errors made by recipients.

Then he goes on on 19.10 to state that:

The remainder of the overpayments described above were due to recipient generated errors. Recipient generated errors caused most of the overpayments — (and it says) 7.5 per cent (\$14.8 million) in 1986/87 (and the year prior to that) (1985/86 — \$18.4 million).

Now I don't know if that's a trend that has been established that we can expect to continue in the future. That's a healthy reduction from 18.4 down to 14.8. What were some of the reasons . . . what have you done, or what have the recipients done in order to cut down that overpayment rate by such a substantial amount? I'd like to see that trend continue.

Mr. Kutarna: — Mr. Chairman, the auditor's report over the last number of years has talked about the error rate. And at one point, if I remember correctly, the error rate was in the . . . it was a double-digit figure, something like 15 per cent, and in the year under review it's down to 10 per cent. And yes, in succeeding years we have dropped the error rate significantly, and my estimate that it's sitting at about, today, just based on estimates, it's based on about a 5 per cent, 5.7 per cent error rate.

But what we have done is we have paid particular attention to how the system is administered and monitored so that errors are not generated. One of the main initiatives that was taken, which has taken several years to implement, is the automation of the Saskatchewan assistance plan program. When you automate a program like that, you're able to more soundly calculate and ensure consistency across the province according to your policies because your policies are applied fairly and consistently across the province.

Even a simple thing, for example, like a calculation of a benefit is subject to error if it's done manually, and that's the way the system worked prior to '86-87. There was a manual calculation done. The program is very complex because it intends to be sensitive to all sorts of different factors and needs, and so it was subject to error. And as a result of automation, calculation errors, just simple calculation errors are almost non-existent.

In addition to that, we had paid particular attention to what I call controls in the program. For example, we have introduced something called a mandatory report for employable people, which means that on a random basis, without pre-information or pre-warning, a person is required to on a simple form report their changes of circumstances. In other words, have they received other income, have they worked during the intervening period, have their dependants changed, whatever.

But the result of all of this is that we have been able to

track faster, changes in a person's situation and also catch those situations that are not reported. And so we've been able to bring up control factors so that the error rate drops.

Mr. Neudorf: — Just on a follow-up point, reading over 19.13 and so on, 14, 15, the auditor is also suggesting though that there is a point where you have to take into consideration the cost-effectiveness of such a program where you are trying to catch these overpayments, and so on. So if you're to have to have a cost-benefit analysis to make sure that it's not costing you more money on the department than it does to recoup some of those overpayments, are you engaged in that kind of thing, or how do you monitor that as to whether it's cost-effective or not?

Mr. Kutarna: — Mr. Chairman, the concern expressed by the auditor was that the department should be doing a cost-benefit analysis on the merits of a particular action. Our position at the time was that we were taking actions really without the benefit of a formal cost-benefit analysis because we knew that we would have a great impact by taking some obvious steps which we had done. As we get closer to the target error rate which we've proposed over the years of 4 per cent — we propose that as a target — as we get closer to that, we will be required to, and we will, do a more formal cost-benefit analysis to estimate the impact of a certain change. But in many of the actions we've taken it was simply impossible to predict what the effect would be, yet we knew that by carrying out that particular change we would have some positive effect.

The conclusion is that the error rate calculation is our main measure of whether we have been successful or not, and that it continues its steady drop right now.

Incidentally the savings from that would be, if we look at an error rate of 10 per cent in the year under review, the assistance payments, I think, were about 200 million. We were looking at an error rate of \$20 million, and so each percentage point reduction in the error rate results in a \$2 million saving, which is very significant.

Mr. Neudorf: — I guess I don't want to belabour the point, but I would concur with the concerns of the auditor, and I would encourage you to continue on in that process. It would make life easier for all of us members of the legislature, and more importantly, I think, it would do away with the traumatic experience that the recipients go through when they have to try to recoup the money that they've been overpaid.

Mr. Kutarna: — Mr. Chairman, I would like to just add that the overpayment system is also used to provide advances to individuals to buy furniture or to make some special purchases which require a lump sum payment. And so I want to just point out to the committee that the overpayment system is used to make advances upon the requests of the individual, sometimes, and that's an important aspect of the system.

Mr. Neudorf: — Well if that's the case, that begs another question. I notice that the overpayments in '86-87 were 7.5 per cent. Would you be able to give us an indication of how many of those overpayments were cognizantly done in order to facilitate what you just said?

Mr. Kutarna: — Mr. Chairman, I would answer simply: an advance isn't an error. So when we would have made an advance, even though it is considered an overpayment, it does not reflect in the error rate. The error rate is clearly an error.

Mr. Wolfe: — What kind of guide-lines do you use for those advances? Like, what kinds of things are funded and what kinds of moneys are we talking about?

Mr. Kutarna: — Mr. Chairman, there would be two major reasons for an advance. One would be where the recipient requires an advance of funds to get started in a household. So the purchase of furniture or sometimes household appliances — I can think of a refrigerator or a stove or something like that, that requires a lump sum payment — so we would make advances in that area.

Also there are sometimes what I would call emergency circumstances, where a person comes to us with a request for assistance and immediately they require some funds to get started, and so we would advance some dollars to allow them to get going, and then follow up with the regular assistance stream with the deductions for an overpayment.

Mr. Wolfe: — What happens with divorce settlements, or let's say when a couple's divorced? Is that a situation when there's some errors that are sometimes committed and overpayments occur as a result of that?

Mr. Kutarna: — Mr. Chairman, a situation like that, where there's a marital breakup, results in two problems. One is that there is an immediate financial reassessment that has to be done because there is an asset-splitting, there is change of circumstances, there are new residences, and so on.

But secondly, there may be family situations which our department also becomes involved in where, as an example, there might be the need to have housing or shelter for the children or for one of the parties to the situation. And so, while there's a financial aspect, there also is a family situation which we become involved in. Both can lead to financial errors, in that sense.

Mr. Wolfe: — Is there a problem with a settlement in the court where, let's say, the husband is supposed to provide support for the children? There's a settlement that's been made, and when you make your calculations as a department for assistance, you use that as part of your calculation. If the husband doesn't make his payment, does that cause a problem? Is that part of the problem with overpayments?

Mr. Kutarna: — Mr. Chairman, the situation there is that when a divorce takes place and if there is a registered order from the maintenance order office, which is in the Department of Justice, then Social Services pays the full SAP (Saskatchewan assistance plan) benefit, but the Department of Justice collects from the husband.

But the situation that we often get into is that, in my estimation, since one-third of the case-load represents single parents, we often see that single parents do not

obtain what I call the maintenance payments to which they're entitled. And so we're finding that people are on assistance often because they are not able to collect the maintenance order payment. So one of the concerns we have is that we continue to address ways of improving the collection rate of maintenance orders. There are significant groups of people — absent parents, predominantly absent fathers — who do not meet their obligations financially.

Mr. Wolfe: — When you make your calculation as a department, though, do you use that money that's supposed to be coming in as part of the calculation? Or does that money, like you say, does it go to the Department of Justice, or how does that work?

Mr. Kutarna: — If there's a formally registered order, the money goes to the Department of Justice, and Social Services pays out the full SAP benefit, so there is a netting out in the government. However, if there is no formally registered order, then we do take into account what the recipient actually gets by maintenance order.

Mr. Wolfe: — How does that money flow within government? It goes to the Consolidated Fund, or where does it go?

Mr. Kutarna: — I think the simplest explanation of that is that it's called gross budgeting, so that Social Services pays the full expenditure and the revenue comes to consolidated revenue. It does not come back to the department; it comes back to the government as a whole.

Mr. Martin: — You mentioned maintenance payments. They've been a problem for ever. What steps have you taken to increase the percentage that they are getting?

Mr. Kutarna: — Mr. Chairman, we have attempted to improve the situation of collecting maintenance orders in Saskatchewan and outside of Saskatchewan. Many of the absent fathers leave the province. And so we are currently negotiating, and even in the year under review the department was concerned about that, we were negotiating arrangements with other provinces to share information so that we could trace absent people and obtain the required maintenance order. So we have pushed efforts in that direction.

Mr. Martin: — Well you have agreements not only with other provinces but with what? something like 26 states in the United States, or 22 or 26 if I remember correctly, in addition to some foreign countries. Do you not have one with . . . it seems to me I remember a regulation having to do with Poland or . . . I mean you go outside this country to track these people down, don't you? As indeed you should.

Mr. Kutarna: — There are some that do leave the country, and we're aware that in the U.S. there are many states which have agreements with the social welfare agencies for tracking these individuals and garnishing the wages. But we're . . . the current agreements are mostly in Canada, and they could stand improvements as far as I am concerned.

Mr. Martin: — Well I want to get . . . Could I just go back.

On Thursday we were talking, in question 11, about work in lieu of welfare, which I know members of the opposition strongly oppose because they call it work for welfare, which is inaccurate. But I just want to ask you one question. It only requires a short answer, but have you ever received — I know you probably haven't received, or may have received letters from people who were grateful for getting a job — but have you ever received a letter from someone who is mad or disappointed about getting a job and being off welfare? That then would be a relatively good test of the program.

Mr. Kutarna: — Mr. Chairman, we have received some correspondence from what I would call groups, interest groups which object to various policies, but we do not have letters from individuals complaining about the program.

Mr. Martin: — Let's then stay with the year under review and move on to question 14. Could you provide a list of group homes for young people in the Department of Social Services providing funding to, in the fiscal year under review? Could you also provide a list of the number of spaces in each group home and the geographical location of the group home? Could you indicate which of these group homes were available . . . Well it's question 14.1 think you have it before you, so I don't really need to read the whole question. It's question 14, having to do with group homes, geographical location, the numbers of young people in the group homes.

Mr. Anguish: — I think you better read the question so we know that the answer is to the question that you're asking. How will we know what the answer is if you don't read the whole question?

Mr. Martin: — Well, I'll be . . . That's fine. I'll read the whole question.

Mr. Anguish: — Sure, do that.

Mr. Martin: — Shall I start again then? I'll start again at 14.

Mr. Anguish: — Are these the questions that I submitted a couple weeks ago? Beattie, are these the questions I asked a couple of weeks ago?

Mr. Martin: — These are the questions that you asked on behalf of Peter Prebble. These are the questions that you said at the time you were asking on behalf of Peter Prebble. I've had an opportunity to tell Peter, by the way, that the answers are now available to him. and he doesn't have to wait for them to come through the system.

All right. Could you provide me with a list of group homes for young people that the Department of Social Services provided funding to, in the fiscal year under review? Could you also provide me with a list of the number of spaces in each group home and the geographical location of the group home? Could you indicate which of these group homes were available to young people: (a) after their 16th birthday; (b) after their 17th birthday? How many group home spaces were provided to young people after their 16th birthday funded by the Department of Social Services in the fiscal year under review? And how many does this compare to the total number of group

spaces funded by the department in the fiscal year under review?

Mr. Kutarna: — Mr. Chairman, first, the department has a minimum age of 12 years for residency in a group home, and all of our group homes have placements over the age of 16. And there's no quota, there's no limitation on numbers of residents that are either over 16 or under 16.

But having said that, we have a list of the group home spaces under the family services division. There are a total of 86 group home spaces in 1986-87 which were funded in the amount of \$1.8 million. We also have community living group homes where we have a total of 44 spaces, and in that area I can break down by age group. There are 13 out of 44 which are spaces occupied by persons under 16 years of age, 3 of the age of 16, and 28 over 16 . . . or 17 and over, I should say, 17 and over.

Mr. Wolfe: — I'm curious about supervision in the group homes. I recall that it wasn't too long ago where there was an accident. I believe somebody was killed somewhere in Canada that was in charge of a group home. Could you tell me what the department provides as far as training for those people that supervise those group homes?

Mr. Kutarna: — Mr. Chairman, there are two ways that the department ensures the standard of supervision. One is that the boards are responsible for ensuring the quality of the staff that they have in the residence, and we work with the boards on a continuous basis. We have contracts with the various group home boards. We have a contract services branch which deals extensively with the particular group home board. We monitor their activities; we relate to them; we deal with them as they carry out their business.

And secondly, we have a standard in the department for training which varies according to the group. And as one example, in '86-87 we were beginning to work with the foster-parents extensively. That has carried on over the succeeding years even unto the current year. But as one example, we would have developed a curriculum for foster-parent training, and all foster-parents would be required to take this training and upgrade their capabilities.

So we do it in two ways. One is we ourselves set up a training standard and keep the training going; secondly, we rely on our monitoring of the group home boards and in their contractual standards to keep up their own standards.

Mr. Martin: — Well are group homes and foster homes the same thing? They're not, are they? Because one has a board and one doesn't.

Mr. Kutarna: — The difference is that in a group home there's usually a board that operates it. A foster home is usually an individual person.

Mr. Martin: — How does one come to be in a group home and/or a foster home? Who makes that decision. Social Services or caseworker or . . .

Mr. Kutarna: — In the case of a family services group

home, this would be where a child is taken into the care of the department. And so the decision of the caseworker usually results in that individual coming into our care, and therefore they're placed in an appropriate group home.

Mr. Martin: — Does the board have to accept that decision of the caseworker? Does the board say, no, we don't want that person because they've got a bad reputation, or . . .

Mr. Kutarna: — The board generally is involved in a decision because there's a review committee. So they wouldn't be isolated from the decision, they would be part of the process that leads to the conclusion that the person should come into that group home.

Mr. Martin: — Okay, and who does the board answer to?

Mr. Kutarna: — The board is the . . .

Mr. Martin: — Other than the community. I mean which . . .

Mr. Kutarna: — The board is under contract with the department, so it's responsible to the department.

Mr. Martin: — Okay. But they're also responsible to the community, which may be the strongest force there.

Mr. Kutarna: — Yes, because they provide a service in that local area.

Mr. Martin: — Yes. I think Harold has a question.

Mr. Martens: — Do you have relief opportunities for those group homes? I noticed in the handicapped program that you have relief programs for approved home operators. Do you have that for the group homes?

Mr. Kutarna: — Mr. Chairman, on group homes that are operated by boards there is a respite service which comes about because of the way we shift and staff the various shifts in the group home. And so we take into account the time and the requirements of respite.

Mr. Martens: — When, let's say, the . . . I've run into this a number of times where the home that there are residences in and you pay for these residences being there, where there isn't the opportunity — maybe there is just the husband and wife looking after two or three people — there isn't that relief opportunity there.

I've had some people say, well it would be nice if we could have four or five of these in a community and then rotate so that they could have some help or assistance in that sort of thing because they don't get a chance to get away for a weekend or anything like that.

Mr. Kutarna: — Mr. Chairman, where there is a group home operator, we do have the formal respite program that I spoke about a minute ago. We also have, for handicapped group homes, a formal respite service. With the foster-parents where there is an individual family operating a foster home, there is not a formal respite service. However, there are arrangements that are

possible. There are foster-parents who trade off and do the same thing that we do formally with the group homes. And we're continuing to work with that issue because there are some needs for foster-parents to also have respite services.

The training that I spoke about earlier, the foster-parent training is of some assistance in having people cope with that situation. But the arrangement is not the same.

Mr. Martens: — Since adoption has . . . or more mothers are keeping their children and there are fewer babies to adopt, have you had an increase in the uptake of foster-parenting? Is it staying static, or what is happening there?

Mr. Kutarna: — Mr. Chairman, there is no direct connection between single mothers keeping children and the foster homes, because the foster homes are for age 12 and up, so it's difficult to make a direct comparison. But there is a constant concern about the number of foster homes, and we, in '86-87 and continuing to the present, have been working to develop more foster homes for all groups, and including native foster homes, because that's a significant portion of the foster care system. But there's no direct connection between the keeping of the children and the group homes.

Mr. Martens: — So foster-parents have basically only children over 12, is that it?

Mr. Kutarna: — Mr. Chairman, there are some foster homes which have children below the age of 12; however, the majority are over the age of 12.

Mr. Wolfe: — I'm curious about the supervision in the group homes that have individuals over 16. What kind of supervision is required there?

Mr. Kutarna: — The supervision of older children is more complex, but it depends on the situation. So no child is placed in a foster home unless there is the appropriate capability in that home.

Mr. Wolfe: — What about community living; do those guide-lines apply to that too?

Mr. Kutarna: — In the community living group homes, the supervision, I think, would depend on the type of disability that's present. And so it's not so much a matter of how difficult it is to deal with the individual, but how severe the disability is, so that the care and supervision in that group home is tailored to the actual physical disability of that child.

Mr. Wolfe: — So it's done on an individual basis? Like most of these community living group homes have, what, six or eight individuals in them? Do you have a resident supervisor, or what do you have in place to supervise those homes.

Mr. Kutarna: — Mr. Speaker, there is a great variation in the supervision in community living group homes because some of the group homes would be . . . the residents would be very high-functioning, and so you might even have part-time supervision where not a formal

full-time supervisory arrangement is needed. But if you have a situation where there is tremendous disability, you might have a very high level of supervision. So it really ranges across the province.

Mr. Wolfe: — The initial question that I asked about education really pertains to those kinds of supervisors, and I was just curious of the kind of training that those kind of people might have to have to qualify for a position as a supervisor.

Mr. Kutarna: — There's been a trend, Mr. Chairman, to a higher level of qualification for supervisors and managers of these group homes, and it's clear that the standard has risen. Our department also has a training package which we have developed in conjunction with the Saskatchewan Association for Community Living. And so there's a trend towards much higher specialization on these people, which is also commensurate with the increase or the greater disabilities which are sometimes seen today as opposed to 20 years ago. People have been able to survive, and I guess the medical practices have changed to such an extent that disabilities, which we didn't see before, are now common, and so the abilities of the staff have also increased in comparison to that.

Mr. Wolfe: — I'm curious about the funding. There's a contract between the department and the community living group home, and then the community living group home hires the supervisor. I'm just trying to track the cash flow; I wonder if you could assist me in that.

Mr. Kutarna: — Yes, Mr. Chairman, the answer to that question is that there is a contract between the department and the group home board, but that board is responsible for hiring the staff.

Mr. Martens: — I have a couple of questions on this community services for crisis centres. You've got after hours and you've got family supports; you've got sexual assault services, safe shelters, family violence services. Can you describe some of them to me so that . . . what I want to know is: on your after hours, is there a . . . are you co-operating with non-government agencies in dealing with that, like local groups within local communities to enhance that? After hours and family support services, sexual assault services, safe shelters, and family violence transition houses . . . no, transition houses wouldn't be the same, although they might be. Do you involve yourself with non-government agencies in those kinds of services, and . . .

Mr. Kutarna: — Mr. Chairman, there are a large variety of services that the department provides. I'm just scanning the list quickly here, and for example, there are the after hours crisis services — for example, Mobile Crisis Services in Regina; Saskatoon crisis intervention; Prince Albert mobile crisis. There are a range of sexual assault services which are provided across the province. There is also a range of family violence NCOs (non-governmental organizations) which are funded by the department. These deal with sexual assault, wife battering, and other family violence issues.

But the response to your question is that we work with the local community groups in establishing a service. So we

do contract with every one of these agencies, but the service is usually arrived as a result of a need that gets identified in the local community. It's brought to the attention of the department, and we jointly establish the contractual relationship that yields the proper service for that area. So the simple answer is that we do deal with local community groups in setting these up.

Even after they're set up and operating, we would be dealing with, for example, in the area of an after hours crisis service where there may be sexual assault or family violence, we have worked with and continue to work with, say, the police forces in that community in working out arrangements as to how a particular situation is to be handled. So there's an extensive dealing with community level people.

Mr. Wolfe: — How do you go about budgeting for something like sexual assault services? You've got some kind of a contract with a local group. I see that the Battlefords is fortunate enough to have an area assault centre. I'm just curious how you might budget for that.

Mr. Kutarna: — During the preparation of the department's annual budget, we would be reviewing the analysis of the performance of that particular NGO (non-governmental organization) each year. You used the example of the Battlefords sexual assault centre. We would be reviewing through our contract services branch the performance of that group in carrying out the terms of the contract. We would also analyse the need which may be in that community.

So we would monitor, for example, the number of sexual assaults, the manner in which they were handled, the way in which the organization hired its staff, and the way that it prepared them for their work. So we would take into account all of those factors as we prepare the annual budget.

Mr. Wolfe: — So there's an annual report that's, let's say, prepared by the Battlefords and Area Sexual Assault Centre, and then you evaluate that report.

Mr. Kutarna: — Mr. Chairman, the information comes to us in about three different ways. One is that there is a quarterly review, a quarterly statistical package which is prepared by that NGO and submitted to the department. There is also an annual audit done, financial audit done of the financial situation of that particular non-government organization. And third, the staff of the department work continually, literally on a daily basis with these groups as they carry out the terms of their contract. So we become aware of information in those three ways.

Mr. Wolfe: — Could you tell me if there's been an increase in funding for The Battlefords from the previous year?

Mr. Kutarna: — Mr. Chairman, in the Battlefords sexual assault centre there was an increase from the previous year of approximately \$5,000 for funding . . . or from increasing a position from part time to full time, and also there was an increase of about \$1,300 to reflect transportation costs that that group would face. So the total increase was probably about \$6,300 over the

previous year.

Mr. Wolfe: — And could you tell me if there was any indication of there would be a request for increased funding in the following year, or for the following year, based on the year under review?

Mr. Kutarna: — Mr. Chairman, there was a request for increase in clerical staff, but that request was not met that year, so they were required to carry on with the service without that additional clerical staff.

Mr. Wolfe: — Could you tell me, is there information available as to the number of cases they might have handled in '86-87, pertaining to sexual assault?

Mr. Kutarna: — Mr. Chairman, we would not have that with us today, but we could certainly provide that to the committee.

Mr. Wolfe: — Okay, thank you.

Mr. Martens: — I have a question on the volume of people that go through these opportunities for crisis. Are there more people coming through because the service is available, or are people getting more able to identify the opportunity and then go to a place where it is? Or is it because of society having changed its focus?

Mr. Kutarna: — Mr. Chairman, it's a little bit of both. There is, when you create a service, supply does create its own demand, to some extent, because people are aware of the service, they hear about it, they understand that it's there, and then they're more willing to come forward.

But there is a second factor which is at work in Saskatchewan, and across North America really, and that is that there's a greater awareness of family violence and sexual assault issues, and people are reporting more of these than they did in previous years. Police statistics will tell you that, and certainly our own statistics indicate that there is a . . . it's not necessarily that there's an increase in the incidence of this, although that may be true, but there is a greater reporting of this information.

Mr. Martin: — Yes. There's also an awareness among women that they no longer have to put up with that rubbish, that there is a place they can get some help and not have to live in that kind of a situation.

Mr. Kutarna: — It's true, there's a much greater awareness.

Mr. Martin: — Just let me finish on that statement. And I think the emphasis on drug and alcohol abuse, you know, has been increasing as the years have gone by, has created that awareness as well. Women who live in alcoholic homes know that there's some place they can go now, say to AlAnon or whatever it may be. And so that has helped, I think, enhance the awareness of the opportunities that are available to women, and it's virtually almost all women who are involved in this kind of a situation.

Harold, you had a question on that, did you?

Mr. Martens: — Yes. Going back to some of the things you were talking about before on support services for welfare recipients in relation to marital break-up and things like that, what kind of check do you put into place in relation to legal fees in all of those things that are involved in relation to that?

And I've had concerns raised with me about those kinds of areas where sometimes the legal profession is draining off the majority of the support that is given from the husband to the wife, and there is nothing left for the individual. Do you take those things into consideration when you do your evaluation, and how do you work those things through?

Mr. Kutarna: — Mr. Chairman, there are people who will use private lawyers, and therefore they would be subject to the normal fee schedule that a private lawyer would charge. However, the AEMO system, the automated enforcement of maintenance orders, to my knowledge — and it's run by the Department of Justice — to my knowledge, costs nothing to the individual. And certainly if a legal aid lawyer is required, there is no cost to the individual. In '86-87, I don't think there was a fee schedule, so the legal aid system would be no cost.

So an individual who requires the services of a lawyer in a marital situation has those three avenues open to them: AEMO, legal aid, and the private bar.

Mr. Martens: — Okay. Where the family was not in the support from the welfare system before separation, and they could be after, sometimes the legal fees have already been put into . . . or the cost of the separation is already there, and then they don't have anything to live on. How do your people in the field deal with that, or does that not happen?

Mr. Chairman: — I wonder, Mr. Martens, while the officials are getting the answer, if we might take a five-minute break and then get the answer after the break. The vice-chairman's here and I find it hard to hand over the chair . . . or is not here and I find it hard to hand over the chair. So we'll recess for five minutes.

The committee recessed briefly.

Mr. Kutarna: — Mr. Chairman, the question was to the effect of, would legal fees move a person onto the assistance rolls? It may be possible in some cases that that's what does it, but we would always take into account the entire financial picture. So whether we could say that it's the legal fees that tip the person onto welfare is difficult. However, it's possible. It could be the thing that does it.

Mr. Martens: — Just like a whole lot of other things could tip that over too.

Mr. Wolfe: — Could you detail the Regina Native Women's Association budget for '86-87? Could you break that down for us? I know there's been a lot of questions raised lately about it.

Mr. Kutarna: — Mr. Chairman, while we're digging out the exact numbers, there were in '86-87 three major

programs run by the Regina Native Women's Association. There was the group home; an outreach program, which was services to families such as in the area of family violence, counselling, sexual assault, and so on; and thirdly, there was the transition house operated by the centre.

The budget for the transition house that year was \$201,000, and we're still looking up the other two sections for you.

Mr. Wolfe: — The budget for the transition house was 201?

Mr. Kutarna: — The transition house portion was 201,000. The outreach program, Mr. Chairman, was 149,000 for that year. And the group home, Mr. Chairman, was 243,000.

Mr. Wolfe: — The group home was how much?

Mr. Kutarna: — 243,000.

Mr. Wolfe: — \$243,000. I'm curious about which portion of that there may have been problems with, as far as allocation of funds or how the money was spent.

Mr. Kutarna: — Mr. Chairman, in '86-87 the area of concern to the department was underutilization in the group home.

Mr. Wolfe: — The group home was underutilized?

Mr. Kutarna: — Yes.

Mr. Wolfe: — So it varied from what it had been budgeted for? The amount of money that had been allocated hadn't been spent directly, or where was the problem?

Mr. Kutarna: — The spaces that were budgeted for were not always fully utilized to their top capacity, which would be our expectation, and that was the key concern in that year to us.

Mr. Wolfe: — So there were vacancies? Is that what it amounted to?

Mr. Kutarna: — Yes, essentially, vacancies.

Mr. Wolfe: — As far as the funding for this service, is that funding made to a board and then it's distributed from the board to those three specific purposes?

Mr. Kutarna: — Yes, the board was responsible for all three programs, and so funding would go from the department to that board and would be distributed then to the three programs.

Mr. Wolfe: — Could you tell me how those board members have been selected in the past.

Mr. Kutarna: — Mr. Chairman, the boards would be elected annually based on the society's annual meeting, so it would be according to the terms of the constitution of that particular board.

Mr. Wolfe: — And the elected board hires somebody to dispense these funds on those projects, or how is the money accounted for?

Mr. Kutarna: — Mr. Chairman, the board would hire an administrator to operate the programs. That person then becomes responsible for allocating the funds and operating the programs. The board is responsible in turn to the department by way of quarterly statistical and financial reports; and secondly, there is an annual audit that's done on the board's operations, a financial audit.

Mr. Wolfe: — Was that audit reviewed by the Provincial Auditor?

Mr. Kutarna: — Mr. Chairman, in that year, the Provincial Auditor, as was the usual practice, would have done a random audit of all of our non-governmental organizations. And so this particular one may or may not have been selected. We can find that out for you.

Mr. Wolfe: — You can find it out?

Mr. Kutarna: — We can find that out.

Mr. Wolfe: — I'd like you to do that.

Mr. Chairman: — Mr. Martin, I had Mr. Lyons next on the list.

Mr. Wolfe: — I haven't quite finished yet. I'm curious if Mr. Lutz might have that answer just to save the department some time.

Mr. Lutz: — Mr. Chairman, we do not have that with us. Mr. Kutarna can get it or I can find out for you. He wishes to advise you whether or not we have in our random testing at the department, done this case. Then could you identify again for me please, the element of the program you were talking about here, just so we're sure we're in the same . . .

Mr. Kutarna: — It was Regina Native Women's Association, 1986-87, and it would be the group home section of it.

Mr. Lutz: — The group home section of the Regina Native Women's Association for '86-7.

Mr. Kutarna: — Regina Native Women's Association, that's right.

Mr. Lutz: — Thank you.

Mr. Wolfe: — I was just curious how the Provincial Auditor might make his selections, if they're done on a random basis or just how that random process is arrived at.

Mr. Lutz: — Mr. Chairman, perhaps I could have **Mr. Heffernan:** speak to this.

Mr. Heffernan: — Mr. Chairman, we would consider this audit of this NGO part of the Department of Social Services system of internal control. We would do

compliance tests based on a random sample, and whichever items came up in the sample, we would review all aspects of the system including the audit of the NGO.

Mr. Wolfe: — Could you tell me how extensive those audits might be that are done on it.

Mr. Heffernan: — Okay. Well our materiality is set at about between half and 1 per cent of the total payments, so on a normal stream we might sample, say, a hundred items or so.

Mr. Wolfe: — A hundred items . . .

Mr. Heffernan: — Yes.

Mr. Lutz: — Well I don't know how many there are.

Mr. Wolfe: — That's out of all the non-governmental agencies that are in place?

Mr. Heffernan: — Yes, right, of the total stream in that . . .

Mr. Wolfe: — Of the total stream? What is the total stream? I'm just trying to put this into perspective, if we talk about a hundred.

Mr. Heffernan: — Right. It would be all the payments under that program.

Mr. Wolfe: — So in this particular program it might amount to a hundred?

Mr. Heffernan: — It might. It depends — I'd have to look at the file to see what we did. I haven't got the information here.

Mr. Wolfe: — I'm curious — the number 100 applies to what process? A hundred what?

Mr. Heffernan: — It would be based on the total amount of payments that the department made under this program.

Mr. Wolfe: — Okay now, as I understand it, and correct me if I'm wrong, the department funds the board and then the board funds specific projects, so the payments that you're referring to, like where might the hundred figure come from if there was a hundred tests done?

Mr. Heffernan: — It there was a hundred tests, it would be based . . . just a very rough explanation would be, it would be based on the total payment population in dollars divided by whatever our materiality limit was for that . . .

Mr. Wolfe: — Could you relate it to this specific question? I'm just trying to put it into perspective. I have a hard time identifying a hundred incidences where you might run a test on, let's say, this question of the native women's.

Mr. Heffernan: — Yes. It would help if I had a look at the program; it's been a while.

Do you happen to have the page there that it shows up in? You haven't got the . . .

A Member: — 407.

Mr. Heffernan: — 407?

A Member: — It's at the top of 408, I believe.

Mr. Heffernan: — Are we talking transition houses or . . . oh, Regina; oh, okay. We've got . . . No, we certainly wouldn't test a hundred items . . .

Mr. Wolfe: — Yes that's why I had a hard time relating to that. How might you go ahead and examine that if you were to, let's say, randomly select it? This non-governmental agency was to be audited, how might you go about doing that audit?

Mr. Heffernan: — Okay, the first part of our audit is to have an understanding of . . .

Mr. Lyons: — A point of order, Mr. Speaker. The question of the methodology used by the Provincial Auditor I don't think is at question before the committee. And I think that the member's comments are not in order, and they don't deal with the expenditures of the department, but more in fact the actions of the auditor, not of this department.

Mr. Chairman: — That's not well taken. The question is appropriate. The member is trying to find out how certain information is arrived at during the course of the year under review, and the question is an appropriate one.

Mr. Heffernan: — Okay, I guess first of all, just as . . . when we would start the audit, we would be looking at all the programs, and we would consider this a relatively minor program in terms of the department as a whole, so that we wouldn't spend as much time on it as we would on the SAP program, for example.

But the way we would go about it is we would gain an understanding of how this program works by looking at the legislation and regulations, talking to the departmental officials, then obtaining an understanding of how they control this program — what sort of system do they have in place to ensure that payments made under this program are lawful and that the public money is safeguarded.

From then we would go into our phase where we're deciding on what controls are important and we'd be selecting . . . or determining what compliance tests we would do in order to ensure that the department is actually complying with its own internal controls. This would be done, in this year under review it would have been done . . . the department is done as a whole. The payments are selected on the major programs. For example, SAP program and minor programs such as this would be grouped together, and we would do sampling on . . .

Mr. Wolfe: — But if you were to sample this specific program — and the reason I'm raising this question is that it's been an issue that's been raised lately vocally, and I think it's important to us all. There has been some

question about how the money and moneys may have been spent. And that's why I'm just curious about how far we can take the process to see that public money is spent the way that it should. I'm just curious about that.

Mr. Lutz: — Mr. Chairman, are we talking about the same thing? You must understand, we don't audit this association; we don't audit the board and the transactions of this association. We audit the transactions that the department went through in funding this association. How the association is administered, how they spent that money, we don't do that one. Someone else does that audit, and I think this might be what we're talking about, but I'm not sure.

Mr. Wolfe: — No, I think you're getting to it. The question that I initially asked was that we're . . . if I remember correctly, was the audit that was done — and I'm sure that it would be part of the process in acquiring funding — was the audit that was done, let's say for Regina Native Women's Association, was that audit reviewed by your department?

And not specifically that one. I mean, I've asked that question. But would you normally do that in your random sampling to see that the money that's been allocated by the province is spent appropriately so that you could give advice back to the members of the Legislative Assembly about that kind of funding and how it's being spent?

Mr. Lutz: — I think Mr. Heffernan wishes to respond now.

Mr. Heffernan: — Those payments that did come up in our sample, we would be looking at the audit report of the other auditor to see that it looked reasonable, and we would be determining from the department what they really expected from this audit, what were the terms of engagement of the auditor. Beyond that, we wouldn't do anything. What we're trying to assess is whether or not the department has reasonable procedures in place to ensure that these payments are authorized and so on.

Mr. Wolfe: — Whose responsibility is it to see that, let's say, a group like that provides the audit information to the department? Is that part of the mandate of the department, or is that part of the mandate of the Provincial Auditor?

Mr. Heffernan: — No. That whole process, the audit and so on, is the responsibility of the department. It's their responsibility to ensure that those audits take place. It's their system. It's our responsibility to look at that system and to decide whether or not it's sufficient to meet the objectives.

Mr. Wolfe: — If I as an MLA raised a concern about a specific third party, how might I go about having those concerns addressed by, let's say, the Provincial Auditor?

Mr. Heffernan: — Maybe that's a better question for Willard, I think, because I'm not sure.

Mr. Lutz: — Mr. Chairman, there is a provision in my legislation where I may do a special engagement, accept a special engagement, do a special audit. But normally when the department operates this program to this association, that association is required by the program to

have an audit by someone, not me, and then that someone gets the audit report back to the department.

Now if at this point somebody thought there had to be additional audit work done, I have provision in my Act to do special projects such as this, but normally we wouldn't.

Mr. Wolfe: — How would that process be initiated, Mr. Lutz? If I as an MLA had a concern about some group . . .

Mr. Anguish: — Point of order, Mr. Chairman.

Mr. Chairman: — Point of order.

Mr. Anguish: — Mr. Chairman. I'd sure like to hear your explanation how this is tied to the Department of Social Services. I think the questioning is totally out of line. And if the member doesn't want to question the witnesses that are here, that have been called for today, then I think that he should step down from his place in the questioning order, and go to the next questioner. Because the last couple questions I've heard certainly have nothing at all to do with the Department of Social Services.

Mr. Wolfe: — I think they have everything to do with the Department of Social Services.

Mr. Chairman: — The point of order is not well taken. The member is trying to get an understanding, as I listen to the questions, of certain expenditure and the accounting of those funds. And he's asking for follow-up questions to the Provincial Auditor. The auditor is here to assist the committee at all times, and it's reasonable and appropriate in the course of putting questions to witnesses, that we may want to do follow-up questions to the auditor. That's his job. He's here to help us. And therefore I think the questions are in order, and the point of order is not well taken.

Mr. Wolfe: — Thank you, Mr. Chairman.

Mr. Lutz: — Mr. Chairman, first, we didn't do the audit of this organization. I think that's where we were lost in the first place.

Mr. Wolfe: — No, I realize that, and I didn't mean to put you on the spot or anything. I really didn't mean to do that. But I just wanted to go through the process because of the problems that have been brought to our attention, you know, of late, related to Regina Native Women's Association. And that's why the question was raised.

Mr. Lutz: — Section 16(1) of The Provincial Auditor Act says:

(a) the Legislative Assembly or the Standing Committee of the Legislative Assembly on Public Accounts:

(i) (where they request) the provincial auditor to perform a special assignment; and

(ii) causes the provincial auditor to be provided with the funding that the provincial auditor considers necessary to undertake the

special assignment; and

(b) in the opinion of the provincial auditor, the special assignment will not unduly interfere with his other duties . . .

the Provincial Auditor shall perform the special assignment.

So if indeed the department who sponsors this program or supports it or finances it — however you want to describe it — if they felt they wanted some additional information out of this organization, I could indeed by this method, be asked to go and do another audit or do an examination or whatever it would be called.

Other than that, no. There's probably an auditor out there somewhere who has been appointed because somebody must do an audit for the department or they won't provide the funding. After the funding they want feedback. They get it from the other auditor. When we do our audit of the transactions out of the department, we will give consideration to the other auditor's report in relation to how the money was administered relative to how much money was received.

Have I responded, Mr. Wolfe?

Mr. Wolfe: — I think so, yes, fairly well. I guess I'm curious now. Who might make that request? Let's say I as an MLA have a concern in my riding about some third party group. I didn't quite hear it because Mr. Lyons was speaking at the time you were.

Mr. Lutz: — The Legislative Assembly or this committee, or if I go down to 16(4):

Where:

(a) the Lieutenant Governor in Council:

(i) requests the provincial auditor to perform a special assignment;

So there's really three methods — the Legislative Assembly, this committee, or the Lieutenant Governor in Council. I can be instructed to go audit this.

Mr. Wolfe: — With regards to this committee or the Legislative Assembly, would there have to be a motion put forth, or a specific question by an individual member?

Mr. Chairman: — Section 16(1) says:

. . . Standing Committee of the Legislative Assembly on Public Accounts.

I would interpret that, I think, as would other members, and you may want to discuss this, but it would seem to me that the committee would have to, by form of motion, request that.

Mr. Wolfe: — So it would be a motion put forth for a special request to audit or review an audit of a third-party group, or something like that?

Mr. Lutz: — Without being any kind of an authority on the constitutionality of the thing, I would expect it would be a motion. And then if the funding was there to do the special project so that we don't interfere with the normal work of the office, yes, we would go do it.

Mr. Wolfe: — I see.

Mr. Lutz: — I think that answered your question.

Mr. Wolfe: — I think so. Now as far as the House, it would probably have to be a motion put forth before the Legislative Assembly also?

Mr. Lutz: — I would think so, yes. Now perhaps this question should be addressed to the Clerk because I'm not familiar with how this works, but I would expect that is how it would work.

Mr. Wolfe: — I'm just real curious about it because, like I'm new at being a member and I'm not sure how a person might initiate that process, and that's why I'm asking. I'm surprised, actually, that somebody hasn't come up with a request to have a third-party group evaluate it.

Mr. Lutz: — We have had those things in the past. We did the thing in Melville once. The Lieutenant Governor in Council, if he directs me to do one, that would be at the behest of cabinet, I believe; the Assembly, I would think a motion; this committee, I would think a motion. You have to talk to the Clerk's people on how this would work because I don't know the motion end of it.

Mr. Wolfe: — I wonder if the Clerk's people might have a comment on that.

Mr. Chairman: — If I might, the clerks have asked me to respond and point out that section 16(1) — and if you have a copy of the auditor's report, you may want to refer to that, in Appendix I . . .

Mr. Lutz: — Page 7 in Appendix I; this is the '86-87 report.

Mr. Chairman: — In section 16(1), it says that the Legislative Assembly or the Standing Committee on Public Accounts essentially can request the Provincial Auditor to perform a special assignment. So on the basis of that, this committee could do that, could request the auditor to do so. And the auditor would then do so, if in his opinion the special assignment will not unduly interfere with his other duties as prescribed in the Act.

But it also says that the standing committee must then also cause the Provincial Auditor to be provided with the funding that the Provincial Auditor considers necessary. Now if the committee had an understanding with the Executive Council, say, the Minister of Finance, that the Minister of Finance would provide the special funding to undertake . . . to enable the auditor to perform this special assignment, then it seems to me, as it does to the clerks, that we would not of necessity have to go back to the Legislative Assembly to request further permission at that point; although we would, in a report at some point, want to report the matter to the Legislative Assembly.

On the other hand, if we were not successful in obtaining funding from, say, the Executive Council to enable the auditor to perform this special assignment, then the committee may have to go to the Legislative Assembly to ask the Legislative Assembly for this special funding to enable the auditor to perform this special assignment.

So I guess the whole question hinges on where the funding comes from as to whether or not this matter would have to go back to the Legislative Assembly for prior approval for the auditor to undertake a special assignment.

Mr. Wolfe: — So if I understand that, if I had a specific inquiry related to some group and I wanted to bring it to, let's say, this committee's attention, I'd probably have to ensure that funding was in place to see that the Provincial Auditor could perform those duties of exploring those questions before I brought it to the attention of this committee. Or am I wrong? Correct me if I'm wrong.

Mr. Chairman: — No, you've got one or two options. One, as a member of the Legislative Assembly, to raise it in the Assembly; or, you know, to raise it in the committee and take it from there.

Mr. Wolfe: — So you basically have to pursue the funding first before the question's asked.

Mr. Chairman: — Yes, and I might say that the auditor's office is always available, that if you have questions about, say, special assignments or work that you think might need to be done and what concerns it might raise for him and his thoughts on that prior to you raising it, his office door is always open and he'd be prepared to sit down with you and discuss that.

Mr. Wolfe: — I'm curious about an estimate, since we're on a channel of funding. If I was to identify that as a concern, what kind of an estimate would we be looking at? Let's say if I, as an MLA, want to pursue this, how would I go about having an estimate of the kind of money that I'm asking for to pursue this concern of mine on behalf of my constituents?

Mr. Lutz: — Mr. Chairman, Mr. Wolfe, we have never done one of these under this legislation. The one we did previously was many years ago. I would think what we would have to know — this is a whole new experience — we would have to know the nature of your inquiry, your request, the information you needed. We would have to know the size of the organization, and we can get that from the department just through their funding, and we would then have to make a decision as to how much we thought it would cost to do this job.

But in any event, I don't think I would be really prepared to go out and undertake one of these without having in my possession a motion authorizing me or requiring me to do so I think we would always need a motion — I would need a motion.

Mr. Wolfe: — Well would you require a motion to come up with the information for the estimate?

Mr. Lutz: — Oh no. Mr. Chairman, Mr. Wolfe, if it was an

isolated case, I don't think I need anything at all to talk to any member and come up with an idea of what it might cost to do a special project. I don't need any authority for that. I'll talk to any member.

It's only when I am going to be directed or asked to go out and do that job. And if, in my opinion, I think it is going to interfere with the other work I'm required to do, then it's my responsibility to come up with an estimate and advise whoever inquires as to what I think it's going to cost to do whatever this thing is.

And at that point, I guess, it's up to the members of the committee or the legislature or the Lieutenant Governor in Council to say, do it. But I would want a motion from whatever authority before I would go out and even attempt one.

Mr. Lyons: — Mr. Chairman, I wonder if I could ... (inaudible) ...

Mr. Chairman: — Mr. Wolfe still has the floor, Mr. Lyons.

Mr. Wolfe: — I just want to go through this process from A to Z, if I could, and please correct me if I'm wrong. If I was to ...

Mr. Anguish: — Point of order, Mr. Chairman. I fail to see the relevancy of this line of questioning. The last several questions have not been tied to the Department of Social Services. We have a number of people here from the department. I suggest that if the members on the government side want to question the auditor and the auditor's personnel that are here today, then we release the Department of Social Services to go back to their duties and go on with questioning the auditor. I think that would be quite fine.

But as long as we have the Department of Social Services here, either the questions should be directed to them, except for maybe some minor reference on a point that is mentioned in the year under review to the auditor for clarification. I do not see that happening, and I raise the point of order on the matter of relevancy.

Either one or the other must happen: either the officials must leave, because obviously the members are done with them; or he goes back to questioning the officials. This line of questioning has nothing to do with the Department of Social Services, Mr. Chairman.

Mr. Wolfe: — I think it has everything to do with the Department of Social Services. The questions are all related to a problem that we're all aware of, that's been in the news of late, and I'm just curious, as a new member, how something like that might be explored. I think it's very relevant.

Mr. Anguish: — Well get some education outside the committee, because you're not properly proceeding.

Mr. Lyons: — On the point of order, Mr. Chairman. I think that it's clear that the information that Mr. Wolfe was asking can very well be obtained through a conversation with any of the officials in the auditor's department outside of the purview of the committee. The questions he

is asking don't relate to, and he mentioned twice now in the last several minutes, that it relates to a local issue in Regina that is in the news lately. It does not relate to questioning in the year under review and, quite frankly, I for one am sick and tired of the filibuster that these people on the other side are engaging in.

I think there are some substantive things that we should be dealing with, and it's obviously a blatant attempt to obstruct the work of the committee.

Mr. Chairman: — If I might, on the point of order. As I listened to Mr. Wolfe, he started by asking some questions of the officials about funding for the Regina Native Women's Association and has a concern about the accountability of the funds and is seeking to obtain clarification, information, from the auditor whose job it is to assist this committee.

The questions up till now have been related to the items that he first raised with the officials. I assume that he will continue to relate it to the questions asked of the officials, and therefore I find the questions to have been appropriate. The point of order is not well taken.

Mr. Wolfe: — We were just in the process, I believe, of going about how a member might go through this process if he had a concern with something like Regina Native Women's Association and funding and the accountability of public funds which is, I believe, the reason why we are here. And the reason that this year is important is that if there were problems in the year that followed, I think it's our responsibility to the people that we explore the possibility of there being a problem, or if there was a problem in the year under review. So that's the reason for the line of questioning.

But I was to initiate this process because I've heard of a concern of some of my constituents about a third party group and its funding and how that funding is spent. As I understand it, I could place a phone call to the Provincial Auditor and request an estimate of what it might cost to explore that concern of my constituents.

Mr. Lutz: — Yes. I think what you would have to . . . not a have to, what would be best would be to come see us — it's much more effective than a phone call — sit down with my people who do the Social Services audit, give us your concerns so we can understand them. And my people could then go back to the deputy minister and find out the magnitude of the funds involved; look at the relevant legislation and regulations as to how these funds are supposed to be handled out there; look at the regulations as to how the recipient is required to report back, because there's always this feedback from the recipient as to how the money was spent, and make sure that the everything else is in the ballpark.

And certainly then if we can look at the size of this program and get whatever documents we need to form some kind of intelligent judgement, then I think we can give you an answer as to, yes, I think it might cost this much, or whatever. And at that point, if the members of this committee wish to move a motion that something be done, and if we know what we think it's going to cost and if we can liberate that kind of money to provide the

resources so that the other work doesn't suffer, certainly. But my door is always open to any member, any time.

Mr. Wolfe: — Related to this issue, is there a way that you — and while the department officials are here — could you give me an idea of what it might cost to perform this function, let's say, related to this specific third-party group here? Everybody's here. I'm just curious if . . .

Mr. Lutz: — No, I couldn't give you any estimate at all. We'd have to sit down with the deputy minister and his support staff and look at what the program entails, and specifically what particular item we're auditing for. If it is a special report, a special project, there must be a special purpose involved, to which we would have to address our minds and our resources, to report back in this fashion.

Mr. Wolfe: — So how long would that process take, or how long might that process take?

Mr. Lutz: — To come to a judgement of how much it might be?

Mr. Wolfe: — To just come to a rough estimate. Let's say we're looking at something that's been described as minor funding, \$200,000. To me that's still a lot of money. In a budget of \$200 million, it's still a fair chunk of money. But I'm just curious how we might identify what that cost might be to see if it's cost-effective. To a lot of people that I represent, \$200,000 or nearly a quarter million dollars is a whole lot of money, and they might have concerns about how \$500 was spent.

I'm just curious of what an audit — and it can be very, very rough — what an audit to pursue those concerns on behalf of my constituents might cost so that we could, let's say, go through this process from A to Z. We should be able to come up with a rough idea. I have no idea of what it costs.

Mr. Lutz: — Mr. Chairman, if we are indeed discussing a special project which will result in a special report, we would have to know those precise areas in which you are concerned and the reason for what we're trying to do before we could make an informed judgement on how much time it might take us, how many resources it might require, and whatever other time frames might be involved to do this.

But certainly if, you know, if a member wants to come out to my office, or phone if that's the best, and tell us what he wants, tell us what he has in mind, tell us the program, we will certainly try to get you an answer quickly. I can't tell you from here.

Mr. Wolfe: — Yes. No, I understand and I really don't mean to be putting you on the spot. I was just trying to get a handle on how somebody might pursue it. So as I understand it, you'd have to identify what the specific areas of concern are to the specific third-party group, address that in person or phone or in writing to you. Then there'd be a period of time — one week or two weeks or whatever — to get the information between you and the department together. Then you would come back with that estimate. Then I would go either to a representative of this committee or go to the Legislative Assembly, address

that concern there or with the minister's office that's responsible for the department.

Mr. Lutz: — The possibility exists that if your requirements, your specific requirements were not extensive, say, in the scheme of things, it could indeed transpire that I would not need any additional funding, and that shortens the system a little more, makes it a little quicker.

I don't know . . . Unless we have discussion, I can't really address the matter from your end and give you a reasoned response. Because if I don't know what you want and we don't know what we're dealing with, I can't really give you an answer. I'm not sure that the deputy minister can add anything to this dialogue.

Mr. Kutarna: — In my opinion, Mr. Chairman, it depends on the nature of the situation, the problem. If you were to have an audit on this particular situation, I know that the dollar amounts in total for the Regina native women's are about 600,000 for that year. That's a significant sum of money. But there may be a simple program that's administered which is a standard program, and you may be able to arrive at the conclusion sooner.

But I will say this: we will be able to . . . If that question ever arises that a member of the committee comes to the auditor, we would be able to, as quickly as possible — I would estimate within a matter of a couple of days — work with the auditor to provide all the necessary information and descriptions of programs, conclusions that we've drawn, and so on, so that we can facilitate the process. I don't see why we would take longer than a couple of days to do that for something like this.

Mr. Lutz: — Mr. Chairman, this situation was contemplated when they wrote this legislation. There is no reason why it won't work, provided we can get the information and you can get us the information and Mr. Kutarna can comprehend the information. We said that we're only one floor apart or two floors apart in the building. I can be up in his office in one minute and we can get it done. But we have to have something fairly concrete on the purpose of this special investigation, if you will.

It may be a minor enough thing that we don't need any more resources, one doesn't know.

Mr. Wolfe: — A constituent could do that on their own too, I suppose. They could place a call directly to the Provincial Auditor. Let's say a resident of Saskatchewan could phone your office directly and raise concerns and you could . . .

Mr. Lutz: — Yes, that constituent could. And when he does, I tell him he should talk to his elected member, because that's the people for whom I work. I'll talk to any constituent, but I don't discuss matters with constituents. I usually suggest they phone their elected member and express their concerns there. And I'm out.

Mr. Wolfe: — I understand. Thank you very much. I appreciate that.

Mr. Lyons: — Mr. Chairman, by leave of the committee, I would like to move the following motion. I move:

That the Committee on Public Accounts do now consider the *Report of the Provincial Auditor* for the year ending March 31, 1988.

I'd like you first of all to rule whether the motion is in order, and if it is indeed in order, then to discuss the substantive reasons for the motion.

Mr. Chairman: — Thanks, Mr. Lyons.

I would rule that the motion is in order. The committee can choose at any time to deal with whatever items it wishes to. There is no other motion on the floor at this time, so the motion is in order.

That's not to say that, if the committee takes the point of view that it wants to adopt a motion and move on to the Provincial Auditor's report for the year ending March 31, 1988, that they are precluded from coming back to the Department of Social Services or other departments for the year '86 and '87. So the motion is in order.

The other point, I guess, that the witnesses should be dismissed while we debate this motion.

Mr. Neudorf: — I would suggest then, Mr. Chairman, that they be dismissed with no recall for today, so that they can . . .

Mr. Chairman: — Yes. Thank you, Mr. Kutarna, but I advise you to be on stand-by.

Mr. Lyons: — Very briefly, Mr. Chairman, I could, given that there are only four minutes left in the day, and I suspect that this debate will go on somewhat longer than that particular four minutes, I wish I could outline the reasons for the moving of the motion.

The first, of course, is the events of the past week and the gravity of the events of the past week in so far as the functioning of the Public Accounts Committee and the functioning of the Provincial Auditor is concerned. But I want to make it clear that I think that those questions regarding privilege and the functioning of the auditor vis-a-vis the comments made by the Minister of Justice be dealt with in the Legislative Assembly, that that is the proper forum for those questions. So by report, I mean the report titled: *Report of the Provincial Auditor* to the Legislative Assembly for the year ended March 31, 1988, and not the special report in the dark blue cover submitted by the Provincial Auditor.

Secondly, I feel a little sorrow in having to move the motion. I thought we had a legislative timetable worked out for the committee in which the work of the committee for the year ended 1987 would have been wrapped up over the next several days. But it's obvious from the actions of the members from the Progressive Conservative Party, who are members of the committee, that they're obviously not intending to have the committee deal with the 1988 auditor's report, or at least not deal with it in a timely manner. And I think, given the gravity of the comments contained in the report, it's

necessary to deal with that report in a timely manner.

Thirdly, as I said, the questions of privilege — and I want to repeat this — I think are being dealt with in the House and the questions relating to both the comments by the Minister of Justice and in the special blue report that you've got in front of you should be dealt with before the bar of the legislature — that those questions raised are not proper for this committee, I don't personally believe. That's the report I'm referring to, that special report, and all the comments and allegations contained around that report should be dealt with by the Legislative Assembly.

Mr. Chairman: — If I just might on that, on March 9 it was moved by the Deputy House Leader on the government side that the *Report of the Provincial Auditor* for the fiscal year March 31, 1988, be referred as tabled to the Standing Committee on Public Accounts. So certainly the report ending March 31, 1988, is in our possession and is proper for us to deal with. Any special report would also need to be referred by the Legislative Assembly, and it's my understanding that it has not been, so any comment on that report, I think, would at this point be irrelevant in our committee.

Mr. Lyons: — Thank you very much for that ruling in advance. Having made those preliminary comments, I just want . . . I want to say that, without exaggeration, the comments made by the report by the Provincial Auditor . . . in the Report of the Provincial Auditor, for the year ended March 31, are grave. They're probably without precedent in any legislative assembly in this country, including the House of Commons. I dare say they may be without precedent in any of the parliamentary institutions anywhere in the British Commonwealth, particularly in regards to the relationship of the auditor to the operations of this committee and to the operations of all of us as members of the Legislative Assembly.

The comments wherein that the auditor is unable to perform his task of auditing the operations of the provincial government and of half of the expenditures made by the provincial government are certainly grave indeed in regards to our ability to function as a legislative committee. And I think that the debate . . . and I have more to say as the debate winds up, and I also . . .

Mr. Chairman: — I might say that both by my watch and by Otto's clock it's 10:30, and unless there's leave to extend the meeting we will stand adjourned.

Meeting adjourned at 10:30 a.m.