# STANDING COMMITTEE ON PUBLIC ACCOUNTS June 18, 1991

**Mr. Chairman**: — Call the meeting to order. The Clerk is going to distribute two pieces of information here. One is a report by the Provincial Comptroller which purports to represent the items of agreement in this committee with respect to the structure of the *Public Accounts*.

The Clerk will also distribute a Public Accounts Committee draft report for those items that we have discussed up to this point in the committee, and which also incorporates the comments of the comptroller.

I propose to have these distributed at this point and ask you to review them with the view to perhaps getting some agreement at the next meeting as to whether or not the information that has been distributed accurately reflects the viewpoint of the committee with the view to incorporating the same into our report to the Legislative Assembly at some appropriate time.

The main business on the agenda today is Bill No. 53 and the referral of Bill No. 53 from the Legislative Assembly. And we have with us today the Minister of Finance, Mr. Hepworth, and the deputy minister, Mr. Wright. We would like to welcome you both here today. And as always, we have Mr. Kraus from the comptroller's office.

I might point out to members that with the Provincial Auditor we also have Judy Ferguson, who has had a great deal to do in terms of helping to draft the legislation that's before us. And we have the Law Clerk and an additional member of the Clerk. If there's anyone missing then . . .

I propose that we take the opportunity of Mr. Hepworth's presence to at this point ask him if he wants to make any introductory statement, and then to put questions to him with respect to the Bill before getting into clause by clause.

## Public Hearing: Bill No. 53 — An Act to amend The Provincial Auditor Act

**Hon. Mr. Hepworth:** — Well thank you, Mr. Chairman, members of the committee. I think the essential elements of the Bill were referred to in the second reading, provides greater accountability and greater independence for the Provincial Auditor. It speaks to the term.

Secondly, it allows any member of any of the major professional accounting groups to hold the office.

I think a significant change relative to independence is that the budget is not set by the Minister of Finance or cabinet as part of the budget process, but rather the Board of Internal Economy. And although this legislation was not yet enshrined, that practice was followed with this year's budget.

And I think a fourth and important change is that it explicitly provides the Provincial Auditor with a mandate, with a value-for-money mandate to report on the economy and efficiency of the government's administration of public money. And I think that's not inconsistent with an approach that's been pursued in other jurisdictions.

So those are the main features, just to review them for you and members of the committee.

**Mr. Chairman**: — Thank you. Are there any questions of Mr. Hepworth?

Mr. Rolfes: — Mr. Chairman, I want to ask Mr. Hepworth, for example in . . . you said term of office. I noticed the term of office shall be six years, and that the Provincial Auditor may have another six-year term subsequent to that. Is this what you have found to be the common practice in the other provinces of Canada? Or where did the six-year term come from?

Hon. Mr. Hepworth: — By way of background, I guess the current Act allows for a lifetime appointment. The practice in other jurisdictions is as follows: B.C., six-year; Alberta, eight-year; Manitoba, 10-year renewable; Ontario, lifetime; federal, 10-year non-renewable; Quebec, 10-year non-renewable; New Brunswick, five-year renewable; P.E.I., 10-year renewable; Nova Scotia and Newfoundland, both lifetime.

So I think you can see there's I suppose no one single term that everybody seems to have gravitated to. And I think the law of reasonableness, six years with a reappointment for one additional term, meets the test of the law of reasonableness, I suppose.

**Mr. Rolfes**: — Let me ask, why just one term? Does that mean he could serve two terms and absolutely no more, even though he or she may be the greatest Provincial Auditor we've ever had but we wouldn't be able to reappoint that individual?

**Hon. Mr. Hepworth:** — I think it's fair to say that, you know, other alternatives were considered. But I think at the end of the day this would seem to be just a reasonable approach, given what was happening across the country.

**Mr. Rolfes**: — My specific question was: it says, and may be appointed for one additional term of six years. Now is that "may" your understanding that that's the only additional term that he or she can be appointed? Or does that mean that there may be more after that? Because the word is "may."

**Hon. Mr. Hepworth:** — My understanding is there's the one term of six years and it can be extended for another six-year term.

Mr. Rolfes: — Yes, okay.

**Hon. Mr. Hepworth:** — I think the other point that I might make for you and members of the committee is that the group that was struck relative to selection, and to make comment on some of the issues as it relates to the auditor, also recommended that something other than a lifetime term probably was in order.

**Mr. Rolfes**: — Mr. Chairman, I have one further question. You say that he must be a member of these various provincial jurisdictions, associations. Was there any consultation with those three groups as to their position on this recommendation? And again, what is the practice

in other provinces?

**Hon. Mr. Hepworth**: — Relative to other provinces I can't say whether that same designation applies there.

But I can tell you relative to the discussions that we had here, the selection committee which was chaired by John Brennan who was chairman of the audit committee and dean of the College of Commerce, other members who sat on that were the president of the Institute of Chartered Accountants of Saskatchewan at the time, a past president of the certified management accountants society, the chairman of the disciplinary committee of the Saskatchewan Institute of Chartered Accountants.

And so I suppose one could argue the committee didn't cover all of those organizations, but certainly at least two of the organizations were represented there by their membership on the committee.

Mr. Rolfes: — Now, Mr. Chairman, I'm not well enough familiar with those three professional groups to know whether or not it's important that the Provincial Auditor be a member of each of those groups. I just don't know that. And I was wondering why that recommendation was made — whether that's the common practice in other provinces and they felt that it was necessary to make sure that the Provincial Auditor has a membership in each of those organizations.

I can't make a judgement on that; I just wonder why that recommendation was there. I have no further questions at this time.

**Hon. Mr. Hepworth:** — Just by way of clarification, Mr. Chairman, if I could. It's not to have membership in all of them, it's in anyone of them to make you eligible for . . . By having membership in anyone of them you would be eligible as before. There was some lack of clarity there given the evolving of the accounting profession. And so this way nobody is excluded, point number one.

And point number two, are the members of those organizations qualified, so to speak, to serve? Clearly it was the view of the selection committee that included as I said earlier, people like the chairman of the audit committee, the dean of the College of Commerce at the U of S (University of Saskatchewan), as well as representatives from at least a couple of those organizations. And so I'm relying on their professional judgement as well as others.

**Mr. Rolfes**: — Mr. Chairman, I do have a follow-up now to the words of the minister. Mr. Minister, if I read this correctly, and would you turn to section 6, it says:

No person is eligible to be appointed as provincial auditor or as acting provincial auditor unless (that person) is a member in good standing of . . .

That means he or she must be a member in good standing in each of those associations.

**A Member**: — But there's an "or", but not after the first . . .

Mr. Rolfes: — Oh. There's no "or" after the . . . Okay. I'm

sorry, I didn't read that last "or."

Okay, my mistake on that first one. I should have read right through. But does it mean that he or she must be a member of the first two but not necessarily of the last one?

Hon. Mr. Hepworth: — Well maybe, and I'm not a legal scholar and a drafting expert, but I think the intent there is a member of the Chartered Accountants of Saskatchewan or the Certified General Accountants' Association or the Society of Management Accountants. And if that needs to be clearer in the minds of the legal drafting folks, well the committee could give such direction as it pleases.

**Mr. Rolfes**: — No, it's correct the way it stands.

**Hon. Mr. Hepworth**: — I take that under advisement from knowing the hon. member's deep understanding of the laws of the English language.

**Mr. Rolfes**: — It is correct the way it stands and it's my error.

**Mr. Chairman**: — What was the committee's thinking on this recommendation? Why did they suggest that the membership should be expanded?

**Hon. Mr. Hepworth:** — In Saskatchewan, I think it's fair to say that these three bodies represent the professional accountants and the standard of professional conduct. And the quality of training is obviously important in this position. And those learned members were of the view clearly that a member from anyone of those recognized professions would be qualified and of sufficient standard to do the job.

**Mr. Lyons**: — Thank you, Mr. Chairman. In reviewing the Bill, I had some questions as to, first of all, as to the term. And I was wondering why it was . . . what was the thinking behind the change from the lifetime appointment with dismissal on bad behaviour, to the six years?

**Hon. Mr. Hepworth**: — I would just reiterate what I said earlier. The people who sat on the committee were clearly of the view that it shouldn't be a lifetime. After that, I think there's less consensus about whether it should be two five-year or one ten-year or two six or eight-year renewables.

I think that lack of consensus is not dissimilar to what we see across the country in that there is no consensus, if you like, in terms of approach. But in terms of being fair to the legislature, reasonable and fair to the legislature and to the auditor, the office of the auditor itself, their view was that there was merit to having some definition to the term and that it not be lifetime.

**Mr. Lyons**: — Why was there a consensus that it not be lifetime? What was the thinking behind that?

**Hon. Mr. Hepworth:** — Well I don't know if I can speak precisely for the members of the committee, but as I said earlier, I think their view in terms of being fair to the legislature and fair to the office of the auditor, that maybe a lifetime appointment wasn't the best approach, and I guess historically, with a couple of exceptions across the

country, isn't the approach that's taken.

Mr. Lyons: — The reason I think that there is some concern over the term is the need to establish in the legislation a clear understanding that the auditor's office is not open to political interference and that a limited term, such as six years which may or may not be renewed, would in all intents and purposes I think carry some undue pressure or put some undue pressure on the Provincial Auditor's office and may leave that office open for political interference based on the question of the renewal of the term.

And it seems to me, it's my own personal opinion that I prefer the lifetime appointment because it completely removes the auditor from the question of having political pressures applied to it by whatever government's in power. And I haven't heard a good argument to the contrary, given that the intent surely should be that the Provincial Auditor's office be immune to those kind of political pressures.

Hon. Mr. Hepworth: — I would agree with you in terms of the immunity to politics. Having said that, I think there is an argument that can be made for the injection of fresh ideas and renewal that can sometimes come with this kind of tenure and what it allows for.

And secondly, because we too are concerned with independence, I think the fact that the budget for the auditor will now be set by the Board of Internal Economy just underlines that and removes it from cabinet, you know, and using the purse strings to control independence or not control independence. And I think by having a Board of Internal Economy, it speaks directly to the point that you would be concerned about; in a different way perhaps, I think speaks directly to that point.

Mr. Lyons: — No, like I say, I personally don't find that a very compelling argument that the injection of new ideas overrides the acquisition of knowledge of the operations of the provincial government. And in the long term, I think that — then again that's my personal opinion — that those kind of lifetime appointments would be more beneficial to that office.

However I want to ask you about the section of the Bill that's contained under section 8.

**Hon. Mr. Hepworth**: — Section . . . sorry?

**Mr. Lyons**: — Section 8 and section 8.1(4):

A member of the Executive Council who:

- (a) is a member of the board; and
- (b) is designated by the President of the Executive Council;

shall lay the estimates before the Assembly and the Assembly may refer the estimates to a Standing Committee of the Assembly pursuant to the rules of the Assembly.

I presume here that the standing committee referred to is

the Standing Committee on Public Accounts. And my question is, why would not that be a mandatory requirement that the estimates of the auditor's office be dealt with through the standing committee as a check on it.

**Hon. Mr. Hepworth:** — The standing committee of the Assembly is the Committee of Finance that's referred to there. I think the question that you might have is why the Board of Internal Economy. Is that . . .

**Mr. Lyons**: — No, no. The question is that the *Estimates* get laid before the Assembly. Now if you're saying this is going to be this Committee of the Whole or Committee of Finance, why would it not be mandatory in, the Assembly "may" refer the *Estimates*, as opposed to "shall" refer the *Estimates* to a standing committee of the Assembly?

**Hon. Mr. Hepworth:** — Well I guess section 5 speaks to where the *Estimates* are not referred to the Committee of Finance where we traditionally always review *Estimates*, then they would . . . It provides, as I read it, to be referred to some other committee.

**Mr. Lyons**: — That's the way I've read it, is that if you have the *Estimates* come into the Assembly, may be referred to a standing committee which I presume is this committee, the Public Accounts Committee. Or if it's not, it then gets dealt with by a Committee of Finance. That's the procedure.

I was wondering why there wouldn't be an automatic referral process or a designated process. Why would there one day be a ... or one year be an *Estimates* referred to the Public Accounts Committee — that's what it says — or ... No, no, read section 5, Herb; read 4 and 5. The standing committee of the Assembly is here.

**Mr. Swan**: — That's the committee that deals with the Speaker's budget and the Legislative Assembly budget. It's the same committee, not this committee. It's that committee of the legislature that deals with it.

**Mr. Lyons**: — No, that's not what John says.

**Hon. Mr. Hepworth:** — To answer the question of why not "shall" instead of "may," it's, as I understand it, a matter of consistency. And I think you'll find this wording and this approach is consistent with the language that's used relative to the office of the Legislative Assembly. That may not be a good answer, but that's the technical answer.

**Mr. Lyons**: — I don't know if it's clear, because I think there is some confusion. What standing committee of the legislature is referred to in section 4... or the Assembly, standing committee of the Assembly, is referred to?

**Hon. Mr. Hepworth**: — As I understand it, this could be referred to any standing committee old or new, but the intent here I think is the Board of Internal Economy.

**Mr. Lyons**: — I wonder, Mr. Chairman, if I could check with the Law Clerk and whether the Board of Internal Economy constitutes a standing committee of the legislature.

**Mr. Chairman**: — Rule 86(1), the rules of the House, lists the standing committees and does not include the Board of Internal Economy. It does include Agriculture, Communication, Crown Corporations, Education, Estimates, Municipal Law, Non-controversial Bills, Private Members' Bills, Privileges and Elections, Public Accounts. Did I mention Estimates?

**Mr. Swan:** — Yes, Estimates was the one that you referred to. That's the one that deals with the Legislative Assembly estimates and the Speaker's office.

**Mr. Chairman**: — I also refer you to 86(5) which explains the Committee on Estimates. Do you want me to read that out?

A Member: — Yes, please.

#### Mr. Chairman: —

(5) The Estimates as laid before the Legislative Assembly by the Speaker for the operation of the Legislative Assembly and the Legislative Library may be referred by unanimous consent of the Legislative Assembly to the Standing Committee on Estimates. Upon completion of the examination of all Estimates referred to the Standing Committee on Estimates, the committee shall report the Estimates to the Assembly, and upon concurrence in such report the sum so approved shall be included in the Appropriation Bill.

My guess is that the motion of the Assembly would make it clear that it's being referred to the Committee on Estimates if that's what you had in mind, or any other committee.

**Hon. Mr. Hepworth**: — Once again I don't intend to be an expert on the wording, but I guess the way it reads is that it could be any standing committee, but the standing committee it would be referred to would be the Estimates, based on what I hear.

Mr. Swan: — That maybe should say . . . (inaudible) . . .

**Hon. Mr. Hepworth:** — Being more precise than that would be the downside that it would have, whether it's a major one or not. You might handcuff the legislature from sending it to any newly constituted . . . in addition to any old standing committee, any new standing committee.

Mr. Lyons: — I wonder, Mr. Minister, in this case whether or not, given I think what the intent may have been which was to refer those estimates to the Board of Internal Economy, given the previous part of the section, whether or not you'd want the estimates reviewed by that board or to designate precisely where it's going to go, where those estimates get dealt with.

**Hon. Mr. Hepworth**: — To just review, Mr. Chairman. The process I think has been followed and maybe it's anticipated here. And this is a new process because in the fall of this year, despite the fact that this is not enshrined legislation, is that rather than cabinet and the minister

responsible making the case for how big or how small the budget for the Provincial Auditor should be, the Board of Internal Economy made the decision, presented that to us as Finance and cabinet, and which was approved as received.

It became part of the Estimates and I think what this contemplates is that it would be reviewed by any standing committee, or failing that, a Committee of Finance.

**Mr. Lyons**: — That's what it says. So we can pick a committee? Agriculture, Education?

**Hon. Mr. Hepworth**: — I think the legislature in all its wisdom would likely pick the appropriate committee. Or if need be strike a new one.

**Mr. Chairman:** — I just have some other people that seem to be interested in this point and before you move on, do you want to allow them to get in on this one too and then we'll get back to you?

**Mr. Swan**: — The Standing Committee on Estimates was structured a few years ago to deal with the Legislative Assembly and the Speaker's office, because those two *Estimates* were approved first, or budgets were approved by the Board of Internal Economy.

Now if we're going to approve the budget for the auditor, in the Board of Internal Economy, it only follows that the committee that that would be referred to is the Committee on Estimates. That's made up. It's an all-party committee. It meets outside of the House and reviews the expenditures and then reports back to the House. So I think it's very sensible that it go that route. I wouldn't see any problem with spelling that out in this legislation.

A Member: — How do we do that?

**Mr. Swan**: — Well I think we just take a word in there to say that it goes to the Standing Committee on Estimates.

**Hon. Mr. Hepworth:** — I don't know those other comments, Mr. Chairman, but I don't have real, real strong feelings here. I just repeat: the argument on the other side would be you'd be taking away some of the flexibility of the legislature and handcuffing them to some degree.

I don't know as in other instances where we make reference to standing committees that it spells out precisely which standing committee. I think the obvious is usually obvious, but maybe in this case it isn't.

**Mr. Chairman**: — Can you anticipate conditions under which those estimates might be referred to the Public Accounts Committee?

**Hon.** Mr. Hepworth: — No but I...having said that, obviously it would leave you that flexibility if you so wished.

**Mr. Swan:** — Mr. Chairman, it wouldn't be proper to refer estimates for a coming year to this committee. This is a review committee that reviews the expenditures of government. The other one is a budgeting process, and

that's the Estimates Committee. So we're in the wrong place if we come here.

The Estimates Committee was established to review the expenditures of people who were tied directly to the Legislative Assembly. I think that the auditor now, through this Act, is an employee or an officer of the Legislative Assembly. So for that reason, it follows that the estimates for him must go that other route to that Estimates Committee.

**Mr. Chairman**: — Is it the sense of the committee that they want to see this one tightened up then?

**Mr. Swan**: — I think it needs to be tightened up.

**Mr. Chairman:** — During Assembly we can ask the Law Clerk to maybe draft an amendment, and when we get to that section then we can deal with that point.

**Mr. Swan**: — A House amendment is the better way to go if they'll do it.

**Mr. Chairman**: — I think you're saying that you're neither here nor there.

**Hon. Mr. Hepworth**: — I don't have strong feelings. I just want the committee to hear all the arguments so that they can make judgement. The other arguments are flexibility and handcuffing you potentially down the road. If that's not an overwhelming argument then . . .

Mr. Chairman: — I'm not sure what the . . . if there's any legislation outlining the Speaker or some of the others. The Legislative Library was one that's referred to I believe in the . . . the Legislative Library. I don't . . . any of the legislation which governs those offices or the operation of the Legislative Assembly and the Legislative Library, whether they are that specific or if they make the same reference. I don't know.

Hon. Mr. Hepworth: — It may be worth the time of the officials to check with the drafters who drafted this language, who I think were trying to be consistent with some other legislation. I can't speak precisely for them, but it may well be useful to just check with them to see if there was some other reasoning behind their thinking in taking this approach. I mean clearly we wouldn't want them ending up in agriculture.

Mr. Chairman: — Especially if it hasn't sat for 45 years.

The estimates with respect to the Legislative Assembly and this Act is The Legislative Assembly and Executive Council Act. It's the same. It says:

The Speaker shall cause the estimates to be laid before the Legislative Assembly and the Legislative Assembly may refer the estimates to a Standing Committee of the Legislative Assembly pursuant to the rules of the Legislative Assembly.

(And) Where the estimates are not referred to a Standing Committee of the Legislative Assembly, the estimates are to be considered in the Committee of finance and defended by a member of the Executive Council . . .

So it's consistent, what you have, with the Speaker. So having run that one up the flag-pole, I don't know if it... But we'll have an opportunity to get to that one later when we go through it clause by clause.

**Mr. Chairman**: — Herman, did you want to get on this point?

**Mr. Rolfes**: — Not on that particular point. I want to go on clause 5.

Mr. Chairman: — Okay.

Mr. Lyons: — Yes, I want to ask the minister about something that isn't in the Bill, and ask him why . . . some changes to the Act. One of the things that's been discussed at this committee is that whole question of tabling of the Report of the Provincial Auditor.

Without going into a long explanation of the nature of the discussion, suffice it to say that there's a certain feeling among some committee members that the Report of the Provincial Auditor should be tabled with an appropriate authority — whether it's the Speaker of the Assembly if the Assembly's in session, or the Clerk of the Assembly if it's not — and that the Provincial Auditor's report be distributed to members of the Assembly upon completion of the report.

The way it presently stands, the report gets finished in November, December, and we don't get the tabling...I'm referring to the Provincial Auditor's report itself. I'm wondering was the question of the distribution of the auditor's report been discussed in the drafting of this legislation?

**Hon. Mr. Hepworth**: — The tabling of the auditor's report, as I understand it, I mean that's entirely at the discretion of the auditor and it's tabled with the Speaker. Is your question . . . if the report is completed and the legislature's not in session?

**Mr. Lyons**: — Yes, and the legislature is not in session. It says that in section 14 of the Act: "Notwithstanding *The Tabling of Documents Act*".

**Hon. Mr. Hepworth**: — As I understand the law of the day, so to speak:

the . . . auditor shall submit to the Speaker, as soon as is practicable, his annual report . . . (and that) the Speaker shall, as soon as practicable, lay before the Legislative Assembly . . .

And I guess that is the practice, that it be tabled through the legislature and not outside the legislature.

**Mr. Lyons**: — Well I understand the practice. The question was, had there been any consideration of amending this section of the Act to allow the release of The Provincial Auditor Act prior to the meeting of the Legislative Assembly?

Hon. Mr. Hepworth: — No. And I don't know as we've

had any recommendations from the auditor to make changes there.

Mr. Lyons: — What in your opinion would it take to have an amendment, by way of either House amendment or a review, as an add-on to this Bill, to clarify it or to change the procedure such as that, as soon as the Speaker has the Provincial Auditor's report in his hand, that it be distributed to members of the Legislative Assembly whether or not the Assembly's in session.

Hon. Mr. Hepworth: — I think what would maybe lay heavily in my view is what the auditor's view might be here. We've had, as far as I know, no recommendations and haven't turned our heads to changing that practice. I mean one view that would probably be substantive in my mind is what the auditor's view might be.

**Mr. Lyons**: — I wonder maybe if I can ask the auditor. Would there be any objections in the Provincial Auditor's office whether or not the procedure would change, or would any change in the procedure impact on the auditor's office?

If section 14 were to designate that as soon as the Speaker had received your annual report, that that annual report be distributed to members of the provincial legislature. Would you have any objection to that?

Mr. Strelioff: — Mr. Chairman, no I wouldn't.

**Mr. Lyons**: — I was wondering if there would be any objections on the . . . do you see any problems with doing it? I mean, I can't see any problems having the report distributed as soon as the Speaker gets it and distributes it to the members of the legislature and make it available to the public.

Mr. Strelioff: — Mr. Chairman, just one further comment. I think in our last discussion when we talked about the tabling of the *Public Accounts*, it was a similar issue as to when do the *Public Accounts* become publicly available. And I think the members of the committee thought that there should be a mechanism for the report for the *Public Accounts*, and I think also our report to go through the Legislative Assembly in some fashion before it goes public.

And I think the middle ground was to suggest that maybe the *Public Accounts* and our annual report, when it goes to the Speaker, gets...the Public Accounts Committee may somehow have access to it and in that fashion it becomes a more public document. And I think that seems to have merit.

**Mr. Swan**: — I think it's very important that we follow the legislation as it's written.

You know the policy of tabling of documents is a long-standing policy, and it's not just this document. But all documents are tabled, all the reports are tabled in the Legislative Assembly. And that means that the Assembly is the first group that get the document, and from there then it becomes public. If we change that, then I think your auditor's report takes a step backwards in its authority and its recognition as being a document of the

Legislative Assembly.

This particular committee, the Public Accounts Committee, has no right to even review a document that hasn't been referred to it by the Legislative Assembly, just like this Bill that we're going through today. We had no authority to review this Bill until it was referred by the House.

So I think immediately that you go the other route and start to table the auditor's report outside of the Legislative Assembly, or table the *Public Accounts* outside of the Legislative Assembly, I think you're taking a step backwards in the authority that the Assembly has and the direction that all documents must follow.

I think it's extremely important that we maintain clause 14 and table the documents in the House and have the House refer them to the committee. I think it's been a long-standing practice but it has been there for a purpose.

There was only once that *Public Accounts* got out and it caused quite a furor because they were reported in the news long before members had a chance to see them. And I think that we need to avoid that kind of a mistake in the future.

This system has worked well not only in Canada but all over the world, and I think we should remember that there are reasons sometimes for maintaining some of these long traditions.

**Mr. Lyons**: — Well I can understand, Mr. Chairman, Mr. Swan's concern that the proprieties of the Assembly be observed, and particularly the privileges of members of the Assembly.

What I'm arguing is that there is a way in which these reports can be presented to the members of the Assembly through the Speaker's office, through a distribution through the Speaker's office, whether or not the Assembly happens to be sitting in session

There is no magic involved in terms of having the Assembly sit and this document tabled while the Assembly is sitting. These documents are referred to the Speaker. The Speaker has access to these documents. And it may be three or four months from the time he has access to those documents to the tabling in the Assembly.

Just in straight terms of practicality, there is, it seems to me, that both the privileges of the members are maintained if the Speaker distributes those documents to the MLAs (Member of the Legislative Assembly) prior to the sitting of the Assembly. There is no reason — in terms of accountability — to have it to go through the formalisms of the Acts, the Assembly actually sitting at the time the documents are actually tabled.

**Mr. Rolfes**: — Mr. Chairman, I think this is, for me, this is a very, very important item. And I point no fingers at any particular government, but I really get annoyed when the executive branch of government infringes on my rights as a member of the Legislative Assembly, and that has happened. That has happened.

And I use 1987 as a good example, where the House was not called. The legislature was not called until June. And yet the Provincial Auditor's report and the *Public Accounts* reports were ready by November. The members did not get access to those until June of 1987. And it was way after the end of that fiscal year. It was just . . . and I think we've got to make absolutely certain that that doesn't happen again in the future, whoever is the government.

See to me, if the reports are ready — and I disagree with my hon. colleague opposite that we can't protect that — if it's done by the Speaker through a standing committee of the Assembly, then all members would have access to those documents before the public ever gets hold of them. If it's done through a standing committee of the Assembly, we are the first to get them from the Speaker, so we are protected and that's all members, of course. But then we're all protected. And by the way, I don't think that any executive member has the right to hold on to . . . whether it's *Public Accounts* or auditor's report and will not make it available to the Assembly immediately, as soon as the Assembly sits.

I know we have rules about 15 days and so on after the Assembly sits. I think that should be also changed because I really feel that I as a member don't want my rights to be infringed upon and my privileges to be infringed upon by the executive branch of government. I think they have — in my opinion, having been there — they have too much authority, too much power, and I think we've got to put power back into the Legislative Assembly, to the members again. And this is one good way of doing it.

So I fully support some mechanism where the tabling of documents, particularly the Provincial Auditor's and the *Public Accounts*, can be done just as soon as they are available to the Speaker, whether the House is sitting or not. But by saying that, that mechanism's got to make absolutely certain that the elected members have first access to it before the public has access to those documents. Thank you.

Mr. Swan: — Mr. Chairman, I think you have to go a little further in the thinking on this topic. If the Speaker has the document and releases it to the members . . . you know, we would have members in Regina and members in Saskatoon; we have rural members. So the people in Regina would get their mail first, without a doubt. So the people here, who live here, will have an advantage in having the document. They'll get the news scoop before it ever touches Saskatoon or rural Saskatchewan. And the further away you are, the longer it would be.

So that doesn't give fairness to all of the members. I think it lowers the image and the stature of the auditor and of his documents, but it also doesn't give fairness to the system because some members will have it much ahead of others. And that's exactly what occurred the last time, is that a member who happened to be in town got his and had a chance then to have a news scoop before anybody else even saw the document.

Supposing you table that in January and I happen to be visiting in Texas, which I often do, it might be two months

before I even know the document was tabled, you know. And that can happen to anyone of you; you go away at times. So I think that this is not important that we do this.

**Mr. Chairman**: — My own guess, I would venture to say that notwithstanding the paramountcy of parliament or the legislature, that we have a practical problem here that needs to be addressed and resolved at some point. I mean there would be no problem if the legislature were to sit more frequently than it does now.

Which then means that reports are prepared, then tabled with the legislature and then with the members, and available for review sooner than is now the case, given the fact that the legislature normally doesn't begin sitting until later in March, sometimes April, one year in June.

It seems to me that there's a lag time here, both in terms of the *Public Accounts* as proposed in The Financial Administration Act and no doubt with respect to the auditor's Act, the lag time between the preparation, completion of those reports, printing of those reports, and as to the actual consideration of those reports.

I mean there's some ways to deal with that and one is the legislature could be sitting earlier. Or we might find some way to have it referred, by way of legislation or however, to an appropriate committee of the legislature so that the members of the committee are in a position to deal with it intersessionally. But it seems to me that that's something that . . .

**Mr. Anguish**: — There are fax machines all over. I mean government departments go anywhere in the province. You can operate a fax and telephone . . .

**Mr. Chairman**: — Fax machines too. But again however it's resolved, that we do have a problem that at some point we need to look at.

Doug, you want in on this one?

Mr. Anguish: — No, I just wanted to make the point actually that Mr. Swan shouldn't have those concerns, because I mean even in his own government they can send departments all over the province. And they operate with fax machines, fax stuff here and there, so there'd be no unfair advantage to the members who lived outside of Regina compared to the members who do live here. I mean just part of Fair Share has proven that that could operate, so I wouldn't see that as a big concern.

**Mr. Chairman**: — I think we're getting off topic. Can I suggest that we take a five minute break and then come back.

The committee recessed for a short period of time.

**Mr. Chairman:** — Mr. Anguish wants to get up. I wonder if I just might go back to section 3 for a moment. It indicates the Provincial Auditor holds office for a term of six years and may be appointed, and so on.

As it stands now in section 3(1) of the Act, it states that:

After consultation with the Chairman of the

Standing Committee of the Legislative Assembly on Public Accounts, the Lieutenant Governor in Council shall appoint a person as the Provincial Auditor for Saskatchewan.

That's not proposed to be changed, although I have some feelings about the process that took place as to whether or not anyone might define that as consultation as it's defined anywhere in any dictionary. Consultation, as I define it or as defined in the dictionary, says: consult — to seek information or advice from, to confer.

I'm not sure whether that took place in the case of the appointment of the auditor who is now appointed and I have no  $\dots$ 

**A Member**: — You don't like him?

Mr. Chairman: — I have no problems with the auditor, but that's not the point. That's not the point. Suppose I didn't like him, okay? And suppose some future auditor is appointed that the chairman of the Public Accounts Committee and, by inference, the opposition didn't like. This section, as it stands, after consultation in the process just completed... you said, well here's the guy; that's who I want to appoint. You said that you had a process in place that discussed with the Leader of the Opposition. He raised no objections. Well actually you outlined a process to him, and whether he agreed or disagreed was of no consequence to you. And then you said that you were going to appoint someone and that you wanted my support for this nomination, but you gave me no short list of candidates that I might look at, to determine whether this person or someone else might be the best candidate.

**Mr. Swan:** — Mr. Chairman, are we reviewing a Bill or are we reviewing history?

**Mr. Chairman**: — No, we're doing a little bit of both here.

Mr. Swan: — I think we are reviewing a Bill today.

**Mr. Chairman**: — I'm going to get to my point here. I'm going to get to my point.

**Mr. Swan**: — Well I think that what we're doing is not reviewing the Bill.

Mr. Hopfner: — Can't you deal with that in the legislature?

Mr. Chairman: — Well no, because there's another question here that I'm leading up to, and that is the point here that notwithstanding the consultative process, such as it was, that took place or didn't take place, it states here that it can hold office for a term of six years and may be appointed for one additional term.

But it's not clear, even if it's clear that you've got to consult — whatever that means in terms of the initial appointment — it's not very clear about the appointment of additional term and whether there's any consultation. And I raise the question as to whether there should be. And that's subject to interpretation.

**Hon. Mr. Hepworth**: — My understanding is that there

would require consultation for reappointment.

Mr. Chairman: — Okay. The interpretation I have from the Law Clerk suggests that that is less than clear. Even if it's clear for the deputy minister of Finance, for the Law Clerk it's less than clear... (inaudible interjection)... That's right. And that's why if you get five different interpretations in legislation you seek to clarify it so that it doesn't leave room for that latitude of interpretation.

Was it your intention that there should be consultation then on any subsequent appointment?

**Hon. Mr. Hepworth**: — My understanding was just as I've related to you.

**Mr. Chairman**: — Would you have any objections to anything that would clarify that?

**Hon. Mr. Hepworth**: — The committee can do as it wishes. But as I said, to me it wasn't at issue because that was the understanding we were working from.

Mr. Anguish: — I just wondered if we could go back to 8.1(5) in the Bill, why it wouldn't be ended after "Executive Council." It reads right now "... and defended by a member of the Executive Council who is a member of the board." I'm wondering why they wouldn't ... why that clause wouldn't just end after "Executive Council."

**Hon. Mr. Hepworth**: — Maybe I'll just have my official speak to the point you raise.

Mr. Kraus: — I'll just say that this is again similar to the Legislative Assembly legislation. It's not quite the same but it's very, very similar. And the intention was, was that it was the Board of Internal Economy that in fact reviewed and approved the budget, and therefore it should be a member of that board that takes it forward to the House and defends it. And it was recommended, as I say, to parallel the Legislative Assembly's legislation that it be a member of Executive Council who was a member of the board.

Mr. Wright: — If I can just supplement, Mr. Chairman, failure to include, who is a member of the board, would have a member of Executive Council who is unfamiliar with the recommendations and proposals by the Board of Internal Economy, defending the *Estimates* in the House. Consequently, it would seem more reasonable and fair to have a member of Executive Council who actually sat on the board and was familiar with the arguments on both sides of the fence, who would be in the best position to defend before the Legislative Assembly the *Estimates*.

**Mr. Anguish**: — What about a situation where there was no member of Executive Council who was on the board?

**A Member**: — Well there has to be.

**Mr.** Anguish: — That's not necessarily so. I can foresee situations where there may not be a member of Executive Council who is a member of the Board of Internal Economy. If you take the . . . (inaudible interjection) . . . pardon?

**Mr. Swan**: — So if a member leaves, you appoint a new one.

A Member: — So he has to find a new one.

**Mr. Anguish**: — And what, the caucus would just appoint another member?

**Mr. Swan**: — No, Executive Council appoints.

**Mr. Kraus**: — Am I correct that it's six members on that board? — two are cabinet, two are other government members, and two are opposition members.

A Member: — Right.

**Mr. Anguish**: — So it's not a long process. If the Premier wants to appoint someone, the Premier would just appoint whoever he wanted out of the Executive Council.

**Mr. Swan**: — Yes. It's appointed and ratified in council.

**Mr. Hopfner**: — Just announced . . . like you are now . . .

**Mr. Anguish**: — Mr. Chairman, it's by order in council then that members are appointed to the Board of Internal Economy.

### Mr. Chairman: —

(2) The Lieutenant Governor in Council shall appoint the Speaker and the persons nominated in accordance with clauses (1)(b) to (e) as members of the board.

And that includes two persons nominated by the president of the Executive Council from among the members of the Executive Council.

The name and the office of each member of the board is to be communicated by message from the Lieutenant Governor to the Assembly.

So you're communicating, but there's no suggestion that it be approved by the Legislative Assembly and that it's not an order in council.

**Mr. Anguish**: — It does require an order in council.

**Mr.** Chairman: — Yes, I see that, yes. Whereas an appointed . . . the Lieutenant Governor in council shall appoint.

Can I just ask, was there any thought given to — while you were making these amendments — to redefining perhaps the relationship with private accounting firms that exist? I know that in 1982 or '83, the auditor's Act was amended so as to clearly indicate that the Provincial Auditor could oversee, by law, the actions of private firms who were appointed to perform audits.

That was changed a couple of years ago where the auditor can now only review the work of private auditors if, in his opinion, the auditors haven't fulfilled — and I'm using my own words here — haven't fulfilled the mandate as he sees it and thereby reviewing work one year at least after

the date, as opposed to supervising these audits as they go along. Was there any thought given to redefining that relationship, especially given the frustrations that has been voiced in this regard not only by the previous auditor, the interim auditor, and the present auditor?

**Hon. Mr. Hepworth:** — Well, Mr. Chairman, members of the committee, there were discussions with the Provincial Auditor relative to the private sector and the auditing that goes on. And as a result of those discussions it was determined that we would make no changes here.

**Mr. Chairman**: — Make no changes at this time or . . .

**Hon. Mr. Hepworth**: — At this time. Obviously I can't speak for a year or two or five down the road.

**Mr. Strelioff:** — Mr. Chairman, we did have discussions. And at the time we had the discussions, I thought it was reasonable for me to examine the current working relationship to determine whether improvements can be made within the current structure or whether specific legislative changes are necessary.

And we're still doing that examination and discussing the relationship with the appointed auditors in Crown corporations themselves.

**Mr. Anguish**: — I just have a question about page 3, section 6

Mr. Chairman: — Which clause of . . .

**Mr. Anguish**: — Page 3 of the Bill, clause 6.

Mr. Chairman: — Okay.

**Mr. Anguish**: — This section basically deals with value-for-money auditing or comprehensive auditing, whatever you want to call it. I'm wondering why you have an (a) and a (b) in there.

I'm wondering why the Bill couldn't possibly be amended where in the section (1.1), where it comes to the line "by an Act to examine in order to determine whether" and if it could stop there and just say, whether due regard for economy, efficiency, and effectiveness has been exercised. Instead you have an (a) and a (b) in there and I wonder why you separate the efficient and economical away from the effectiveness.

**Mr. Kraus**: — I would like to say first to the committee that the wording of this particular area is one that was difficult to resolve because it's technical and because each of those words can mean different things to different people.

And I know when you talk about effectiveness, you very quickly can have some concern about what do you mean by effectiveness — do you mean the effectiveness of government policy?

And so we worded this ... and I think it's fair to say on this one, that we worked pretty closely with the Provincial Auditor and we used words that he felt most comfortable with in this case. So I think I would leave it at that, that we came up with words that he felt that he could deliver on,

that wouldn't lead him into questioning government policy.

And I would perhaps just ask the auditor if he would confirm what I've said or elaborate on that.

Mr. Strelioff: — Mr. Chairman, Mr. Anguish. It's 11(1)(a) and (b). We did divide the two into two segments because for segment (b) it leaves us with responsibility for examining whether systems and procedures exist that would help assess effectiveness, not whether the auditor should be assessing effectiveness directly. It's more looking at the systems and procedure in place to help the Legislative Assembly assess their effectiveness of a particular program.

And at least from my perspective, and also from the perspective across Canada, seems to be a reasonable demarcation, that it's clearly the elected officials' responsibility to assess the effectiveness of any particular program.

**Mr. Anguish**: — It seems to me anything that I've looked at in terms of comprehensive or value-for-money auditing, it seemed to me that it was more of a standard line, to use due regard for economy, efficiency, and effectiveness.

Mr. Strelioff: — Mr. Chairman, Mr. Anguish. This breakdown is the standard breakdown. There's one province, and that's the province of Prince Edward Island, that ties it all together. It doesn't use those precise words, but the same thought, due regard for economy, efficiency, and effectiveness. The rest of the jurisdictions break it up so that the auditor has the responsibility to assess the systems in place to ensure effectiveness, not directly assessing effectiveness.

In the context of what's happened across the country in the last 10 to 15 years is a very important distinction for all players involved.

Mr. Kraus: — Is it fair to say that this mandate is somewhat similar to the Auditor General of Canada? I just have some information here that indicates that his Act calls for measurement and direct reporting of economy and efficiency information but does not specifically empower him to do the same respecting effectiveness. He is directed to report cases where satisfactory procedures have not been established to measure and record the effectiveness of programs, where such procedures could appropriately and reasonably be implemented, but he's not supposed to . . .

**Mr. Strelioff**: — Yes, Mr. Chairman, that's very similar to this — broken up into two components.

**Mr. Chairman:** — Are there any further questions of the minister at this time? If not, thank you very much.

**Hon. Mr. Hepworth**: — Thank you.

**Mr. Chairman**: — Well no, we should keep you in here because when we go through clause by clause, just in case there's any further questions.

Clause 1 agreed to.

Clause 2 agreed to.

#### Clause 3

**Mr. Chairman**: — Mr. Hopfner, can you take the chair on this one?

Mr. Hopfner: — You betcha.

Mr. Van Mulligen: — Propose an amendment for the committee to take to the House on item 3, Mr. Chairman. And the amendment is that Bill 53 be amended in subclause 3(a) by adding immediately after the words "six years from the day of appointment," and where they occur in subsection 3(1.1) as enacted therein the words, "subject to consultation with the Chairman of the Standing Committee of Public Accounts, may not be further appointed for an additional term or, again following such consultation."

**A Member**: — Did you two do this together?

**Mr. Van Mulligen**: — We did. We're making this up as we go along, okay.

**Mr. Vice-Chairman**: — Could I suggest...could I suggest...

Mr. Van Mulligen: — I know that it's absolutely clear to the chair, if I might just explain this. The intent of the motion — and certainly there should be no confusion after hearing the motion or the amendment — is that as it stands, the auditor when appointed is done after consultation with the chairman of the Public Accounts Committee. And the reason that exists is so that, in effect, the opposition who in fact . . . or the chair of the committee is in fact a member of the opposition. The appointment is made after consultation . . . (inaudible interjection) . . . no, no, because I'm not going to be involved in any future appointments, it's safe to say.

**A Member**: — Well chairman of the Public Accounts Committee.

Mr. Van Mulligen: — Yes. Well I'm not going to be involved as chair of the Public Accounts Committee six years from now I'll tell you. But the point here is that consultation is proposed to take place so that the opposition is then consulted about the appointment of the Provincial Auditor, recognizing that the auditor is not just a creature of the legislative council, but is in fact someone who is answerable and should be supported by both sides of the House and by all members of the Legislative Assembly. That's why that clause is there.

Now as the Bill now stands, that consultation will take place prior to the appointment of a Provincial Auditor for a six-year term. But if the minister decides he doesn't want to appoint this person for another six-year term because he doesn't like the kinds of things the auditor has done, there's nothing to say he should consult with the opposition through the chairmanship of the Public Accounts Committee as to whether or not that is desirable or undesirable. Nor is there any suggestion that if he does

want in fact to appoint him for a further six-year term, that the chairman of the Public Accounts Committee should be consulted.

So we're talking here about consultation at the outset, but no consultation if the minister decides — as I understand this — if the minister decides after six years that he doesn't like auditor "A", he can then move on to propose the appointment of a new person. And certainly the chairman of the Public Accounts Committee, the opposition, gets consulted about the new person, which you know with the process so far, just simply means here he is, like it or lump it, or you can agree or disagree.

But certainly there's no consultation about: do you think it's desirable that auditor "A" be appointed for a further six-year term. He may decide that this particular auditor in his six years is nothing but a source of embarrassment and what have you to the government and therefore I don't want to appoint him again. And therefore I want to go to somebody else. I'll take my chances with someone new.

But there's no suggestion here of any consultation with the opposition. And by definition of the opposition... or consultation with the chair, and by definition of the opposition and members of the Assembly, as to whether or not that is in fact desirable, and shouldn't that be. And the amendment, I am advised by the Law Clerk, attempts to clarify that. And that's why I make that...

**Mr. Swan:** — Mr. Chairman, I have nothing against lawyers but I think sometimes they try to create work when they draft amendments. And I think that's surely an example of what we've just seen.

If you want to arrive at something to do the same thing, if you look at section 3(1) and you go down to where it says "the Lieutenant Governor in Council shall appoint," you could simply put "or reappoint" and that will fill the same need very simply. It won't be a long conglomerate of words, mixing things up, but I think it will do it very simply and precisely and arrive at the same point.

Mr. Van Mulligen: — Agreed, but we can't . . .

**Mr. Swan**: — That will give . . . if you have the "reappoint," that gives the consultation with the chairman of the Public Accounts and that's all you're looking for.

**Mr. Van Mulligen**: — We can't . . . but the clause of the Bill that we have isn't open to that. I mean it's not there.

**Mr. Swan:** — Yes, it's there; 3.1 is still there in the new Bill. This is just amendments to the Bill. Section 3(1) is going to continue. It's 3(1.1) that you're talking about, but 3(1) is going to continue.

**Mr. Van Mulligen**: — Well there's a real question here as to whether or not . . .

Mr. Swan: — Yes, it does.

**Mr. Van Mulligen**: — But the Bill before us proposes to add section (1.1) and does not deal at all with section 3(1),

and therefore it's questionable whether the committee could in its own right be proposing amendments to 3(1) when that is not mentioned in Bill 53. That's the problem here.

But now if we had an undertaking from the minister that he wanted to put an amendment before the House to change "appoint" to "shall appoint or reappoint," then that would certainly clarify it.

**Mr. Anguish**: — A couple points. I've got a question first for you. The way the Act stands now it reads:

After consultation with the Chairman of the Standing Committee of the Legislative Assembly on Public Accounts, the Lieutenant Governor in Council shall appoint a person as the Provincial Auditor for Saskatchewan.

Mr. Strelioff was appointed while you were chairman of the committee. Were you consulted?

**Mr. Van Mulligen**: — It depends on your definition of the word "consult."

**Mr. Anguish**: — Well in definitions in the Bill, is the word "consult" described? What do you mean by that?

**Mr. Van Mulligen**: — Well we went through that earlier, and there's a question here as to whether that's effective consultation or whether at some future time the committee may want to look at that word "consultation" and define it further.

I understand that in Ottawa there may have been more effective consultation than may have been the case here. There's a question of whether the opposition should in fact be part of this short list, be allowed to see the short list, or whether there's some other way of giving a more effective definition of the word "consult." I could put forward an argument that the consultation process, such as it was, wasn't effective consultation.

Mr. Anguish: — Okay. In terms of your amendment that you're proposing to the committee, I think you'd get a better chance for some support from this side of the committee if you'd remove the six-year term from there. I like the intent of your motion, but I think Mr. Lyons . . . I don't know about Mr. Rolfes, but I don't support the six-year term. I think that it is open to too much tampering with an officer of the legislature. And the only reason an auditor once appointed should be able to be dismissed is with cause. And so I can't support what you're putting forward as long as the six-year cap is on there.

**Mr. Vice-Chairman**: — I think the question . . . there was a question raised for the minister. I'll let the minister in at this time as well to give information back.

Hon. Mr. Hepworth: — Well, Mr. Chairman, if the intent is to be explicit that the chairman of Public Accounts should be consulted before the reappointment for the second year term, if that can be handled easier than the amendment that's been forward and more crisply under 3(1), I can give the committee my undertaking to check with our drafting officials and get language that would be

consistent with that intent, if that suits the chairman's wishes, and bring it forward as a House amendment.

**Mr. Van Mulligen:** — The question is: would it still be in order in the House for him to do that?

If it isn't, it doesn't prevent you from putting forward another Bill that just simply adds the word "reappoint" to this.

Mr. Vice-Chairman: — The way it is, is that subsection (1) is not before the Assembly or the committee here, and we're dealing with subsection (3) . . . we're adding to subsection (1) and therefore we're not dealing with the parent . . . 1 is not before the committee so we can't deal with it on those basis that you . . .

**Mr. Lyons**: — Mr. Chairman, I wonder if I may ask Mr. Cosman a question. Given that section 3 is specifically named, section 3 is amended, whether or not a House amendment such as the minister suggests could not reasonably be added to that section 3?

**Mr. Vice-Chairman**: — I'll tell you . . . Mr. Lyons, instead of me trying to interpret . . .

**Mr. Lyons**: — I'm not asking you to interpret, Mr. Hopfner, I'm asking . . .

**Mr. Vice-Chairman**: — No, no. I was going to let the Law Clerk . . . not the Law Clerk, the Assembly Clerk tell us what is happening here and then you get a clearer understanding.

**Mr. Vaive:** — Mr. Chairman, the only amendments that can be brought with respect to section 3 are amendments that deal with the words that are being added to subsection (1). And that is the only thing that's before the committee. That is the only thing that procedurally can be amended.

To amend any other part of section 3 would be going to an amendment...would be amending parts of the parent Act, which is not before the committee.

And I quote from Beauchesne's:

... amendment(s) may not amend sections from the original Act unless they are specifically being amended in a clause of the bill before the committee.

**Hon. Mr. Hepworth**: — I understand what you say relative to the committee. But what about in the legislature itself?

**Mr. Vaive**: — The same principles apply.

**Hon. Mr. Hepworth**: — The same principle? So that it would have to be by leave?

**Mr. Vaive**: — Procedurally by leave anything can be done; rules have to be followed, but the procedural custom of doing it would have to be by a separate Bill, unless by unanimous consent of the Assembly.

**Mr. Lyons**: — I want to make it clear in my own mind. You say that the only amendments that can be made relate directly to section 1, because section 3 is amended: "(a) by adding the following subsection after subsection (1)." So there's no amendment to subsection (1)?

Mr. Vaive: — No. Because section 3 is being amended adding these words after subsection (1). We looked to the parent Act of the Bill. Section 3 contains a number of subsections, and therefore to do otherwise would be opening all of section 3 to amendment, and that would throw a good portion of the Act open to amendment.

Mr. Vice-Chairman: — I was wondering if I could ask the Clerk if we were to . . . after all that has been stated here under section 3 as amended, would we be able to probably in some way, shape, or form bring the original wording of (1) down and back behind everything else and use it once again, notwithstanding . . . Could you add that clause and use that same thing, use the same wording?

**Mr. Vaive**: — Mr. Chairman, the only thing before the committee are the new words being added after (1).

**Mr. Vice-Chairman**: — That's what I'm saying. So we would have the same wording added after (1.1)(b).

**Mr. Vaive**: — We can alter those words that are before the committee, Mr. Chairman.

**Mr. Vice-Chairman**: — Would that be satisfactory with the minister?

**Hon. Mr. Hepworth**: — The undertaking that I gave early on this morning that we implicitly understood that it did mean that we would . . . that the chairman of Public Accounts would be consulted prior to the reappointment. I just restate that.

Mr. Vice-Chairman: — All right. Agreed?

I still have to put the question because there is a motion put forward to the committee.

Mr. Van Mulligen: — I withdraw the amendment.

**Mr. Vice-Chairman**: — Oh, okay. Everybody's in favour of having the amendment . . .

**Hon. Mr. Hepworth:** — Just a minute. The undertaking I gave very early this morning was that I implicitly understood that this would be consultation, that there would be consultation on the reappointment.

And so if it's something different than that . . . I mean the other thing we've been discussing here is your amendment potentially or a House amendment that apparently is difficult to engineer without sort of having another Act come before the legislature.

So if it's undertaking (a) that we're all agreed to, then I can give you that.

 $\begin{array}{lll} \textbf{Mr. Anguish:} & -- & \text{That's okay...} \text{ (inaudible)} \dots \text{ because I} \\ \text{heard you give another undertaking but I can't recite the words} \\ \text{back to you. So we'll review the transcript and} \end{array}$ 

we're sure that we'll take you up on one . . . we're sure we'll take you up on one of your undertakings.

Clause 3 agreed to.

Clauses 4 to 9 inclusive agreed to.

**Mr. Chairman:** — Her Majesty by and with the advice of the Legislative Assembly of Saskatchewan enacts as follows: An Act to amend The Provincial Auditor Act. Is the title agreed? Is the Bill agreed? Could I have permission to report to the House?

Agreed

The committee adjourned at 10:53 a.m.