

STANDING COMMITTEE ON PUBLIC ACCOUNTS
February 1, 1993

Mr. Chairman: — We'll call the meeting to order. The first item of business, I believe the member from North Battleford wishes to address the committee.

Mr. Anguish: — Yes, Mr. Chairman, I just want to say a few brief words to the committee. I've served for a long time on public accounts committees. I had the privilege of serving on the Standing Committee on Public Accounts in the House of Commons for four and a half years, and I've also served on this committee for four and a half years. And over that time I've certainly learned a great deal from the period in 1980 when I first started serving on public accounts committees.

The other thing that's happened is that I've met a great number of knowledgeable people. I had the privilege to serve on the Public Accounts Committee when J.J. Macdonell was the Auditor General for Canada, and certainly was likely one of the more colourful auditor generals that we had had in Canada. And I also served on the Public Accounts Committee from the House of Commons when Kenneth Dye was the Auditor General as well. And of course when I first came here on the Saskatchewan Public Accounts Committee, Willard Lutz was the Provincial Auditor, and now of course you have Mr. Strelieff as the Provincial Auditor.

I think each one of these individuals operated under a fairly standard set of rules, but each was different in terms of their character and the way in which they handled their roles. All of those auditors that I had the privilege of working with certainly taught me a great deal. And I think that the message I want to leave with the committee is that the Public Accounts Committee is a committee when you can learn a great deal in terms of your own personal growth about the accountability and the budgetary cycle of government. And I suppose you would learn things that you can't pick up from any university class or an extension class somewhere or listening to some expert. It's experience, I think, that will serve you all well.

I also want to say that I'll miss the work of the committee. I never intended on sitting on public accounts committees for a long, extended period of time. But I guess after having served for 11 years, in the life of a politician that's a long time to have served on any committee.

The experiences in Saskatchewan I've really enjoyed. The Office of the Comptroller, the auditor's office, the Clerk, the *Hansard*, all the people that we've worked with over the years — I've appreciated that kind of a relationship. And although I wasn't always what you would refer to as a senior statesman on the committee, I would say that I'm trying to grow towards that end and not knowing whether I'll ever achieve it. Who knows, maybe I'll be back on the Public Accounts Committee in a short period of time.

So today I just wanted to thank you all for having had the opportunity to work this closely with you, and to officially resign from the Standing Committee on Public Accounts. I didn't have the honour to serve very long as the vice-chair of the committee, but I suppose in my resignation to the committee I also give up that role.

So thank you very much for the good times and the bad times that we've had together. And I encourage members to be diligent in your work on the Public Accounts Committee because it's a very important committee and I think you'll have personal growth as you dedicate yourself to the job of the committee.

And with that I'd like to thank you for allowing me to make a brief statement to you and offer my resignation to the committee, Mr. Chairman. Thank you.

Mr. Chairman: — Thank you, Mr. Anguish. I'm sure we'll all take your words to heart. And I don't know if any one of us wants to stay on the committee for 11 years, but there certainly is growth potential there. Thank you very much, Doug.

With that, this committee now needs to have a vice-chairman appointed to it. I guess the appropriate thing is to have someone nominated by the committee to fulfil that function. It doesn't necessarily have to be done today, but if it is the wish of the members of the committee, I would entertain a motion to that effect.

Mr. Cline: — I move, Mr. Chairman, that Mr. Van Mulligen serve as vice-chair for the time being.

Mr. Chairman: — I guess the member is not here to speak for himself.

Mr. Cline: — I did actually speak to him this morning and he said that he would be willing to do so.

Mr. Chairman: — He would be willing to do so? Good.

Moved by Mr. Cline that Mr. Van Mulligen be the vice-chair of this committee.

Is that agreed? Carried.

With that I am going to turn the meeting over to the auditor for the next little while to explain to the committee what we're about to see and some of the things that we should look for, and he'll be carrying a significant part of the meeting for the next little while.

Mr. Strelieff: — Thank you, Mr. Chair, members. As you know, one of our office's main purposes or objectives is to seek ways of helping you hold the government accountable for managing public money. And we think that one of the key documents that you have to scrutinize is the annual report of each of the government organizations that are formed. The annual reports should be a valuable source of performance information about the particular government organization.

If you remember, in chapter 7 of this past report, we noted that we plan to do an examination and assess whether annual reports of the departments provide you the information you need to assess performance.

For many of you, we surveyed you and asked you what kind of information you want to see in annual reports and how do you use those annual reports. Our next report, which will be coming in in April, will include our findings

and our recommendation of that study.

Today we plan to show you how one hospital in Ontario, the Queen Elizabeth Hospital, is assessing what information it needs to manage wisely and to be able to demonstrate that it is using public money wisely.

With our move to regional health boards in this province, their experience I think is particularly relevant, I think you will enjoy it and you'll also get some valuable points of view in the video.

With me today are Mike Heffernan — Mike Heffernan is sitting just over to the side there. Mike has been with our office for about 16 years as a chartered accountant, is one of our three executive directors, and is in charge of our health focus in the office and also in charge of what we call our value-for-money audit focus. Also with me today sitting beside me is Judy Ferguson. She's been with the office for about 10 years, also a chartered accountant, and is our director who is directly in charge of our value-for-money move.

Also a third person with us today sitting right beside Fred over there is Marg Ellard. Marg is a new chartered accountant, a certified management accountant; she just got her CA (chartered accountant) in December, I guess; she passed her exams in December. We had eight people writing the CA exams this year and all eight passed so we're particularly pleased about that. Marg is a former teacher who either saw the light or didn't see the light or something and decided to change directions. She also worked in the Department of Finance for a number of years in their information systems area and is a very valuable member of our office.

And what we like to do is bring some of our less experienced people in our office to these meetings just to see how it works, what happens to the recommendations that we put forward and the issues, and see what happens to them. I find it helps them in their day-to-day work, a better appreciation of how things move along. So Marg is with us today.

Now Judy is going to introduce the video on the hospital management issue and see where it goes from there.

Ms. Ferguson: — Okay, in the video that you're about to watch here it makes reference to the Canadian Comprehensive Auditing Foundation. And for those of you that aren't aware of the foundation, we thought it would be worth our while just to explain what the foundation is. The foundation was created about 12 years ago by Canada's leading CA firms and management consultants together with both the federal and provincial governments represented by the legislative audit offices. It was actually earlier — Mr. Anguish referred to J.J. Macdonell — it was under his era that this was created.

The purpose of the foundation is to promote accountability, effective public administration, and it does this through a number of things. It conducts research directly, or sponsors research. It holds professional development in both the area for auditors and for management. So it's not just an auditing foundation. It's both sides.

In 1987 the foundation sponsored the development of a reporting framework. Some of you may have seen a little booklet such as this. This was developed by a panel of independent people with a cross-section representation, again from CA firms, management consultants, key management people within the government, deputy ministers and MLAs (Member of the Legislative Assembly) — MPs (Member of Parliament) actually, as opposed to MLAs — and involvement of the Comptroller General's office of Canada. This group actually recognized the legislatures and other governing bodies needed to be served with better information about the effectiveness than they were currently receiving. They also recognized that public service managers did not at that time have a framework to allow them to readily prepare this type of information. As a result they developed a framework which is in this booklet and which is made reference to in the video.

Now since 1987 a number of managements and various government organizations have actually adopted and are using this framework. What this framework is doing, it's enabling management to prepare a report to the governing bodies on their effectiveness and in some cases the report goes to internal management, which is the deputy minister, the minister, or upper-level people such as boards of directors; or in other cases it goes directly to the Assembly. Entities that are using these, this type of framework, is the city of Saskatoon at various programs. They're preparing reports which are going to council. The provincial government in Manitoba is using it in various programs and branches throughout the government.

In B.C. (British Columbia) various community colleges and institutes are using it, and also the B.C. controller general office is, again, using the framework as a management tool to assist it in evaluating programs and is encouraging the application of this framework in its departments.

In Ontario the city of Gloucester is using it and CMHC (Canada Mortgage and Housing Corporation) which is a federal Crown corporation.

In Quebec the Musée De La Civilisation and the Quebec Securities Commission are both using the framework. And there's a number of other projects that are currently under way in Quebec.

Now the video is about 22 minutes long and what it does, it focuses on the experience of both the management and the board of The Queen Elizabeth Hospital. The Queen Elizabeth Hospital is in Ontario. And after the video, what we're going to do is distribute a booklet which actually goes with the video itself.

The booklet is not a repeat of what's on the video but rather it's the report that management prepared for their board and it also provides additional comments of the process that they went through. I'd encourage that after you read the booklet, if you could pass it on to your colleagues, you know, as it goes along.

So let's watch the Queen Elizabeth's experience.

The committee viewed an audiovisual presentation by the Provincial Auditor entitled, *How Effective are Hospitals*, on the subject of effectiveness reporting and accountability in management.

Mr. Strelieff: — An interesting perspective on a complex development. They referred to a publication in the video; we'd like to hand that out to you now. Along with that publication is a one-page summary of the 12 attributes and the questions — fascinating questions. I know I go to them every once in a while just to assess where our organization is going, and they raise some very tough questions.

Mike Heffernan is now going to . . . well first let's hand out the material and have a look at the questions, particularly . . . The list of 12 is on the left, just the titles, then the questions. And think of any other organization that you've had the pleasure of being in or leading or managing or just seeing.

And remember that the framework was created in 1987, and it's still going on. It's not a flash-in-the-pan kind of thing. It's something that is growing rather than declining, particularly in the public sector, and now the private sector is picking it up to help them manage their organizations.

And now Mike is going to continue to discuss the 12 attributes.

Mr. Heffernan: — I'll be fairly brief. We think that the 12 attributes can be of use to this committee as well as they can be to management or boards of directors. It provides a very good framework, we think, that you can use when you're preparing for meetings where you're reviewing various government organizations.

And I notice that you're reviewing Crown Investments Corporation tomorrow so I thought what I'd do is I'd go through these 12 attributes and the questions and try to relate it to Crown Investments Corporation so you can see how this might work in a real-life situation.

The first one is management direction, and the questions could be, does everyone at CIC, or at Crown Investments Corporation, understand what they're meant to be doing? What are CIC's objectives, programs, and plans? For relevance, do Crown Investments Corporation's activities and programs continue to make sense, address the needs for which they were intended? How does CIC know its programs and activities continue to be relevant?

Appropriateness: is CIC going about its objectives in the best way? Is the design of its programs logical in achieving its objectives?

Achievement of intended result: in what areas is CIC succeeding and in what areas is it failing? Were its goals realistic to begin with?

Acceptance: do those who use CIC programs or services judge them to be satisfactory, and how does CIC know whether it's meeting the public's needs?

Cost and productivity: is output increasing while costs are

increasing? Is the Crown Investments Corporation becoming more productive over time, more efficient?

Responsiveness: how well does Crown Investments Corporation anticipate and respond to change? How does it adapt to changes in the global competition, for example, or limited funding?

Financial results: how do revenues compare with costs? How do assets compare with liability? These are normally set out in financial statements, fairly traditional information.

Working environment: does the working environment at Crown Investments Corporation promote commitment, initiative, and employee development?

Protection of assets: how well protected are CIC's key resources? And not just physical assets but its key personnel, key agreements. CIC has some important agreements. How does it monitor those?

Monitoring and reporting: does everyone at CIC have the information they ought to have, and do they use it? Does this committee and the Legislative Assembly have the information they need to assess the Crown Investments Corporation's performance?

So basically we think that this provides probably a good framework for the committee to consider when it's preparing for its sessions with departments and Crown corporations.

Mr. Strelieff: — Thank you, Mike. I was going to say, it does provide an interesting and useful framework, particularly for organizations where . . . which are public sector organizations where the key performance indicator isn't net income. In general, in the private sector, that's always a back-stop. But in the public sector and regulated monopolies that bottom line isn't quite the key performance indicator and you need some sort of way of assessing the performance of an organization, both as a board, as a public accounts committee. I mean, that is what your job . . . you oversee about \$8 billion of spending every year and somehow you have to be able to ask management questions on performance. And management itself faces that responsibility.

We have been introducing the video and the ideas to the Department of Health, to health boards, to the Public Service Commission, to get some thinking happening.

As you noticed in the video, it's a management-driven exercise; it is not an auditor-driven exercise. It's management coming to the grips with scarce resources, and questions on whether they're using those resources properly, questions on the priorities that they're setting. And they came to the table trying to determine a better way for answering those questions themselves, but also to assure their boards and for their boards to assure their publics.

In our next . . . or in our last annual report — the one that we have on the table now — in chapter 7 we allude to the 12 attributes. We list them and we did use them for assessing the annual reports of departments. Our

assessment will be in next year's report.

And this year we're doing the same in Crown agencies and enterprises. Having a look at their annual report, having a look at . . . and not all of the 12 attributes, but most of the 12 attributes and trying to see whether those reports contain information that matches what people are looking for.

It's not a quick fix. It's a hard, arduous actual task to develop the information and make the types of representations envisioned in the effectiveness model. But it certainly strikes at the heart of an organization and what it does and how it manages and how it shows that it's accountable.

We hope to see government organizations improving their ability to answer and report on these questions. And we would hope that organizations like the Public Accounts Committee and the Crown Corporations Committee and boards of government organizations begin to ask these kinds of questions of their management. If they can't get the answers to the questions, then you have to wonder — even though the answers aren't that easy to develop — to put it mildly.

And I think it would certainly hold, or it would certainly improve your ability to hold, government accountable if the managers that came to the table during these meetings were prepared to discuss these issues and they began to move their annual reports forward in a way that provides the answers.

We also, to put some rigour on the process, we certainly recommend that the annual reports of government organizations that are tabled in the House, the Assembly, be referred to this committee for your information so that they know when they're preparing their annual reports they're going to be used, scrutinized, and will be used for you in terms of getting better information on assessing performance.

Are there any questions? I threw a lot of information at you today. It's something that we're going to be bringing back to the table over and over again over the next months and years probably, and it does . . . I know there's a lot of work right now going on in the education sector — the same kind of idea, particularly in British Columbia where they're working with the attributes and trying to be able to demonstrate publicly that they're managing well — and also to provide the information necessary for the legislative assemblies and the parliaments to assess resource-allocation priorities and decisions.

Mr. Chairman: — Any comments at all?

Mr. Serby: — I've just got one question, Mr. Chairman, to the auditor. Is this the process that you're using then in the review of the Department of Highways? You talked a bit about that, I think, the last time we were together as a Public Accounts Committee. Were you going to apply some of these objectives here to . . . or these attributes to that study?

Mr. Strelieff: — Mr. Chairman, members, we did do an annual report study that pertains to the Department of

Highways and all the rest of the departments. And for that study we used the 12 attributes as a basis for assessing the information that should be in.

However we also did a more . . . what we call a vertical examination on two management areas of the Department of Highways. One was the way they manage contracts, and the second one related to how they manage their summer highway-maintenance program. And in those two studies the criteria that were used were specific to contract management and highway maintenance.

Criteria means the performance criteria that you would use to assess how they carry out their contract management responsibilities. In terms of an annual report, the criteria . . . the analogy on the criteria would be the 12 attributes. When you're looking at an annual report, here are 12 specific criterion or something that you would look to for assessing annual reports.

When you look at contract management here, there would be . . . we will describe them in our report but I don't know how many there are. Say four or five specific performance criteria that we would expect the Department of Highways to have in place to ensure that they're managing their contracts well. So it's a different kind of examination.

Mr. Cline: — I take it these attributes are not in order of importance.

Mr. Strelieff: — Mr. Chairman, when an organization comes to grips with how to apply the attributes, they put their own spin on them. They sit at the table. Some of them may not be relevant to a specific organization, although the foundation argues that they're all relevant and they shall all be considered, but . . . and the weighting will be organization specific.

Mr. Cline: — Okay. So there's no significance to the order of these, and it may in fact vary from organization to organization.

Mr. Strelieff: — Mr. Chairman, members, the organization of . . . certainly the first one seems to be relevant to being the first, and I don't know after that. But yes, there is no specific relevance to the order.

Mr. Cline: — I thought the second one should be first. That's what I wondered about.

Mr. Strelieff: — The word "relevance". Relevance is really hard. I mean that's a hard attribute to come to grips with — what you're doing; how do you know if it continues to make sense — really tough.

Mr. Cline: — Yes. But I mean, if you determine your direction before you determine your relevance. I mean I don't want . . .

Mr. Strelieff: — Yes, okay. Yes.

Mr. Cline: — Do you see what I'm saying?

Mr. Strelieff: — So it's organizational specific and you

have to just bring them all together and see.

Mr. Van Mulligen: — For a number of years I worked as a community development worker. And my job was not necessarily to help people do things but to help people to analyse problems that face them, to develop solutions to their problems, to help them develop their own leadership in terms of dealing with their problems so that at the end of the day, even if you might have helped them to do a specific thing, the important outcome was that they were well positioned to deal with future problems themselves.

And one of the . . . an unwritten description of my job was work yourself out of a job. And there were clichés like, it's more important to teach a man to fish than it is to give him a fish, etc., etc.

So I listened to your description of value for money, not just today but in previous times, I begin to ask: what's your primary objective and what's your primary goal? Is it as a unit of government to in fact move among government entities and to report on how, you know, money has been spent effectively and answering the 12 questions? Or is your primary objective to work with government agencies and people who administer government agencies so that the question of are you getting value for money is something that they work at all the time?

And sometimes I see you talk about going into a specific area of government to do a value for money, begs the question — and something that might involve 5 per cent or 1 per cent of government expenditures — begs the question of, are we not better off to work with government, to give government suggestions so that all levels of government are doing the kind of things that you're doing. So that you're more concerned about putting into place a process that the government itself adheres to and practises, as opposed to, you know, moving among various government entities and doing that yourself.

Mr. Strelloff: — Mr. Chairman, Mr. Van Mulligen, that's a good, tough question. I see moving into or exposing these kinds of issues as moving to the facilitating change, because you can't, I mean, you can't go into every organization and try to examine all their key issues. What you do is try to expose new ideas to people and hope that groups like this committee and the Legislative Assembly are asked questions that ensure people managing organizations ask those same questions and improve their own sense of managing money. I know the annual report project that we did had a lot of interesting side effects. The focus was on the annual reports but the types of questions that we're looking for here, I mean, it doesn't just go at the annual report. I mean you want the annual report to set out what you plan to do and then you find out that the annual report does not set out what's planned.

Well it's not just . . . the simple solution isn't just to set out what you plan to do next time. You have to decide more rigorously what you do plan on doing and can that be . . . is that a prudent use of money. So it has a lot of — just focusing in on your annual report — has a lot of interesting side effects that a lot of organizations, to be

able to report these kind of things, really have to take a hard look at their organizations themselves.

And that's really a management responsibility and that's where it moves to. It's working the system I guess is how you . . . you're trying to create a system that is better.

And the individual project that we did at Highways . . . I know my meetings with the deputy there and executive committee, they said that the questions that we asked that pertain to contract management or highway maintenance — I guess highway maintenance particularly — really rippled across the organization. I mean you may only have dealt with how do you prepare a budget for highway maintenance, but you raise questions that made us reconsider how we're doing other things within the department. And they very much appreciated that.

So we're moving I guess to an agent of change a bit to the extent that we can. We still have our regular accountabilities of assessing whether the financial statements that come forward to the Legislative Assembly are reliable. We still have to do that. Whether they've complied with legislative authorities and whether they have good internal control systems for financial reporting purposes, we're still . . . I mean, we're charged with doing that and we have to accomplish those charges.

But we're also trying to touch buttons that have more pervasive effects. The annual report is a key one, because that should show what you did and what you thought you were going to do and how you're managing your organization, particularly with respect to these kind of attributes, which has a more pervasive effect on what actually . . . what the public gets for their tax dollars.

So it's an interesting move. I don't know if I've answered it.

Mr. Van Mulligen: — In the '70s, '60s and '70s, or at least the '70s I'm aware of, the Department of Finance had a budget bureau . . .

Mr. Kraus: — bureau of management improvement — oh, a budget bureau and a bureau of management improvement.

Mr. Van Mulligen: — management improvement, BMI. And then at some point I think in the early '80s, unless I'm wrong, a policy decision was made to do away with BMI and the budget bureau?

Mr. Kraus: — The budget bureau became treasury board division. Now it's known as budget analysts today.

Mr. Van Mulligen: — Budget analysts. But to do away with BMI and to distribute the personnel among the departments, the idea being that each department, that would be then their responsibility.

But there's some sense that over time that departments have said, well we've got better things for these people to do. And so there's a real question now, what the government itself, what ability does it have, what resource does it have, to look at sort of the same questions that you're now posing here. And these are questions that,

as I understand it, to some extent they're probably more refined now and so on, but that government was asking itself, and questions which were being put to various programs and departments and so on to, you know, check their assumptions and so on, but now that don't have that function.

It can be argued that was an important function for government to have. So again, the question I have is: are your resources better spent in terms of analysing and reporting and describing how the government is able to, on an ongoing basis, promote better accountability, effectiveness, and how it does that as opposed to, I guess in this sense, concentrating the resources under Department of Highways, and putting aside the question that somebody's got to look at across the board, you know, consideration such as annual reports and so on.

Like for me, to me it would have been more than interesting to look at how the government itself deals with these kinds of questions and what the government has done, what it's doing now, and what it might do in the future, to begin itself to deal with those kinds of questions.

Mr. Strelloff: — Mr. Chairman, Mr. Van Mulligen, I think that it is a good focus for our office, to try to encourage government to look at these kinds of issues and manage them properly. You notice in the video there was no auditors there. It was a management issue — management coming to grips with scarce resources, tough decisions.

And one of the reasons that I was wanting to bring this video to this audience is because you ask questions, you ask questions of management, and you have a remarkable influence on what management does. If you begin to ask these kinds of questions and expect that their reports, expect that their answers handle the questions to the extent they can, and also in future their reports actually show how they are handling these kind of questions in an it'll-get-more-rigorous way as time goes on, you have an opportunity to provide a lot of good direction to government without having to do a lot. There's a lot of leverage here.

In previous meetings I had another framework that I provided you dealing with specific transactions that, for example, when — well we're on health — when you set up a health board, well what was the objective? What criteria are to be used to ensure that objective is achieved? What are the expected costs and revenue impacts over the future? And what management structure have you in place to make sure that this happens? And then next year, okay how did you do?

That type of framework for specific transactions, if you ask those kinds of questions, puts a lot of rigour into the system because initially the responses won't be that good.

In the Gass Commission, the terms of reference in the Gass Commission, in there they ask the commission to ask those very questions for significant transactions. They began to ask those questions — didn't get any answers. They answers weren't there so they backed off and said, well let's just recommend in the future that that type of analysis — the objectives, the criteria, the expected costs,

the management framework, and the ongoing monitoring — is there.

But just by asking the questions to the officials, next time they'll come to the table being prepared. Next time before they enter into a specific transaction they'll think: well we better make sure we have the framework in place. In fact the Gass Commission recommended that that be made public for every specific significant transaction.

But the main point is you get a lot of leverage out of asking questions. The video was called something to do with asking the right questions. And if, for our office, if we can encourage this committee and other management groups and boards to ask these kinds of questions, you have a good chance of improving without having to do too much. You can facilitate, you can provide advice on it, but you can go right across the system rather than, as you say, go at a specific program within government, like the highway maintenance program. That's useful in another vein. It does provide a good rigour to how specific departments manage any of their programs.

Mr. Cline: — I think you may have answered my question already and that is, I wondered when you said that it gave one sort of a more pervasive approach, I wondered if it was a tool of auditors really and auditing or if it was a tool really of sort of policy formulation and development. Because I can see if this kind of approach, which I think is an approach which makes sense at some level, is an auditing approach, I mean at some point you're going to run into a clash with the people that develop policy, which is a different kind of function.

And I take it what you're saying is that it's not the task of the auditors to ask these questions about relevance and so on but to encourage those that have to make these decisions about how you create systems to be asking these questions. Is that . . . would that be a correct way of putting it?

Mr. Strelloff: — Mr. Chairman, Mr. Cline, the model was developed by management within the auspices or under the auspices of the Canadian Comprehensive Auditing Foundation. And what was happening was that the first years of the foundation, the group at the table were mainly auditors and they were trying to figure out ways of assessing economy, efficiency, effectiveness.

About five or six years into the history of the foundation, management started . . . I mean this is management's job, is to report, to demonstrate that they're managing resources properly, not really . . . I mean it shouldn't be auditor driven. It should be management driven. And they got together along with auditors and senior people across the country to try to set up a framework where management can report.

And then the auditors come along later and attest to their report and say, okay, here's how they make sure that they achieve their intended results. It's a report plan versus action and it's probably a non-financial model. And the auditor says yes, the information, you can rely on it. So it puts the auditor in his traditional or her traditional role.

However, in the mean time you need to push people. You

need auditors like our office to ask these questions, suggest that people like you . . . they're important to people like you, and try to encourage the development, move the community along, so that at the end of the day management then states, here's what we do, and they perhaps deal with most of the relationships or attributes here. And the auditors put it in their traditional view or traditional role saying yes, you can rely on that. But we're not there yet.

Mr. Cline: — You can rely on the fact that they have gone through the process of asking the questions.

Mr. Strelloff: — And the information that they're using to support that they know what succeeded, say the achievement of intended results — what succeeded, what failed. And they're saying, we put on a new program. The objective was to do the following six things, and we succeeded on the five as measured by the following kind of framework.

And then eventually someone questions, well are you sure you did that? And then out comes the auditor and says, yes, I did that; or they didn't do that — here's some reservations.

Mr. Cline: — I guess, you know, to put it in concrete terms, I mean the questions of relevance, like I guess I would say from the auditor's perspective, the auditor wants to ensure that people that are in charge of spending the public's money in designing programs and so on, ask that question. But the policy makers may come up with answers in terms of what they should be doing that are different than the Provincial Auditor might, for example.

And I just want to get clear in my own mind that the approach doesn't change the responsibility for making public policy. What you're talking about is a process that those that make public policy should go through this kind of process.

Mr. Strelloff: — Mr. Chairman, and Mr. Cline, on the relevance one, a lot of people have concluded that that's really the responsibility of the Legislative Assembly, that management may put together some information that shows why they think the program continues to make sense in terms of its hitting a specific target, audience, or need. But at the end of the day, in the case of the hospital perhaps, it's the board or an elected board or the Legislative Assembly — not the auditor.

Ms. Haverstock: — Thank you, Mr. Chairman, Mr. Strelloff. Two things — actually there are three points I want to make, and that is that I find this really quite fascinating and I enjoy discussions about process versus outcome very much.

But I'm wondering if there are . . . there seem to be two things lacking here. The first is the ultimate question, and that is the overview question. And I pose this, that what we actually have when we elect a new government is a new government appointing new ministers to a new cabinet who become the people who then are put in place of departments and the structure of government, that nobody steps back and says, is this structure at all one that even works?

So what we're in fact doing is applying this to a departmental system where the systemic problem may be, I mean, a monolithic one. Okay? And I guess I'm rather concerned because I don't see any of that kind of examination going on. What we end up having are government departments that, the more articulate they are at promoting their own end regardless of this process, that they become an assistant to the minister who then puts forward the argument which usually results in self-preservation and growth.

I'm not saying for a moment that I don't think that this is very helpful. I think that it's tremendous and it does do, within the framework, something that would be very, very valuable. However I question what is it that we should be doing about the overall framework. So that's a question I pose to you.

Secondly, I would suggest that there is something else missing. And that is that as much as one would try in these 12 attributes to find something where there is a time limit indicated, there isn't one here. Now there is a kind of vagueness that would be placed in here — you know, what succeeded, what failed, what unintended effects positive or negative are occurring, that type of thing. But I'm rather surprised that there isn't something very specific regarding a time frame, a time line that's given.

We've talked on several occasions about requiring not only an outline of objectives, the criterion by which those objectives are met, the resources required, the people who are responsible for what's going to be transpiring ensuring that those objectives are met. But there's one other thing that you always comment on, and that is if you have a time frame, you can look at expected results versus actual. And I'm wondering where that is in here or if I'm just missing it.

Mr. Strelloff: — That's the second question. You had three?

Ms. Haverstock: — Yes. Well I had three comments, one regarding process versus outcome which I think, you know, there are several books written on but most of them apply to psychotherapy; the second question regarding a way of examining systemic problems which are much broader in nature; and the third regarding the time limits. And I'm just wondering if I'm missing something here because I haven't gone through these carefully. Is there some place in these attributes where . . .

Mr. Strelloff: — Mr. Chairman, Ms. Haverstock, certainly the monitoring and reporting, you'd have to take the last one, a time frame — and our normal sort of convention is annually and stuff like that — and monitor how they're achieving their objectives and how they know they're still relevant and the programs are appropriate and they're assessing what the secondary impacts are on specific actions that would cost some productivity. That could lead you to an annual time frame of measure.

The systemic issue is an interesting one. Every time I hear people talk about that, I think of the budget process and think two thoughts. One is . . . I guess the first thought is government as a whole should address these kind of

questions, and then within that framework, departments and government organizations that have a better chance to assess, for example, that first one — direction. Which direction are we going? We first need this kind of overview from the government as a whole, and who's there to lead the charge on that. And the other one is, does the budget process need to be looked at by someone like our office? Certainly one that's on the top of the list of many people in our office as being the next big issue that we should look at. And that's where you get to the resource allocation decisions, and where you would get that first question, does everyone understand what they are meant to be doing. And that comes pretty quick on setting priorities.

Ms. Haverstock: — If I may, Mr. Strelloff, one of the things that's become abundantly clear, that is very, very important in this when we're looking at government departments, is there's a question here that is, you know, basically what's the purpose for your existence should be in here.

But nobody has ever stepped back and said, what's the role of government? I mean they haven't even defined the role of government in a clear, concise way.

So I believe that there's some fundamental questions that need to be raised that go much broader and all-encompassing than what is here.

Mr. Strelloff: — Mr. Chairman, Ms. Haverstock, I agree there are some broad, fundamental questions that should be discussed, examined and addressed. However, you also have to start somewhere. And even in specific organizations they should be able to try to manage as best as they can and be able to publicly demonstrate that.

Ms. Haverstock: — And I concur. I guess I just wonder why nobody ever asks those other questions.

I think that, you know, you're correct, that if you begin somewhere, and this is actually done in a way that is really applied in a serious way, that what you could do in fact is decrease duplication of services and not just simply reduce cost and increase effectiveness and efficiency as well.

But that might, if it's done in conjunction with some of these other things, come up with a different way that we actually do governing.

But I agree with you that it has to begin somewhere, because I don't think that government itself will do the initial stuff.

Mr. Kujawa: — I wanted to make a comment, mostly about number one. I'm not going to talk about all 12 points. And since the discussion has developed, I'm more anxious to make that comment. And that is to encourage that number one to be there.

Human beings are so constructed that we mostly do not ask what are we trying to do; what is our purpose.

One of the things that I've been checking with for many, many years was people whose opinions I respect, is my

statement that in about 96 per cent of cases the biggest help in court to the prosecutor is defence counsel. And the reason he's such a big help is because he hasn't stopped, asking himself what is he trying to do and how does he hope to achieve it.

And if you think that's confined just to the courtroom, if we were to ask ourselves what are we trying to accomplish, we sure as heck couldn't act in the legislature the way we would not allow kids to act in school. We say we do this because this is the way it's always been done.

That's not good enough. That's an admission that I have no idea of what I'm doing. I'm going to follow what's always been done because that you can always get away with.

I want to stress the importance of number one because it can never be overstressed.

Mr. Chairman: — I find this structure intriguing. This morning when the auditor gave me this set of goals to review before the meeting this afternoon, I took it and applied it as best that I could and I realized with the vested interest to my chairmanship of this committee and also to Crown Corporations in which I sat for a number of years, and I guess as the two primary committees of the legislature which are charged with public accountability of government functions then, how well do they stack up in relationship to some of these questions?

And perhaps the place that some of the change needs to happen is if those two committees went through this process at their formation stage each time ... and my conclusion of going through this and thinking about it is on relevance. I don't personally see any relevance in having two committees any more, other than perhaps to give people things to do. Quite honestly, for the taxpayer to be paying per diems to members to come in to both committees, I'm not sure is as relevant today as it was in 1950 or whenever.

And certainly some of the directions that we have asked the auditor to launch out into as far as encompassing all of government, in our recommendations certainly would spell that conclusion I think, or at least work toward it because I see a lot of redundancy in it. Now that's only my own view and maybe that speaks to the way I act as chairman. But I think it is very appropriate for committees of the legislature to go through this type of procedure before trying to seek a mandate from the public on their acceptance.

I think also that there have been attempts in government. In response to Ms. Haverstock's questioning, I can remember going through an exercise — 1989 I believe it was — on the economic development side of government, arriving at a mission statement and trying to address relevance, appropriateness, costs and productivity and that type of thing by doing that.

I'm not sure if any of those things that were arrived at then are still in place in government or not, but I think it's appropriate when an exercise like that does happen, that it become public, because why waste the effort of going

through the exercise again at some later date when it may have already been done and a lot of those questions addressed.

To my knowledge that exercise never did become public in any way in the conclusions that were arrived thereof, or the mission statement that was arrived at may have simply disappeared into thin air. Those should be viewed and be public to be updated and relevance attached to them as times change.

So I think this is a heck of a good place for this committee certainly to assess itself and to start in our questioning. I would think that as the auditor said, you may set patterns that may take years to become truly effective, but you do set a pattern with government that they cannot ignore, that some of these answers will crop up next year, and the year after there will be more and more and more.

In government the parliamentary system is a very slow creature. It does not change easily. I'm not expecting any massive change within one year or this term of government. But perhaps over a consistent period of time, if this was the mandate of this committee, you would see this change occur. And that certainly would I think be good for the taxpayer.

Wayne, have you any final comments on this section before we move onto another one?

Mr. Strelloff: — Mr. Chairman, just one last thought. Just refer to this one-page hand out from time to time when you're thinking of your own organizations or when you're thinking of, well what question needs to be asked of whoever you're asking questions of. Because they stimulate a lot of thinking. They're really hard to answer too. But if you can, you can actually demonstrate that you're moving towards answering these questions, you get a sense that the person or the organization is able to respond to change, able to handle more resources or less resources. And you would have a sense of more confidence in the particular organization or the government as a whole.

Mr. Chairman: — Okay. Thank you.

The next section that we have to deal with . . . and I'll ask. All of you have received a list of documents, tabled documents. And I would just ask the auditor to quickly run through those and run over them for the information of the committee.

Mr. Strelloff: — The first one relates to the legislative secretaries. The report by the Provincial Auditor dated January 19, '93. It's a two-page document. As you remember, back in November you asked us to investigate further the vehicle policy for legislative secretaries. And that derived from our April of last year's special report where we said SaskTel told us that — what did they say in this document — that it did not charge \$13,000 to the Department of Justice for a vehicle lease for a secretary to the Department of Justice. That related to a section of that report dealing with charges to the Office of the Executive Council that were made without charge.

When we looked at it more carefully — and remember

our April report was just a compilation of information that we gathered from various government organizations — when you asked us to look at it more carefully and when we did, we found that at the time the legislative secretary was secretary to the minister responsible to SaskTel, not to the Minister of Justice.

So the secretary was secretary to the minister responsible to SaskTel, and as such we determined that the secretary could receive a vehicle. The CVA (central vehicle agency) policy, you may not receive a vehicle from CVA, but we could not find any reason why the secretary could not receive a vehicle from SaskTel. We never looked at the internal policies of SaskTel, but that's where we ended up.

And our conclusions and recommendations: we recommend the government change the legislative secretary expense regulations to specify conditions for assigning vehicles, and that the Office of the Executive Council be responsible for legislative secretaries' travelling expenses and that the *Public Accounts* identify secretaries' travelling expenses.

The next document that . . . or do you want to move to questions?

Mr. Chairman: — Well perhaps because this issue took some time in the committee, there are some very specific recommendations there that are being put forward by the auditor. I guess the question I have to ask is that SaskTel was in this committee for some lengthy period of time and must have known — in fact did know — that the individual was the legislative secretary to also the minister of Telephones, of why they wouldn't apprise this committee of either that fact or not, that there was no stipulation that concerned the individual. Is that because the Crowns have been so totally separated from the rest of the government that they haven't bothered to view some other recommendations of government, or was this an oversight, or was it deliberate? And I think those are questions that have to be asked.

Does anyone have any problems with the recommendation?

Mr. Van Mulligen: — It's all kind of academic since there are no legislative secretaries, unlike the previous 10 years. I don't have any problem with the first one, to specify conditions for assigning vehicles. Recommend the Office of the Executive Council, number two, be responsible for secretaries' travelling expenses — how are we doing this for ministers? Is it by department?

Mr. Kraus: — By department, yes.

Mr. Van Mulligen: — Like, inasmuch as secretaries then are also for departments, I think it's more appropriate to do it for departments, the same as ministers. And as far as the *Public Accounts* identify secretaries' travelling expenses, what's the rule for ministers? Do we do that separately?

So I agree with number one. Number two, I guess I would say the appropriate department as opposed to Office of the Executive Council.

Mr. Chairman: — I'm not sure that in the case of a Crown that that solves the problem that we're up against.

Mr. Van Mulligen: — Well I think the case, if I remember, in terms of ministers, it was that any ministerial travel expenses had to be reported through a department reporting to Treasury Board.

Mr. Chairman: — Yes, I think that's right.

Mr. Van Mulligen: — I guess I see the same thing here, so that any and all travel expense has got to be reported.

Mr. Chairman: — Through a department.

Mr. Van Mulligen: — Yes. Again, it's not something I would want to spend a whole great deal of time on but . . .

Mr. Chairman: — Well it, as you said, there aren't any right now but who knows what the future holds, so . . .

Mr. Van Mulligen: — That's right, although I wouldn't . . .

Mr. Chairman: — We did spend quite a bit of time in the committee sort of going over the problems. So if we can devote that much time to it, we should devote time to rectifying it.

Mr. Van Mulligen: — Well I would move that we adopt these recommendations with the one change, that we substitute "appropriate department" for the words "Office of the Executive Council."

Mr. Chairman: — And the third one, then we identify secretaries' travelling expenses by department or . . .

Mr. Van Mulligen: — No it doesn't say that. It just says that it would be in the *Public Accounts*, so I think that it follows from number two that that's assumed. If there is a concern that somehow some legislative secretary is running up expenses at one of the Crowns and therefore by number two they're choosing not to report it and it doesn't come in the *Public Accounts*, why don't we say, "recommend the *Public Accounts* identify all secretaries' travelling expenses wherever they're incurred."

Mr. Chairman: — Okay.

Mr. Van Mulligen: — I think the concern here is, as it was ministers, that you know you don't have somebody ringing up expenses in the Crown sector that are then not reported. I think the idea is that to the extent that it's possible or, you know, I think with respect to ministers we said no, everything gets reported through departments.

Mr. Chairman: — Okay, everyone's clear on those changes, those proposed changes moved Mr. Van Mulligen? Agreed? Carried.

And now we have another one?

Mr. Strelloff: — Mr. Chair, members, the second report's dated January 15, and what it is is a listing of those matters included in the 1991 annual report that we know have been corrected and pertain to the chapters that you would

like to discuss this week. And this is a normal part of what we've done in the past, so that you may choose not to discuss the issues in these paragraphs when we get to the appropriate department. So it's for that purpose, and it'll be relevant for the Department of Finance tomorrow morning.

Mr. Chairman: — Yes. Well we can just note these for the various departments.

Mr. Van Mulligen: — Do you have an extra copy of that . . . (inaudible) . . . hand out to people here, just in case it's been lost? Thanks.

Mr. Chairman: — Okay, the next item of business we deal with . . .

Mr. Strelloff: — Mr. Chair, members, the third item that we distributed early, at your request, was dated January 20, 1993, and it's a report on the recommendations arising from the 1991 annual report. You asked us to list those recommendations in chapter 1 to 10 that we hadn't addressed at our last meeting in November, and then for those organizations that you have on the agenda this week, to list the recommendations that pertain to those organizations. And that's the purpose of our January 20 report.

Mr. Chairman: — So we will of course be incorporating these in with the rest of our deliberations this week on Friday as we come up with our finished report on the year ending March 31, '91.

All right, another piece of business that we've had around for quite a while is the . . . if you remember, we went through the mandate and operating principles of the committee last May. And there was a couple of areas that were not finalized, and they had to do with the sections on witnesses that come before the committee and some concerns that members had on protection of the witnesses, constitutional rights, and that type of thing.

There are four paragraphs that we couldn't finalize at that time. The Clerk has prepared an option . . . well actually the four paragraphs that he'll — are they distributed? — distribute them now on this particular area and we can attempt to deal with this.

The question at issue are the ones on the back page, especially the first one, and then there's a couple of others there — the witnesses.

Mr. Kraus: — I suppose it depends on how you interpret that second paragraph. But in some ways a minister may be involved in almost everything, and that may not be what this is trying to say. But in a general sense the ministers or cabinet are making decisions on everything and are in the background even if they're not involved in a specific transaction. Depending how you interpret this, you could have them down here for virtually everything.

Mr. Chairman: — Yes, that's a separate issue though I think, Gerry, from the first one on witnesses. I think that was the most contentious one. We should probably deal with it first.

Mr. Kraus: — Okay.

Mr. Chairman: — I guess the last thing that this committee would want to do is give someone a false impression of what protection, sort of, there is or isn't.

Just to remind committee members, if you remember, the initial statement that we used to read out to witnesses was that they were protected from civil litigation and criminal prosecution. That was left out.

If you remember, we revised that statement last year and we're reading a different one which covered them from civil prosecution, but not criminal. So the Law Clerk is prepared to explain some things further.

Mr. Van Mulligen: — I have a concern about the statement under witnesses, about the ministers being invited to the committee. The committee doesn't as a matter of course deal with questions of policy. I think we've looked at that. It's part of a separate part of the mandate that we're here to review, you know, certain reporting and to report back to the Legislative Assembly on that. If members have concerns about policy, well the appropriate place to raise that is in the Legislative Assembly and to raise whatever criticisms that people may have, to hold ministers accountable.

There are times where we deal with policy questions and ask to specifically look at policy questions. For example, the one and only time I can remember when there was a minister before the committee was when we were looking at amendments to the auditor's Act. And the minister came before the committee — that's Hepworth — to explain his interpretation of the amendments that were being proposed. Because this is a matter of policy. And it was seen as . . . we felt it was appropriate for him to be there and I guess he felt it was appropriate for him to be there to answer the questions. But at no other time can I remember a minister having come before the committee.

To leave it in this way, where a public servant says, well look, I can't answer your question because that's a matter of policy or that's a matter of ministerial direction, reading this then it's clear that the minister should then as a matter of course be invited before the committee to explain what policy direction it is that he gave to the deputy minister.

But when you look back at the, you know, what is the mandate of the committee, well it's not to question policy. It's . . . What does it say?

The PAC is (on page one) not fundamentally concerned with matters of policy . . . does not call into question the rationale of government programmes, but rather the economy and efficiency of their administration.

But the way it's worded here is . . . I mean somebody could say, well the deputy minister can't answer that question about why he made that decision the way he did, so therefore let's call in the minister. And I guess my feeling is, there is an appropriate place to question the minister, and that's in the Legislative Assembly.

But I think this statement is awkwardly or badly worded. I think there may well be circumstances that suggest that a minister appear before the committee but I don't know whether I would invite it in the way that this paragraph is worded.

Mr. Chairman: — You see it's . . . if one goes back to that sheet that we had given out earlier with the 12 questions on it which all deal with administration or effectiveness of administration, I guess it would depend on to what degree a minister involves themselves with the administrative side of government.

Ministers traditionally have varied in that. You will find some that are totally hands off and only deal with policy areas, and you have others that tend to be very bureaucratic in their outlook and just love doing that sort of thing and know it right down to the last penny and paper-clip if you will, and certainly set direction.

So I don't know, given that that almost comes down to individual nature, how you would preclude not . . . if a deputy minister says, well the minister designed X spending regime and all I did was implement it, how you divorce that minister from the process because they obviously made the call. If the minister set the policy parameter, I agree with you that over the next 18 months we will devote \$100 million to this initiative, you figure out where the dimes and the paper-clips go. I don't have . . . You know, it's not my business.

Then you're absolutely right I think, Harry. But I would hate for this committee to divorce itself from the ability of questioning those administrative . . . and particularly as we get into the Crown side of it, which seems to be the movement all across Canada, to bring that public sector part under the purview of committees like this, that you would want the ability to ask those questions. Either that or this sheet here that we just had becomes fairly irrelevant at times.

Mr. Van Mulligen: — Well no. I think that there is a very good place to ask ministers questions about directions they give their department and to hold them accountable, and that's in the Legislative Assembly and that's in question period and that's in the estimates process and there may even be opportunity to do it in Committee of the Whole. But there are opportunities to hold ministers accountable for the decisions that they make and the policy direction that they set for their department. I think that's the Legislative Assembly.

There used to be a system whereby ministers appeared frequently before this committee, and it turned into a political body which mirrored the Legislative Assembly. And I guess my concern is that if you want to move in that direction, then I think we need to go back and have a more fundamental discussion about the mandate of the committee.

I don't think that this particular clause fits very well with the fundamental mandate of the committee because it leaves the door wide open to members saying, well you know the public service couldn't provide the answers so we want to call the minister. See and it's right here in our operating principles that the minister shall be invited.

And I guess it's not something I would want to do lightly, to call the ministers in. I think you'll destroy the committee. And you know, if you were to say that ministers should only be invited to the committee when it's deemed appropriate by the committee, I've got no problem with that. But to say that the minister should be called, you know, when a bureaucrat can't answer a question . . . I mean, there's a different place to ask the question of the minister than it is to . . .

Mr. Chairman: — Yes. We can simply delete it from this if that is the will of the committee. I was hoping we would get some of the legalese explanations here as to why we were changing it in the first place to maybe give us some guidance.

Ms. Haverstock: — Well I would hope that something would be left in here regarding being able to call ministers, as Mr. Van Mulligen had stated, if deemed necessary.

But I would be very concerned if there weren't an opportunity to call ministers to this committee, primarily because it's wonderful in theory to state that we're going to get answers in question period and in estimates and in Committee of the Whole. But generally people are not left with the impression that there are very many answers that come through that forum at all. And I think that it's important not for us to limit ourselves but perhaps to be more explicit, that this would not be something done lightly.

Mr. Van Mulligen: — Mr. Chairman, I don't want to take issue with the thesis that she puts forward. Maybe upon examination the committee agrees with that. But if that's the case, then I want to go back to a full and a complete discussion on the mandate of the Public Accounts Committee. Because what she is saying and what this particular clause is inferring is that we want to operate differently the mandate that we set for ourselves some time ago. Now maybe that's appropriate and maybe we should do that. And maybe we should act differently than any other public accounts committee in Canada, because that's the appropriate way for us to proceed. And perhaps we should ignore the history of why the change was made to not have ministers appear before this committee, and why it is that concerns are expressed about other legislative committees where the primary witnesses are ministers.

I'm entirely prepared to have that discussion. But I thought we had taken a position on that, that we agreed as to the way we wanted to proceed, and it seems to me that some things follow logically from that. And that is one of them, is that ministers can appear but, you know, in my mind we do so when it's deemed appropriate by the committee. And not to say that, you know, that they should appear when somebody can't provide answers or may have been personally involved with the decisions under examination, you know. I mean question period, folks.

Mr. Chairman: — I'll get your comment in a moment. I don't think we particularly want to revisit this entire document that we spent two days working on. And Mr.

Van Mulligen's right as to that . . . his perception of what the committee's structure has been in the past. And I wonder if the solution isn't to go with the will of the committee where appropriate and also delete that word "decisions." Because decisions imply policy. And just where appropriate or where the committee deems appropriate, to have the minister who has been personally involved with the question under examination, or something to that effect. Take out that "decision" word because . . .

Mr. Van Mulligen: — Can I just make a suggestion that we should word this that: ministers should only be invited to the committee when the committee decides it's appropriate to do so.

Ms. Haverstock: — Well I don't want Mr. Van Mulligen to be left with the impression that I didn't agree with him. Because in fact I did agree with the fact that this paragraph should be changed. My sense is that we should have the opportunity where we deem it appropriate to invite ministers to this committee. And so there's no concern for having that.

My comment, with which you may disagree, is the fact that I don't think that we could get answers to questions in the legislature. So that's . . .

Mr. Van Mulligen: — You won't get them here then either.

Ms. Haverstock: — Well . . .

Mr. Van Mulligen: — All you'll have is another question period, and what's the point of that?

Ms. Haverstock: — Well I think that it's important for us to be able to have a different forum. And I think that I may disagree with you on this because I think that what I've experienced on committees is that in fact people are much more agreeable than they are in the legislative forum.

So, Mr. Chairman, I would simply agree with what both you and Mr. Van Mulligen have proposed as far as changes are concerned, that it should be broad in nature and simply allow us to have ministers attend when we feel it necessary.

Mr. Van Mulligen: — Don't say when we deem it necessary. We don't like to use the word "deem" any more — hardly at all, not very much, maybe once in a while, but only if we can't avoid it.

Mr. Chairman: — Do you want to give us the wording again, Harry?

Mr. Van Mulligen: — Ministers should only be invited to the committee when the committee decides it is appropriate to do so.

Mr. Kujawa: — Ministers should be "invited only," not "only invited."

Mr. Van Mulligen: — Ministers should be invited only.

Mr. Chairman: — You want a double negative in there, eh?

Mr. Kujawa: — It's just putting the word "only" in its proper place, since we're picking it from deemed to once in a while.

Mr. Chairman: — Okay. Only. Is that agreed? Agreed.

Now back to the first part. Now is everyone comfortable with that? There was some discomfort with the way we were handling witnesses when we discussed this in May. It was the statement that was being read out at that time, so . . .

Mr. Serby: — Do you have a new sort of verbatim that you're going to be reading to them then, that . . . a change of wording in it?

Mr. Chairman: — Okay. What we've done is we're advising that they are protected from civil litigation but not from criminal prosecution. It's difficult, it's cloudy, and I don't pretend to understand all that. If you have any questions about why that's being done, the Law Clerk will attempt to answer them.

Mr. Van Mulligen: — How does it read now?

Mr. Chairman: — Witnesses should be aware that when appearing before a legislative committee, your testimony is entitled to have the protection of parliamentary privilege. The evidence you provide to this committee cannot be used against you as the subject of a civil action. In addition, I wish to advise you that you are protected by section 13 of the Canadian Charter of Rights and Freedoms which provides that:

A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

If everyone accepts that and we accept this section here then — the whole thing as amended — we are finished with our . . .

Mr. Kraus: — I understood at one time that the rules of the legislature applied to committees, but what you've just read out would indicate it does not. Am I correct there, that there are different rules for the committee than the legislature? And I want . . . and maybe I want to be very specific here: you said that you cannot . . . if you perjure yourself, you can be charged as a result of testimony here. Is that correct?

Mr. Chairman: — That's the information that I have.

Mr. Kraus: — If I was a member of the House, could I commit perjury?

Mr. Kujawa: — Well you're not sworn in the House. You're not sworn to tell the truth; here you are.

Mr. Cline: — No, you're not sworn here. We don't swear people. They're not sworn.

Mr. Chairman: — I just advise them; they don't swear. But I think, Gerry, if for instance an individual were called before the bar of the House, which has been done in the past . . .

A Member: — Down on the floor.

Mr. Chairman: — Right. They come in and take a chair and the House in effect becomes a court. Those same rules would apply, that a person couldn't come in there and perjure themselves to the House and expect to get away with it.

Mr. Kraus: — So as a witness you're technically different clearly than a member and the rules are different when you're appearing as a witness.

Mr. Chairman: — If a member came here . . .

Mr. Kraus: — As a witness.

Mr. Chairman: — As a witness and perjured themselves, I . . .

Mr. Kraus: — The reason I'm raising the question is in the past when people have asked me, I've said, look the rules are the same as if you're in the House, but in a way you can't consider yourself to be a member clearly. You're a witness and there are some . . . you're not able to just . . . well clearly you can't perjure yourself.

Mr. Chairman: — Bob just pointed out there's a section in Beauchesne's dealing with this, is that witnesses . . . I'm not sure which, the 5th edition, page 24, chapter 77:

Witnesses before committees share the same privilege of freedom of speech as Members . . . Nothing said before a committee (or at the Bar of the House) may be used in a court of law. Thus a witness may not refuse to answer on the grounds that he will incriminate himself.

Now that's been the rule.

Mr. Kraus: — Yes. And that sounds to me like I could deceive you and still not be taken to court. Not that I would, but that's the way that reads to me.

Mr. Kujawa: — Well you can't be charged with perjury unless you've sworn or affirmed to tell the truth. You know, the criminal charge won't lie.

Mr. Chairman: — I don't know. I've never seen the bar of the House, whether they're sworn or not when they come in there.

Mr. Kujawa: — No, they're not.

Mr. Chairman: — They're not?

Mr. Kujawa: — Not there, no.

Mr. Chairman: — But would not the House be able to deal with an individual in some manner if . . .

Mr. Kujawa: — I would hope so. But all I'm saying is that the criminal charge of perjury or giving a contradictory statement, which is the same thing as perjury, has got to be where you have sworn or affirmed that you are going to be telling the truth, the whole truth, and nothing but the truth, so help you somebody.

Mr. Chairman: — The Clerk points out that's the interpretation of section 13 of the charter which provides that:

A witness who testifies . . . has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution of perjury or for the giving of contradictory evidence.

Mr. Kujawa: — I don't think you do any harm by leaving that in and by mentioning the charter protection. I think that gives the witness a little bit of assurance that his rights are looked after. So I wouldn't push to get it out.

Mr. Chairman: — Is there anything else about the mandate statement that . . . Nothing else has changed. There was only that one issue that was left open.

So the mandate and operating principles then can be adopted as presented? Do we need a motion? I need a motion to that effect. Moved by Mr. Van Mulligen. Is that agreed? Carried.

Mr. Van Mulligen: — I've been begged by the Department of Finance to ask the committee if it's possible for the committee to restructure their agenda tomorrow, the reason being is that Finance officials are required to present themselves at a cabinet meeting in the morning. And therefore I've asked that . . . I asked Executive Council to check then with the other departments that were scheduled to appear here tomorrow, and they've agreed — all of them — to a restructuring of the agenda among them.

If it makes no difference to the committee, I'd like to suggest that the agenda be altered so that we hear from the Crown Investments Corporation from 9 to 11 a.m. and that from 1 to 3 p.m. that we have the joint CIC and Finance attendance; from 3 to 4, Department of Finance; from 4 to 5, Executive Council.

Mr. Chairman: — Who was in the morning again?

Mr. Van Mulligen: — It'd be Crown Investments Corporation from 9 to 11, or from 9 till 12, I guess, for that matter.

Mr. Chairman: — We don't need that much time for them as a single . . . The idea of the joint thing was to sort of make our minds expand a little bit so that our questioning of the two of them thereafter would be more productive because of so many issues. There's really no reason to have CIC in here stand alone for three hours without having the other background information.

Mr. Van Mulligen: — I think you're right. I don't think it's going to take that long to deal with CIC, although I might point out that many of the joint CIC/Finance issues are in

fact CIC issues, a greater concern to them so . . .

Mr. Chairman: — If we were going to try and do all of that stuff in the afternoon, is there any other things that we could do in the morning that would . . . and we'll devote the afternoon to that then, if they're prepared for a joint session after dinner, and then deal with them individually.

Maybe would Exec Council come in the morning?

Mr. Van Mulligen: — No. They've got the same problem.

Mr. Chairman: — They have the same problem. What else is kicking around? We've already blown this thing apart several times because of Exec Council.

Mr. Van Mulligen: — Is it possible to get the Family Foundation or STC (Saskatchewan Transportation Company) in here?

Mr. Chairman: — No. Family phoned and asked me specifically if they could come on Friday, so I agreed to that. We might be able to get STC in if they were phoned immediately.

I presume we have the moral authority of those that are asking for special treatment to impress upon the rest of them that they should hustle.

Mr. Van Mulligen: — Yes.

Mr. Chairman: — That's good. Back To STC then in the morning.

Mr. Van Mulligen: — Yes if we can, sure. That would be . . .

A Member: — After CIC?

Mr. Chairman: — We can do some CIC for about an hour probably, and then go on to . . .

Mr. Van Mulligen: — Or Investment Corporation or we could start later in the morning, if you want.

If we don't sit right at 9 o'clock it wouldn't particularly upset my schedule.

Mr. Wendel wants to be here at that time, but . . .

Mr. Chairman: — Well what we'll try then, is we'll try CIC for 10 o'clock and STC for 11. That gives STC a little bit more time to get their act together in the morning.

And then we'll go with our joint meeting at . . . is that 1 or 1:30 that you were proposing?

Mr. Van Mulligen: — 1 o'clock.

Mr. Chairman: — 1 o'clock?

Mr. Van Mulligen: — Yes.

Mr. Chairman: — For a joint meeting. And Finance at?

Mr. Van Mulligen: — 3.

Mr. Chairman: — 3, okay. And Executive Council at?

Mr. Van Mulligen: — 4.

Mr. Chairman: — 4. All right.

Shall we take a 10-minute recess, and then Energy and Mines. We can also, if you wish, take a few moments and discuss other ... If there's any other witnesses or anything that members want, perhaps we can just take a few minutes after Energy and Mines and see if there's anything we wish to add to the agenda.

The committee recessed for a period of time.

Mr. Chairman: — I'd like to call the committee back to order. And as is normal when we begin deliberation on departments here we have the opportunity to have a small *in camera* session for the auditor to give his remarks prior to moving into the department. So if I could have someone move that. Mr. Sonntag. Agreed.

The committee met *in camera* for a period of time.

Public Hearing: Energy and Mines

Mr. Chairman: — Ms. Youzwa, it's good to see you back at your position, If you wouldn't mind introducing your people to the rest of the committee.

Ms. Youzwa: — Certainly, Mr. Chairman. I have to my far left Mr. Merv Woods, who's Crown solicitor with the Department of Justice. Sitting next to me is Ray Clayton, who is the assistant deputy minister of finance and administration division in the department. Behind me is Don Stirling, who is the director of mineral revenue; and next to him, Don Gray, who is the acting director of personnel and administration in the department.

Mr. Chairman: — Thank you. Before we begin deliberation of Energy and Mines in the auditor's report, I have a duty to perform. Witnesses should be aware that when appearing before a legislative committee your testimony is entitled to have the protection of parliamentary privilege. The evidence you provide to this committee cannot be used against you as the subject of a civil action. In addition I wish to advise you that you are protected by section 13 of the Canadian Charter of Rights and Freedoms which provides that.

A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution of perjury or for the giving of contradictory evidence.

A witness must answer all questions put by the committee. Where a member of the committee requests written information of your department, I ask that 20 copies be submitted to the committee Clerk, who will then distribute the document and record it as a tabled document. You are reminded to please address all comments through the chair. Thank you.

Do you have any statements or comments to make prior to opening a speaking list in regards to anything that would be in chapter 16 of the auditor's report ending March 31, '91, that you wish to make.

Ms. Youzwa: — No, no opening comments.

Mr. Chairman: — Thank you.

Mr. Sonntag: — Thank you, Mr. Chairman. I probably should have asked this first earlier to the auditor although this isn't at all a subject that's required to be *in camera*. I note in paragraph .05 it refers to paragraphs .07 to .25 and I'm assuming that's in reference to chapter 16? And if so, did I miss something or is that in reference to something else?

Mr. Strelloff: — Mr. Chairman, Mr. Sonntag, it must be a mistake by our office. It should be paragraph .21.

Mr. Sonntag: — Thank you, That was my understanding as well but I just wanted to make sure that we were referring to the same document. Thank you.

In reference then to sections .07 to .14, Mr. Chairman, inclusive, an order in council was issued authorizing a payment of 964,322 to NewGrade Energy Inc. to which the department refers to as the "NewGrade Royalty Rebate".

The Order authorized the remission of natural gas royalties required by law. The remission was for natural gas supplied to NewGrade and used directly for NewGrade's benefit in the heavy oil upgrader at Regina, subject to the following conditions.

And that were that the:

Producers must pay the Department the full amount of royalties due under the law. They also must assign to NewGrade their right to the remissions under this Order. The Department must pay the amount of the remissions to NewGrade for fifteen years or a longer period if NewGrade's debts, guaranteed by the Crown in December 1986, remain unpaid.

In the auditor's opinion, the:

Producers' liability to pay royalties was not forgiven because they had to pay the full amount of royalties due under the law. Therefore the effect of the order was not a remission to the producers but a grant to NewGrade. Further, in the auditor's opinion, section 60 of the Act gives cabinet power to remit royalties but not power to make grants. And accordingly in his opinion the payment of 964,322 to NewGrade does not have legislative authority.

I would be interested I guess, first of all, on your comments in light of the fact that this was reported also in the 1990 annual report.

Ms. Youzwa: — This was reported in 1990 as well as in

the current year under consideration. We are of the view, supported by ... (inaudible) ... from the Department of Justice, that in fact the way in which we have remitted these royalties and made the monies available to NewGrade, it was within the authorities of The Financial Administration Act and that in fact we have proper authorities in place to make these payments to NewGrade.

I guess it comes down to a matter where we have disagreed in the past and continue to hold our position that it's proper ... we do have proper authorities to make the payments as we have.

Mr. Sonntag: — Okay. Being a new person on here, I see this every once in a while. And I'd be curious, and maybe the auditor as well, Mr. Chairman, could answer this, but do you see any resolution to problems like this? And I'd be interested in both the auditor's response and also to your response as well.

Mr. Strelieff: — Mr. Chairman, Mr. Sonntag, as we discussed earlier, in the previous year the committee agreed to recommend that the department get an appropriation authority to make the grant to NewGrade, and that would resolve the issue. So that's one way it could be resolved.

Ms. Youzwa: — I guess from our point of view, we take the view that we are acting with proper authorities in place to flow the monies to NewGrade in this fashion. The recommendation of the Provincial Auditor would require that we would have to budget the money in our vote and make a grant available to NewGrade. That would, from our point of view, require a process of trying to estimate the amount of the grants that would have to be made available in the department's budget and then to be flowed through with adjustments according to what the actual royalties were.

This could be done. I think it accomplishes essentially the same thing in terms of making the monies available to NewGrade. It does it in a different manner. I think we still maintain the position though that we are acting with proper authorities by flowing the monies through as a remission of royalties under The Financial Administration Act.

Mr. Sonntag: — Okay. Before I move onto the next section, do any of the other committee members have any questions under this section?

Mr. Serby: — Just a question then on ... The grant would come at the beginning of the year then? Is that what you're suggesting?

Ms. Youzwa: — Well no. That's one of the difficulties, is that they receive monies equal to the royalties paid on the gas that they consume by the project. So we would have to sit down and look at, at the beginning of the year, what would be our estimate of the royalties that would be paid on gas used by the project. So we have to have an estimate of the volumes that the project would use, the price under the contracts with suppliers, and then finally what the royalties that would due to the Crown for the gas would be. That's what we would do to form the estimate;

that's what we would make provisions for in our vote to be able to issue the grant.

Now that would be an estimate only. At the end of the year we'd have to look at what the actual royalties paid were, and then have to make whatever appropriate adjustments were necessary.

Mr. Strelieff: — Mr. Chair, members, just one further comment to add. One of the key reasons we brought this to your attention is that we think the Legislative Assembly should have the opportunity to scrutinize, debate, approve, question these kinds of uses of public money that don't come directly to their attention, and that management should be providing those kinds of analyses.

Ms. Youzwa: — What I would add to that is that we really have ... our obligation is secured under agreements with NewGrade. This isn't management discretion which is used, as to how much money will flow to NewGrade. The agreements are there, they're binding on the Crown, and the monies will be paid to NewGrade as long as those agreements are in place.

So in every year there isn't management discretion as to how much money will go to NewGrade. That's prescribed in agreements.

Mr. Van Mulligen: — I guess the question is one of reporting it, right? So you're saying that it should go out as a grant, but by the same token the department could in its budget as a footnote or whatever, some way specify that this money is going out, or indicate that this arrangement is taking place.

Mr. Strelieff: — Mr. Chair, Mr. Van Mulligen, meaning the department would footnote to their estimates that part of their appropriation includes an estimate of X dollars that relates to an agreement they have with ... And then that information comes to the Assembly and they get to scrutinize and question and ask about it.

Mr. Van Mulligen: — As opposed to budgeting for a grant and then on the other hand budgeting for, you know ...

Mr. Strelieff: — Mr. Chair, Mr. Van Mulligen, it seems like budgeting for a grant would be the most accountable way of presenting the information to the Assembly.

Mr. Van Mulligen: — She's saying that it's difficult to budget because they don't know.

Mr. Strelieff: — Mr. Chair, members, many statutory authority appropriations are very difficult to budget estimate based on many future scenarios. And this is just another one of them.

Ms. Youzwa: — Mr. Chair, if we were to make some explicit provision in estimates as to what we estimate it to be, the royalties to be remitted, we would probably more appropriately do that with our current mechanisms on the revenue side as we project what our revenue estimates will be for the upcoming fiscal year. Because this, being a remission of royalties, gets counted on the revenue side of the equation.

Mr. Chairman: — But don't you need both sides to get the true . . .

Ms. Youzwa: — Well what we do is we remit royalties. So our natural gas royalty estimates would include in those numbers I guess, or could be highlighted in those numbers, an estimate of the amount of rebates which would be paid to NewGrade as opposed to remaining with the Crown.

Mr. Sonntag: — Okay, then similarly I suppose, in paragraphs .15 through .21 inclusive, there's obviously two different opinions, On reading through it it would be in my understanding then that this is basically a one-time contract that is now complete. Is that correct?

Ms. Youzwa: — Yes, that's right. This was an issue which we had with a producer which we settled under the terms of this agreement.

Mr. Sonntag: — In reference to the *Public Accounts* volume 2, and I think it's pages 81 and 82, I would be interested if you could outline the project conducted by Sage Consulting for \$20,025. And also I have . . . Well go ahead on that. You may want to respond to that in writing later; I'm not sure.

Ms. Youzwa: — That's volume 2, page . . .

Mr. Sonntag: — I believe that's on page 82.

Ms. Youzwa: — This is a contract which we had with Sage Consulting Group for professional services to help us design a potash model to be used for forecasting, economic forecasting.

Mr. Sonntag: — Okay. Then similarly I would be interested in, and I'll just list them off for you, and the amounts — these are found on page 81 — the following persons, why they were hired via order in council and also by contract. I'd be interested in the nature of the services they provided. The first person is Bruce McDonald for 19,140; Sherry Richardson for 4,055; Nancy Richmond for 37,625; Neil Robertson for 16,675; Allan Wagner for 22,575, and Melinda Yurkowski for \$7,852.

Ms. Youzwa: — Bruce McDonald was hired under contract to prepare economic forecasts, reports to develop computer-based models of economic activity, and other special projects in the department.

Sherry Richardson was hired on contract to do geological duties in our field office and out in the field with the contract completed in July of 1990.

Nancy Richmond similarly was hired under contract to undertake geological duties in the office and in the field.

Neil Robertson was hired to prepare economic forecasts, reports, develop computer-based models of economic activity, and other special projects.

Al Wagner was hired to undertake oil and gas price and production monitoring work for us.

And Melinda Yurkowski was hired to undertake geological duties at our geological subsurface lab.

Mr. Sonntag: — Well at least we've pronounced the last name the same, the two of us, so that's good. I note that Sherry Richardson is the only one you said ended in July 1990. Am I to understand the rest are all employed then yet? Is that what you're saying?

Ms. Youzwa: — No, Bruce McDonald is no longer with us. Neil Robertson is no longer with us. Nancy Richmond is no longer with us. Al Wagner continues under contract with the department. And I would have to check on Melinda Yurkowski.

Mr. Sonntag: — Okay, I have no further questions, Mr. Chairman.

Mr. Chairman: — Anyone else?

Mr. Cline: — Just a few questions, Ms. Youzwa, looking at this page 82 in the volume 2, first of all I want to ask you a general question. Was you department, in the procuring of printing services, subject to any kind of a contract with an agency of record? Not necessarily a contract of your department, but of the government generally?

Ms. Youzwa: — My understanding is that the printing services that we contracted with various companies, we were able to access directly these . . . the terms and conditions under which they provided services had been negotiated through the purchasing agency, SPMC (Saskatchewan Property Management Corporation), who had tendered for these services generally for government.

Mr. Cline: — Then my question would be: when it says, for example, that General Graphic Services Ltd. received \$33,136 and M.C. Graphics Inc. was paid and Printco Graphics Inc. was paid the amounts stated, were all of the dollars spent actually reflective of work that those companies had done? Or is there included in any of those figures a mark-up or a commission for an advertiser of the record?

Ms. Youzwa: — I don't believe there were any fees or charges there for the record, the agency of record services. These were just direct printing costs that we paid for.

Mr. Cline: — Okay. So that, for example, General Graphic Services Ltd. would invoice you, your department directly for \$33,136; you would paid that to them. There would be no mark-up or commission that would go to any other . . . any third party.

Ms. Youzwa: — No.

Mr. Cline: — Okay. And as result of those payments to any of those companies, do you know if there would have been any payment made to any other party?

Ms. Youzwa: — We would have paid these monies directly to these companies. We're not aware of any subletting of services or any sort of payments that these

companies would have made with the monies that we provided to them. We were invoiced; we paid them directly. That's all that we are aware of.

Mr. Cline: — Thank you.

Mr. Chairman: — No further questions? Thank you very much for coming, and hopefully those issues that have been before us for a couple of years will get sorted out and we won't have to deal with them any more. Thank you.

Mr. Sonntag: — If I can have a seconder — I guess I don't obviously — I'd like to make a motion that we remind the legislature about the reporting process here, and that we did in fact report that there was an exception last year and having done the same thing again this year, just so the legislature's aware of the fact that we have made these recommendations in the past and two years in a row now they haven't followed through with the recommendation. So at least it's accountable some place publicly.

I could probably fine tune that motion a bit for you, if you wanted.

Mr. Chairman: — You see, we in our recommendations or that we okayed previously for January 20, 1993 under chapter 16, there are two recommendations there that are slightly counter to . . .

A Member: — Those aren't the committee's recommendations; those are ours.

Mr. Chairman: — Oh, right, these aren't the committee's. These are from the report, yes, right.

So what you're proposing is that we put a notation in, saying that the committee has reviewed this process in '90-91 and . . . Back to you.

Mr. Van Mulligen: — Remind the legislature of the recommendation we made last year, that it stands.

Mr. Chairman: — So I guess in '90 we made . . . We only dealt with the one in '90 I guess, and we'll just remind the legislature. Okay. So be it.

Mr. Van Mulligen: — Do you have the wording — what we said last year exactly?

Mr. Wendel: — The wording's a little different but the substance is the same as this recommendation you have here. I don't have it before me but . . .

Mr. Strelloff: — That we recommend . . . in this year we recommend the department obtain proper authority for grants paid to NewGrade. Last year it was a more specific recommendation that the department receive or use the appropriate appropriation to make a payment to NewGrade to make this payment have the proper authority.

Mr. Chairman: — Here it is right here.

If the remission of natural gas royalties is to continue to be paid to NewGrade Energy Inc. the amount to be provided should be included in the

Estimates and presented to the Legislative Assembly for their consideration.

So basically what you outlined to them as a way of including it in there would, I presume, be appropriate.

Mr. Sonntag: — Exactly. That would be fine with me.

Mr. Chairman: — Showing it in the estimates of their revenue.

Mr. Van Mulligen: — Well, wherever they show it.

Mr. Chairman: — So the notation that it's . . .

Mr. Van Mulligen: — It's an expenditure.

Mr. Chairman: — It's expended.

Mr. Van Mulligen: — Under the estimates. It probably shows up as a revenue item too somewhere.

Mr. Strelloff: — Mr. Chair, members, the focus of that recommendation is to have a specific appropriation saying whatever it is — a million dollars shall be provided to NewGrade — and that becomes part of their estimates of expenditure.

Mr. Van Mulligen: — Yes.

Mr. Strelloff: — There would also be a similar amount as an estimate of revenues.

Mr. Van Mulligen: — Difficult as it may be for the department.

Mr. Kraus: — Mr. Chairman, I disagree with the auditor in this respect, that I think that the department has all the authority in the world to do what it's doing.

The question isn't that in my opinion, though; it's whether or not expenditures of this type should be appropriated. I think that's the principle that you're really focusing on. Should they be able to remit this and in effect not have to show the expenditure, or should they have to have these monies appropriated and voted on by the legislature?

Because I really do feel they've constructed this thing legally, so it's okay, with all due respect to the auditor. But it is the principle of whether or not you should use this gross budgeting concept where you take your revenues in and then if you're going to give these people a grant, well then you appropriate monies for the grant. I'd really think that's what you're coming to, really.

Mr. Strelloff: — Is that a good principle?

Mr. Kraus: — I think it's a very good principle. It's just that I think legally I've passed these payments and we've got, you know, Justice explaining it. It's all very complicated, but I think it's technically okay.

Mr. Chairman: — So it's how you interpret the word "gross."

Mr. Kraus: — But that's not the issue.

Mr. Van Mulligen: — The issue is that in 10 years time somebody can pick up the *Estimates* and ask, what's this all about?

Mr. Kraus: — Yes, that's right.

Mr. Van Mulligen: — And I think that's terrible.

Mr. Chairman: — Well you heard last year's recommendation. Do you want that repeated and highlighted? Or do you want it changed in any significant way?

A Member: — No.

Mr. Chairman: — The same recommendation? Okay. Good. Agreed.

For tomorrow . . . (inaudible interjection) . . . No, just let that one ride. The Crown Investments Corporation have agreed to come from 10 to 11, and Saskatchewan Transportation Company from 11 to 12.

Then from 1 to 3 we have a joint Finance-CIC . . . and there's a typo there, CIC is not in your revised . . . 3 to 4 we have the Department of Finance, and 4 to 5 we have department of Executive Council.

Mr. Van Mulligen: — Can I ask a question about Friday morning? How come we're starting at 8:30 as opposed to 9?

Mr. Chairman: — That's because, Harry, we had, once again at the special request of Family Foundation, that they be wiggled in. So now we can drop it back to normal starting time, because STC . . . So we can go to 9:30. Or 9 rather, I guess. Friday at 9.

Mr. Van Mulligen: — Would that create problems for anyone?

Mr. Chairman: — No. But it is incumbent that we have some time to work on our draft report. Because we've left this thing open-ended and the suggestion has been made that we may want to work into Friday afternoon if we're not diligent, and I think most of us would rather be diligent.

The Clerk is going to hand out a draft of the first 10 chapters to everyone and I just ask you to review it because that will speed the process up when it comes to finalizing the report.

Mr. Van Mulligen: — We've always in the past at the conclusion of the department, in addition to any other recommendations, we've always put forward a motion — a standard motion that the, you know, hearings of the said department or X department making sure it is subject to recall. And the motion then provided an opportunity for members to debate, you know, and make their comments with respect to the department.

I don't know if people feel that it's necessary or . . .

Mr. Chairman: — Have we done it department by

department or generically?

Mr. Van Mulligen: — No, just department by department.

Mr. Chairman: — Oh. Because I thought we always left it sort of that Friday we could call any of them back.

Mr. Van Mulligen: — No. The motion was a just a format to focus: look, we're going to be finished with the department. We've always got the right to recall, but this is it. Now what comments do you want to make in addition to any other recommendations about the department, what you heard from the witnesses, and so on.

Mr. Chairman: — That's fine. If I missed it, I apologize to the committee for not . . .

Mr. Van Mulligen: — We can deal with that tomorrow or whenever.

Mr. Chairman: — Okay. If someone would like to make such a motion in regards to Energy and Mines? Mr. Van Mulligen?

Mr. Van Mulligen: — Yes.

Mr. Chairman: — Any discussion? Agreed? Carried.

Does anyone have any further additions or comments or things that they would like to see added to the agenda in regards to anything that's on there or any other areas that they have some concern about — specific witnesses or anything that they are thinking about?

Once again, it's open-ended at any time to discuss those things. It just makes it a lot easier to schedule things if someone has a request to make that we . . . If not, we'll leave it stand as is for now and adjourn the committee until 10 o'clock tomorrow morning.

The committee adjourned at 4:40 p.m.