

The Chair: — Good morning. Did you all bring an apple for the teacher? I would like very much for us to begin. As you recall, we were discussing when we last met under our protocol agreement item B.1, the concept of the annual report.

I think in terms of following the discussion that we had briefly at our last meeting and also in looking at the reality and the discussion or the topic in its broadest sense, I think that it's important for me to say at this stage that I will permit the topic to be broadened in terms of B.1, B.2, and B.3, because I think they're pretty critically intertwined.

It's probably a little bit senseless to talk about an annual report if we don't also make sure that what's in it is meaningful. It doesn't make a whole lot of sense to talk about an annual report if we don't talk about that perhaps we are going to include the summary financial statements in it rather than just the General Revenue Fund.

So I would like to serve notice that I will certainly permit the broadening of the topic in terms of those three areas because I think they're so critically intertwined that it's very appropriate.

Is that acceptable? I then will open the debate again and recognize Ms. Stanger.

Ms. Stanger: — Thank you very much, Mr. Chairman. Actually my comments are going to be fairly short. It's just that looking at these reports, they seem to be extremely political, and if you can get the information from other sources, this just seems to me like another way of blowing your own horn if you're in government.

This really caught my eye in the Alberta one the other day. I mean how more political is the government measuring up? Here we are. Page 14 — What we promised, did we deliver? And comments. It's a straight political document on page 14. I mean this looks like some of our campaign literature.

That's the only thing that really struck me, just looking over them, that they are really quite political, and I don't know if we need that expense. I'd like to hear what other people have to say. But that really hit me between the eyes at the last . . . when I looked at it the other day.

Ms. Haverstock: — Mr. Chair, and members, I have been thinking on this and some of the comments made last day, especially with regard to the fact that government should not have to behave like a corporation. And I think that in all likelihood there's probably a greater argument to be made that government should behave like a corporation because the stakeholders are the taxpayers.

It's quite unrealistic to think that, given the number of departments, the amounts of information that are available to people, that somehow the stakeholders of the province could have access to all of this information and make sense out of it.

Now I know that there can be, I'm sure, annual reports that are done that don't have to be political. And I know the

government of the day in Saskatchewan is always saying that things should be done the Saskatchewan way, and one would hope that if in fact there is an annual report done here, that it would be done with due diligence paid to the least amount of political propaganda possible and the greatest access to valuable information possible.

One more comment, and that is that at our last meeting people were saying that there are forums within the legislature and other forums where questions can be raised, comments made, and observations made as well. And this may in fact be true in some people's eyes, but I do know what it's like to be trying to get information. Question period is question period; a lot of people would say that it's not answer period.

Estimates can be very similarly found. In fact I have entire *Hansards* where I can prove the point. And I do think that this is something that shouldn't have to be feared. I think that when I looked at the recommendation again — and I really did try to look at it in conjunction with the examples that were given — I think that there's room for this.

And I think that it could be done very well and that it could be a valuable exercise. And that indeed it should be something that's done so that there's a concise picture of what's been happening with the business of the Government of Saskatchewan on behalf of the taxpayers.

Ms. Stanger: — Well just to comment on some of the comments that Ms. Haverstock has made. It's not a matter of fear, because all the information is available. I mean that isn't the way I would look at it at all. What has the government got to fear? All the information that is in the annual reports are available. It's just a matter of, is it going to be used properly and is it worth the cost? That's how I would look at it.

I don't know, when you look at this Alberta document, if it gives you that much information that the average person would get an overall view. I think they'd have to have a heck of a lot more information than this.

Say you were the average taxpayer and you picked up this document. I can't see that it would give them an in-depth view. To tell you the truth, I don't think the average taxpayer would even read this whole report.

So if we are going to put this report out for other legislators, I don't know if it's worth the cost. To begin with, to have this report make sense to a person that isn't here and working with this all the time, you would have to have a heck of a lot of other information.

And I think I've got average intelligence, and if I feel that way, what would the average person out there . . . How would they, looking at this document, get an overall view of the government? They wouldn't. What they have here is propaganda telling you how well the government has done in the areas that they said they would be.

I mean if you can prove to me that it would be worth the

finances, I don't care. I'm not afraid of anything. The information is already available in much greater detail in many other places.

Mr. Sonntag: — I would be curious if anybody has any idea — I don't know if anybody here can answer it — but if they have any ideas as to what a report like this might cost, and then also I'd be interested in our Provincial Comptroller's comments on the issue as well if he's prepared to give that.

Mr. Kraus: — Well, Mr. Chair, I think you'd probably want to hear from someone like the deputy minister of Finance if you wanted to talk about — or the deputy minister to the Premier perhaps — if you wanted to talk about an overall report on government activities and what . . . I don't think I could . . . I wouldn't even want to hazard a guess at the cost at this time. But I think, like you'd be dealing with a lot of issues, and I think you'd probably be better off to talk to one of those two deputies.

The Chair: — I was just checking to see if Mr. Strelieff had any estimates or comments on the cost of preparing it.

Mr. Strelieff: — Mr. Chair, members, it would depend on how many copies you would make, where you distributed. All government organizations are required to prepare annual reports for their individual operations, whether it's an organization that manages a million dollars or an organization that's managing a billion dollars.

The annual report for the government as a whole would bring it all together in an understandable way to facilitate debate in the Assembly and to facilitate understanding of where the direction . . . the financial and economic direction that the government plans and to hold them accountable for that direction.

But all organizations prepare annual reports to explain themselves and to help people understand why they're going in a particular direction. The annual report would be similar to the cost of an annual report of any organization, any existing organization.

Mr. Kraus: — If I could, just one more point I want to make; I would make an observation I've had of annual reports in the private sector, is that they too, as you know . . . and I'm sure any of you that you that have read them, while there are statistical information and financial information and some story line about where they plan to go, they too are a public relations vehicle. I've read very few of them that don't try to promote themselves. I mean that's one of their objectives, is to promote the company and make you feel confident in investing in them. So there's always that element I believe in an annual report, at least in the private sector. I'm just talking about the private sector.

But when you talk about an annual report for the overall government, I just want to point out again that as far as the deputy minister of Finance would be concerned, I believe he'd be able to talk to you about the General Revenue Fund, but you're talking here from the perspective of a summary.

And at this point in time the government has organized . . . while there is a coming together of information . . . certainly they're organized so that the Crown Investments Corporation manages the Crown sector. And the General Revenue Fund, the Department of Finance and the departments are looking at the General Revenue Fund activities. There's a coming together for borrowing and so on, but I'm not sure whether there'd be one person that speaks to you on that topic.

The Chair: — Mr. Sonntag, does that answer your question, or do you have a . . .

Mr. Sonntag: — To a degree, I guess. I would just have a comment. To me, it seems that while the private sector provides annual reports, to a large degree . . . even when I worked in the credit union, which was a lot more accountable than a lot of the private organizations, we provided an annual report.

But to some degree that was the report that we provided. There was no . . . here in the legislature, as a government, you provide all kinds of additional reports that would not normally be required of a private organization. So my argument will be the same as it was in the past, that we are already accountable, where lots of the private sector are not accountable.

The analogy that comes to mind, whether this makes any sense at all or not, is that . . . I mean I look at a farmer who might be running some private company on the side. I mean if the company is profitable and the farm is losing money, and you combine the report, it might show a loss. That doesn't mean he sells everything.

It seems to me that what you do, is you provide . . . I'm comparing, the analogy is comparing this government to the Crown corporations. I think you keep . . . they are two separate entities and you file separate reports. To compile it all in one annual report, to me doesn't make a lot of sense, but I'm still willing to listen to others argue the point.

Mr. Thomson: — I have a similar question — some follow-up on where Mr. Sonntag left off.

What exactly is the cost of this? You know, I trust that the Provincial Auditor in making recommendations has given some thought to the value for money here. And I'd be interested in terms of both the personnel commitment that would need to be made on behalf of executive government and the additional cost to government for doing this.

Mr. Strelieff: — On that, on the value for money of an annual report — an annual report to the Assembly showing how all the pieces of government come together, there is no such document right now. I don't know how legislators try to sort through the finances of the province. I have a difficult time doing it.

I rely on the summary financial statements and then I have to use, bring in, economic information to try to understand what's going on.

I think the focus on the General Revenue Fund, where many governments across Canada have done over the last decades,

have cost taxpayers dearly.

Mr. Thomson: — Well I don't think, with all due respect, that you've answered my question. My question was, what is the value for money aspect of this, and secondly, what is the cost and where are the personnel going to come from?

Mr. Strelieff: — The value for money part is making sure that legislators and the public have a straightforward explanation of the finances of the province with the key financial and economic measures that the province or the government of the day is using to guide its direction. That is extremely valuable in any kind of decision-making mode and in trying to understand and assess the direction of a government — extremely valuable.

The cost of it, the cost of an annual report for an organization, it would cost more on the labour side than the printing side. The discipline on the labour in terms of bringing information together would far outweigh the costs of printing and preparing. I just don't have offhand what the cost of an annual report for a corporation or an agency would be — 10 to \$15,000? The mailing cost would be more depending on how much . . . where you send it.

Mr. Thomson: — No, no. I understand about printing costs and the mailing costs. But I mean we all know, in the preparation of these kind of reports the real cost is on the labour side.

Now I mean, what I'm interested in is how many extra PYs (person-years) is this going to cost the government in order, you know, to provide this? And clearly if you've identified that there's a value to this and a value for, you say under your criteria, for value-for-money, then we must have some idea what the money side of this is.

Mr. Strelieff: — Well I'm sure the government has this information now. If they don't have this information now, I mean that's a more serious question. It's a matter of bringing it together and publishing it.

Mr. Thomson: — But if we . . . (inaudible) . . . then this is the crux of the question. And so, what do you estimate to be the . . . I mean what is the scope of this. I mean what do you anticipate that the overall cost would be and how can you put forward a recommendation that would meet the value-for-money criteria without having some understanding as to what the money side of this is?

Mr. Strelieff: — One way of producing the information would be to use the *Public Accounts*. Volume 1 of the *Public Accounts* includes two sets of financial statements; reconfigure that existing document into an annual report of the government. So you have an existing document, an existing mechanism for bringing it together, and you don't need an additional publication if you reconfigure that document.

Mr. Thomson: — So then if I understand what you're saying, is that in fact through the information that we already have, we essentially have what you're suggesting; it's just not being formatted properly.

Mr. Strelieff: — Internally you have the information . . .

Mr. Thomson: — So the issue is not in fact public accountability or even the question of providing information which you had raised questions about earlier; information as you indicate is already available, is already accessible to members . . .

Mr. Strelieff: — Accessible to the government internally. So bringing the information that the government internally has together, has in its own operations, and presenting that in an understandable way for the Assembly, for the public.

Mr. Thomson: — Okay, well let me take a step back for a second then because I don't want to . . . I really am seeking more . . . a better understanding of this, and to be honest one of the reasons is Ms. Stanger's argument of the other day that maybe this is a very useful political tool for government. I'm not sure what the use would be as a legislative tool. But let's take a look at this then in terms of the cost and what information would be provided and what information is already available.

Now what you're suggesting, and this is just what I hear, is that the information we already have through *Public Accounts*, that we already have in other government annual reports, and that we already have in the four-year financial plan that the government lays out under The Balanced Budget Act — all this would simply need to be reformatted?

Mr. Strelieff: — Some of the information that is presented in chapter 3 of the spring report is available within the government operations and departments — Department of Finance, Executive Council — but hasn't been provided, hasn't been brought together in a useful and understandable way, for the legislator consumption. Most of the other material is based on annual reports that are out there, that are . . . it brings it together. It brings . . . most of the financial information and economic information is based on information that is already out there.

But it's bringing it together in a way that tells legislators, here's the direction that we're going in a financial and an economic way, here are the key financial and economic indicators that are guiding our management and our performance, and here's our targets for the future. So then it provides a context for you as legislators to understand how individual plans of departments and agencies fit within that context.

Mr. Thomson: — So how would this then differ from the information that's being provided, as required under The Balanced Budget Act, 1995, for the four-year financial plan which does exactly that?

Mr. Strelieff: — The Balanced Budget Act, as far as I understand, is based on the General Revenue Fund, the one fund of the government. So it doesn't contemplate all of the operations of government, only those operations that the government of the day chooses to move through the General Revenue Fund. So it's based on an important segment, but a segment of what the government is managing.

Mr. Thomson: — But the budget papers today provide the information in terms of the economic data. It provides the basic GDP (gross domestic product). It provides you with both the targets and the current assumptions. In addition to that, it provides an overview of the Crown sector. I'm not sure what you're looking for that's different or how you figure that this new report will provide us as legislators with any information we don't already have.

Mr. Strelieff: — Well in the budget documents, there's no indication of what the revenues, expenditures, of the many Crown corporations and agencies that raise revenue directly from taxpayers and ratepayers . . . there's no discussion of that. And there's no bringing it together in terms of the total fiscal responsibilities that the government has.

It uses many of the same economic indicators, but it combines those indicators with the financial information of the General Revenue Fund. So you don't get that overall view of how the total revenue-raising measures are coming together and spending plans.

There is more explanation of our bringing together of the borrowing requirements of all the different government organizations. That's more complete. But it doesn't bring together the many activities of government that are carried outside of the General Revenue Fund, so it's incomplete.

Mr. Thomson: — So would this . . . Okay. So then in terms . . . if I'm understanding right, what an annual report would do then, where it would differ from the budget papers, is it would really provide detailed information on the Crown corporations.

Mr. Strelieff: — No.

Mr. Thomson: — No?

Mr. Strelieff: — Remember the budget papers are a planning document for what the government of the day is going to do in the future. I mean it comes to the Assembly and says, here's the revenues and expenditures we plan to move through the General Revenue Fund.

The annual report is something that says well, it's the end of the year, end of March 31, '96; here's what we've done compared to what we said we were going to do in our planning documents. Here's the state of some of the key economic and financial indicators that we referred to in our planning and in prior years. Here's where they are, and here's where we think it's going in the future.

But it's an annual report primarily on the past, in a complete sense, but focusing on the key financial and economic indicators that a government thinks and believes are important. And also it's in the context of the summary financial statements, how it all comes together rather than in the context of, they say the General Revenue Fund.

Mr. Thomson: — But the budget blue book, if I'm not mistaken — and I know we were dealing with this last night in estimates and I'm sure members of the opposition will correct

me if I'm wrong — it provides not only the estimate for what was going to be provided last year; it provides the actual expenditure for last year and it provides the projection for the upcoming year, in expenditure. In addition to that, within the budget speech, we provide the statistics on how the economy performed in the past year, what we anticipate it perform this year, next year, the year after, into 2000. It's a forecast exactly as you're calling for.

I'm just not sure what other information is available other than what I start to read here in chapter 3, which is a suggestion that the report would start to move into dealing with issues like affordability, vulnerability, and flexibility of government on financial issues. Which I think is starting to move into a very subjective and questionable political quagmire. I'm just not sure how you would . . . I appreciate that you say you want a set of financial statements; that you want us to go through the statistics, and yet then all these subjective pieces are added into this. How do these two pieces mesh?

Mr. Strelieff: — The affordability, vulnerability, flexibility, those thoughts are based on some research that is being done by the Canadian Institute of Chartered Accountants. And it's that research group, which is made up of deputy ministers and auditor generals and credit rating people, are trying to come to an agreement on what to recommend to government in terms of how to explain their financial condition. That they're saying, okay we have some financial statements out there that show the total revenues, expenditures, assets, liabilities of a government, but how do you bring it to life in the sense of the economy and also in the sense of some of the key decisions that legislators and the public are making?

And in the initial work of that group, they're thinking that the key financial and economic indicators can be organized into three thoughts — affordability, vulnerability, flexibility.

On the affordability side, are there measures that will help readers, legislators of public, understand the ability to spend more on programs in terms of the economic viability of a particular jurisdiction.

The vulnerability angle is, to what extent has a particular government exposed itself to, say, fluctuations in foreign currency? Do we have a lot of debt that's payable in U.S. (United States) dollars? There are some jurisdictions that have a very high extent of debt payable in non-Canadian dollars and therefore are vulnerable to changes to forces that are really outside of their control.

Or on the vulnerability side, if you're really dependent on transfer payments from another level of government, well put some measures in there that show the extent of your revenues that are dependent on transfer payments and where that's going. And the flexibility is to what degree are there economic and financial measures that can be put on the table that will help people understand the ability of a particular government to respond to changing economic circumstances, whether its a draught, a flood, a resource prices going crazy, are there . . .

And this group is putting together some key financial and

economic measures which is . . . part of the basis of the chapter 3 is when you put together an annual report, make sure it's based on the total financial activities of the province, which is the summary financial statements. And then identify those key financial and economic measures and the target for those measures that are guiding a particular government's financial decisions. And then perhaps it can be explained in the context of the thoughts of affordability, vulnerability, flexibility.

A very useful development in the sense of trying to bring to life what an accumulated deficit of ten and a half billion dollars means.

Mr. Thomson: — Well the institute for public policy recently did an intergenerational survey of Canada's social programs and the costs associated with that and the necessary tax revenues to support it. And basically what they were looking at is the fact that demographically we're a rapidly ageing population that's going to put much more significant stress on the social system as a result of, you know, the fact our bodies start to give out as we get older; and the fact that our workforce is shrinking, and hence our tax base.

Is this one of those sort of issues that this would start to probe into, is the potential cost of our social system?

Mr. Strelloff: — Well an annual report provides the vehicle for the government to explain those kinds of issues. If the demographics of a particular province are driving a lot of the financial and economic decisions, if that's the case, then that should be on the table and in terms of explaining how the demographics impact a particular government's financial and economic course and plans.

Mr. Thomson: — What I'm reluctant to see us move into and . . .

The Chair: — If I may, I would like to move the discussion around a little bit, Andrew, and . . .

Mr. Thomson: — If I may just have one more question on this.

I appreciate listening to what Ms. Haverstock has to say in terms of us taking a look at government as a corporation, and taxpayers as stakeholders or as sort of shareholders. The fear I have with this whole approach to dealing with not only the financial issues, but it's starting to move into a look at value for money of government programs, is I cannot for the life of me figure out how you value your medicare system, how you take a look at the affordability of poverty, how you take a look at some of these more subjective issues the government deals with.

We don't simply sell bottles of beer. There's a lot of other things government does. And I don't know how we start to deal with those issues. Now I worry any time I start to see these things expanded. I think the information, as the auditor himself has said, is already readily available through other sources.

We've gotten today no additional details in terms of the cost of this. We have not heard any compelling arguments, in my

mind, as to why we need this information all compiled or at what cost to government it would be compiled. I just don't think that this recommendation is ready to move forward. And I guess when the time comes, I'm prepared to move in an alternate recommendation.

Mr. Toth: — Thank you, Mr. Chairman. Just a couple of things I was going to bring up. I'm looking at this overview of the Alberta report. I think if you look at the first few pages of the report it basically looks like a report by the treasurer, to the province of Alberta, of how the province has done. And it doesn't appear to be too much different from what the Finance minister would have done in this province.

My concern is that we've got government members arguing that maybe it isn't appropriate to let people see what's actually going on. And Ms. Stanger talked about propaganda. Well we get that every day in the Assembly, when we don't get questions answered. They're totally related to whatever the government has accomplished, whether the questions have been totally answered or not.

And I think what I would like to see, and what this brings out — and I was listening as the auditor was talking about it — I believe in this Alberta report, it goes beyond general revenue. It goes into the areas of what bonds the government holds and what they're bearing; it goes into debt and long-term debt that's got to be paid back; and basically indicates to the public of Alberta that, beyond the General Revenue Fund, you've got other areas of government that have to operate.

And my concern in this province is that we've basically just maintained an overview of the General Revenue Fund and we've forgot about the other entities of government, that in many cases are lacking, if you will.

I look back . . . I was just going through some old reports back through the '80s, and I noticed one thing that came out very loud and clear but you wouldn't see this unless you had access to it. And that's all the money that the government spent on the land bank in the '70s right through the '80s. Every year there had to be an extra injection of about the same number of monies from another source of government revenue just to cover the interest lost because of the agreements that had been derived, in what this land would be leased back to the farmers; the fact that the land was not generating enough revenue to even cover the interest on that principal.

And I guess if I hear the auditor right, I don't see this as being a major, major problem to put together. Basically it's a government statement as to where it's heading, number one. And number two, it's bringing into a smaller, I guess if you will, a smaller form, an overall statement of the total costs of government, not just the general, but its corporation, Crown corporation entities and the other venues of where government operates.

But I still find it complicated, as an individual myself, to follow, to be fairly candid. It's not all that easy to follow all the avenues of what's transpiring here.

On — I'm not sure what page; I don't think there's page numbers in here; maybe there is — 14, there's kind of a little report card. And I would suppose that the government here in Saskatchewan could take that report card and tick all the yesses off as well. No tax increases — they'd tick it off yes, but they neglect to tell us that the Crown entities have . . . we have paid through our hip financial, if you will, or our back pocket big time, so that the government can derive revenue by CIC (Crown Investments Corporation of Saskatchewan) injections or reducing deficits.

It's all fine and dandy if you're looking at one segment of government, but I think the most important part for the taxpayers is to begin to realize that government is not just the General Revenue Fund; that there are two other major components that have a very significant, fairly significant bearing as to the costs of financing in this province. And I see no problem with governments taking the time and just releasing a little more information. The public may not understand it but it may cause them to raise some questions. And maybe that's why you don't want to release it because you don't want any questions asked as to how the government is really making out.

And the other thing I guess is, if the government's — as Mark was just saying here — if you've got a report card out there, maybe it wouldn't be as easy to go to the public at election time and basically say nothing, and then two or three months later or four months later start adding extra costs to programs that were actually on the way but just weren't spoken about because they would be kind of negative to . . . or the public would view them as negative.

Somehow or other we've got to get to a place where the public is as well informed as it can be of the total cost of government, and the fact that, regardless of which party is elected. Now coming back to Ms. Stanger's comments, every political party has its own view and its own ideals and its own ideas of how they will attack deficits, and every report is going to be a little different. I don't think anyone's going to dispute that fact, and I don't have a problem with that. We shouldn't be afraid to lay out to the public what our view is as to how we attack deficits or how we derive revenue or how we provide programing.

And so while this may have some costs, and it's going to have some costs to putting this out, the facts are, I think a lot of it's already there. It's just a matter of compiling it and putting it in some form of a report that can be laid out to the public. So in that regard I don't have a major problem with it. It'd be interesting to know what it may cost, and maybe the auditor may have an opportunity to check with the Alberta auditor and just see what it cost them to do this annual statement.

Ms. Haverstock: — Yes, I'd just like to add and make some comments in case my comments were misinterpreted. One of the things that I think both Mr. Toth and myself were commenting on last week when we were going through this Alberta annual report, is that they do include their unfunded pension liabilities in their overall debt, which is not done in our province.

Secondly, just to make comment with regard to Ms. Stanger talking about, would the average taxpayer understand this. I

don't think that's the point. I mean, shareholders as a shareholder in companies or whatever, there are annual reports given, I'm sure that every shareholder doesn't sit down and read it. And the average taxpayer would not be interested in reading this kind of document, but that's no justification for not doing it.

The fact that there may be some who are interested, that would not have the availability that the members opposite talk about, in terms of access to what Mr. Thomson says is readily available, I would question the readily part. I think it's available. Whether it's readily available is another question.

And the truth of the matter is, when the questions have been raised, points made about such things as the PR (public relations) of such an undertaking, the Speech from the Throne is a public relations instrument. The budget address promotes the government and is a PR instrument.

I mean the point is that those things aside, I guess I'm humbled by the expertise of the members of government here to say that in fact they not only have all this information, they understand all of this information even though it's not under one cover.

And perhaps since there's since a question of labour costs here, since you have it available, I would most appreciate it if you would do it on my behalf under one cover so that I would have access to it, because I most certainly don't. And I would hazard to guess that it would take an incredible amount of time and effort to collate that kind of information if one didn't know exactly how to go about doing it. I would very much appreciate this kind of overview being accessible to people.

And I think that certain standards should be set by our province and should be set by this particular committee of Public Accounts and that we in fact should encourage that whatever annual report is done for the Government of Saskatchewan and the people of our province, that it be done to certain standards so that we would all be very proud of ensuring that we were part of having this happen.

Mr. Pringle: — Thank you, Mr. Chairman. Well I had some comments I wanted to make, but I think I'm going to add a couple based on what Mr. Toth and Ms. Haverstock said.

I find it really interesting, the new-found interest by Mr. Toth in accountability. In 1989 I was in the House, and I remember that there were . . . the Provincial Auditor wrote a special report mid-year saying that the Government of Saskatchewan was breaking its own laws by not complying with its rules, and that there were 98 outstanding reports and financial statements that weren't tabled. And the response of the government was to attack the Provincial Auditor very publicly in the House. That's on public record.

And so I think that that doesn't mean you can't be reformed. I think during the 1980s, it's pretty well regarded that the government of the 1980s in Saskatchewan was totally discredited, and pretty well regarded as well that this province was on the verge of bankruptcy and could only borrow money from about 25 sources at high interest rates. Whatever you can say, we know now we can borrow money from about 250

sources, and so something positive has occurred.

With regard to Ms. Haverstock, I think it's important that members . . . and I think members have a duty to be in the House when estimates are on and to ask questions. At least try and seek the information. As I said last time, when there was a \$500 million expenditure, discussion around Social Services estimates, the Liberals weren't in the House. And so you've got to access the opportunities that are here now, and all kinds of questions could have been asked.

A Member: — Do you think you're going to get it here?

Mr. Pringle: — No, I agree that you can always improve financial reporting and you can always improve the way you package it so that it can be understandable and give the overview. So I agree with that.

I also agree with the auditor who says that many important changes have occurred already and we're on the right track.

I guess I'm not sure at this point, I'm not convinced at this point that an annual report like the one in Alberta here — I've studied this over the last couple of weeks, looked at it again this morning — I'm not an expert here, but I'm not sure this is the one that is going to provide us with the information that you want. Because as I look at it . . . and I've gone through it and checked off where I think that information is provided on every page. Most of the information in here is provided already and I won't review those areas. I suspect if we were to read *Hansard* in Alberta, the official opposition there would be saying that this is just a public relations document.

In fact, I'll want to find out from the library what the opposition's saying about this document because I'm not convinced that it wouldn't . . . that it would be taken . . . is taken that seriously as it's written here.

Now I've been the director of an NGO (non-governmental organization). I've presented annual reports. I've been on boards where annual reports are presented. I think we'd be fooling ourselves if we think an annual report gives a clear picture of the functioning of an organization. It is a document with a financial statement. It's a document with sort of your vision and your goals and sort of what you've accomplished over the last year and your plans for the future. But it is a public relation document. This is a public relations document, as far as I'm concerned. And it may be a very good one. I don't know that.

But I want to read, I want to read . . . before I'm going to support this, I guess I'd like to, I'd like to see what opposition . . . how valuable opposition members view this particular document in Alberta. I suspect that they, by and large, dismiss it like the opposition today dismisses — any opposition, perhaps — dismisses a throne speech or a budget speech.

So I'm open to repackaging the information, adding some new information if we can provide it. But I hope that this isn't the

model because I don't feel very . . . (inaudible interjection) . . . Pardon?

A Member: — I hope not.

Mr. Pringle: — Yes, I hope this isn't the model. Yes.

Mr. Koenker: — The political dimension is everything to this discussion, as this discussion indicates this morning. The auditor talks about affordability, vulnerability, and flexibility. I don't see that in either one of these annual reports, and if that's the punitive virtue of the annual . . . the suggestion that we have annual reports, I don't see that in these reports.

And I think that those very criteria are the political criteria in some respects. This discussion ignores the reality of the political process which is the point I made, or tried to make, at our last meeting — that it is in the political forum, whether it's in the House or in committees or out in rural Saskatchewan or in constituency offices, that these issues are addressed, if they're going to be addressed.

And as to individuals wanting more information, Ms. Haverstock, I think if they really wanted, all they have to do is phone their member of the legislature to get it. Okay.

Now the auditor's already indicated that he's talking about reconfiguring information. That may be helpful. It may not be helpful. But I don't hear us saying that the issue today is fundamentally a lack of information. If anything, it's accessibility to information.

And you say now, Ms. Haverstock?

Ms. Haverstock: — Is it too much information for anyone to go and make reason out of?

Mr. Koenker: — That only reinforces my point, that it's in the cut and thrust of political debate in the legislature or outside of it across the province that the public gets the salient information that it needs. And if the demographics of the province are of acute importance to public policy formation, that will float into the debate very quickly.

If it's extraneous or deems irrelevant, opposition parties won't raise that. Government won't raise it. So I think this discussion ignores some of the realities of the political process itself in terms of identifying on behalf of the public — and all political parties do this — those salient features that are crucial to the formation of public policy.

So I think that there is a process. We may want to diminish it, and yet we're all, as elected representatives, very vitally involved in that very process.

Mr. Aldridge: — Thank you, Mr. Chair. I don't think that the members of this committee are as far apart on this issue as some may think. And I was pleased to hear the comments from Mr. Pringle with respect to he's not dismissing an annual report as a possibility here because of his experience in cabinet and so on, as he has expressed. And I do value that judgement.

So what we're looking at in terms of an annual report here isn't something that is going to be an end-all in itself. Certainly I don't think there's any member of this committee . . . and I'm sure that the auditor would never suggest that this is the one and only tool from which legislators would be working thereafterwards.

And Mr. Koenker has talked about debate, legislative debate, as being the only tool necessary. But I would maintain that a report, not necessarily formatted as these examples that have been provided, but an annual report could do nothing but enhance the debate that Mr. Koenker refers to. I think it could really ratchet the level of the debate up that much more. I don't think, also by the same token, that debate could ever replace rigorous accounting, auditing, and reporting on the part of any organization, whether it be government or otherwise.

So I do feel there's a necessity for an annual report but certainly open for discussion as to whether it ever take the format of an Alberta approach . . . not necessarily saying we want to make it another public relations document. Certainly I don't think that should be our objective. It should be something that members opposite sitting in government caucus would value. It might provide them some insights that perhaps they would only get if they were sitting in the cabinet room otherwise.

So I just wanted to make those few comments. But I certainly am supportive of an annual report, but I'm open to discussion as far as what it should be comprised of in terms of how much political rhetoric would be therein.

The Chair: — I think that's the underlying point that Mr. Aldridge makes . . . is the point I was getting to this morning where I think that we have to look at all three of these recommendations sort of together as a package, that we shouldn't be discussing an annual report. And one of the dangers of circulating two annual reports is that we'd immediately use that as a lightning rod. And by circulating, it wasn't our intention at all to say the Alberta model is exactly what we're trying to propose. And certainly it probably is more demonstrative of what we may not want to have than what we would want to have.

That's why I wanted the discussion to be able to move around what . . . if we're willing to consider a report, an annual report, then what should it look like is an integral part of that debate.

Mr. Toth: — Thank you, Mr. Chair. Well I was interested in listening to Mr. Pringle there. And coming back to 1989, well, government members may want to focus on members who were part of the government of the '80s. The interesting part in this whole debate is the fact that even going into 1982, there were two factors of government spending that were not brought to the public's mind and then the government of the day could brag about a balanced budget.

But their unfunded pension liability had mushroomed out of control, and Crown corporation debt was up substantially, the government's involvement in the public life through land bank and PAPCO (Prince Albert Pulp Company). So we can go through a number of areas here that the government of the '80s

had to deal with.

And I will admit . . . Unfortunately I was a back-bencher, and anyone on the back-bench knows that what you have to say or involvement as far as government policy, at the end of the day, doesn't seem to have a lot of input. But I would strongly suggest that you may have had a very irresponsible opposition in the '80s whose only desire at the time was to discredit a government and did a fine job.

And if the government would have had some kind of an annual report whereby they had a time sheet laid out for them, they may have not have found it so easy to move away from what their long goal objectives were. In trying to appease some of the issues, they moved away, and as a result they lost credibility amongst even their own followers.

So whether it's a specific report along the lines of what Alberta has done or what the federal government is doing, I still think it's imperative that we have something that the public can have access to that is straightforward, fairly basic, that gives the public a total picture of government expenditures. And then we're . . . and every political party as I said before, is going to have a different view as to how they're going to reach a goal, reach the end, what their views are.

So a report is going to reflect that . . . (inaudible) . . . reflect. And so I'm not exactly sure when the auditor's talking of this report. It would seem to me he would be talking of how this annual report and to as to where you're going would be, you have to reflect the fact that if government changes, the political party of the day may have a little different approach as to how they're going to get from point A to point B over a four-year period.

Now when there's a transition and there's a change of direction or leadership in a province or in a country and you've got a new political party that has a different philosophical ideal as to how they approach things, how do you view that as changing then? Because say the direction for debt reduction by one party in government has been down a certain road, now all of a sudden you have a new party elected to lead the government, and they may have a different view. Do you see that as having some significant impact as to what the annual report may be? Or how was that going to affect what an annual report may reflect?

Mr. Strelioff: — Mr. Chair, Mr. Toth, the key part of our recommendation is to have the annual report be based on rigorous financial and economic information that doesn't change or how it's prepared doesn't change with a change in government.

The direction that a particular government wants to take a province will change. If they want to reduce the total debt of the province, one government wants to reduce it over ten years. Another wants to reduce it over 50 years. Those are important policy decisions of the government of the day. But the key part of an annual report would be to make sure that what exactly is the debt of the province at a particular point is clear, and what it was five years ago. And if a new government comes into play and they decide that they want to do something with a debt over

a different time period, well then their performance targets will change.

And legislators and the public can then assess whether they agree, hold them accountable for what a particular government says it's going to do, and stimulate the debate that is so important within the Assembly. But the underlying key rigour of the financial and economic information is the key in an annual report, based on the summary financial statements and published as soon possible after the end of the year, so it's timely, that it's useful.

Mr. Toth: — In other words that basically then takes away the arguments that we have in front of us right now where one government could specifically say they're doing so much better than another government, and the fact that we really had nothing to reflect on.

And I guess if there was one concern I had when I was first elected — '86, that period '86 to '91 — is the fact that it was difficult for me to try and determine how the government was really progressing because there was no specific charted yearly annual report to reflect those. And I'm talking as well of not just of general revenue but the whole aspect of government expenditures.

And if you had that, then yes I agree; any political party being elected would still be forced to go back and have that be aware of what took place over the last previous number of years of the former government and where they're going today. And they certainly wouldn't want to make it look worse. They'd want to make it look better.

And if you've got an annual statement that is reflecting all the areas of expenditure that's at your finger tips, then the public would be more aware of that. And I think that's important because frankly I wish we'd of had it back even maybe 20 years ago, so you could've gone back through it, and you could have followed the process of expenditures — government expenditures and debts and everything — a lot simpler, a lot more simpler than it is today. Well it's basically impossible for me, to be honest with you.

The Chair: — Thank you, very much. What I'd like to do now is have a five-minute recess for a stretch, a coffee or juice, and then we'll reconvene in five.

The committee recessed for a period of time.

The Chair: — If we could come to order please. These are the longest five minutes you'll ever live in your life. I'm going to have to say one minute, and then maybe it'll be five.

I have a couple more people on the list, but I would like to take the opportunity to make a couple of comments myself, if I may. As a matter of course, I want to say at this stage that I expect or I see my position as to try to make sure that everyone has a fair and open opportunity to discuss things, but I also don't exclude myself from discussion. And if I feel that we're getting into anything controversial or that things that I may say are controversial, I will step down from the chair and ask the

Deputy Chair to chair the meeting. However being such a tempered person that I am, I don't see that ever happening.

I think in a way, if I may, on listening to the discussion last meeting and also this morning, that I think that there's sort of more consensus, if you like, than what may be apparent. I don't think I hear any one saying, number one, that the government must provide good and full and complete information as to the financial affairs of this province. And I think that the auditor is recognized in the reports that I've read, that much progress has been made in that direction over the last while, and I think the government should rightly be recognized for that.

I also think though . . . is that members are feeling that it is very difficult, and the auditor himself in his comments said that it is very difficult even for himself, with the resources that he has as compared to all of us as legislators, to bring it all together into an overall picture that we can really understand the overall financial activity of government, number one. And number two, that we have some pillars or benchmarks, if you like, that are almost drilled right down to bedrock that are unmoveable in terms of the way we can measure these activities so that we really can ascertain that has real progress been made, or is it just apparent progress, or is it apparent improvement? Because sometimes what seems to be progress if you really measure it against some fundamental benchmark is maybe not so or is even better than we thought.

And I sense from the feeling of people is they very much want to have the overall summary picture of the activities of government put together in such a way that, number one, it brings it together and it makes it understandable and makes it something that will be really a useful tool, not only for ourselves as legislators but something that people that are interested in the general affairs of government . . . without going into the pages and piles and piles of detailed documents to try to ascertain where things are happening.

So I think that I'm detecting that perhaps there's no real objection to that overall thing happening. And why I suggested that we should perhaps look at all three of these sections together, I think that an important part of giving perhaps comfort to both sides of the debate might be if we could arrive at some things that we agree should be in an annual report. I think I heard people saying that the Alberta model that was circulated is probably we . . . most of us agree that that one is maybe not a good example of what should be in an annual report as an overall thrust because it was indicated that that's far too political.

And I wonder if there's a mechanism that we could arrive at where we would agree what are these pillars, as I call them, the pillars that go down to bedrock that will form a structural framework for an annual report . . . if it may not be valuable for us to see if we could agree on what those pillars should be, those benchmarks. And that then if we could agree that these things are the good things that would make this as non-political as possible, make it as informative as possible, would give us the overall view of the activities of government and their successes and failures at meeting those targets.

If perhaps we would have something of that nature that we could agree to — if we said all these things are important benchmarks and would form a very useful set of reference points — then perhaps we'd say, well if those are the things that are in a report, or we say that these are the essentials of a report, then perhaps it would be easier for us to agree that a report may or may not be a valuable thing.

So I throw that out for your discussion and comment. And I'm wondering if perhaps that that might not bring us together into a consensus as to this whole topic of an annual report.

Mr. Thomson: — Thank you, Mr. Chairman. I don't want to disagree with you, but I'm not sure that that exercise is going to lead us towards greater consensus. If anything, I figure it may be somewhat more divisive. I just wonder whether we are not better dealing with the more general issue as to whether we want government to examine the idea of an annual report.

I'm very reluctant. I've still not heard any answers to the cost question of this. I think that these are the kind of issues we'll want to explore. So I don't want to belabour the point. I think maybe I'll just leave my comments to that, and hopefully there'll be a recommendation forthcoming shortly.

It's my understanding, Mr. Sonntag, you're preparing to make a recommendation? Okay, well then I'll defer.

The Chair: — Mr. Pringle is next on my list, if you want to or . . . Mr. Pringle is on.

Mr. Pringle: — Again thank you, Mr. Chairman. I'm not opposed to an annual report at this stage. And at the same time, I'm not convinced that it's going to be the be-all and the end-all. I think good financial reporting is obviously important, and we're making good progress there. We could even make more progress.

I think if we learned any lessons in the past, we've learned that there has to be a will. That maybe as fundamental as a will to be accountable. Mr. Toth isn't here, but when he says he wished he would have known what the measures were along the way . . . Well when the Provincial Auditor says you're breaking your own laws, you know, what the measures are and you still . . . and then you attack the messenger, you sort of know what the signposts are.

So again, I want to see what the opposition Liberals are saying in Alberta about this and about the annual report idea. And if they view it as useful, then that will help me to determine . . . And maybe they've made some suggestions, and I'd like to look at those.

The Chair: — I think if that's useful, we can certainly inquire as to that information. I think it's a good suggestion, and we can do that.

Ms. Haverstock: — Just one comment, and I'm not even going to pick up on the comment regarding estimates. Aren't you proud of me? I don't think it's fair to be making comment on our Social Services critic who's not here to defend for himself.

The truth of the matter is I've been in many estimates, and I can tell you how really valuable they are.

The points that have been made, and one that was raised is that somehow the Government of Saskatchewan, when run by the Conservatives, disregarded recommendations of the Provincial Auditor, and that was not the wise thing to do.

I believe that this recommendation is a thoughtful recommendation. I concur with the Provincial Auditor's recommendation, and I would very much like for us as the Standing Committee on Public Accounts to come to some conclusion that would be satisfactory to all of us, to come up with an annual report of which we could be collectively proud.

Mr. Aldridge: — Not wanting to belabour a point, but I saw the member opposite, Mr. Pringle, agreeing again with a number of things. And I would just like to draw his colleague's attention to the fact that he seems to have a consensus as far as the need for an annual report. I did sense that on his part and I think that perhaps you could rely on his senior experience in this regard, and just throw it out for thought. If we're planning on making a recommendation in this respect this morning, I just would draw your attention to it one more time.

Mr. Sonntag: — Well at the end of the last meeting that we had, I think exactly two weeks ago, I made a recommendation that was probably maybe a little bit premature because we didn't have the discussion yet, enough discussion, and I think the discussion has been very good. Initially when I came in here today I was of a different frame of mind or a different opinion than I am now.

I think I want to go back to the original recommendation. I think that is a good compromise, and that would say that we would review this. I can tighten the wording up here; I've sort of made some notes to myself here. But that we would essentially review it for a year, ask the government to review it for a year in light of comments made by Mr. Thomson, for instance, regarding the cost, what Mr. Pringle has said, regarding what opposition members in other governments might feel about annual reports . . . and certainly in light of the fact that there seems to be some feeling from opposition, as well, that an annual report would have merit. Here's the wording. If somebody wants to amend the wording in any way, feel free.

I would suggest that the committee recommends that the government consider this recommendation and report next year on whether or not any information would be provided to the public through such a report that is not already provided through the provincial budget, the *Public Accounts*, and through departmental and Crown corporation annual reports.

And that would then put onus on government to review the situation and report back here within a year. And I think that's a compromise; it would be a compromise for both government and opposition members here today.

The Chair: — Any comments on the suggestion by Mr. Sonntag?

Mr. Sonntag: — Well it doesn't have to be a motion unless you want it to be, I mean, if there's agreement on it.

The Chair: — It doesn't have to be a motion, but it might be worthwhile to be in writing of some sort. I think the thrust of the suggestion — I'll call it at this stage — is that we recommend that government consider the ramifications of an annual report. And I think you're also saying or limiting it or putting it in light of what information is already tabled through the budget document, through *Public Accounts*.

Mr. Sonntag: — I'm also putting a time constraint on it. I'm saying next year so that there is some onus on government to report back.

The Chair: — But I think that that's been . . . in a way the thrust of the debate is that while it's recognized that *Public Accounts* and *Estimates* and documents of government are all out there, I think the thrust of what an annual report is to bring this information together in a compiled way that is easier to understand and more complete in terms of the picture of government's activities.

If you say it in the way you are suggesting it, I think you almost perhaps defeat the purpose of the review, would be my initial reaction, but I'm not here to do the debating.

Ms. Haverstock: — I would appreciate, Maynard, if you would tell me what it is about this that would require government to spend a year considering it?

Mr. Sonntag: — I'm simply saying that within a year surely the government would have time to review this and be able to report back. I'm sorry for not paying attention. I'm trying to get this written out.

Ms. Haverstock: — It's like patting your head and rubbing your tummy at the same time — writing and speaking at the same time.

I'm sorry for the interruption, but I am wondering why you put this 365-day time period on this. Is this something that would really require a year?

Mr. Sonntag: — Do you have some other suggestion?

Ms. Haverstock: — Yes, I figure a shorter period of time is better.

The Chair: — Well, I was just checking and after we table a report, the requirement is of government to report in 120 days. The key thing is when we make our report. Like at this stage it isn't a report, it's just internal. So that would shorten it up potentially.

Ms. Haverstock: — Yes, I guess my preference would be not to have a year in there.

Mr. Sonntag: — Yes, I'm not saying a year. I'm saying report next year. So the next time . . .

A Member: — Within a year, did you say?

Mr. Sonntag: — I could say that; we can say that. It doesn't have to be a year from now.

Ms. Stanger: — Within a year?

Mr. Sonntag: — Sure.

The Chair: — Maybe just ask them to report. And if we table a report, then they, on the rules now, they have a 120 days to get back to us . . .

Ms. Stanger: — That's fair.

The Chair: — Then you wouldn't need the year mentioned at all.

Mr. Strelieff: — Thank you, members. In general here, my concern is the focus of decision making is through the General Revenue Fund. I mean that's my big concern. I've seen over the years in this government and in other provinces where that focus has cost taxpayers dearly.

And so I'm trying to encourage you to move to a broader picture so that if there are financial difficulties happening outside the General Revenue Fund, you have preliminary warning of and you can manage in a more timely way that perhaps avoids the situation where all of a sudden the Crown Investments Corporation transfers a billion dollars of debt over to the General Revenue Fund, and the general tax base is going to have to then finance that debt compared to the projects or the corporations that originally incurred that debt.

You need that early warning system to make sure that if those issues are coming along, you have a better ability to manage them. You may still choose to move debt that used to be paid for through rates to the general tax base or vice versa. That's still a decision, but you know it's happening and an annual report and a complete plan based on the total financial activities of the province would really help that, and it would help other provinces across Canada.

The current focus on the General Revenue Fund means that there's only a few technocrats who know how it works and they end up being very powerful; works in the sense of how you move money from one pocket to another pocket. It's only a very few people know that. Very difficult for legislators to understand that, and certainly, for the public.

There was a comment on value for money. Having that information on the table as those events are unfolding is valuable, immeasurably valuable. In terms of the trends that is going on in other jurisdictions, the trends now are more to quarterly reports and semi-annual reports.

Alberta gets out their quarterly reports within about 30 days after each quarter, saying here's where we are on a quarterly basis for the whole government. Really valuable information. And it provides rigour through the decision-making and management processes within government; that they're using

that information, they're preparing it, and they're having to put forward publicly.

BC (British Columbia) also has moved to quarterly and semi-annually reporting in a timely way so you know where things are going quickly. And if there has to be change in management direction, the information is there to make that change as part of the routine.

So in my next, or this —not last — pitch, because it's an important issue, it really relates to the rigour of decision making, making sure that you understand how that decision making is being carried out and that you can also explain it to your constituents. I don't know how, right now, you can explain the finances and the financial decisions of the government of the day to constituents without this kind of information. Thank you.

The Chair: — Thank you. I would like to read the suggestion as we've adjusted it, and it reads as follows:

The committee recommends that the government consider recommendations B.1, B.2, and B.3 and report on whether or not any information would be provided to the public through such a report that is not already provided through the provincial budget, the *Public Accounts*, and through department and Crown Corporation annual reports.

And what we've done is tie all three of these recommendations on our protocol, the B.1, B.2, B.3 is that protocol listing, so all three are together.

Ms. Haverstock: — Can you re-read that?

The Chair: — Certainly.

Committee recommends that the government consider recommendations B.1, B.2, and B.3 and report on whether or not any information would be provided to the public through such a report that is not already provided through the provincial budget, the *Public Accounts*, and through departmental and Crown corporation annual reports.

Any comments on the suggestion?

Mr. Aldridge: — One comment is that I would prefer that the recommendation go forward from the committee that the government do implement an annual report, and that just consideration thereafter be given for the elements of the report, what should be within that report, and ways in which to depoliticize the report, so to speak, to make it an objective and valuable tool to all members of the legislature. But I would prefer that we . . .

Mr. Sonntag: — I don't think we're going to reach a consensus if we go to that stage, though. We don't have to, I guess, but that was the idea of making the recommendation, is to find some common ground here in making a recommendation.

The Chair: — Mr. Toth, were you able to hear the wording of the suggestion?

Mr. Toth: — I caught part of it. Sorry, I just ran out to caucus.

The Chair: — I appreciate that, and I will re-read it for your benefit.

The committee recommends that the government consider recommendations B.1, B.2, and B.3 and report on whether or not any information will be provided to the public through such a report that is not already provided through the provincial budget, the *Public Accounts*, and through departmental and Crown corporation annual reports.

That's the suggestion.

Ms. Haverstock: — Well everything that comes from "that" onwards — I can't remember the preceding word — that is not included — what's that part? Because that's where I have the real problem here. I think if we're asking the government to consider the recommendations of the Provincial Auditor, that's what we should be asking. But to then add that latter part that is not included in, is that . . .

The Chair: — That is not already provided through the provincial budget . . .

Ms. Haverstock: — Well it is already provided. The point is we need an overview, one particular place. I thought this was the point of the discussion, was that there would be something available to people that would be collated and under one cover that would make the information more accessible overall. And the way that sounds is as if somehow there's a way of saying well, it's already out there, so we won't bother doing this. So what's the point in making the recommendation?

Mr. Toth: — It sounds to me like . . .

The Chair: — Oh, but you're next.

Mr. Pringle: — Well I obviously didn't make myself very clear regarding Mr. Aldridge's comments. I personally am not convinced it's required yet. I tried to say I'd like to hear what other opposition parties across Canada are saying about this. If we're being told that we need this as legislators, which is what we are, I'd like to know whether that's the experience of legislators across Canada, especially who are in the opposition.

So for me, it's not a decision that's been made considering the merits of it, and there has been a very good discussion, but I certainly would want to have a further consideration of it.

Mr. Toth: — Well I was just going to comment on the fact that, from what I read, it basically doesn't put any onus on the government to give serious consideration to these recommendations. It kind of leaves the door wide open for the government to decide whether or not they would view the recommendations and come up with a form of a report, as we've been talking about.

I'm not sure if the debate this morning is any indication that the government members are willing to go to their cabinet colleagues and say it's maybe something we should do. So it

seems to be fairly wide open and ambivalent.

Ms. Haverstock: — I would be most interested. I don't know if a recommendation has been made yet to follow up on what has been stated by Mr. Pringle and his interest in getting information from other provinces. Is that being undertaken by someone? Was that given as a directive to someone to look into what the other provinces' opposition members are saying?

Because I would like to add one thing to that, if that's the case, because from my own perspective, I don't have the least bit of interest in knowing what opposition members in other provinces are thinking of what their governments are doing because I know already what most of them are going to be saying. But I am most interested in what other provincial auditors think of governments, their respective provincial governments, filing an annual report.

The Chair: — As a suggestion, perhaps what would be appropriate . . . and I'm new at this, so I'm not entirely sure. But I believe that every province has a Chair of Public Accounts, and I wonder if there's a way . . . and that would go over all political boundaries if you like. And I wonder if we could undertake to write or to communicate to all the Chairs of Public Accounts to see if in their respective jurisdictions there have seen debates and this kind of discussion we are having, and perhaps there would be some real light that could be shone on us.

And further to that, it may also be useful for the Provincial Auditor to also talk to his colleagues that may be able to bring something to this debate. I don't know if next week is appropriate, but if that would be a useful suggestion.

Mr. Toth: — Yes, I think that would be appropriate. And maybe now is not the time to move a motion as to whether we're in favour or whether we're against the recommendations. Maybe we need a bit more information. And rather than just doing it over a week, can we allow for the process of maybe two or three weeks then before we wrap up our discussion in Public Accounts, even within next month, where we have some more information coming back as to what other jurisdictions . . . how they view this process, so we're making a more intellectual or intelligent decision and can come up with some recommendations? And maybe at the end of the day we can become, say, leaders in the field as well rather than just followers.

The Chair: — I think that's a very good bit of advice. We're not hidebound on making sure we deal with definitively all of these points as we go through them. Certainly we can adjourn discussion on section B, I believe it is, pending further information.

And if you so direct, we can see to it that we communicate to public accounts committees across the province and to provincial auditors as is required to get further information in this regard.

Mr. Thomson: — I'm reluctant to see this issue be adjourned. I mean to be honest, this is part of my reluctance with this

approach of us going through these observations to start with. We are seriously bogging down now. This is a relatively minor issue. The committee agrees the information is all readily available.

What we are debating right now is reformatting. I think Mr. Sonntag's motion provides for that, for the government to come back with a report to us on what the possibility of doing such a report is. I'm not keen on a report. I don't think it's necessary. But I'm prepared to see what the government recommends on it. I think that this is . . . we have come very close to a consensus. And I think now we should move off this issue and move on to something much more substantive.

Ms. Haverstock: — The very nature of debate, Mr. Chair, has shown us that we are not ready to move off this issue, and that there is nothing to be lost by putting this on the back burner until we have further information that can help us make, hopefully, a unanimous recommendation to the government. And this does not preclude our dealing with any substantive issues, to simply adjourn this issue for the moment and to move on to other pieces of business.

I don't see concurrence in this room at all. And I think it would be unfortunate at best to have division on this issue and not be making or arriving at a conclusion based on the kind of information that many of us would like to have.

Mr. Sonntag: — Well I guess my comments . . . I agree with Ms. Haverstock. That's the essence of the recommendation. It's saying that we're not going to dump the concept; we want to look at it. I mean I agree with Mr. Thomson as well. If we don't start moving on here, we're going to get . . . if we keep deferring these things, we're going to be here until . . . well a lot longer than we are now. I won't say what I was going to say.

I mean I'm going to stick with the recommendation. And if we can come to some conclusion to this, that would certainly be my preference.

A Member: — Let's have a vote on it. Question.

Mr. Thomson: — Well I hear question being called.

The Chair: — Okay, I'll complete my speaking list that I have here.

Mr. Aldridge: — Well just further to this is, what is proposed by Mr. Sonntag really is something that I think we should have assumed government was already doing, was considering these recommendations as put forward most recently in the fall '95 report by the Provincial Auditor.

And what I had hoped that we would be able to do as a committee here is just take it just one further step forward by making it the recommendation of this committee that the government do adopt an annual report, but that they do thereafter consider for what would be considered a reasonable amount of time — someone suggested 120 days, the standard as per reporting to the committee on tabled reports — just as far as what format it would take and how to make it a very objective

and useful and valuable report that all legislators could consider to be very valuable to them in their work and assisting in constituency matters and making . . .

Even for the members opposite that aren't within cabinet, it would be valuable for them to be able to converse more readily with their colleagues in cabinet. It would help bridge a gap between your caucus and cabinet in that regard, so I think it would be valuable. So I'm not prepared to . . .

The Chair: — This is a suggestion. I think that if we're going to force decision on it, it should be done in the form of a motion. But I also am reluctant to not allow the information that members require to be made available if they're really feeling honestly that that's the hang-up. I think that there's been some sidetracking on our perspective because of the nature of the Alberta report that has been tabled.

I think that the suggestion that there should be a reasonable follow-up and comment that Mr. Pringle made from what has happened in Alberta, by the opposition. That's why I suggested that we deal with this through perhaps public accounts committees that are dealing with this thing across the province.

I don't see this as being a major stumbling block in terms of the workings of our committee because we're going to move on, we'll get the information back. And I think the discussion, when the information is made available, may come together very quickly.

But I really am reluctant to have us move to a motion, unless I'm forced into that, on this discussion until this information is fully provided. And I don't see that as necessarily bogging down the committee. I think it's a learning experience for ourselves and I think that when we see some of these things, we will have to undertake to get more full information available to committee members.

I also think that this is a pretty fundamental issue for some members that have spoken out quite strongly on one side or the other. And I would hate to have us not make a proper, or be able to come to potentially, a consensus that we could all agree with, for lack of information.

So I'm not sure of the protocol, but if I'm forced to consider a motion, I will, but I certainly am reluctant to do that until we have that information. So I don't want us to vote on a suggestion, and if we're forced to vote, it'll be on a motion.

Mr. Pringle: — Well I would like to convert that to a motion, Mr. Chair, because it wasn't my intention to consider . . . I'm saying that I would like the government to consider how useful opposition members find this tool, not necessarily this committee, in the consideration of whether this is useful or not. I wasn't meaning, suggesting, that this be held up by this committee. I was meaning that that could be considered as part of the consideration by the government.

So I would like to convert that suggestion to a motion.

The Chair: — Okay, I have a motion by Mr. Sonntag:

That this committee recommends that the government consider recommendation B.1, B.2, B.3, and report on whether or not any information would be provided to the public through such a report that is not already provided through the provincial budget, the *Public Accounts*, and through departmental and Crown corporation annual reports.

Is there any further discussion on the motion? If not, are you ready for the question? All those in favour? Opposed? Carried.

Mr. Sonntag: — Also, it's in *Hansard*, or I mean it's in the verbatim anyway. I think certainly we would be asking government, as directed by all of the comments around the table here today, do look at other legislatures and reports from other auditors in other jurisdictions, and I'm assuming that that would be understood.

The Chair: — Would that be understood as part of this government's response or would it be something that we should undertake as a Public Accounts Committee to our contemporaries? It addresses the issue that Mr. Pringle raised about comments on, for example, the Alberta report.

Mr. Pringle: — Well the context for me was that it be considered in the consideration by government. Unlike Ms. Haverstock, I think it is important. This is a political process we're involved in and it is important how opposition members view the usefulness of this as a tool.

Mr. Aldridge: — Just with respect to the government's consideration of whether or not we require an annual report. I would also hope that within there we may get some comment from them as to the usefulness or otherwise of such a report, as a part of their consideration of the matter; that they be on record in that regard.

The Chair: — Thank you, ladies and gentlemen. At our next meeting we'll be moving into item C.1. And I'm made mindful that there are some of the recommendations and responses of government from the seventh annual report that have some overlap to some of these recommendations. This seems to be one, in recommendation 3 of the seventh report.

So I would ask you to make yourself familiar, in terms of preparing for the discussion, that you also familiarize yourself with the seventh report. And if any people have mislaid it, that the Clerk's office will be able to make another copy available to you. So I think we're going to . . . that report has never been responded to by the Public Accounts Committee, so I think we have to interweave it as well with all the other good things we have to do. Any . . . it's the seventh report, the seventh annual report of this . . . and the government's response.

If there's no further comments, I declare the meeting adjourned.

The committee adjourned at 11:30 a.m.