

STANDING COMMITTEE ON PUBLIC ACCOUNTS
July 20, 1989

**Consideration of the Third Report of the Public Accounts
Committee to the Legislative Assembly**

Mr. Chairman: — We'll call the meeting to order. The first item of business is the third report of this committee to the Legislative Assembly. What I propose, I just go through it clause by clause and if everyone is agreed, you say agreed, and if there's some problem, raise it. Let's deal with it and move on. Are we ready to go with clause 1? Clauses 1 to 3 agreed to. Clause 4.

Mr. Hopfner: — Mr. Chairman, there was some concern regarding clause 4. We feel that it should be omitted from the basic presentation of the public accounts report to the legislature, basically because they felt that the chairman's remarks or statements were statements that each and every one is entitled to on public accounts.

If we start pointing out and allowing precedents to be set like this, therefore chairmen can make statements whenever they felt like and submit them to the legislature in the report, basically not regarding the fact that all members have those equal opportunities and rights. So that basically was the argument.

Mr. Chairman: — Thank you, Mr. Hopfner. Any discussion on that clause 4?

Mr. Rolfes: — Mr. Chairman, I, just to comment that as far as I understand, although I was not here at that meeting on February 7, my understanding is that that is what transpired at the meeting, and it clearly outlines the functions and duties of this committee. And I think number 4, the first sentence quite clearly states what actually transpired, and that is really what we want to report. I would hope that we would leave it in.

Mr. Chairman: — Any further discussion.

Mr. Hopfner: — Yes. I think basically it's just a thing that everyone has their interpretation of the committee. Again, I just wanted to say it's something that I believe we can strongly debate well into the future and come to no consensus because individuals have different interpretations. So basically that's what we're finding.

Mr. Martens: — I believe, Mr. Chairman, that the report of the Public Accounts Committee needs to be the report of the committee, not to reflect opinions and positions of any individual in that committee. Now I may have some latitude if we could come to some agreement on the items in the section described as four if that was a part of what the committee had decided to put in, but I really think that the chairman, nor any other person on the committee should have the right to put that into a review of what the report should say.

I will however add, if the chairman and the vice-chairman would in their reporting wish to comment on this in the Assembly, then that is where that kind of statement could be made, and then the chairman and the vice-chairman could agree or disagree on those items, and that would be a part of your observations in relation to the discussion.

However, in this report I don't believe that that should reflect any single person's opinion. And whether that person is the chairman or whether that person is a member, I think it should reflect the committee's view, and I'm not certain that I would go along with all of the statements that are reflected there.

Mr. Chairman: — Well we've had good discussion on this . . . oh, Mr. Rolfes, sorry.

Mr. Rolfes: — No, Mr. Chairman, I'll pass. I don't agree with the members opposite.

Mr. Chairman: — Well we've had good discussion, and as Mr. Hopfner says, we don't . . . oh. I'm sorry, Mr. Martin.

Mr. Martin: — Can I get on the speaking list please?

Mr. Chairman: — Yes.

Mr. Martin: — Well I just want to indicate my support for Mr. Martens in his opinion on this. I won't go into it, even elaborate on it, except to say that it should be the report of the committee . . .

Mr. Chairman: — Okay. I'll take it if there is a vote.

Mr. Martin: — . . . and not an individual.

Mr. Chairman: — We're dealing with these specific clauses. If there's a vote in the affirmative, the clause stays. If it's in the negative then we go on to the next one.

Clause 4 all agreed? All those in favour?

Mr. Hopfner: — There was another statement I wanted to make in regards to this particular clause, and if you give me just a moment, Mr. Chairman, to get this clarified with my colleagues once again. I know I was trying to make three different points on this, and I wanted to make sure that it was stated. Can I have that minute?

Mr. Chairman: — Yes. It may affect the outcome of the vote.

A Member: — Pardon?

Mr. Chairman: — It may affect the outcome of the vote.

Mr. Hopfner: — Mr. Martens had made that particular . . . (inaudible interjection) . . . I wasn't paying attention to his remark there.

Mr. Chairman: — All those in favour of including clause 4 raise your hands. All those opposed to including clause 4? Clause 4 won't be included in the report. Clause 5. Agreed?

Mr. Hopfner: — Well, Mr. Chairman, basically again I think we'll find that the similarity of our remarks would stand on this particular item, and therefore I would so move we omit this particular clause as well.

Mr. Rolfes: — Mr. Chairman, there's basically the same

argument again. I think it very clearly outlines what the 1982 committee had accepted as guide-lines. I think again it gives guide-lines to this committee. It should be included to give us some guide-lines as to the mandate of this committee, but I'm not going to debate it ad infinitum. They're going to disagree with us and they have the majority, so let's vote.

Mr. Chairman: — All those in favour of including clause 5? All those opposed? Clause 5 won't be included. Clause 6.

Mr. Hopfner: — Mr. Chairman, on clause 6 where the committee had agreed to provide a recommendation to the Assembly for a mandate review process, I think probably that had been not so delegated because we had a mood change in the committee.

A Member: — Mr. Neudorf said it in a motion.

Mr. Hopfner: — No, it was . . .

A Member: — It is and you passed it and now you . . .

Mr. Chairman: — Mr. Anguish, I could put you on the list next.

Mr. Hopfner: — I realize that Mr. Neudorf had basically indicated that we take the time of the Assembly to ask for a mandate review. That was basically because the committee, back in February as all members would well realize, this committee was unable to function. Since then we came to a compromise and we had agreed that as long as we kept the politics out of the committee and away from the bureaucrats, the department officials, that this committee would function.

And I think the committee, once we had come to that agreement, member of the opposition had agreed with the fact that it was not a political forum and that it was a forum that the committee could function well without the politics being involved and the questioning of the departments would take place. And I thought the committee worked well since that process had once again started in this committee, and therefore we feel that it's not necessary unless some members of the committee become to a point of bringing that kind of political radicalism back into the committee and the motion's necessary. I don't believe we have to waste the time of the legislature for this particular type of procedure.

A Member: — I just can't believe . . .

Mr. Chairman: — If I might, Mr. Anguish, just a minute . . . (inaudible interjection) . . . Yes, but I want to take the prerogative of the chair to simply say that I can appreciate that the committee might not want to give substance to comments like considering its mandate and operating procedures, but I must admit that I didn't pick up on this mood change well enough. But sometimes the subtleties of the committee escape me and . . .

Mr. Hopfner: — I thought, Mr. Chairman, that you brought this committee . . . kept a fair order in this committee . . .

Mr. Chairman: — Well I appreciate that, Mr. Hopfner, but . . .

Mr. Hopfner: — . . . and I just wanted to compliment you on that.

Mr. Anguish: — Well I'm sure that the member wants this clause 6 removed because it would make them look so goofy in the legislature. It's Mr. Neudorf's motion, the reason that's in there. And when you were filibustering the committee here, and most members knew very well what the role and the mandate of the committee was, you wanted to argue about the role and the mandate of the committee from a Conservative perspective. That's what happened here.

And this is factual as to what happened in the committee, and Mr. Neudorf was your point man for that. And I don't know whether you consulted with Mr. Neudorf on this or not, but he might be very offended that you're taking out his whole thrust. His highest hour was during this time when he didn't know what the mandate of the committee was, and I think it's almost absolutely essential that clause 6 remain in there so that the public and the rest of the members of the legislature become well aware of what was going on in this committee.

And I would disagree with you, Mr. Hopfner; I don't think this committee has been functioning very well.

Mr. Rolfes: — Mr. Chairman, I just want to make a few comments. I couldn't help but laugh when the member from Cut Knife-Lloydminster was berating our members on this side for wanting to inject politics into this committee. And he goes about saying that political radicalism and five members on this side of the table.

And, Mr. Chairman, how the member from Cut Knife-Lloydminster can say that this committee functioned well, you know, it's just beyond me, when we spent nine hours, nine to 10 hours on Agdevco when there was absolutely no disagreements between the Provincial Auditor and Agdevco. We spent nine hours on a department because the government members refused to study the Provincial Auditor's report as it had been done in the past, because they didn't want to get into the controversial departments like CIC (Crown investments corporation of Saskatchewan) and have stalled on that particular issue for a number of weeks now because they don't want to get into the issues that concern this committee.

It has not functioned well. We have been stymied in this committee by the government members for over nine hours with Agdevco. We've had private auditors here at a cost of about 3 to \$400 an hour, when we should have dispensed with Agdevco in a half an hour. It was a filibuster by the government members because they didn't want to get into the guts of the report of the Provincial Auditor. So this committee has not functioned well.

And I agree with the member from the Battlefords — if I was Mr. Neudorf, I would be really insulted. He was very concerned at the time — and I remember well — that we should review the mandate of this committee, and was

very persistent, and the members opposite voted for that.

I think it's an insult to the member from Rosthern and very inconsiderate of the members there, and would be inconsiderate of us if we didn't consult with him and have him here to defend his particular motion. So, Mr. Chairman, I think for those reasons I would certainly want clause 6 to remain in the report.

Mr. Anguish: — Mr. Chairman, I'm sorry I have to go to Crown corporations, because Gigamess is on this morning, and I have to be there, so if you'd excuse me from the committee.

Mr. Chairman: — We'll let you know about the next meeting, Mr. Anguish.

Mr. Hopfner: — Thank you, Mr. Chairman. Mr. Chairman . . .

Mr. Chairman: — Mr. Lyons, Mr. Muirhead, gentlemen, Mr. Hopfner has the floor.

Mr. Hopfner: — Thank you, Mr. Chairman. Mr. Chairman, basically there's no real hang-up other than the fact is that this committee respecting the operating procedures have not come to any particular agreement or consensus as to what the operating procedures of this committee should be in any types of recommendation to the Assembly. And therefore, in order to put something into report, something should be done in regards to the particular motion that had been placed before this committee.

There has been no mandate review process brought forward, and therefore there can be no recommendation to the Assembly. I guess probably if members of this committee wish to get into that, maybe we ought to set the business aside then and get into a mandate review process if they're not happy with the way the committee is functioning.

I thought the committee was functioning. If the members opposite are not happy about the committee and the way it's functioning and the way the chairman has brought this committee to its workings, then I would suggest that the members opposite have a problem and that we should get into the mandate review process and get on with it, and get it discussed out.

I thought the members opposite were happy; they were not prevented from asking questions of any particular department. CIC (Crown investments corporation of Saskatchewan) is now before this committee; they will be here next week, and they will have all the opportunity to ask questions of CIC.

Basically, Mr. Chairman, I want to indicate to you that until this process, this mandate review process, has been brought forth to the committee, we can't suggest that anything has been done, and we can't set anything before the legislature. So I suggest we just remove the clause until such a time that this committee has had the opportunity to work with this particular clause.

Mr. Chairman: — Thank you, Mr. Hopfner.

Mr. Martens: — There's probably two things, Mr. Chairman, that I would like to identify in this that I think has to be brought before the committee. The first item is that in February, where we were relating to this motion, during the period of time where we had a discussion we came to an agreement with members opposite as to how the committee could function. And we spent a week discussing it and reviewing the matters. At that time the motion was brought forward as to how to make the committee work, and we agreed to a general . . . in a general consensus manner to how the committee could work. And I think it did work reasonably well under the circumstances from that point on, and no doubt that you assisted in making it work.

The second thing is that if we were going to put this into its real focus would be if we would have half a dozen or so recommendations to present to the Assembly, or even a method of placing before the Assembly how we would achieve this kind of a format for the operating procedures of the committee. And I think that that's really where I would see that we need to do some work. It's not that we're necessarily against this. It's not necessarily the role of the committee.

If we wanted to put this in, then we could put the letter in also that was agreed to by the House Leaders at the time that we would conclude the 1986-87 discussion at the conclusion of that week. We could also put in the agreement that we reached between the opposition and the government side in relation to the agreement that we struck between the seven or eight members that were here. And we could put that in there, too. But we haven't asked to put that in there.

I think that the motion stands. We're not in disagreement with the motion, but we're in disagreement with the process of reporting it to the Assembly in the method that it is identified here because we haven't got a review process identified. And that's the reason why we don't feel it needs to be in there.

Mr. Lyons: — Well I'm not going to take up much time of the committee, Mr. Chairman. I just want to comment on the lucidity of the statements made by the member for Cut Knife-Lloydminster. I recognize that when a job's well done and a good statement's made like that, that it be recognized. I thought that he put forward the case rather well for his side.

Mr. Rolfes: — Mr. Chairman, I wanted to also comment on some of the things that the member from Cut Knife-Lloydminster said. But you know when he said we had an opportunity to question all departments, you know, it's just ridiculous when you look at that recommendation. There's nothing in this particular motion as made by the member from Rosthern, let me remind the members opposite, nothing in there that says it must be in this report. It simply says, your committee agreed to provide a recommendation to the Assembly for a mandate review process.

That does not mean we can't make a recommendation later on. It doesn't have to be in this report at all. It simply says that we recognize that there is a problem with our

mandate and the working of this committee, and that we will be making a recommendation to the Assembly; that's all it says.

So I disagree with Mr. Martens when he says that, well, we can't put this in the report. It doesn't say it has to be in this report at all. It simply alerts the Assembly that this committee is concerned about the process and that we will be making a recommendation to the Assembly. So it does not negate at all the intent of this motion. I don't understand why we can't accept the motion as agreed to by this committee. That's it.

Mr. Chairman: — Thank you. We've got a good discussion on this. Ready for the question?

All those in favour of including clause 6? Opposed? Clause 6 will not be included.

A Member: — What do you mean?

Mr. Chairman: — Sorry, no, I'm sure that the vote was . . . Well let me ask for it again then. All those in favour of including clause 6? All those opposed to including clause 6?

A Member: — There was one person voting over there, and I think it was Mr. . . . Yes, he had his finger up, but that meant a lot different to the members there.

Mr. Chairman: — You thought that the finger up was a . . . demonstrated something else. Clause 7

Mr. Hopfner: — Mr. Chairman, there's not too much problem with clause 7 that has been found, other than the fact is that this side of the committee would like to also add to the clause that anything after the last year, 1986-87, and add, "that the committee is satisfied that all matters have been resolved."

And basically, Mr. Chairman, the reason for that is that if the committee was not satisfied, the argument so states, is that the committee should not have dismissed any of the departments. They should have been well satisfied before they moved off and let a department go.

So really, I think, probably before this committee report to the legislature they should be satisfied that everything has gone through this committee in a function that the committee is . . . if they are not satisfied then they should so be reporting and pointing out where they are not satisfied.

So I think either the report has to be extended and it has to be debated upon, or that in such a short form of a statement, that the committee has been satisfied that we've dealt with the Provincial Auditor's report for the year ending March 31, 1987 and the *Public Accounts* for '86-87.

If somebody in this committee is not satisfied that we haven't dealt with it, then they should point out, and it should be listed where they're not satisfied. So if the members opposite, through their own submissions, would like to make a statement of where they weren't satisfied, we then should not be reporting to the

legislature, we should be bringing those various departments back in here and getting it resolved before we move forward.

Mr. Lyons: — Well I'm very surprised at what that member is saying, Mr. Chairman. We had a motion before this committee that would in fact have done that — deal with concurrently the departments which weren't dealt with in '86-87, if anybody had any questions, and concurrently with the '87-88 report. That member, as well as every other PC member of this committee, voted against that motion which would have allowed for that.

The use of the word "satisfactorily" implies that there was an agreement or some type of compliance with those things contained within the activities of the various departments. And I might say I'm very surprised to hear this type of motion being put forward by that particular member at this particular time.

I thought, quite frankly, Mr. Chairman, that you and the vice-chairman had met, had resolved all these types of matters, and had gotten some kind of a consensus as to the nature of this report. I tell you, I think the people of this province are being ill-served by having MLAs who receive a fairly good dollar sit here and niggle and piggle over this kind of particular wording. And I don't think it does us or any other member of the Legislative Assembly good to have this kind of silliness take place.

So I would move, Mr. Chairman, that this clause and the rest of the . . .

Mr. Chairman: — There's an amendment already.

Mr. Lyons: — I'm going to have a procedural motion which I understand . . . I will move at some point, I guess after we deal with this particular amendment, that the whole matter of the report be referred back to the chairman and vice-chairman for a satisfactory resolution of these outstanding differences, because not only is it a question of these members filibustering this report, it's a question of having some kind of common understanding as to what actually took place during last year's proceedings.

It was our understanding that both yourself and the vice-chairman had a mandate to deal with and construct a report which would be acceptable to members of all sides, and that this kind of contentiousness would not be carried on and debated *ad infinitum* and *ad nauseam* in this particular forum.

I tell you, I'm not prepared to sit here any longer and listen to this kind of dribble coming out of that member from Cut Knife-Lloydminster.

Mr. Chairman: — I just might, Mr. Lyons, I can assure you that Mr. Hopfner and I certainly met. There were a number of areas of agreement in the report, but there are also areas of disagreement. And every time I vote for, he voted against, and we just couldn't break the tie. That's why some of these items are back to the committee.

Clause 7, we have the amendment of Mr. Rolfes.

Mr. Rolfes: — Mr. Chairman, I'd like to have you read the amendment please.

Mr. Chairman: — Okay. The amendment is:

To add after the words "after 1986 . . .

Mr. Martin and Mr. Lyons, gentlemen. The amendment is:

To add, after 1986-87 in clause 7, the following:

and that the committee is satisfied that all matters have been resolved.

An Hon. Member: — Is satisfactory included there? Could you read that again?

Mr. Chairman: —

and that the committee is satisfied that all matters have been resolved.

Mr. Rolfes: — Mr. Chairman, I just want to comment on that. That is just a ludicrous amendment to put forth. All you've got to do is go through the minutes of last year 1986-87, the committee report, and you know that that is not true. I mean, the members opposite can push it through, but I mean, let's not make a mockery out of this. Go through the minutes and you'll find out that we didn't satisfactorily resolve those things. Let's not make a complete mockery out of it.

I mean, the statement as it is here, at least had "completed its deliberations," let's leave it at that. We know we have our differences; we're not going to agree. Let's not go into the Assembly and say that . . . I mean, all I have to do is go through the minutes and I can . . . over and over and over where we've disagreed and have not satisfactorily resolved it. But that doesn't mean we haven't done the work of the committee; we've just disagreed.

But let's not make a mockery out of it. You guys can put it through. All we're going to do in the House — I'll speak on it and I'll put it through in the House and say, you know, how you people have made a mockery out of this committee, if that's what you want. It can be . . . I mean, there are dozens of examples in those minutes. I mean, it'll make you look like . . . make us look like idiots in the Assembly.

A Member: — It isn't hard to do, Herman.

Mr. Rolfes: — Well, Jack, all right, fine. You do it every day over there; you do it over there every day. But let's not make a mockery out of this thing. I mean, that just doesn't . . . You can push it through all you want, but when it comes to the House I'll point it out where, you know, just what has happened and how ludicrous the statement of the member from Cut Knife-Lloydminster is when he says this committee functions properly. But that's the kind of things you want to push through when you know there is no basis, no basis at all, how this committee functioned and how we've resolved some of the difficulties and have not resolved others. I mean, it just doesn't make sense.

But go ahead. You're going to push it through anyway.

Mr. Chairman: — I just wanted to point out, you know, that the motion to concur in the report will be a debatable motion in the House, and that members certainly have the opportunity to make whatever comments they feel are appropriate, in addition to the specifics that are reported.

A Member: — Could you read the amendment?

Mr. Chairman: — The amendment is:

To add after the words 1986-87 in clause 7 the following:

and that the committee is satisfied that all matters have been resolved.

Are we ready for the question? All those in favour of the amendment? Opposed?

The amendment is carried. The clause as amended . . .

Mr. Rolfes: — Mr. Chairman, if I may. I'm going to tell this committee right now, I am not going to sit here; I'm leaving as of now. If that's the way you guys want to run this committee and just put through whatever you want, there's no sense us being here. You'll make a mockery out of it; that's fine with me. But I'll tell you guys, I'm going to verify this and I'm going to substantiate every bit of this in the Assembly, how you've made a mockery out of this committee. And that does not reflect whatsoever what happened in this committee — not whatsoever.

And if you don't want to try and get a consensus in this committee on how we have functioned and how we have worked, there is no sense in me hanging around here. You might as well have the chairman here and you guys make the amendments. We're going to put in a minority report and say what kind of a mockery you've made out of it and after you've simply made all the changes which do not reflect at all what happened in this committee. And there is no way that I'm going to sit around here and let you guys just make a mockery out of it. No way.

Mr. Hopfner: — Mr. Chairman, the member is known to walk on a couple of few different occasions because he feels he can't get his way in the committee. He has not substantiated his argument here to this committee as to why. I have asked him to table in this committee.

I've asked him, if you'd go back in the verbatim on my remarks when I had introduced the amendment, and I had asked him if he was not satisfied that he should so state where he was not satisfied. He hasn't brought that to this committee. If he is not satisfied, then bring it to the committee. Or why did we move off those departments if he was not satisfied? We should still be dealing with those departments.

And I, sir, will stand by that argument. I recognize the fact that he's upset and has walked out of this committee. But that's the type of radicalism we want to keep out of this committee. We wanted this committee to function properly. We want people to be satisfied in this committee that the work of this committee has been

completed. If it has not been completed, then that member is not properly functioning and carrying out his duties of this committee.

We are not asking any department to walk out of this committee without all members of this committee being satisfied that the questions were answered to the satisfaction of this committee.

So these are strong points that have to be made. And if members opposite, members of the NDP caucus of this committee, want to walk from this committee, so be it. But we will not sit here and be accused of stymieing any one of those members from asking the questions to the department officials and getting the answers.

And if they're not asking those questions and they're not being satisfied, Mr. Chairman, you know as well as I do that any member from the government side of the House has never refused or disallowed any members opposite not to ask any type of a question, that was not of a political nature, to the department officials.

And therefore I suggest to you, Mr. Chairman, that as well you have ruled on your members, and I know your members on the NDP side of this committee had not been satisfied with your rulings. And I commend you for the order that you brought to this committee.

Mr. Chairman: — Mr. Hopfner, it's neither here nor there for you to comment on the role of the chair.

Mr. Hopfner: — I was just suggesting to you, Mr. Chairman, that you had ruled as well on the NDP caucus members of this committee and had brought them to order, and I commend you for that particular type of ruling. And you made this committee function, and I think you ought to be commended for that.

But I do suggest to you, sir, that the member from Saskatoon South can walk, because he's not happy. That's his way of acting; well so be it. But nobody in this committee is going to suggest that the member from Saskatoon South cannot ask questions and not become satisfied of the departments, and I'll leave the rest of it.

Mr. Lyons: — Mr. Chairman, like Mr. Rolfes, the member from Saskatoon South, I'm not here to legitimate what is essentially an illegitimate process, and that is to give sanction to what is untrue, which will be sent to the Assembly of the people of this province and to try to put my name to a document which I know to be blatantly false, and which the members opposite know to be blatantly false as well, to not reflect the realities of what has occurred in this committee.

And for them to sit here, to try to say, despite the prima facie evidence to the contrary that all departments . . . or give the impression that all departments in 1986-87 had been dealt with satisfactorily, is just not true. It's just not true. In fact those members, Mr. Chairman, those members voted against a motion, each and every one of them voted against a motion which would have allowed all departments to be dealt with concurrently, but because of their filibustering and because of their attitude of using this committee to hide the government's mistakes

and mismanagement, in order to hide up the kind of gross incompetence, and some say fraud, and some say criminal activity of the government — in order to use the committee for those purposes, these members are now engaged in nothing more than a whole pact of political chicanery.

And I for one, like Mr. Rolfes, will not hear and legitimize that process, and there will be a minority report from this committee going to the Legislative Assembly.

Mr. Wolfe: — I would just like to comment that the members opposite have been so concerned about getting on with CIC and the auditor's report that's recently been tabled, it's amazing to me that they would try to delay that process even further. They've expressed a whole pile of concerns and yet haven't documented them.

If they're concerned about the previous year, I would think it would be in order that they bring back then those departments that they still have concerns with, and if they don't, they really aren't doing their job, and it's time that they were replaced by the Leader of the Opposition. I think it's time that we sat down and dealt with those concerns that they have. If they haven't had them resolved, then let's deal with them. They have an opportunity to do that before we prepare this report, and that's part of the reason for calling the meeting here today. Thank you, Mr. Chairman.

Mr. Chairman: — If I just might from the chair, I certainly want to point out that if I had been able to find all these instances of agreement, I certainly would have noted them, but be that as it may, the question before us is the amended number 7. All agreed? Number 8?

Mr. Hopfner: — Mr. Chairman, again in respect to number 8, that was respectfully put before the committee, and I'll read the number 8.

Mr. Chairman: — Mr. Muirhead, I just want to point out that there are six of us in the room and we're going to lose a quorum.

Mr. Hopfner: — Yes, you will have to stay for just a few minutes here.

In respect to its review, your Committee considered the following issues raised by the Provincial Auditor in his report for the fiscal year ended March 31, 1987:

And therefore I'd like to so move that after that 1987, add:

and that the Committee is satisfied that all matters have been resolved.

And then you can list your matters here. So it would be basically the same.

Mr. Chairman: — Okay, so now the amendment is:

and that your committee . . .

Mr. Hopfner: — "... is satisfied that all matters have been resolved."

Again, basically, the remarks would stand probably equally as well as in the previous clause. We feel that if . . . being that all things have been brought forward to this committee and that members were satisfied to move off the various departments, that they must have been satisfied with the answers, and therefore if there was any problems with the answers that we've received back from the department, that they should be so stated by the members in the report to the Assembly.

Mr. Chairman: — Any further discussion on the amendment? All in favour? Agreed. The clause as amended? All those in favour? Agreed. Clause 9.

Mr. Hopfner: — Clause 9, I guess basically is your . . . Just let me have a minute here, Mr. Chairman.

Mr. Chairman, I guess probably that in this regard, if members of the committee are not in disagreement, I would so move that we also add the words, "and that your committee is satisfied that all matters here have been resolved." Number 9.

Mr. Chairman: — An amendment is moved by Mr. Hopfner. Any discussion? Agreed. Number 9 as amended, all agreed? Agreed.

Mr. Chairman: — Do you want to write that one out?

Mr. Hopfner: — I'll do them all at one time.

Mr. Chairman: — Number 10.

Mr. Hopfner: — Mr. Chairman, again, your committee reviewed details of revenue and expenditure in 1986-87 *Public Accounts* in relation to departments and the various departments that the committee had agreed to pull forward to the . . . and ask questions of. I would so move with the agreement of the committee that we also add the words after "and Office of Executive Council," that:

your committee is satisfied that all matters have been resolved.

Mr. Chairman: — Okay. The amendment is to add the words:

your committee is satisfied that all matters have been resolved.

All those in favour of the amendment?

A Member: — We want to move the "and" prior to "Office of Executive Council," to make it . . .

Mr. Hopfner: — That's fine.

Mr. Chairman: — Clause 10 as amended. All agreed? Agreed. Clause 11.

Mr. Hopfner: — Mr. Chairman, your committee wishes to express its appreciation to those officials who appeared before the committee for the testimony they provided.

And I'd like to so move, Mr. Chairman, that the committee also was satisfied with their testimony before this committee.

Mr. Chairman: — Okay, do you want to make clear your amendment here?

Mr. Hopfner: — Okay, I'll have to write that out. Will you give me a minute, Mr. Chairman?

Mr. Chairman: — Okay. The amendment to number 11 is to:

add the words "and that your committee was satisfied that testimony . . .

Mr. Hopfner: — . . . provided . . ." Does it make any sense? I'm not much for writing clauses.

Mr. Chairman: — I think what you want to say then is that:

and that your committee was satisfied with the testimony provided to your committee.

Amendment agreed to. Clause 11 as amended agreed to. Clause 12. Number 12. We've got a rewrite on that one.

Mr. Hopfner: — That's satisfactory, Mr. Chairman. There's been no problem with the rewrite.

Mr. Wolfe: — Just a question. I would just like the chairman or the vice-chairman to give us a short summary of their adventure.

Mr. Chairman: — I have a report which was distributed to all the members, and I discussed it with Mr. Muirhead. And it would be my suggestion that after we finish with this, if there's an opportunity to, that this report be received and added to the verbatim.

Mr. Martin: — Is that Mr. Robert's report?

Mr. Chairman: — There is a seven-page report.

Mr. Martin: — Is that the one we received yesterday?

Mr. Chairman: — Yes.

Mr. Martin: — That's your report. That's you, right?

Mr. Chairman: — Yes.

Mr. Hopfner: — Mr. Chairman, before we move on to number 13 and acknowledgements, it's been the wish of these members to also acknowledge the fact and add a clause to our report. And when you're ready, I'll read that.

Mr. Chairman: — Okay.

Mr. Martin: — Could I ask you a question?

Mr. Chairman: — Yes.

Mr. Martin: — The report that we received on our desks yesterday, that was the report that you prepared?

A Member: — Yes.

Mr. Martin: — Are you Mr. Robert?

Mr. Robert: — Yes, sir.

Mr. Martin: — Okay. That was your report, right?

The Clerk: — No, . . .

Mr. Chairman: — And mine, too.

Mr. Martin: — Oh that was your report, Harry. Oh, I'm sorry. I thought it was prepared by you.

The Clerk: — No.

Mr. Hopfner: — Mr. Chairman, just to shorten this down, does each clause have to be with an amendment, or can I just add the numbers in on this.

The Clerk: — You can add a new paragraph if you wish, sir.

Mr. Hopfner: — No, no, no. I'm just saying, can I add . . . like now, it's the same wording.

Mr. Chairman: — You should put the "re clause" whatever it . . .

Item 13, acknowledgements.

Mr. Hopfner: — No, before acknowledgements, are you ready, Mr. Chairman?

Mr. Chairman: — Yes.

Mr. Hopfner: — It was also the wish of members on this side of the committee that we also make aware to the legislature the report from your committee stating that your committee report that we have received from the auditor his apology to the committee for his partisan remarks in The Edmonton Journal, and if you want to have whatever date . . . I can't remember or quite recall the dates so if you want to add that.

Mr. Chairman: — Can you write that out?

Mr. Hopfner: — Yes.

Mr. Lutz: — Mr. Chairman, I believe that in respect to that, that I apologized for talking to the press, not for my remarks. You can find that verbatim maybe.

Mr. Hopfner: — Okay, Mr. Chairman. If you so want to, we could, with . . . if the auditor wanted to make it fair, how was that stated? I'm just . . .

Mr. Lutz: — I apologized for speaking to the media, not for the remarks.

Mr. Hopfner: — Speaking to the media . . .

Mr. Lutz: — I don't have the verbatim with me, Mr. Chairman. I think perhaps the Clerk has a copy of that

paper.

Mr. Martin: — I think it's important to point out there's a substantial difference in what Mr. Lutz is saying, in that if he apologized to speaking to the media, that's one thing; if he apologized for remarks that he made, that's another thing altogether. And it's my opinion that he said he apologized for speaking to the media.

Mr. Wolfe: — That's my understanding.

Mr. Martin: — Now, you know, it's a hell of a lot different and . . . well I shouldn't . . . pardon my language, but this is a substantial difference in the two there, and so let's clarify that before we move on with this.

Mr. Hopfner: — I'll just hold back on my writing on the motion and . . .

Mr. Chairman: — Do you want to do the other ones while you're waiting?

Mr. Hopfner: — Okay. Which ones am I missing?

Mr. Chairman: — Nine and ten, I believe.

The Clerk: — Nine and ten.

Mr. Lutz: — Perhaps, Mr. Chairman, it might help our deliberations if I were to read into the record again the statement which I made.

Mr. Chairman: — Thank you, Mr. Lutz, yes.

Mr. Lutz: — Earlier in the week, Mr. Chairman, I made a statement to the members regarding comments attributed to me, and as the result of those comments and statement, and subsequent to that, I have had the impression that there are still some reservations about my non-partisan position, so I wish to make this statement.

As an officer of the Assembly, it is essential that I enjoy the full confidence of the House in the performance of my duties. This confidence is obviously undermined if there is a perception by some hon. members that remarks attributed to me, and quoted out of context in the press, seem to display a partisan political bias.

I assure this committee that I have no such bias. I have already read to the committee the explanation of the intent of my comments to the press. These same concerns expressed in my comments to the press are contained in reports I have made to the legislature.

I have served the House as Provincial Auditor, and in the more junior position as deputy provincial auditor, since 1968, while each of the three major political parties in Canada have formed successive executive governments in the province.

I believe I have reported to the House all matters that I am required to report, impartially and without any consideration to which party held office. In doing so it falls on me in my reports to the House to be critical from time to time of the government of the day. During this period I have sought to avoid comment when

approached by the press. One of the few occasions when I have spoken directly to them was recently, shortly before leaving on vacation, resulting in the report in the Leader-Post of January 23, 1989. I regret that I broke my own rule. I regret even more that the remarks attributed to me have been interpreted as being politically biased.

Accordingly, while denying any political bias, I apologize to this committee, and through you to all the hon. members of the Legislative Assembly for my indiscretion.

Thank you for your time, Mr. Chairman.

Mr. Hopfner: — Thank you, Mr. Chairman. Mr. Chairman, I think probably what you could do there is if members of the committee then . . . I was trying to shorten up, I guess, the motion, and maybe it didn't sound right, the way the auditor had read it out. We can either delete it then or what we could do is shorten it up by saying that the committee had received the auditor's apology for what had appeared as remarks in The Edmonton Journal. It's open for debate so whatever.

Mr. Chairman: — And what is the motion?

Mr. Hopfner: —

That the committee report they had received an apology from the auditor for what had appeared in the Edmonton . . . for remarks that he had made and that had appeared in The Edmonton journal.

Mr. Lutz: — Mr. Chairman, if it's the wish of the members to deal with this matter in the committee report, may I suggest you take the verbatim bottom end of my statement and include it as the committee's statement.

Mr. Chairman: — I think we should get it clear what we're going to debate here and what the motion is going to be . . . (inaudible) . . .

Mr. Hopfner: — Mr. Chairman, to shorten it up, members on this side of the committee could agree, I guess, probably to shorten the clause then as to just to state that the committee had accepted the auditor's apology.

Mr. Chairman: — Mike, how would this be . . .

Mr. Hopfner: — Are you writing one out?

Mr. Chairman: —

Your committee reports that it has received an apology from the Provincial Auditor for having spoken to the press and as subsequently reported in the Regina Leader-Post.

Mr. Martin: — You have to put in there he apologizes for breaking his own rule, which was . . . I mean, that's the key thing here, guys. I mean, he didn't apologize to us for speaking, he apologized for breaking his rule and speaking to the media. And he didn't apologize for what he said. He was misquoted, he says, and so . . . I mean, you cannot have a . . . If you put that motion in you've got

to have the whole thing; you've got to have his entire statement in there to clarify it. In my opinion, it serves no useful purpose. I don't know why we'd even want to do it. I don't see any useful purpose in it unless . . .

Mr. Chairman: — Let me just read this again.

Mr. Martin: — He didn't apologize to us for saying anything. I mean, that's important.

Mr. Chairman: — I'm simply trying to word something because I'm trying to get through this, and that is:

That your committee reports that it has received an apology from the Provincial Auditor for having spoken to the press and as subsequently reported in the Regina Leader-Post.

I just throw that out, just wanting to assist the committee. If you get through this . . .

Mr. Hopfner: — Mr. Chairman, I guess what we could do then is, being that it would be fairly lengthy, I guess, into the report, I don't know, if other members are willing, then I guess probably through discussion in the back here, I guess probably it would take up more than the rest of the report. So probably we wish to just withdraw it, and then if anybody wants to bring it forward later on, it's up to them.

Mr. Chairman: — Item 13, acknowledgement — clause 13. All agreed?

Clause 13 agreed to.

Mr. Chairman: — The rest of the report is simply a list of documents that were tabled. I'm not proposing that we go back and untangle any of these. We're still waiting for some motions.

Mr. Hopfner: — Also, Mr. Chairman . . . oh I guess you want to move on to passing this totally now, do you?

Mr. Chairman: — Can I have a motion then that the committee adopts the third report and authorizes me to present it to the Assembly?

Mr. Martin: — Do we have to say the amended report or anything like that?

Mr. Chairman: — No, just the report. Having heard the motion, is everyone agreed with that?

Agreed

Mr. Chairman: — Mike, we're looking for 9 and 10.

Mr. Hopfner: — Delete and/or, whatever. You can delete "and" if it's not right, or add it if it's right. Do you need anything else there?

Mr. Chairman: — I don't think so. We're okay. Just bear with me for a minute while we tear through this paperwork.

If I could have your indulgence here for a second, just a couple of minor items. First of all, the report that I circulated to members, I would certainly entertain a motion that the report on the July 12, 1989 conference of the Canadian Council on Public Accounts Committees be received and added to the verbatim of the committee, just so that for ever and all time it forms a matter of the record. It's been moved. All agreed?

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There's the question of future meetings.

Mr. Martin: — I'd like to move that we don't sit on Tuesday, or has that already been discussed?

Mr. Chairman: — No, it hasn't been.

Mr. Martin: — I'd like to move that we don't sit this Tuesday.

Mr. Chairman: — This coming Tuesday? All right. Moved by Mr. Martin that we do not meet on Tuesday next.

Mr. Hopfner: — I think you want to add in there, in light of the royal visit.

Mr. Chairman: — Is there agreement on that?

Agreed

Mr. Chairman: — Next Tuesday would be the 25th.

Mr. Wolfe: — Mr. Chairman, I'd just like to make a comment on behalf of the members on this side. I want to thank you for your work. I know it hasn't been easy. And I'm sure you'll continue to do the good job that you've been doing in the position of chairman of this committee. But thank you very much.

Mr. Chairman: — We'll be meeting then next Thursday on the 27th, and the agency before us will be the Crown investments corporation-Crown Management Board. Thank you.

The committee adjourned at 10:38 a.m.

Appendix to Verbatim

Report on

CANADIAN COUNCIL OF PUBLIC ACCOUNTS
COMMITTEE MEETING

Edmonton, Alberta, July 9 to 12, 1989

The eleventh annual conference of the Canadian Council of Public Accounts Committees met in Edmonton, Alberta, between July 9 and July 12, 1989. In addition to representatives from the federal government, the Auditor General and members of the House of Commons Standing Committee on Public Accounts, and participants from each of the provincial and territorial governments, the conference was attended by invited delegates from the Australian federal government and two of its states — New South Wales and Queensland.

The delegates from New South Wales, the Chairman of the Public Accounts Committee, Mr. Philip Smiles, and the two opposition party members, Mr. John Murray and Mr. Allan Walsh, exerted a major influence on the focus of discussions during the working sessions of the conference. This happened not only because they were colourful and outspoken individuals, quite representative of the Australian personality, but because of what they had to say about the operations and effectiveness of the Public Accounts Committee in New South Wales. They were adamant in their claim that the Public Accounts Committee functions in a bi-partisan (non-partisan) way and that this has made it very effective. As they explained, the New South Wales Committee developed its present character and influence only in recent years and in large measure through the efforts of a former Premier, Mr. Neville Wran. He had been a former chairman of the committee and through that experience had acquired an appreciation of the valuable work the committee could perform if it were allowed to operate "independently" of partisan interests. Mr. Wran's opinion was evidently shared by other members of his cabinet and the Leader of the Opposition who had also served on the committee during the course of their careers. In any case, the New South Wales Public Accounts Committee operates basically as a royal commission and the prestigious position of chairman is akin to sub-cabinet rank.

As the Australians described it, the committee studies and reports on three or five substantive issues each year. These issues involve "value for money" operations of the government. The committee, they insisted, does not deal in any way with policy matters. The committee is fully aware of the risk in engaging in any assessment of government policy. To do so, they observed, would exceed the committee's authority and would undoubtedly arouse partisan divisions. The studies undertaken by the committee are initiated either by a specific order of reference from the House, the auditor's report, or by a decision of the committee itself. The New South Wales committee sometimes travels during an inquiry which is largely assisted by the work of the committee clerk and research staff who examine the subject-matter at hand, brief the members on possible questions to ask witnesses, and maintain close contact with relevant government departments, ministers, and

officials.

Reports of the committee, they also explained, always contain numerous recommendations to correct specific problems. The reports are not debated by the House, but are received as the bi-partisan conclusion of the committee. More importantly, it has become the practice that ministers accept the recommendations of the report, at least to the extent that they acknowledge them and explain what action they have taken to correct the problems cited in the report. In one case-study mentioned by the New South Wales delegates, the Public Accounts Committee altered a complicated and inefficient method used by the government in collecting traffic fines. Instead of involving four departments, only one is now engaged in the actual task of collecting fines. This has resulted in a saving of millions of dollars per year. In another example, the committee members mentioned how they corrected an administrative practice of the Department of Education when rebuilding schools destroyed by fire. Reconstruction plans must now include building specifications that would make the schools safer from possible fire in the future.

Needless to say, many of the Canadian federal and provincial delegates found the Australians somewhat difficult to believe. Several MPs and MLAs expressed the opinion that the Australian model could not be readily applied in Canada. For one thing, they said, party discipline makes it difficult to abandon the partisan perspective in any committee of the House or the provincial legislatures. For another, most governments in Canada tend to view any critical recommendations of a committee with hostility. If and when any Public Accounts Committee report is debated for concurrence in the House or a Legislature, it is almost invariably assessed in partisan terms.

After one of several exchanges between the Australians and the Canadians, the conference turned briefly to the document entitled "Guidelines for Public Accounts Committees in Canada." This document had been prepared for the 1988 conference as a working document and was being distributed to delegates at this conference. Ironically, chapter 2 of the report, describing the role of Public Accounts Committees, supports the Australian position and, indeed, presents a model which the Australian delegates claimed already to have achieved in their country.

At the final meeting of the conference held Wednesday morning, the following motion was adopted:

That the Canadian Council of Public Accounts Committees receive the document "Guidelines for Public Accounts Committees in Canada" and that the incoming Executive request members of the Public Accounts Committees to review the document and report at the next conference.

It is likely that provincial delegations, including Saskatchewan, will be asked to prepare a written review of the Guidelines document before the next conference scheduled for St. John's, Newfoundland next summer.

Finally, a new executive was announced:

The incoming executive will include:

President - Mr. Loyola Hearn, Newfoundland

First Vice President - Mr. Harold Driedger, M.L.A.,
Manitoba

A special note of appreciation is extended to our Alberta hosts for their excellent arrangements and hospitality. The Saskatchewan delegation appreciates the opportunity to have attended the conference and commends future attendance to other members.

Harry H. Van Mulligen, Chairman