

STANDING COMMITTEE ON PUBLIC ACCOUNTS
May 15, 1990

Mr. Chairman: — When we left off the other day we were discussing the motion of Mr. Lyons. I think debate can resume on the motion.

Mr. Muller: — Could we have copies of that?

Mr. Chairman: — It's in the verbatim from the last meeting.

A Member: — Yes, I haven't got a verbatim.

Mr. Vaive: — I've ordered copies down, extra copies of the verbatim.

A Member: — Do you have an extra for me?

Mr. Vaive: — I don't have an extra one; I've only got one here. Maybe we could read it into the record for everybody's . . .

Mr. Chairman: — Yes, I can just read it over again, boys, until the copies come down.

Mr. Muller: — Okay. I should have brought my verbatim with me. I didn't . . .

Mr. Chairman: —

That the Standing Committee on Public Accounts be empowered by the Legislative Assembly to review the mandate and functioning of the auditing procedures of the province, and to make recommendations regarding the questions of:

- (a) the independence of the Provincial Auditor;
- (b) the timeliness of reporting financial information to the Legislative Assembly;
- (c) the improvement of providing financial information to the general public of the province of Saskatchewan; and
- (d) any other matters as it deems necessary to improve the accountability of public spending to the taxpayers of Saskatchewan.

Now in terms of discussion on the motion, I think Mr. Hopfner was next . . . (inaudible interjection) . . . Mr. Lyons, do you want to wrap up debate on this one then?

Mr. Lyons: — Yes, very, very briefly, Mr. Chairman.

Mr. Chairman: — Could I just ask . . . Anybody else want to get in on the motion? No. Okay, you wrap up debate then.

Mr. Lyons: — Well I think the motion's self-explanatory. I'm surprised that the members opposite wouldn't, or haven't so far seen fit. Very simple question of reviewing the operations of the auditor with a view to bringing improvements into its reporting accountability, and I can't make a decision, quite frankly, on the question of the independence of the auditor without being able to have a more, I guess, in-depth view of some of the issues

that surround them. I'm not saying that there isn't a problem with the independence, but it's certainly been raised often enough.

But in terms of making a final determination, I wouldn't feel comfortable unless we had a closer look at the issues. And since we were going to look at that issue, I think there's some other issues as well that need to be looked at in terms of timeliness and accountability in providing that . . . new methods of providing information for the people of this province.

So very briefly I am somewhat shocked to find that the opposition would . . . or the members opposite would take objection to this motion and will not support it. I'm just absolutely shocked.

Mr. Chairman: — Is the committee ready for the question? Is it the pleasure of the committee to adopt the motion? All those in favour, say aye. All opposed, say nay.

The nays have it.

A Member: — On division.

Mr. Chairman: — On division.

Mr. Lyons: — So much for Tory openness. Hey guys, so much for the new Saskatchewan.

Mr. Chairman: — The next item then was the . . .

A Member: — . . . (inaudible) . . . Tory times.

A Member: — Yes, we'll submit to ConSask.

Mr. Chairman: — I'd like to then turn back. We distributed . . . Maybe I'll distribute a copy here today, the draft recommendation — let me just hand them around — which deals with the preceding paragraphs of the . . . chapter 2.

Is it agreed that we can incorporate this discussion into our report? Does anyone want to make any comments with respect to this? I don't know if we need a motion as such unless you want to make one.

Mr. Rolfes: — I just had a question on . . . What does that mean? — the con noted by the auditor included difficulties in receiving co-operation? What's con? Did they leave con Saskatchewan out of there?

A Member: — A Tory con job?

Mr. Chairman: — Those are good questions, Mr. Rolfes.

Mr. Rolfes: — Oh I know, I'm sure it's the comment noted by the auditor.

A Member: — The concerns.

Mr. Rolfes: — Or the concerns noted.

Mr. Anguish: — Even the word processors are in line now

Mr. Rolfes: — Mr. Chairman, I have a question on paragraph 2, the beginning of paragraph 2. I believe, if I remember correctly — I attended almost all the meetings that we had this year — I don't quite remember us having spent some time on that. "Your committee recognizes that this was the initial year of operation under a new Act and some of the difficulties stem from this fact." I take the first part of that sentence, but I can't recall us saying that it stemmed from the fact that we had a new Act. And neither do I remember — I haven't looked at the auditor's report for some time now — that the auditor stated that there was some difficulties stemming from the fact that we had a new Act that he was operating under.

So I don't think . . . I take some exception to the second part of that sentence because I don't think it states the facts, as I perceived them anyway.

Mr. Muller: — I've never thought that you were very perceptive.

Mr. Rolfes: — Could be.

Mr. Chairman: — I guess, you know, there is something to what . . . some basis in fact for the comment.

Mr. Rolfes: — Where? Could you show that to me?

Mr. Chairman: — No, I mean, like I'm just saying . . .

Mr. Rolfes: — Oh, to my comment or this comment?

Mr. Chairman: — No, the fact that there was a new Act.

A Member: — That's true.

Mr. Chairman: — And it's one interpretation that some of the difficulties that arose and that the auditor commented on may have resulted from the fact that we had a veritable explosion of private auditors doing work for various government agencies, and resulted in some of the difficulties that we've experienced. I'm not saying that that's the only reason, but . . .

Mr. Hopfner: — Mr. Chairman, I think probably if Mr. Rolfes would look on 2.08, page 7, where it says:

This report represents the first year of operations under the 1987 changes to The Provincial Auditor Act and other related laws.

Maybe that's the . . .

Mr. Rolfes: — No, I said I accept the first part, but the second part doesn't necessarily follow in that some of the difficulty stemmed from this fact. Did the Provincial Auditor state very specifically that the difficulties were because of lack of co-operation, that he could not get information from some departments and that there was interference; or is it because there was a new law, a new Act?

I think he very specifically stated, if you go through it, I take you through the first 22 pages where the auditor very clearly states that his difficulties stemmed from the fact

that there was interference, that there wasn't co-operation.

And if we were to write the following: your committee recognizes that this was the initial year of operation under the new Act and that he did not have co-operation from some departments and there was interference by the Executive Council, then I think we would state it correctly.

Mr. Muller: — That's not right.

Mr. Rolfes: — It's true.

Mr. Muller: — It is not. And I'd like to make comment on that. The Provincial Auditor, for many years, worked with independent auditors in certain Crown corporations even under your administration. And when he did work under your administration, he never went to the board of directors of the corporations for information, he went to the independent auditors.

And in this case, he bypassed the independent auditors and went right to the board of directors which is something that he'd never done before, so he was trying to create the problem, not trying to solve it. He isn't here to defend himself but this is something that he did that he hadn't done before — he bypassed the independent auditors and went right to the board of directors, which he had not done in the past. He'd always got his information from the independent auditors of the Crown corporation.

And now you're trying to put a concern in here that isn't right.

Mr. Anguish: — What does he do when the independent auditors won't give him the information, like WESTBRIDGE?

Mr. Muller: — He never asked them. He went to the board of directors, not the independent auditors.

Mr. Anguish: — What about WESTBRIDGE? Many examples, they won't even give him the information, so where does he go to?

Mr. Lyons: — Mr. Muller is only telling half the story, in regards he looks on page 24 in the Crown investments corporation of Saskatchewan, which is one of the issues, one of the Crowns under issue. It was because of, as the auditor says, "I am unable to rely on the report of the appointed auditor for the following reasons".

And it was after the initial audit and the check with that auditor, it was after that period of time that the auditor went to look for the minutes of the Crown corporation and the other information that he required, not by trying to circumvent or create a problem from the outset. It was as part of the whole overall auditing process.

So it's unfair for you, sir, to say that the Provincial Auditor tried to create an issue. The issue was there because of the lack of co-operation that the auditor was getting in regards to the auditing of things like Crown investment corporation of Saskatchewan, and that's the reality. And Mr. Rolfes is exactly right, I think, in some of his

comments regarding the draft recommendations. I can't . . .

Mr. Muller: — I have no problem with taking out the first sentence of the second paragraph if Mr. Rolfes wants to do that, but I don't want to leave the impression that there was wrongdoing.

Mr. Lyons: — Point of fact, that is a political matter under debate, and we're not going to resolve that. It's your job to defend the activities of the Executive Council and our job to attack it, I guess, on the political level. So we're not going to . . .

Mr. Hopfner: — No, that's not true. Absolutely . . . (inaudible) . . . if that's the indication that we're getting from the radical member again this morning is . . .

Mr. Lyons: — Well if I have to listen to Salvador Dali of political thought here, right, one more time, I'm . . .

Mr. Chairman: — Gentlemen, gentlemen, gentlemen.

Mr. Hopfner: — We're supposed to be a non-political committee, and I would like . . .

Mr. Anguish: — Why would you make a comment about Salvador Dali and . . .

Mr. Chairman: — Radicals and Salvador Dali have no place here. Mr. Lyons, you have the floor.

Mr. Lyons: — At least *de facto* if not *de jure*, that's the way that the committee seems to be operating. And whether or not it's the perceived role that we have or the actual role that we fall into. So I don't think we're going to answer that particular question. There is a political difference of how we see the auditor's report.

But I'm glad that you'd agree to pull out that first sentence because I don't think, in all the discussions that we've had on the committee, that difficulties stemming from this fact were discussed. It was the difficulties, or whether or not there were difficulties, as you just brought up, of the ability to access information and all the other things that the auditor . . . were the issues under debate.

We spent many hours discussing the issues of accountability, independence, and the ability of the Provincial Auditor. I guess discussing was probably a neutral word to put in it, but it seems to me that to capture the tone and the reality of what occurred in the committee that "discussing" would not, I don't believe, do justice to the history of that particular point in time. So I would, like Mr. Rolfes, not want to see that first sentence of the second paragraph.

The second sentence: Your committee's pleased that the auditor is now able to report that the level of co-operation is much improved; that the new procedures with respect to outside auditors should prove workable, provided that full co-operation and access to information is maintained.

I would like to see a sentence added to that, that this committee would give to — I think the Clerk could

probably come up with the appropriate neutral wording — that this committee give its full support to the Provincial Auditor in assuring that information needed to perform his duty is . . . I'd better read this again.

That this committee give its full support to the Provincial Auditor in his quest or his determination to obtain all information necessary for complete and full accounting of the public books. A sentence like, along those lines I would like to see included after. I think that . . . I don't think there's anybody on the committee that wouldn't want the auditor to have the access to the information, and if there is perhaps, then they should speak up.

Mr. Chairman: — Can I just take the prerogative of the chair here and make a few comments. We have had very considerable debate during the discussion of the auditor's report in public accounts for the year under review.

Very strong opinions have been expressed on both sides, especially dealing with the issues that are raised in the auditor's report. It's a difficult task, given the very strong opinions that have been expressed. It's a very difficult task to think of appropriate ways of expressing comments that just might capture the feelings on both sides of these very significant questions in a report to the Legislative Assembly.

I circulated a draft recommendation to members, and the sense that I got from both sides was that basically members were in agreement, even if they might have reservations because they didn't fully sort of capture the flavour of the feelings they might have had on various issues, they were nevertheless prepared to let it go.

If it's your intention to want to rewrite all of this, then I would suggest that we should be taking a break, allowing the two sides to get together and to try and do that and to come up with something that is more agreeable to all of you.

Mr. Anguish: — How long would you want the break to take?

A Member: — Five or six years?

Mr. Chairman: — Well not for very long, I hope, because to continue to try and resolve the irresolvable, it would take a lot longer than I could to try and solve Rubik's Cube.

So I just say that. And I have Mr. Rolfes next. But, Mr. Rolfes, you've spoken on this issue. And Mr. Hopfner, then Mr. Swan.

Mr. Rolfes: — Mr. Chairman, all I wanted to — I don't know what all the fuss is about — all I wanted to indicate was that that second part of the sentence didn't reflect what went on in the committee. That's all I indicated, and that some of the difficulties stem from this fact.

It was never discussed in this committee that . . . (inaudible interjection) . . . No, no. That wasn't the point. What I'm saying is that that did not reflect what went on in this committee. We never once discussed that the difficulty stemmed because we had a new Act. All of our

difficulties . . . or all our discussions were on the fact that the Provincial Auditor made certain statements in his report.

If you go to page 9, he very clearly indicates the Provincial Auditor can no longer effectively serve the Assembly because, and he mentioned the reasons why. Whether we as a committee accept those makes absolutely no difference at all. That's what the Provincial Auditor thought and that's what he wrote.

He also wrote, if you go a little bit further, indicated that he could not perform his duties because there was interference by the Executive Council in that they instructed certain Crown corporations not to give information to the Provincial Auditor. I don't care whether he's right or wrong. That's his perception and that's what he stated, and that's what we've got to deal with. Whether we want to think that's reality or not doesn't make any difference.

And that is what we discussed. We did not discuss in this committee that the problem stemmed from because we had a new Act. That wasn't ever mentioned, as I can recall, and I think I attended most of the meetings.

Secondly, I don't recall in the 1987-88 report, and someone can correct me on it, the auditor mentions anywhere in there that your committee is pleased . . . I mean your committee is pleased to see that the auditor is now able to report that the level of co-operation is much improved. Where in the 1987-88 report does the Provincial Auditor indicate that he can now function better because of the co-operation?

Mr. Chairman: — It doesn't say that.

Mr. Rolfes: — Yes, but that's what we're saying in our report: your committee is pleased that the auditor is now able to report that the level of co-operation is much improved. Where in the 1987-88 report does that reflect, or does this not indicate what the discussions were in the 1987-88 report? That's what it's supposed to reflect and it's not in here.

So all my point was is that this report is to reflect what went on in committee, and what it's supposed to report is what the committee discussed on the 1987-88 report. And all I'm saying is it doesn't do that. I don't know what the fuss is all about. That's all I indicated. And if it doesn't reflect that, we shouldn't report it.

I know where this came from. I mean I know where that line came from. It is in the '88-89 report where he indicates that, that he is much pleased that the co-operation is better. That's fair enough if we want to report that in next year's report. But we can't report that in the '87-88 report; it just wasn't there.

Mr. Chairman: — Can I just on the last point . . .

Mr. Anguish: — What about this meeting you suggested . . .

Mr. Chairman: — That subsequent to June 8 the auditor reported to the committee that he had received a copy of

a memorandum from the Premier to all cabinet ministers directing that all departments and agencies provide the Provincial Auditor with all necessary co-operation to permit him to fulfil his duties and to advise their appointed auditors of the directive.

In the memorandum he also provided for a process for me to obtain information if I'm refused information in the future. To quote the auditor at the time:

I am confident that this memorandum will correct matters included in paragraphs 2.08 to 2.57 in my report as they pertain to access to information and to co-operation.

So I think that it's reasonable for the committee to note that they're pleased that the auditor is now able to report that a little co-operation is much improved.

Mr. Rolfes: — Mr. Chairman, was that the year under review?

Mr. Chairman: — Yes.

Mr. Rolfes: — No, was that statement made under the year under review?

Mr. Chairman: — Well it's not made in his report but it's made subsequent to our consideration of the report.

Mr. Rolfes: — It was made after the year under review. Therefore, if we are consistent, we can't use it.

Mr. Muller: — This is our report; this is not his.

Mr. Swan: — I think that in the discussions here that the report from this auditor . . .

Mr. Chairman: — We're making our report to the Legislative Assembly.

Mr. Rolfes: — From '87-88 report.

Mr. Chairman: — Yes, and I think it's fair that if matters in our discussion of, you know, if things have transpired since that report that are significant to report to the Legislative Assembly, then we should feel free to do so.

Mr. Hopfner: — Thank you, Mr. Chairman. Mr. Chairman, I think, and I truly believe, that when we've gone through this report now, the '87-88 report, and each and every department that the members opposite of this committee had been concerned with were brought forth to this committee. And any concerns that the Provincial Auditor had basically brought forward in his report were touched upon by each and every individual from each department that members opposite had a concern with.

Now if there are further concerns, then maybe these people ought to be invited back in and get something corrected. But it's in verbatim, and I think we could go back on the verbatim, if that's the indication that we . . . or the desire of this committee. And we can pick out these various different statements that were made through the hearings and find that there has been a change in the co-operation and that the problems have been resolved

or are being resolved, and there has been agreements and there are still some agreements to come forward. I don't know; I think members opposite on the committee side here are trying to finish this report as they started, by innuendoes and things like this. And we didn't possibly want to maybe get back into that.

I would think that the Provincial Auditor had apologized to this committee on his statements he had made in Edmonton. He apologized for making a statement in the media in Edmonton regarding Tory governments right across this country, that they were not willing to give information to the Provincial Auditor. And he apologized for that. His belief and his ideas as he was knowing that he was retiring was left with that particular type of . . . (inaudible interjection) . . .

Mr. Chairman: — Mr. Hopfner has the floor, and we'll let him continue.

Mr. Hopfner: — If Mr. Anguish wants to, he can come back at a later time. I never interrupted him.

But I would tend to think that if there were some concerns after the apology had . . . if there were some concerns after the apology has been given by the Provincial Auditor and that we are to get back . . . I lost where I had left off, but I'm going to kind of review back here.

What happened was the Provincial Auditor on that particular statement in Edmonton . . .

Mr. Chairman: — Could we have some order here? Mr. Anguish and Mr. Lyons, the committee is not well served, that Mr. Hopfner has the floor and you continue your own discussion. And therefore I would ask you to respect that inasmuch as other members endeavour to respect your contribution when you have your turn to make that . . .

A Member: — Point of order, Mr. Chairman.

Mr. Chairman: — What is the point of order?

Mr. Lyons: — The point of order is, is there a motion on the floor or not?

Mr. Chairman: — There is no motion on the floor. We're simply discussing the draft recommendation. I'll let Mr. Hopfner continue.

Mr. Hopfner: — Mr. Chairman, in the auditor's report for '87-88 the problems that the Provincial Auditor had pointed out to this committee is duly recognized in the '87-88 report that we've been going through. Every member of this committee has had an ample opportunity to ask questions of any of the problems that the Provincial Auditor had pointed out to this committee; could ask anyone, from anyone of the departments, any of those kinds of questions.

Now the answers we have gotten in verbatim have clearly identified and indicated that the problems have been resolved or are being resolved and will show up in the '88-89 report, or that there is an agreement that people are trying to come to . . . in regards to the formalities that they must follow.

Now there are some indifferences between auditors, the Provincial Auditor and the private auditors. Those are evidently being discussed through the professional body of auditors. They're entirely under their own Act and jurisdiction, and if they have a disagreement professionally, that's where it's handled.

The retiring Provincial Auditor, Mr. Lutz, had made some particular statements. It seemed like he had a mad on. Indications in the beginning of this report in '87-88 indicated that he had a mad on, on Tory administrations. And this was pointed out right across Canada in his statements that he had made to *The Edmonton Journal* or one of the Edmonton paper. It's been publicly and duly noted and read by thousands of people out there.

So there's indications to me, as a committee member, that Mr. Lutz believed in what he was saying. After he realized what he was saying, he apologized to this committee. After we've gone through this report, the committee members found out, well, it just wasn't all that bad. And if there is still some concerns, then I would suggest I am not prepared to move ahead until those concerns are brought to this table, and we'll bring back the people that committee members have concerns with yet.

I think probably what we have to do is to probably come to some consensus that yes, we've done the report and there may be a few issues that have to be looked upon in the '88-89 report. But overall, this report is either done and has gone through and can be reported upon that we are quite satisfied with it or we're not satisfied with it. And then we better get on with satisfying ourselves in this committee . . . Instead of getting into the political side of things, let's get into the questioning and let's get into clarifying some of the problems where members may not be totally satisfied.

If this committee's going to be accountable and is going to work, well then if there is some question that has to be clarified, then let's get at it.

Mr. Chairman: — I have Mr. Swan, Mr. Anguish, Mr. Britton.

Mr. Swan: — Very briefly, Mr. Chairman, I think that the process that you've used as a committee to try and resolve the issue of what the report is going to be is the normal process that has been used over a long period of time.

If there are differences, and there seems to be a difference on this one paragraph, let's correct that difference and get on with the job of writing a report. I think the committee has done its work as far as reviewing the auditor's report and meeting with the different departments.

There seems to be some concern with the beginnings of that paragraph two. I don't think that the first sentence in that paragraph makes one bit of difference. If we took the whole sentence out, the paragraph still says what it needs to say, so let's take it out.

And I don't believe we need any amendments to it, as was suggested by Mr. Lyons. I think, if you look at the latter part of that paragraph, you will see that it is not giving 100

per cent a clear record, but it at least says if the co-operation is there, then the information is available. But there has to be co-operation, and I believe that's what has been aimed at for a long time.

So my feeling is that we should just strike that first sentence and get on with the report. I believe that it's saying basically what it needs to say. I don't believe that we're supposed to repeat everything that's in the auditor's report. We're supposed to repeat the findings of this committee, and that's what is part of our draft report, and let's go with that.

Mr. Chairman: — Mr. Rolfes first raised concerns about that sentence. Mr. Swan has suggested we just simply delete it. Is it agreed that we do that? Is that agreed?

Agreed

Mr. Chairman: — Then I have Mr. Anguish and Mr. Britton.

Mr. Anguish: — I want to get on another topic. If it's on this, I pass.

Mr. Chairman: — Okay.

Mr. Britton: — Well further to what Mr. Swan has said. I was reading that over and I'm in agreement if that would . . . that that would take care of the problem.

The other thing I was wondering, if there is a degree of uneasiness on some people's part about the level of co-operation, maybe we could change the word "much" just before "improved" and say "co-operation is being improved," which would satisfy me. I have no problem with it.

And that means we would take off the first sentence and then start in: "Your committee is pleased that the auditor is now able to report that the level of co-operation is being improved" rather than "much improved." If that would make other people more comfortable with the report, I wouldn't mind to see that.

The other thing, just in passing, Mr. Chairman, is that is a typo, the concern that Mr. Rolfes raised about the "con"; that will be "concerns" in the report? Okay. That's all I have to say.

Mr. Chairman: — Mr. Britton has suggested that the word "much" be replaced by the word "being." Is there agreement on that? No. Okay.

Are there any further comments — I hope not — with respect . . . (inaudible interjection) . . . Okay, Mr. Rolfes.

Mr. Rolfes: — Mr. Chairman, I don't want to be a stickler on this, but anybody that reads that report gets absolutely no reflection of what happened and transpired in this committee and what we saw as some of the problems. That's what the report is supposed to do. You read that report and everybody . . . you know, it does not reflect the concerns that there were in the 1987-88 report.

Mr. Chairman, what I want in that report is to reflect what

went on in this committee. I know that many of the members weren't here who are now commenting on this report; they weren't here for the year . . .

A Member: — We read it, Herman.

Mr. Rolfes: — No, but . . . You may have read it there, but what I'm saying is the report, the report is to reflect what went on this committee. The report does not reflect that.

What it should reflect also is some of the concerns, some of the major concerns that were addressed by the auditor in the 1987-88 report. If we then want to end it up by saying . . . (inaudible interjection) . . . well which the report doesn't do.

Mr. Hopfner is so concerned about the workings of this committee. He was the guy that denied us and I believe moved a motion — and, Mr. Swan, you weren't here because I'm sure you wouldn't have supported their motion — who denied us the consideration of pages 1 to 21 and 1 to 22 to begin with; we couldn't study them, where the major concerns were. They denied us access to the study of those pages. We couldn't even study the major concerns that were addressed by the auditor, which again is not reflected in this report. We spent days arguing on that particular point. This committee's function is to study the auditor's report and report on that. We're not doing that.

And what we have written here, we can delete whatever we want. By the way, it was not my recommendation to delete number one or sentence one; my recommendation was that we delete the second part of that and add something else on to reflect that, which we didn't do. We can change . . . (inaudible interjection) . . . That report does not reflect what went on in this committee, so I can't support it. You can change wordings here and there, whatever you want; it simply does not reflect what went on in this committee.

And it does not reflect the concerns of the auditor in the 1987-88 report. And unless we address that, that report is not going to indicate at all what went on in this committee. So that's what I'm saying.

Mr. Chairman: — I just also want to point out that members have the right, when this matter is brought before the Legislative Assembly, to add their own interpretations to whatever has happened here in the committee.

But again, I was satisfied that the recommendations before you, the draft, makes it clear that the auditor raised a number of concerns, that your committee spent many hours discussing these various issues, and we pointed out the concerns that were noted by the auditor and we pointed out that there has been some progress.

I might also point out that we are reporting to the Legislative Assembly a great volume of detail covering the many departments that we did have before us and where the auditor raised specific concerns and where the committee has, in its opinion, something to report. And we've gone, I might say, through all those on previous occasions or distributed those.

But again, I just want to emphasize that each of us will have our own interpretation as to what these words mean and some might feel moved to put that interpretation before the Legislative Assembly, and members have the right to do that. But again, I'm satisfied that this reports, not inaccurately, our discussions and therefore can go forward to the Legislative Assembly.

Mr. Swan: — Mr. Chairman, I would move that we adopt the draft report with those minor amendments.

Mr. Anguish: — Mr. Chairman, if we deal with that motion, is it still possible to call back some of the witnesses or to have new witnesses appear on the '78 or the '87-88 public accounts?

Mr. Chairman: — My understanding of this report that's before us this will take us up to about paragraph 2.57 in the main, and that there is still some issues that the committee will have to consider subsequent to that. One we dealt with this morning, the question of independence, by way of motion of Mr. Lyons. There are still other issues that, some of which as far as I'm concerned, can be held in abeyance until the next year and discussed under the next auditor's report. But my understanding of this is that it'll take us to paragraph 2.57 and then the committee will still have to determine what it wants to say on paragraph 2.62 on.

Mr. Anguish: — My question was, can we still call people before the committee if this motion comes forward on the year under review?

Mr. Muller: — Just on a point of clarification on . . . If we pass this, that only takes us up to 2.57; this isn't passing the whole auditor's report?

Mr. Chairman: — No.

Mr. Muller: — Well I would think then that we shouldn't make any motion to pass this at all until we're ready to pass the whole auditor's report and finish with the year.

Mr. Chairman: — Can I just ask then, is it agreed that at least this draft here does incorporate our concerns and discussions up to paragraph 2.57? I sense that it does.

Mr. Rolfes: — No, it does not here. I did not agree.

Mr. Muller: — I don't think we can pass anything until we pass the whole auditor's report — everything all at once.

Mr. Chairman: — I don't know if we pass the auditor's report as such.

Mr. Muller: — I mean if we're going to call back witnesses, we just have to set this aside until we get done with the 1987-88 auditor's report and the witnesses we want to have return to this committee.

Mr. Anguish: — Open, Mr. Chairman? Do I have the floor?

Mr. Chairman: — Well no one has the floor right now but . . . Anyway, let me just, in terms of procedure, my

understanding of the draft recommendation before us is that it carries us to 2.57.

Mr. Hopfner: — Well I think we've agreed with the meeting that, Mr. Chairman, so we'd best move on. We're not moving this until everything is finished.

Mr. Chairman: — Okay. We can hold that in abeyance then and simply suggest to members that if there is any other comments they want to make they feel that . . . are there any other issues they want to explore on the remainder of chapter two or anything else dealing with this auditor's report, that they do so now.

Mr. Anguish: — . . . a motion or not but I put forward that:

Whereas the 1987-88 *Report of the Provincial Auditor* makes reference to lack of co-operation from WESTBRIDGE Computer Corporation, and whereas new information has become available to the financial affairs of this Crown-controlled corporation, be it resolved that prior to concluding the committee's examination of the 1987-88 *Public Accounts*, WESTBRIDGE Computer Corporation be called as a witness before the Public Accounts Committee.

Mr. Chairman: — The motion is in order. To be moved by Mr. Anguish that WESTBRIDGE Computer Corporation be brought before the committee. Discussion on the motion, Mr. Anguish.

Mr. Anguish: — Well unless there's some debate, I don't think the motion needs any debate. I'm just putting forward officially that I want to call WESTBRIDGE Computer Corporation before the committee. The auditor made reference in the '87-88 report, on I believe it's page 112, that . . . the auditor makes available that, on chapter 34.11:

My lawyer is of the opinion that Crown-controlled corporations are subject to an audit under The Provincial Auditor Act.

In this case the Provincial Auditor asked for co-operation with the private auditor. The private auditor did not give that co-operation. Then the Provincial Auditor went to the president of WESTBRIDGE and advised him that the officials would be conducting an audit. And on December 22 of '88, one of the auditor's officials talked to the chief financial officer of WESTBRIDGE, and he informed the auditor that WESTBRIDGE management believes, supported by a legal opinion, they say, that WESTBRIDGE is not subject to an audit under The Provincial Auditor Act.

So that would be the first reference I'd make as to why we should be calling WESTBRIDGE before the Public Accounts Committee. We also find in recent information that has come out in Saskatchewan that some of the financial dealings of WESTBRIDGE Computer are questionable, and maybe this is part of the reason why the private auditor and also the president of WESTBRIDGE Computer would not co-operate with the Provincial Auditor in having an audit done of this Crown-controlled corporation.

And I think it's very clear under the authority of the Act that the Provincial Auditor has every right to audit Crown-controlled corporations, whether or not they have a private practice auditor in place or not.

And so I guess on those points, Mr. Chairman, of the reference by the auditor to lack of co-operation or absolute refusal, and secondly, in light of some of the information that's come out, we may know why WESTBRIDGE Computer did not want an audit being done by the Provincial Auditor to have a look at the taxpayers' dollars.

Mr. Muller: — Point of order.

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

Mr. Muller: — I think it's unfair of the member from Battlefords, Mr. Anguish, to take shots at the WESTBRIDGE people when they aren't here to defend themselves. If he wants to call them back and make these allegations in front of them, that's a fair point. But to make allegations about people that aren't here and they're not here to answer the questions, I don't think is fair.

So I'd ask you if . . . certainly his motion is fair, to bring them back; I have no problem with that. But let's not pick their bones when they're not here.

Mr. Anguish: — I didn't know I was picking their bones.

Mr. Chairman: — Mr. Muller, on the point of order, I listened closely to what Mr. Anguish has to say. I'm sure that he's going to stick to the motion to call these people before us, and point out that there are a number of others who no doubt will also want to talk to the motion.

Mr. Anguish: — Well I'm speaking on the point of order now, I guess, since you've recognized . . .

Mr. Chairman: — No point of order. Carry on.

Mr. Anguish: — Oh, there's no point of order?

Mr. Chairman: — Just carry on with your remarks.

Mr. Anguish: — Well just in summary, I think I've stated my case. There is recent financial information that would indicate that WESTBRIDGE Computer Corporation have some reason to be called before the Public Accounts Committee. And the second point, of the reference of the Provincial Auditor where WESTBRIDGE Computer Corporation refused to co-operate even though they appear to be required by law, by statute, by Act to be audited by the Provincial Auditor and still refusing. I think that it's imperative that we call WESTBRIDGE Computer Corporation before the Public Accounts Committee so that Mr. Muller can help pick their bones when they get here.

Mr. Chairman: — I have Mr. Hopfner, Mr. Lyons and Mr. Britton.

Mr. Hopfner: — Mr. Chairman, just to make this motion as meaningful as it is, which is not very meaningful to this

committee, if the guy that moved, Mr. Anguish, if he would look at 2.73 on page 15 on the latter part of that particular paragraph. It says:

There is no law requiring the audited financial statements for these corporations created under a Business Corporations Act to be tabled in the Assembly.

That is the Provincial Auditor making that particular comment. He goes and lists a whole bunch of these corporations.

Now you're asking WESTBRIDGE to come before this committee where there is . . . whether it's a private company and . . . (inaudible interjection) . . . Well, we're partners in it as may be indicated, but then there is . . . the percentages are there, and it's duly pointed out: 50 to 90 per cent owned are not required to table their financial statements in the Assembly.

Now I would suggest to the member opposite, the member from The Battlefords, that what he may be intending to do is to try and put this company at a disadvantage and bring out some of the competitive . . .

A Member: — Point of order.

Mr. Chairman: — What is your point of order?

Mr. Anguish: — What Mr. Hopfner points out has nothing to do . . . but he's correct that there is no requirement to table . . .

Mr. Chairman: — That's not a point of order; that's not a point.

Mr. Anguish: — The point is that the auditor has every right to examine the financial affairs of WESTBRIDGE computers.

Mr. Chairman: — That's not a point of order. Mr. Anguish, that's not a point of order; that's not a point of order. We can certainly put you on the list, and you can make those comments.

Mr. Hopfner: — Oh I'm just indicating that it could . . . (inaudible) . . . put any company that's in partnership with a government administration at a disadvantage with the competitors if they're having to have to lay before this committee, which is a public committee, internal operations of that particular company.

I think that the members if they want to indicate that there is some difficulties with WESTBRIDGE Computer Corporation and it is of political nature, those questions can be asked and duly recognized in the Assembly, and the minister is responsible to answer those questions.

So I would indicate to you that by the Provincial Auditor's own statements here, there's no definite requirement for us to be bringing people in. I guess if that was the case, then we ought to be bringing them all in from all the other corporations that were listed. So I'll indicate that Mr. Anguish ought to take very serious consideration in that 2.73 clause of the Provincial Auditor's.

Mr. Lyons: — It's break time, Mr. Chairperson. I think the members have to get the signals correct on this one and I would suggest that we take a 10 minute and maybe . . .

Mr. Chairman: — Are you going to be long? Is that were you're saying?

Mr. Lyons: — Pardon me?

Mr. Chairman: — Are you going to be long on this?

Mr. Anguish: — We won't be long. They want to caucus, and we want to have a break. So I suggest we break for 10 minutes, and they can decide what they want to do with the motion.

Mr. Chairman: — I'll put it to the members. Do you want to take a break now? Let's break. Okay.

The committee recessed for a short period of time.

Mr. Lyons: — I called the question.

Mr. Britton: — Mr. Chairman, in all due respect to the motion, I think we're in a bit of a problem in that if you look at 34.10, WESTBRIDGE officials say that they have a legal opinion which indicates they don't have to appear. The auditor has a lawyer's opinion that says they do. And I think before we could realistically ask WESTBRIDGE to appear here, that would have to be resolved. Because if we ask them to come back they would just say, our legal opinion is we don't have to appear. So the fight between the two legal opinions would have to take place. So the motion is irrelevant, I would say.

Mr. Anguish: — Question on the motion. Call for question.

Mr. Britton: — Well, Mr. Chairman, to get back to my other comments, I really believe that when you have a dispute between two legal opinions, WESTBRIDGE would certainly not appear before this committee.

Mr. Lyons: — Then we'll throw them in jail for ignoring the legislature. It would be contempt of the legislature.

Mr. Britton: — That's fine. I hope you can argue that before a court of law. I think really and truly . . . and I'm not suggesting, Mr. Chairman, that we don't bring WESTBRIDGE to this committee. That is not my suggestion at all. I think what we're doing here is jumping the gun in that I think we would be better to suggest that the two opinions be resolved. Then if the opinion goes in favour of the auditor who says yes, I have the right to question you, then we would then ask them back. But if the legal decision went against the auditor, we would be right back where we are anyway.

So with that in mind, Mr. Chairman, I think we're out of order with this motion.

Mr. Rolfes: — Mr. Chairman, I wasn't going to get into this debate but I just wanted to draw it to the attention of the member opposite that whether it's legal or not, that was not what they're referring to. They're referring to

whether an audit should be done, not whether they should appear before this committee . . . (inaudible interjection) . . . No, it says, whether an audit should be performed. It has nothing to do whether or not this committee can call them before it.

If a private auditor does the books, that doesn't mean we can't call them before the committee . . . (inaudible interjection) . . . No, let me just explain, Mr. Chairman, that private auditors can do departments' books now. We still call them before the committee with the private auditors here. So the argument that is made here is whether or not the Provincial Auditor has the right to audit their books. It has nothing to do with whether or not we can call them before this committee. And therefore I say, Mr. Speaker, our motion is quite in order.

Mr. Hopfner: — Thank you, Mr. Chairman. Well I guess probably, Mr. Chairman, if you would look at the statement on 34.10 as Mr. Britton had pointed out to the committee that there was a particular, I guess disagreement on whether WESTBRIDGE had to appear before the committee or not, or be scrutinized by the auditor, I guess, if that would be a correction. That dispute did take place in the year under review. And look, and basically from the member, Mr. Rolfes, when he's been indicating that we stay with the review at his convenience or other members' conveniences, well then that's basically what we ought to be doing, is staying in the year under review.

I probably, as well as other members, recognize that steps are being taken to correct such disagreements. And again, as I'd indicated earlier in my remarks when we were discussing the draft recommendation, that disagreements come to the surface with departments and the Provincial Auditor.

And if those disagreements become some sort of a stand-off, well then I guess they'll be corrected through the legal authorities in one way or another. If the departments are incorrect, they're going to be corrected. And if they have to duly document their yearly reports with the Assembly, then that's basically what they're going to end up doing.

But if there is some disadvantages in these things that in their eyes, in their understandings, that if they have to document this or that publicly, then — and they disagree with it — well then that's a disagreement between them and the Provincial Auditor.

And I'm sure, as has happened in the past, that there has been disagreements with the Provincial Auditor and departments in the past. And those have been recognized and have been dealt with. As we have heard in this committee that there had been disagreements and had been problems of receiving . . . by the Provincial Auditor for receiving information from various departments, but eventually all that was straightened out, and we heard that there's full co-operations now.

So I would tend to think that although the committee would like to see WESTBRIDGE Computer Corporation come forth at this particular time, that because of the fact that there was not anything, any agreement under the

year '87-88, that if we want to use WESTBRIDGE or have WESTBRIDGE Computer Corporation come forward under the new year, then we could entertain that motion under the new year, the '88-89 report.

And then we . . . you know, so it would help us get through this '87-88 report and close the books on that. And then we can discuss the WESTBRIDGE Computer Corporation issue in the current discussions then as we continue. I think probably that would be the best way to handle that motion, and we don't have to start calling officials from all other departments, because there's a whole list that you may want to all of a sudden begin to call back or if we want to reopen the '87-88, well then maybe we ought to call back a lot of the departments that have never come forward to this particular committee. And if every member is going to wish to do that, we I guess probably never get finished a report.

But I think probably if we dealt with that particular motion for '88-89 report, we'd probably be better to pass the '87-88 report as is and your recommendation to be accepted by the committee and then we could set this particular agenda that you have here and we'll deal with that motion later on.

Mr. Anguish: — Just on the point that Mr. Hopfner makes. He makes a good point about dealing with WESTBRIDGE under '88-89, and I'm wondering if he would be acceptable, such as the Crown Corporations Committee has done recently, is to deal with more than one year concurrently, at the same time, and therefore saving time of the committee and being able to deal with more than the one year under review.

If that's what Mr. Hopfner's saying, our side would be more than happy to deal with both years or even more years concurrently, at one time, if you will call WESTBRIDGE before the committee. We would certainly agree to that, Mr. Chairman, if that's what Mr. Hopfner's saying.

Mr. Muller: — Well we've already passed a motion . . . or made a motion in this committee that we're going to deal with one year at a time . . .

A Member: — We could change that.

Mr. Muller: — Well I think we have to stay with what we decided. The committee voted on that and decided to deal with one year at a time.

Mr. Anguish: — I'm unclear as to what Mr. Hopfner is proposing.

Mr. Muller: — No, that is what Mr. Hopfner has proposed. He proposed that we pass this auditor's report and . . . anyway that's where we stand I think on this side.

Mr. Anguish: — Well I'm not sure where you stand on that side. I thought you had a caucus meeting to decide where you stood on this. Obviously you don't want to call WESTBRIDGE before the committee.

Mr. Hopfner: — What caucus meeting?

Mr. Anguish: — Well the meeting you had outside in the hallway.

Mr. Chairman: — Who's got the floor here? Is it Mr. Lyons?

Mr. Lyons: — Yes, I'm going to move an amendment to the motion and basically what the amendment will say is that we deal with '87-88 and '88-89 concurrently. If I could amend Mr. Anguish's motion in that manner so that we can take in Mr. Hopfner's concerns. In fact I think probably the committee would be well served to have the ability to examine both years given the problems that have emerged with WESTBRIDGE Computer.

But I want to say first, Mr. Chairman, that I'm going to support the motion, but I was somewhat dismayed by Mr. Hopfner's comments and the nature of the comments that he made no definitive response or indication on how he feels about whether or not we should call WESTBRIDGE. Hopefully, that's a good sign that he supports the notion of calling WESTBRIDGE.

But anticipating the legal problems or the supposed legal problems, I think is a way . . . looking for a way for him and his colleagues to find responses for the company. And I don't think that that serves the people of the province, given our significant exposure as major shareholders in WESTBRIDGE Computer Corporation. The people of this province aren't well served when members try to bring up excuses why the company shouldn't appear, before in fact the company's had a response.

If indeed there is a legal problem, this committee will be notified. But let me assure you, Mr. Hopfner, that a summons to appear before this committee, which is a summons from the legislative authority, contains more legal weight than a request by the Provincial Auditor for access to the . . . or the pushing of the question of whether or not he has the responsibility to audit the books.

I think that the people of this province would be very ill served if officials from WESTBRIDGE Computer Corporation declined our invitation to appear. I, for one, will take a very, very dim view of any refusal by WESTBRIDGE Computer Corporation to appear before this committee.

And I would hope that all members of the committee would be of that mind, that in fact given our significant exposure of public funds in WESTBRIDGE Computer Corporation, that the public has the right to know. And if there is any attempt by WESTBRIDGE Computer officials to deny the public their right to know, particularly given the \$7 million loss that they've just recorded . . . And I can tell you, I think anybody that has got any interest in the future of WESTBRIDGE Computer Corporation and the building upon its strengths that we know that it does have, particularly those strengths that were brought to it from the Crown sector, that if anyone is concerned about the future and the future viability of that corporation, that they would be urging the officials of WESTBRIDGE to attend this Crown Corporation Committee.

So I'm going to support the motion, Mr. Chairperson, with

the amendment. I would move that amendment.

Mr. Chairman: — Okay. Can I just . . .

Mr. Lyons: — Do you want me to write it out for purposes of the Clerk?

Mr. Chairman: — I was just taking the liberty here of doing that. As I understand, Mr. Lyons, and Mr. Hopfner, you're just saying that we don't necessarily need to hold up this report, but when we do call them before us in the context of the new auditor's report . . .

Mr. Anguish: — What has he got to do with holding up the report? He made an amendment to the motion, Mr. Chairman, is what we're talking about. So they either want to call WESTBRIDGE or they don't want to call WESTBRIDGE.

Mr. Chairman: — It's not that simple.

Mr. Anguish: — Well it is that simple.

Mr. Chairman: — Just listen, okay? Just listen. Mr. Lyons says that he wants both fiscal years dealt with concurrently. Okay? Now does that mean that we then have to hold up the '87-88 auditor's report and our report to the Legislative Assembly, or is this then something that we can deal with once this report is dealt with?

I interpret you to say, as I interpreted Mr. Hopfner's comments previously, you're saying that let's get the '87-88 report out of the way, and we're going to deal with WESTBRIDGE in those two fiscal years concurrently . . .

Mr. Hopfner: — On a point of order here, Mr. Chairman. Don't interpret what I said as that.

Mr. Chairman: — Okay, I'll quit interpreting.

Mr. Hopfner: — One clarification. I said, Mr. Chairman, that there is no reason for us to be even entertaining a motion like that under '87-88 report. Okay? Period. If the members opposite feel they want to entertain that motion in '88-89, so that we can vote off the '87-88 report, then we can discuss that motion under the '88-89 report. I did not indicate for one moment that I supported the motion or the amendment or anything else.

I will discuss that in . . .

Mr. Chairman: — We have the motion of Mr. Anguish before us, and we have the amendment of Mr. Lyons. And Mr. Lyons, looking at the motion which now reads:

be it resolved that prior to concluding the committee's examination of the 1987-88 *Public Accounts*, WESTBRIDGE Computer Corporation be called as a witness, before the Public Accounts Committee.

I understand your amendment then to say:

be it resolved that WESTBRIDGE Computer Corporation be called as a witness, before the Public Accounts Committee and that this

examination deal with the 1987-88 and 1988-89 fiscal years concurrently.

Give that to Mr. Lyons and ask him to write out the motion and sign it.

Mr. Hopfner: — Well on my point of order I kind of clarified some of the things I wanted to say. And I think probably if members opposite would basically go back to 273, it there indicates that there was no law requiring WESTBRIDGE to be before this committee.

A Member: — That's not what it says.

Mr. Hopfner: — It is too what it says. Read it under the corporations Act. It indicates . . .

Mr. Chairman: — Let him talk. Mr. Anguish, you want on the speaking order?

Mr. Hopfner: — We deal with the accountability of reports that come before the Assembly. And WESTBRIDGE being a private company is not required to make their documents public. Period. We deal with all public documentation in this committee. We don't deal with private corporations in this committee and the members opposite know that. And I want . . . (inaudible interjection) . . . well . . .

Mr. Chairman: — Mr. Anguish, I can put you on the speaking order list.

Mr. Hopfner: — And members opposite argue it's not a private corporation. The corporation is a private corporation. There is a partnership there that . . . and with the Provincial Auditor's own words, 50 to 90 per cent owned are not required to table their financial statements in the Assembly. And now the members . . .

A Member: — And he says they should be, he says they should.

Mr. Hopfner: — Now the members opposite want to bring private corporations into the Public Accounts Committee. Well we're not entitled to bring private corporations into the Public Accounts Committee. And the part that I've indicated is that that was the report that was brought forward to this committee, that was the information brought forward to this committee from the provincial auditors, that they were not required to be here, by law. And I'm saying to you is that we should not be discussing bringing WESTBRIDGE or any other private corporation into this committee.

Mr. Lyons: — What do you have to hide, Mike? What have you got to hide?

Mr. Hopfner: — And you know the accusations can keep coming from across the way from members, what have I got to hide — I will tell you, Mr. Chairman, and I'll look you square in the eye as I tell you, I haven't got a thing to hide. And this administration has been duly forward in bringing all information to this committee as we were . . . as we had requested from all other departments, but again I'm going to state, there is no law and it's by the Provincial Auditor's own statements, there is no law for the

requirement of WESTBRIDGE to be in this committee.

If members want the information from some other particular source, as I could even indicate to the members opposite that would like information from WESTBRIDGE, is that they could possibly invest in a share of WESTBRIDGE and they could go to the annual meeting and ask any kinds of questions that they deem would be fit to ask at that particular annual meeting. And I'm sure that as a shareholder of WESTBRIDGE, they would be able to get any kind of information that they so desire.

So I would suggest that instead of trying to make . . . bring politics into the room, that we definitely not entertain this motion at all.

Mr. Chairman: — Mr. Lyons, do you want to conclude debate on the amendment?

Mr. Anguish: — I want to speak to this too. I'm . . .

Mr. Chairman: — Mr. Anguish, go ahead. Mr. Anguish, you have the floor.

Mr. Anguish: — I thought Mr. Lyons was on the list.

Mr. Lyons: — You go first and then I'll conclude.

Mr. Anguish: — Well when Mr. Hopfner refers to this being a private company, that's just not so. It's not a private company. It is a Crown-controlled corporation; major shareholder is the Government of Saskatchewan. The majority of it is public ownership.

The auditor states that he's denied access to the accounts of WESTBRIDGE Computer. We find that WESTBRIDGE Computer's assets to make it viable came from SaskCOMP, the previous Crown corporation, and the data section and data banks of SaskTel, another Crown corporation. In fact the investment by the province of Saskatchewan into this company in regard to the prospectus filed with the Toronto Stock Exchange, with the Securities Commission in Ontario, state that \$51 million was the input in assets by the Government of Saskatchewan — \$51 million in assets. And you don't want to call it before the Public Accounts Committee?

When Mr. Lyons says that you have something to hide, he's not talking about you as individuals, but you sure as heck have a lot to hide as a government.

This is similar to all your other great investments that you've made. This company has a monopoly on dealing with computer services to the government and Crown corporations and agencies, and you don't want to call it before the Public Accounts Committee?

Mr. Swan goes out and checks with some cabinet minister, comes back and shakes his head "no" to you, that you can't allow this corporation to be called before. You certainly do have something to hide. The four of you sit here and make sure you can't lose a vote on the committee just so that people who would ever care to read the public accounts would understand that the four of you sit here so that we can't win a vote on the committee because you have the majority yet. You send

one of your members out to check with someone in the cabinet, one of the members of Executive Council, to see whether or not you can call WESTBRIDGE before the committee. And the member that went out and checked comes back in and shakes his head to you indicating no.

Look of surprise on Mr. Hopfner's face. In fact if people knew how your government operated, they'd run you off with a big stick is what they'd do.

Mr. Hopfner: — If he was shaking his head, he was shaking it at disgust.

Mr. Anguish: — So your lack of co-operation today is very evident. And I think that we want to maybe just talk about WESTBRIDGE for a while over the next few days so you can reflect on whether or not this Crown-controlled corporation should be called before the Public Accounts Committee. Because if you're not willing to do your job on this committee, just be politically partisan in protecting your government that wants to cover up for waste and mismanagement, then you should get off the committee.

Is there problem, Mr. Chairman?

Mr. Chairman: — No problem.

A Member: — You're corrupt.

Mr. Chairman: — Let Mr. Anguish finish.

Mr. Anguish: — Who's corrupt?

A Member: — You are.

Mr. Chairman: — Let Mr. Anguish . . .

A Member: — In what respect?

Mr. Chairman: — Could I just . . . can I . . .

Mr. Anguish: — That's unparliamentary.

Mr. Lyons: — . . . that he apologize. He has to make an apology.

Mr. Anguish: — You ask him to apologize.

Mr. Lyons: — He has to make an apology. He called Mr. Anguish corrupt. He specifically . . .

Mr. Anguish: — Nobody on our side has ever called any of you individuals corrupt.

Mr. Chairman: — I would rule that the word corrupt is unparliamentary and therefore, Mr. Hopfner, you should apologize to the committee.

Mr. Hopfner: — I can't bring myself to apologize.

Mr. Lyons: — Then you have to ask him to leave.

Mr. Chairman: — Well, Mr. Hopfner . . .

Mr. Hopfner: — In the expediency of the committee, I

withdraw the remark.

Mr. Chairman: — Thank you very much. Mr. Anguish, you have the floor. Please continue. Debate will be well served if we stick to the topic at hand and if other members don't interject the person that has the floor.

Mr. Anguish: — Well I guess while I still have the floor, I'd like to ask the Provincial Auditor if you have your file here today or information on WESTBRIDGE?

Mr. Wendel: — Mr. Chairman, Mr. Anguish, we have information relative to the 1988 annual report.

Mr. Anguish: — Relative to the 1988 report?

Mr. Wendel: — That's right.

Mr. Anguish: — The report that's under review for this year?

Mr. Wendel: — That's right.

Mr. Anguish: — Can you table then with this committee the documents, any documents you had that went between yourself and WESTBRIDGE Computer?

Mr. Hopfner: — Point of order, Mr. Chairman. That has nothing to do with the motion that's on the table.

Mr. Chairman: — Well the motion deals with WESTBRIDGE, and he's asking the auditor for some explanatory comments . . .

Mr. Hopfner: — Well I'll move a motion then . . .

A Member: — You can't. There's a motion on the floor.

Mr. Hopfner: — That's exactly what I'm saying. There's a motion on the floor. Let's deal with it and if they want to talk about WESTBRIDGE later on, we'll deal with WESTBRIDGE later on.

Mr. Anguish: — I am dealing with it. That's not a point of order.

Mr. Hopfner: — We're dealing with whether we should have WESTBRIDGE come to this committee or not.

Mr. Anguish: — That's not a point of order . . . (inaudible interjection) . . . That's right. So we're calling evidence that's apparent here because of the work that the auditor has done to present our case as to whether or not we should call WESTBRIDGE before the committee. You've obviously made your . . .

Mr. Chairman: — Do you two want to . . . Mr. Anguish . . .

Mr. Anguish: — I have the floor, Mr. Chairman.

Mr. Chairman: — No you don't.

Mr. Anguish: — Who does have the floor?

Mr. Chairman: — I have the floor. I have the floor.

A Member: — Well then rule on it . . .

Mr. Chairman: — I want to rule that his comments are out of order. You do not rule on whether comments are out of order. I will rule that his comments are out of order. I say that the motion deals with WESTBRIDGE Computer Corporation, and if in the course of discussing that motion a member wants to ask the auditor for some explanation, I think that's acceptable. That's the way we've always dealt in this committee. I think there's nothing wrong with that. That's my ruling.

Mr. Hopfner: — Mr. Chairman, I'd like to challenge your ruling on the point of order.

Mr. Anguish: — Can you also tell us at the same time, Mr. Provincial Auditor . . .

Mr. Chairman: — I have a point of order, Mr. Anguish.

Mr. Hopfner: — Mr. Chairman, on the motion, it's dealing with whether we bring WESTBRIDGE to this committee. The motion does not deal with any of the information that the Provincial Auditor may have or may not have of WESTBRIDGE. Can we deal with the motion, and then if you want to deal with the information on WESTBRIDGE from the Provincial Auditor, that's another matter. But I'd like to get the motion off the table. We're going all over the map with this, and I'd like to deal with the motion.

Mr. Chairman: — No, I think that . . .

Mr. Hopfner: — No, you read me in the motion where it says anything to do with information.

Mr. Chairman: — Let me deal with that. The motion that Mr. Anguish initially put forward says:

Whereas the 1987-88 Report of the Provincial Auditor makes reference to a lack of co-operation from WESTBRIDGE Computer Corporation, and whereas new information has become available to the financial affairs of this Crown-controlled corporation.

Mr. Lyons' amendment proposes to alter that somewhat. I think that in light of the fact that the motion makes reference to comments that the auditor has made, I think it's reasonable that any member in discussing the motion, I think it's reasonable for members to seek clarification from the auditor.

I think that I would be lost in support of a member wanting to get into a full-blown debate on WESTBRIDGE here and now under the guise of this motion. But certainly if there's some exploratory questioning that needs to be done, or if he wants to ask some questions about just what's in the report, I'm prepared to entertain that. But I'm not prepared to let Mr. Anguish or any other member, in speaking to this motion, get into a full-blown discussion on WESTBRIDGE.

I think that in large part we're dealing with a procedural motion, a question of the agenda, and that needs to be resolved before we get into substantial work on a

particular department. So I emphasize, I sympathize with your concerns but I will tell you that I'll listen very carefully to what Mr. Anguish is saying.

Mr. Hopfner: — Is that in the rights of being able to pass a motion and ask for a whole bunch of documentation to be tabled?

Mr. Anguish: — My first question was dealing with the correspondence that went back and forth between you and WESTBRIDGE to try and get your role done as an audit. Do you have that correspondence with you?

Mr. Wendel: — Mr. Chairman, Mr. Anguish, yes, we have that correspondence with us.

Mr. Anguish: — Could you table that correspondence for the committee? Can we have copies of it here? My next question . . .

Mr. Chairman: — Mr. Anguish, I think that we're getting into too much detail. I'm not sure that that correspondence is going to help the committee decide whether or not they want to call WESTBRIDGE before us and deal with this motion. It's one thing to ask the auditor for some assistance . . .

Mr. Anguish: — Mr. Chairperson, that's what I had just asked for before I was interrupted at the point when you said it was not a point of order. I reiterated my question. They said they had the information here, and now you say I'm out of order.

Mr. Chairman: — I didn't hear you ask for copies of correspondence to be tabled before the committee.

Mr. Anguish: — Well how are we to determine to build our case? There's no other way to build our case for arguing for our motion. I also want to determine how much of the share in the year under review is held by the Government of Saskatchewan so we can assure the members opposite that this is not a private corporation, this is a Crown-controlled corporation.

I'll be very narrow in the questions I ask. I don't want to debate WESTBRIDGE when WESTBRIDGE is not here. I want to build a case, Mr. Chairman, for determining whether or not we can convince the members of the government side to stop hiding behind their Executive Council and call WESTBRIDGE before this committee. That's what I want to determine by asking the Provincial Auditor's office these questions, Mr. Chairman.

Mr. Chairman: — Well it's one thing to ask questions, another one to ask the auditor to be tabling correspondence . . .

Mr. Anguish: — I'll rephrase the question.

Mr. Chairman: — Thank you.

Mr. Anguish: — Could you read me the first request that you made of WESTBRIDGE to conduct an audit? The first correspondence you wrote. Could you read that into the transcript please?

Mr. Hopfner: — Just a clarification, Mr. Chairman, before we're going to go through all this stuff. Isn't by reading into the record and getting into the verbatim just like tabling the documentations and stuff like that, in getting into the very specifics of all the information?

I mean, like, it's just another way of skirting around the whole issue, the motion. I don't mind the member having information on anything or anybody, but I want to indicate to you that there is no difference by having it read word for word in verbatim or by handing over documentation. None at all.

Mr. Chairman: — Again, I don't see any problem with members of the committee asking the auditor questions. One of the issues that was raised in debate was the question whether WESTBRIDGE should even be brought before the committee because its particular incorporation is under a business incorporations Act. Mr. Anguish's question seems to be to elicit information from that, about that, and the auditor's comments may shed some light on that particular topic. So therefore I rule that the question is in order. And again if the auditor wants to make a comment on this, then he should be allowed to do that.

Mr. Hopfner: — A general comment or a word for word. Like that's what I was asking, Mr. Chairman. Because your first ruling had indicated to me that when he was asked for information to be tabled that that is getting to be too specific. Now when you're asking the auditor to read . . .

Mr. Chairman: — **Mr. Hopfner,** I would just simply say that . . .

Mr. Hopfner: — That's being very specific.

Mr. Chairman: — I would simply say that, again, that the matter was raised, that Mr. Anguish is trying to elicit further information on this. The auditor may shed some light on the subject that has been raised in the debate.

Mr. Hopfner: — But he's not required to read word for word.

Mr. Chairman: — I don't know if Mr. Anguish wants the auditor to read things word for word. But he's asking the auditor to comment on them.

Mr. Anguish: — I want the auditor to read the letter word for word. I don't want someone else's interpretation of something that's taken place in the past between a Crown-controlled corporation. Just specific, is that what you're saying?

Mr. Chairman: — No, no, the question's in order. Mr. Wendel, do you feel that you're in a position to . . .

Mr. Anguish: — Could you also state the date of the letter?

Mr. Wendel: — If I could, Mr. Chairman, Mr. Anguish. I have in front of me a letter that was written to the partner in charge, Thorne Ernst & Whinney, regarding the audit of WESTBRIDGE Computer Corporation dated July 27, 1988. And this refers to paragraph 3407 in the Provincial Auditor's 1988 . . .

Mr. Hopfner: — Mr. Chairman, he said the letter was July 1988. That's not under the year under review. The year under review is '87-88 report which ends March 31, 1988, not July 1988. If there's any statements that the Provincial Auditor should be concerned with under here and he wants to give some general information . . .

Mr. Chairman: — Well I thank the member for his interjection, but even though the letter is dated July 27, '88, I assume that the letter will deal with the year under review. This, for example, this report . . .

Mr. Hopfner: — I'll so make a motion, Mr. Chairman, that we do . . .

Mr. Chairman: — This report that we're dealing with . . .

Mr. Lyons: — What are you hiding, Mikey? What the heck are you trying to hide from the people of the province . . . (inaudible interjection) . . . That's right, an issue that was raised in '87, an issue that was raised in '87.

Mr. Chairman: — Mr. Lyons, Mr. Lyons.

Mr. Lyons: — You got \$51 million of our taxpayers . . . my tax money as well as everybody else. And you, you slug, you're trying to hide it from the . . .

Mr. Chairman: — Mr. Lyons, I ask you not to use the word "slug". I ask you to apologize to the committee.

Mr. Lyons: — I withdraw the word "slug" because it's an insult to every slug I know.

Mr. Chairman: — Mr. Lyons, I ask you to apologize to the committee.

Mr. Lyons: — I just did.

Mr. Chairman: — I ask you to apologize to the committee.

Mr. Lyons: — I withdraw the remark, Mr. Chairman.

Mr. Chairman: — I ask you to apologize for your outburst and your behaviour.

Mr. Lyons: — I told you I withdrew the remark.

Mr. Chairman: — No, it's not a matter of withdrawing. I asked you to apologize to the committee for your behaviour.

Mr. Lyons: — Specifically, what?

Mr. Chairman: — Let me just say that parliamentary procedure is there to assist the members of bodies to indulge in reasoned debates and if members are wont to indulge in shouting matches without being recognized and without being on the speaking order, we quickly descend into anarchy. And an outburst such as we've seen from you has no place in reasoned debate, has no place in the Legislative Assembly. And that's why I'm asking you to apologize to the committee.

Mr. Lyons: — Well perhaps, Mr. Chairman, when I make my apology to the committee, it's within the following context.

Mr. Chairman: — No, it's not within the context of anything, Mr. Lyons. I'm asking you to apologize.

Mr. Lyons: — That every time there is a question raised or a statement made by members of the committee, Mr. Hopfner interferes by raising fallacious and specious points of order that have absolutely nothing to do with it.

Mr. Chairman: — Mr. Lyons, I'm asking you to apologize without any reservations.

Mr. Lyons: — No reservations, whatsoever, Mr. Chairman.

Mr. Chairman: — I'm asking you to apologize.

Mr. Lyons: — I just did.

Mr. Chairman: — No, you said you had no reservations. I'm asking you to apologize.

Mr. Lyons: — Okay, apologize.

Mr. Chairman: — Thank you. The point of order is this debate will continue at the next meeting. I just want before that to make a couple of points. Is it agreed that we will not meet on Tuesday of next week inasmuch as that will be a travel day? Is there agreement on that point? Agreed.

I might also point out that in terms of this particular discussion that the auditor would prefer to be at a conference that he feels the need to attend in Ottawa, but also wants to participate very much in this discussion. That's this coming Thursday.

Mr. Anguish: — Well then someone else should be here to answer the questions that we have on WESTBRIDGE because that's the topic that we're on. So the auditor can . . .

Mr. Muller: — We're on the motion, we're not . . . (inaudible) . . . on the motion.

Mr. Anguish: — The motion concerning WESTBRIDGE. So if the auditor wants to go, I suggest the auditor can go but someone else should be here to answer the questions in support of our arguments on the motion concerning calling WESTBRIDGE.

Mr. Chairman: — Okay. We will meet again Thursday morning.

The committee adjourned at 10:30 a.m.