

**The Chair:** — Good morning everyone. We had the discussion yesterday hoping to be able to move our agenda around but it didn't work, so we are delighted to start with our accountability information with the Provincial Auditor, chapter 6 of the fall report. And we'll go right into it.

**Mr. Strelieff:** — Okay, thank you, Madam Chair. Good morning. Good morning members, and colleagues. The focus of today is chapter 6, accountability information required of our fall report on page 85.

With me today once again is Fred Wendel, the assistant provincial auditor who's going to lead you through this chapter, try to help you sort it out. And also Carey Robertson, from the School of Journalism again is with us. And Amy Kinvig is the new person with us from our office, one of our articling students working for her chartered accountancy. And as you've noticed over time we bring in people at each meeting because it's a good opportunity for them to see how these committees work as well as see how the results of our work gets addressed. So Amy is with us today. So I'm going to turn over chapter 6 to Fred, please.

**Mr. Wendel:** — Thanks, Wayne. Well good morning, Madam Chair, members. I'm going to try and get through this, work our way through the chapters. So in this chapter we discuss some of the accountability information the Assembly does not receive. We also note the committee's past recommendations on these matters and we discuss the matters under three headings: financial statements, first heading; payee lists; and then comparison of planned and actual results in public reports.

At first I'll start with financial statements. And generally when the Assembly creates a government agency, the Assembly requires that agency to provide its financial statements to the Assembly. We note the Assembly has not specified the need for financial statements for some agencies. They fall under four groupings, and they be agencies created under The Business Corporations Act, agencies under The Agri-Food Act, agencies under The Health Districts Act, and other agencies such as pension plans.

Now this committee has considered this matter and has made three recommendations which I show on paragraph .7 and in '87 the committee recommended government should prepare legislation to ensure duly audited financial statements for Crown agencies established under The Business Corporations Act are tabled in the Assembly providing the competitive position of the Crown corporation is not prejudiced.

In '93 the committee recommended financial statements for each and every subsidiary within the purview of Crown Investments Corporation should be provided to the Assembly on a timely basis, and in '93 all government corporations should table annual financial statements in the Assembly including those where the Crown owns less than 100 per cent.

So if you want to turn to page 90 on table 1, I'll just give you an update. There's been some changes to what's on there; there's been more agencies tabled. So under the first heading on page 90 where it says "agencies created under The Business Corporations Act," I'll just give you an update on those.

The first one, 582099, has been wound up, so no longer exists.

Canodev Research is still not tabled and that is an agency created under The Agri-Food Act by the Canola Development Commission.

National Pig Development (Canada), which is a sub of CIC (Crown Investments Corporation), that's not tabled yet; Bayhurst Gas, which is a sub of SaskEnergy, that is tabled; Channel Lake Petroleum, which is a sub of SaskPower, that's not tabled; CIC Pulp Ltd., a sub of CIC, that's not tabled. DirectWest Publishers, which is part of the SaskTel operations, that's presently being reorganized so I'm not sure what will happen with that one.

Greystone Capital Management is not tabled; KROP Transport, which is a sub of SPI Marketing Group, which this committee discussed the other day; Many Islands Natural Gas . . .

**Mr. Strelieff:** — What's the status of . . .

**Mr. Wendel:** — Oh, I'm sorry. That's not tabled.

And Many Islands Natural Gas, which is now called SaskEnergy International, is tabled; Many Islands Pipe Lines (Canada) is tabled. Moose Jaw Packers is sold; Power Greenhouses Inc. is tabled; SaskTel International Inc. is tabled; SaskPen Properties is not tabled; SaskPower Commercial is tabled; SaskTel UK Holdings, inactive, there are no financial statements to table; SP Two Properties is not tabled; and TransGas Ltd., which is part of SaskEnergy, is tabled.

The agencies under The Agri-Food Act are not tabled. Now this committee discussed that when Agriculture was here, and they've asked us to work with SPI and the Ag Food Council to see how we could accommodate this. And we'll plan to do that over the next few months when we can get together with Agriculture.

The health districts are not tabled. And the other agencies listed there, all of them are tabled now, the Capital Pension, Northern Enterprise Fund, etc.

Just going back then to the body of the chapter, page 87, and I'll talk then about payee lists. As we say in chapter 5, which you're going to discuss later this afternoon I understand, or the Executive Council, the public and the legislators want to know who gave money to candidates of political party and who later receives money from government agencies.

This committee has considered the need for this information for some time and it's made some recommendations, and it's recommended the required level of disclosure for government agencies. We said \$2,500 away for salaries and \$20,000 for suppliers and 5,000 for grants — is that right? — for the transfers or whatever.

And it also recommended that all government organizations reporting to Treasury Board should provide a list of persons who receive money. And it's recommended that Crown Corporations should have the same public reporting requirements as government departments unless otherwise

stated in the mandate of the corporation.

And again, the agencies fall within . . . those are not providing pay lists fall within four categories and are listed in paragraph .13, which is CIC and its subsidiaries, agencies created under The Agri-Food Act, agencies under The Health Districts Act, and other agencies.

So if you'd like to go to page 93, I'll just give you an update. There's also been some movement on those. So under the first heading, Crown Investments Corporations subsidiaries, that information has not been provided for any of them and this committee has discussed that and referred that. And we just talked to CIC.

Agencies created under The Agri-Food Act, when this was discussed when Agriculture was here, they asked us to work with SPI on that to see what we could do on that, and we will work with them to see how that might be looked after.

The agencies under The Health Districts Act — a lot of those have now been publicly disclosed and if you want to go through, I can give you the ones that are done now. Assiniboine Valley is now reported; Greenhead is now reported; Living Sky is now reported; Moose Jaw-Thunder Creek is now reported; North-East is now reported; Rolling Hills is now reported; Saskatoon is now reported; Southwest is now reported; and Swift Current is now reported.

And over on the other page, page 94, there's a few of those that have also provided this information. The Milk Control Board is listed there and it was listed because we hadn't dealt with whether the producer's name should be there. And this committee discussed that when Agriculture was here and thought it was reasonable not to produce the producer's name, so in that respect it's now done.

The Municipal Financing Corporation is done; Saskatchewan Energy Conservation and Development Authority is done; and Sask Research Council; Victims' Fund and the Water Appeal Board.

And last is the comparison of actual to planned results, and again we think it's important that there is a comparison of planned to actual results for good accountability, legislators and the public need to know an agency's planned results to understand and assist an agency's performance.

In this respect, we've had a . . . those agencies that report through Treasury Board and through the Department of Finance, we find that nearly all of them have their planned results shown in their annual reports or their financial statements. And the same with those that report to Saskatchewan Health, all of them do show that.

So if you want to go to page 94, I'll just . . . there's been a little change on that, too. I could give you some update on that. Or 95 . . . (inaudible interjection) . . . yes, sorry, 95. There's been no change on the Crown Investments Corporation in Saskatchewan and subs and no changes on The Agri-Food Act and again, we'll be talking to the Agri-food Council.

And over on the last one, other agencies I guess is where there's

been some action. Municipal Financing Corporation now provides that information. Saskatchewan Gaming Corporation does and Saskatchewan Liquor and Gaming Authority does.

Thank you. Any questions?

**Mr. Strelieff:** — Thank you, Mr. Wendel, and Madam Chair.

**The Chair:** — Thank you. Thank you for the review. Any of the members have . . .

**Mr. Paton:** — The only comment I might make is that even with these issues it may be a bit difficult for you to . . . (inaudible) . . . I know the auditor is going through a number of cases . . .

**Mr. Tchorzewski:** — . . . are here, and I understand that there's a press conference which opposition members are viewing and I was sort of somewhat concerned that we may dispose of all this, although the committee was scheduled to meet at the time it's meeting, and the opposition members have not been here to hear the arguments and answers to the question which I think will help all of us.

And I'm wondering, especially since our microphones are not working, if we shouldn't recess for 10, 20 minutes to give the opposition members an opportunity to be in the committee. And in the meantime maybe the technicians can do what they usually do best and fix this problem. Okay?

**The Chair:** — Is that in agreement with everyone else? Agreed.

**The committee recessed for a period of time.**

**The Chair:** — We are on recommendation 6.08 — the government should provide the Assembly with the financial statements of all government agencies.

**Mr. Tchorzewski:** — Everything's working. We're starting . . . and I'm not . . . I just do this simply for the record. Am I understanding that the opposition members have asked us to proceed even though they're not here?

**The Chair:** — I met with the other two opposition members and they were aware that we were starting at 10:15 and they are aware that we will be voting.

**Mr. Tchorzewski:** — Okay. As long as they have given that approval because I wouldn't want to cut them off in some of the discussions.

Was it my turn or were you speaking over there?

**Mr. Paton:** — I think you'd asked me if I could make some comments.

Madam Chair, if I could make a few comments about this chapter specifically. I think the auditor has provided a very good overview of the chapter. It's one that I think is very difficult for this committee to deal with, partly in the way that it's structured because we don't have the proper officials who could give us specific details on some of the questions that are being raised here.

As noted, many of these ones have been resolved and in some cases they've been referred to other committees such as the Crown Corporations Committee. In addition I note that the auditor has agreed to work with the provincial . . . or with the Department of Agriculture and the Agri-Food Council to try and resolve those related issues, and I'm sure that we'll be hearing back in the future if there's no resolution there. I know they've been working on this in the past, but I think I see that there's a spirit of cooperation here.

Just a couple of other comments. I think this chapter that we see here is one that's a direct result of the application of recommendations that this committee's made in the past and they're good accountability recommendations. The problem I think that's arisen here is that the auditor's taken the recommendations and applied it to all of the agencies that are in some way accountable to government. And I think what we're noting, and what we saw in the past days, is that sometimes those principles have to be applied in a different fashion to different agencies.

And I know that you did resolve some of the issues as they relate to Agriculture entities. The Canola Development Commission is a good example where I think the committee said that while the principles are appropriate, perhaps they're appropriate in reporting to the producers, or in some cases to the Agri-Food Council itself, and not necessarily to the Legislative Assembly all the time.

The principles that are being applied here are first of all ones that were developed for the government in general — the General Revenue Fund is where most of these started — and we've kind of expanded their application. They went to Treasury Board Crowns and other closely held government agencies. And I don't think they were fully anticipated when we recommended these standards that it would necessarily hit all types of government agencies. I think they're very good ones as they apply to the General Revenue Fund and I think we just have to look at their application and how it relates to some of the other entities.

Just while we're on the note of those standards, I think they are very good standards. They're ones that have been developed and approved by this committee, and they're used by the committee in discharging their responsibilities. As noted in our orientation the other day, Chris Bayda mentioned that we will be reviewing some of these disclosure standards, that payment lists that are provided. And we hope to return in the next session with some recommendations on how perhaps they can be further improved.

I think Saskatchewan provides some of the best information that's available to the committees. Other provinces I know, when you ask for lists of payment details, give you exactly that. They'll give you a computer listing then it's very difficult for the committee to use and understand. We always try to improve on that and with the support of this committee we'll be trying . . . bring forward what we think are even better standards than what you've seen here.

**The Chair:** — Thank you very much.

**Mr. Tchorzewski:** — Well thank you, the auditor and the

comptroller's offices, for that information. I have some questions that I want to ask for clarification, and the first one is prompted by Mr. Wendel's report that some of these have already . . . that were listed here have in fact now produced, for example, financial statements and so on. Does that mean . . . does that mean that I can understand that the policy or the position of CIC and these agencies is that they are . . . it is that they should produce the financial statements? Can you elaborate?

**Mr. Paton:** — Well I guess I'll try and speak for Mr. Wright. Listening to him yesterday, his comment was that in many cases he thinks these policies apply directly to CIC and CIC subsidiaries, and for most of those cases I think they are attempting to comply. And the comments of the auditor I think we are noting they are complying in many cases, especially with things like tabling financial statements.

There seemed to be some confusion over the one level down where you get subsidiaries of subsidiaries, and I think that's where you start to see where there isn't quite as much direct control by the CIC parent or there may be other reasons. But definitely I heard Mr. Wright saying yesterday that they believe in the spirit of this as it relates to CIC and its subsidiary Crowns.

**Mr. Tchorzewski:** — Thank you. Sorry, I wasn't here so I missed that. Then of course there's a question of confidentiality clauses. I'm sure that's part of the factor.

On the agri-food grouping here, I think as Mr. Wendel said, we really spent some time on this the other day, and so I don't want to pursue it at any length because I think we all, I certainly understand, and I think probably the rest of the committee understands what the situation is. And as I see it, they have no requirement in the legislation to table. They report their operations to the producers, whether members and owners. And so, even go further, and I think this is as good as the Legislative Assembly provides, but they have to report their operations under their plan within six months after their fiscal year, I guess that's the same thing that government is required to do. So I think there's some degree of accountability there, but once again we have to look at them.

Coming back to my statement of three days ago that a blanket recommendation like this sometimes is not fit. It makes their life difficult, it makes the committee's job impossible and it makes the auditor, puts the auditor's office in a difficult spot too. So I'm going to propose a motion here which I think will help to begin to address that question. At least I think it will, and then we can go from there. But I have another question.

On the health districts grouping here, you must have an idea of some options they might consider, or you'd rather not talk about them?

**Mr. Strelloff:** — Madam Chair, Mr. Tchorzewski. Health districts, they now do provide financial statements publicly to the residents as well as to the Department of Health. And perhaps one possible way that the legislators could get an overview of what's going on in the health districts is to ask the department to include in its annual report a summary of the financial results of all the health districts. We've asked them to

do that. My understanding is they are working on it, but that would be one way of making it happen.

**Mr. Tchorzewski:** — It seems to be what needs to happen here is that the department, in consultation with the health districts . . . because in some ways they are like municipalities and school boards and we don't require them to table in the same way in the legislature as you're asking the health boards. I recognize that they don't raise the kind of money locally as these other entities do, but nevertheless the principle is the same.

So I think they would have to have some input here. And in my recommendation, I hope it will lead to the department and the health boards and probably involving the Provincial Auditor's office in working up what might be an appropriate way for this to be resolved. That will be the intent of my motion to sort of have that followed up.

**Mr. Paton:** — If I could just make a comment on that issue. Again going back to these broad recommendations that were made in 1993, I don't believe at that time that the discussion was at all centred around the district health boards. I'm not even sure if they were contemplated at that time.

The other thing I would point out is that the districts health Act or The Health Districts Act, pardon me, spoke very clearly to the accountability of these agencies and it was passed in the legislature. And I think that accountability was established through the Department of Health. So you've got . . . I think what you're looking at here is a broad recommendation that didn't contemplate these agencies, as opposed to a direct Act of the legislature that did define the accountability relationship.

**Mr. Tchorzewski:** — I think the comments that the comptroller has made, I think are really important ones here because it sort of goes back to what I'm saying. When the committee in the past has dealt with this issue, I really believe probably it did not contemplate all of the other implications that come here. And therefore I think we need a process to clarify some of that. And once again that's what I'm going to try to . . . that's what I hope will be the result of our deliberations here today.

On the persons and the showing of what different people get paid, but the arguments could basically be the same. There is in some cases problems of confidentiality in agreements. There is some cases of competition factors, being competitive, that they're a competitive position and all that. And I think all that has to be taken into consideration as well.

So I have no other questions unless other committee members have, and if they don't I'll move my motion. But I think, Madam Chair, you said you wanted to ask a question.

**The Chair:** — Yes I did. When the health districts table their financial statements, are they all done in a manner that they are easy to compare one to the other or with the other? Do they have a format that's the same for every board?

**Mr. Paton:** — Just first a clarification, Madam Chair. They don't actually table financial statements. That would be the presentation of the statements to the Legislative Assembly. My understanding is they provide them to the Department of

Health.

**The Chair:** — Okay.

**Mr. Paton:** — Secondly, I believe there is some standards as to the information they provide and the format, and I believe it is comparable between agencies.

**The Chair:** — Okay. Mr. Gantefer do you have any questions? We're still in here. We can question anything in chapter 6. This is where The Election Act is.

**Ms. Stanger:** — Madam Chair. Just to add just before he goes on, what the district boards are required to do — a report of the district board's services and activities and costs, detailed audited set of financial statements, audited schedule of investments. There's also a requirement for an independent auditor to audit the accounts of the district health board. And so I just thought there is those criteria and share it with you.

**The Chair:** — Okay, thank you.

**Mr. Tchorzewski:** — I'd like to move a motion that would . . . (inaudible) . . . cut off any questions.

**The Chair:** — Okay.

**Mr. Tchorzewski:** — And I do this . . . I move this motion with the hope that we can find some ways to resolve some of this confusion around this, and I think the motion will speak to that. And I think because the auditor, I'm sure, has a lot of other pretty significant things to be looking at, while we try to resolve this, maybe we won't need to consider this list and all that sort of stuff in the meantime knowing that we're trying to get the thing fixed. Because if we go to the Legislative Assembly and the Legislative Assembly agrees with this, then really the Legislative Assembly . . . they'll be giving us all some direction as to how we should pursue the problem.

So in the spirit of that I want to move the following, and I actually have it typed so I can give it to you and you can actually read it:

In regards to recommendations .08, .16, and .21 in chapter 6 of the Provincial Auditor's 1996 fall report, the Standing Committee on Public Accounts recommends to the Legislative Assembly the following:

That while the committee agrees the spirit of accountability is an important fundamental of government, the committee has come to realize that circumstances for every government agency may be unique and may vary and that broad sweeping recommendations that blanket all government agencies as stated in recommendation .08, .16, and .21 are not appropriate. Rather than, in regards to agencies providing financial statements, agencies making public lists of persons who have received money from them and agencies assuring their annual reports include a comparison of their plan to their actual results, the committee recommends the following:

That in present and future occasions in regards to CIC agencies, the committee asks the Assembly to refer these

agencies to the Crown Corporations Committee for their consideration of these issues; and further:

That the Standing Committee on Public Accounts deal with the remaining agencies on an individual basis as the auditor raises these issues in his future reports.

Now I put it this way but we may want, as a committee, some time when we have caught up in all of that backlog we've got . . . Actually, have these agencies come before us, along with the auditor, to sort of present their case and explain the circumstances they face so that we can have the benefit of their view along with the auditor's view and then resolve them in each individual circumstance? Because I'm sure we will find even though we lump them into certain groups, there still may be some of this problem where the blanket recommendation can apply.

So I think in the interests of having the committee make a conscious and a reasoned decision, we should look at setting up, and maybe the Vice-Chair and I can . . . the Chair — the Vice Chair, excuse me — the Chair and I can, as the Vice-Chair, look at setting up a process, along with the auditor, where we can actually do that down the road some time in the near future.

So I move that motion.

**Mr. Gantefer:** — Thank you, Madam Chairman, and I certainly apologize for being late, but I'm sure members of the committee will understand everyone's keen interest in the announcement that was occurring at 9:30 as well. I would think that it would be appropriate, in light of the very significant importance of the Public Accounts Committee, that the Hon. Premier would take that into consideration that we're meeting and schedule his announcements at an appropriate time when we can be in attendance. And I was counting on all members' support in that comment.

Madam Chairman, I listened with interest to the motion presented and I think it again needs a repetition of what my position was yesterday in terms of this committee shuffling off what I see as our clear responsibility in the ability to deal with issues of financial accountability to the Crown Corporations Committee, which by the discussion yesterday and the day before, talked about it being much more of a forward looking and a policy type of an agency. And because it is of that nature, that the minister is there, which ends up having it a much more politicized and highly charged organization than what the Public Accounts Committee is.

And so I would have to again express my grave concerns about the fact that as I understand the motion, it would pass over to the Crown Corporations Committee any discussions about the Crown Investments Corporation and its subsidiaries, including for example, SaskPower Corporation and Channel Lake and some of those SaskPower Commercial.

And I think that I'm very much concerned that we're setting a precedent here of shuffling off those issues that I think have a very serious role for the Public Accounts Committee to be dealt with. And I understand that there's been some discussion about, you know, the fact that there may have to be some methodology established to redefine the roles and responsibilities between the

Public Accounts Committee and the Crown Corporations Committee.

And I know over my previous experience on this committee that that discussion went on. And while there always seemed to be a lot of head nodding in favour of the fact that this re-evaluation of the roles and responsibilities should happen, I have never seen any real commitment or any methodology established as to how that would happen and what a time line might be for that to happen.

And so because of that fact I would have to say that I'm very concerned about the idea of passing over any of our responsibilities in the interval to the Crown Corporations Committee. That that should only be considered at such time as revised roles and responsibilities are determined by whatever system is in place. And at that time if we then are convinced that the accountability or the audit responsibilities of the Crown Corporations Committee could be sufficiently defined and enhanced as to make sure that the public interest is served well by the responsibilities that we now exercise being passed over to the Crown Corporations Committee, I would have to say I would stand opposed to any passing over of responsibilities that we have to the Crown Corporations as a matter of principle until that redefined role could be previously established.

Because I do take the comments of the Provincial Auditor very serious when he said that by passing things over to the Crown Corporations Committee as the current mandates exist, it ends up having these issues sort of caught in some Never Never Land where it seems that neither we then nor they, properly scrutinize those issues. And I think as a matter of principle and a matter of course on that basis, that I'd be opposed to the motion as I understand it.

**Mr. Tchorzewski:** — Just so the intent of the motion is not misunderstood, we have a situation where I think we need to clarify those roles. And there's some things that the Crown Corporations Committee is mandated to do.

In the motion, I do not intend to say that the issues that may be brought to us when the auditor does his audit of a Crown corporation when he feels it is necessary and reports it, that we won't deal with it. We will still deal with those issues. This is not . . . this is not . . . (inaudible interjection) . . . No, no, I'm not suggesting that. The auditor audits corporation X and he finds in his audit that there is something amiss in the way they carried out their obligations under the mandate that we're supposed to be dealing with, that comes here.

We're not suggesting that that does not come here. You know, when it comes to a question of making certain decisions which may be kind of a policy nature, then we refer it over there. So I'm not suggesting . . . Because I think you may have misunderstood my intent. It's not a blanket — here I go using that word again — recommendation that forevermore we will do nothing that concerns Crown corporations. If the auditor does an audit, finds that there's something we need to know, it'll be here and we will deal with it.

**Mr. Thomson:** — I just want to add to the vice-chairman's comments in saying that, yesterday the discussion we had was that we wanted these issues considered in context — the issues

that the auditor has raised. And we felt specifically, with the Crown corporations, that those were best considered in the context of the overall discussion about Crown accountability that should go on within Crown Corporations Committee.

The vice-chairman's motion today I think is a good one because it also says that the other agencies should be considered within the context of their own individual audit report when those come forward. And I think that makes very much sense, that we have the opportunity to review that as they come forward individually. Because each agency is somewhat different. And I think that the problem we have with such a broad interpretation of the previous Public Accounts recommendation is that it does not necessarily serve the interests or the ability for each agency to comply. And what we need to do is to find out how each individual agency should best report to the legislature.

So I think the motion of the vice-chairman is a good one; I think it's a fair one and it is obviously one which will bring this issue back to Public Accounts in the future. So I'll be supporting it.

**The Chair:** — Further comments? I'm going to read the motion again that was put forward by Mr. Tchorzewski:

That in regards to recommendations .08, .16, and .21 in chapter 6 of the Provincial Auditor's 1996 fall report, the Standing Committee on Public Accounts recommends to the Legislative Assembly the following:

That while the committee agrees the spirit of accountability is an important fundamental of government, the committee has come to realize that circumstances for every government agency may be unique and may vary and that the broad-sweeping recommendations that blanket all government agencies as stated in recommendations .08, .16, and .21 are not appropriate.

And further, rather than regards to agencies providing financial statements, agencies making public lists of persons who have received money from them and agencies assuring their annual reports include a comparison of their plan to the actual results, the committee recommends the following:

That in present and future occasion, in regards to CIC agencies, the committee asks the Assembly to refer these agencies to the Crown Corporations Committee for their considerations of these issues.

And further, that the Standing Committee on Public Accounts deals with the remaining agencies on an individual basis as the auditor raises these issues in his future reports.

Question. Those in favour of this motion? Those opposed? The motion is carried.

**Mr. Tchorzewski:** — Madam Chair, and I just want to repeat again that, having passed this motion we need to make sure that we find some time at the convenience of the auditor and some of these agencies to put it on an agenda. It may be something we want to do intersessionally, but on the agenda so we can come to grips with each one of them and give them an

opportunity to present their case.

**The Chair:** — Noted. And this motion dealt with all the resolutions in chapter 6.

We have on the agenda the Department of Executive Council that can't come into 1:30. But from 3:30 to 4:30 we have "How we are accountable," chapter 9 of the fall report of the Provincial Auditor. I'm asking the committee if this could be brought forward . . . the committee and the Provincial Auditor if this could be brought forward at this time to be dealt with this morning?

**Mr. Thomson:** — Agreed.

**Mr. Strelieff:** — Madam Chair, thank you members, colleagues. Chapter 9 of our fall 1996 report entitled, "How we are accountable." We prepared this chapter in response to general questions about accountability, as well related to government organizations as well as to our office. We thought that it would be an opportunity to discuss exactly what people mean as accountability in the context of our office. And also from time to time, I do get questions about how our office is accountable and to whom.

So in this chapter we explain what we do to make sure that we are accountable. Sometimes it gets rolled up in the question of who audits the auditor. And as you can see in this chapter we are examined a lot, and I suppose as you can see in the discussions of this committee what we come to the table with in terms of our conclusions, recommendations, and advice is also subject to significant challenge.

So the first part, the introduction, has a definition of accountability. Paragraph .02, to me, is the essence. It's the obligation to report on and answer questions about how a person carries out their responsibilities. The Assembly has provided our office, through The Provincial Auditor Act, significant responsibilities and we're accountable back to you. And we have therefore the obligation to report on and answer questions about how we fulfil our responsibilities.

One of our responsibilities to the Assembly is to maintain our independence of the government — very important. Through The Provincial Auditor Act, you've given us necessary authorities that makes us independent of the executive government. Sometimes some people express the view that since our office is independent of the government we are not accountable to the executive government. Well that's true — that's true we are not accountable to the executive government, we're accountable to the Legislative Assembly. And maintaining our independence both real and perceived, really important for the credibility of what information and advice we provide the Assembly and this committee.

Paragraph .08 deals with the confusion that I hear often between autonomy and accountability. I hear and read and . . . people confusing autonomy and accountability. Some express the view, because the executive government perhaps has given significant autonomy to an organization of government that they therefore should not be accountable to the Legislative Assembly.

You'll hear some people say, well we're autonomous. Well the

way you earn your autonomy is by being accountable, by taking the opportunity to report on and answer questions about how you fulfil your responsibilities. A strong system of accountability is really prerequisite to autonomy — very different though.

Now the next part of this chapter discusses how . . . the types of reports and planning documents that we provide to the Assembly. As you know, all our reports are automatically referred to this committee. So when we table a report with the Speaker and when the Legislative Assembly is in session, it goes to the Assembly right then. Or when the Legislative Assembly is not in session, it's automatically deemed to be tabled. But all our reports go to the Assembly and are automatically referred to the Public Accounts Committee.

Our planning report is called our business and financial plan, and our performance report is called our annual report on operations. We provide the business and financial plan to all legislators and to the Board of Internal Economy, the Standing Committee on Estimates, and to this committee. We also do the same for our annual report on operations.

And if you look at our business plans and our performance reports, you'll see that we're always trying to make them clearer, make them more measurable, make them easier to understand, and more rigorous. We prepare these reports in a manner consistent with what we recommend other organizations do — trying to walk the talk. And of course all these reports are available to the public and are even on the Internet that people can have access to.

Our business and financial plan goes to the Board of Internal Economy in support of the request for money to carry out our responsibilities. Again the type of information that we include in that plan is similar to what we recommend other organizations do when they provide or prepare plans.

You know the make-up of the Board of Internal Economy. Mr. Whitmore is a member of that board. It has seven members representing the governing party, the official opposition, and third parties. The majority of the members are from the governing party, including two cabinet ministers. The Speaker chairs. The board holds public meetings, and one of its key responsibilities related to our plan is to recommend to the Minister of Finance the amount of money the minister should include in the estimates for our office.

Recently, in the last couple years, several members of the board expressed concern that they weren't sufficiently familiar with the work of our office to decide whether the proposals that we brought forward to them were the right proposals.

At the meeting in January they asked us to provide them some advice on how they could obtain additional advice on our proposals.

A year or two ago they had discussed the idea of sending our plans to a government appointed audit committee that is identified within The Provincial Auditor Act. And when they talked about that we disagreed because it's a government appointed group and we thought that it shouldn't be a government appointed group deciding how we audit the

government.

We did discuss with the board, and in this document as well, the idea that this committee provide advice to the Board of Internal Economy on our proposals, thinking that this committee is far more familiar with the work of our office than the board. So perhaps this committee could be a vehicle that would provide advice to the Board of Internal Economy on the relevance of our work to this committee, the Assembly, and also to the public.

The board has asked us to provide them some advice by early May. And one of the things that we're considering doing is to ask this committee to review our annual performance report that we issue in June for . . . say for March 31, '98, we'll issue it in June, and to ask this committee to review that performance report with us in a meeting so that your advice . . . so we could take your advice in preparing our business and financial plan in the fall.

Now that would . . . To make that possible that review with you would have to take place before the end of September about. Thinking that through such a review, you could also be better positioned to provide the Board of Internal Economy advice. Or even thinking of the idea that perhaps the Chair and the Vice-Chair attend the Board of Internal Economy meeting when our funding is being discussed by the Board of Internal Economy.

Now in our performance report, we do publish an annual report on our operations. This goes to all legislators and this standing committee and also to the Board of Internal Economy so it can better understand and assess our plans and performance. Again the information we put in our performance reports is similar to what we recommend other organizations that are accountable to you.

And in the performance reports they're audited. There is an auditor appointed by Executive Council to audit our office. And in that report they will give opinions on whether our financial statements are reliable; whether we have adequate management systems and practices; whether we're complying with the law; and in its most recent one, the March 31, 1997 report, we ask the auditor to report on whether our costs — our planned costs and actual costs — are accurate in terms of individual projects that we're carrying out and also that the actual time that our employees spend on carrying out audits compared to vacations, compared to sick time, and other kinds of duties is accurate. We actually put in our performance reports that kind of information. Which is actually quite amazing.

Our fall and spring reports, paragraph .24 — we issue fall and spring reports to the Assembly — this is what we're . . . the main focus of this committee is our reports as well as the *Public Accounts* and the activities of the government in the year under review.

In '98, 1998, we plan to issue three main reports that I've discussed earlier. One is in May where we are planning to issue a report on the work of our office related to government organizations with December 31 year ends. In September we issue a report on our audit of the government summary financial statements and understanding the finance chapters and items

like that. And in November we are planning to prepare a report on the March 31 year ends of the government.

That's been a significant shift over the years, trying to be more timely, and several years ago this committee initiated a change to The Provincial Auditor Act to allow us to report more frequently and it was a private members' Bill — is that what . . . (inaudible interjection) . . . I'm not sure what, how . . . I think it was but . . .

And as a result, we are doing that and trying to increase the timeliness of our work. I know members of this committee in the past have asked us to do that as well as government officials wanting to make sure that the work of our office is done in a more timely way and they deal with it in a more timely way.

The paragraphs .27 to .32 talks about how we get our work done and all the challenges that we go through when we . . . before we end up deciding what to report. And we meet with government officials about agreeing on our audit plan, the timetables, the deliveries that they have to . . . that they agree to and that we do. We, at the end of each audit, we again meet with them to discuss the drafts of the reports. We issue written reports to the minister responsible and then we summarize those reports in reports to you.

There is considerable challenge along the way. I know in the discussion of the Workers' Compensation Board on Monday . . . or Monday or Tuesday . . . Tuesday, before we issued our report on the Workers' Compensation Board, which caused a lot of discussion, we went through these steps and went through them to a great extent, because what we were ending up reporting we knew would be sensitive to many, many people.

.33 to .37 describes some of the internal and external quality control mechanisms that we have in place. The Provincial Auditor Act requires us to follow professional standards when we carry out our work and reports.

And we make sure that we can carry out those . . . meet those standards through training and experience and education. Almost all of our staff are involved in carrying out audits. They're in the field, they're carrying out the work, they're preparing the reports. They have university degrees and professional designations or are working towards professional designations.

We have internal and external quality reviews, internal experienced people supervising less experienced people, practice review committees. We have external quality control mechanisms through our audits, through the auditor that examines our office and reports to you. Their audit reports do come to the attention of this committee.

We have practice inspections from the institute of chartered accountants and we participate in professional standard developments across the country. A whole series of mechanisms to make sure that the work that we bring to your attention — our conclusions, findings, recommendations — can withstand scrutiny. And the scrutiny first takes place in internal challenges in our office, meetings with officials of government, meetings with boards of directors, and then in this committee.

.38 is a summary of all the different steps that we take to make sure that we can discharge our responsibilities to the Assembly with confidence. In addition, we're frequently asked by elected and appointed officials, as well as members of the media and the public, they ask us questions about what we do, about items in our reports, and we welcome those questions and requests. And we receive many of them.

All our reports to the Assembly are available to the public. They're on Internet sites and are out there in the sense of trying to make sure that people know what we do. So as you can see, the system of accountability for our office is pretty extensive. There are many forums in which we fulfil our obligation to report to you and answer questions about how we fulfil our responsibilities.

Madam Chair, that's my comments.

**The Chair:** — Thank you very much. Now we have Mr. Thomson.

**Mr. Thomson:** — A couple of questions. Thank you, Madam Chair. I'm a little concerned in reference to paragraph .16 in terms of the auditor's comments in his report concerning the audit committee.

It's my understanding that the audit committee is in fact a statutory creation as set out in section 20 of the auditor's Act. I'd appreciate hearing from the auditor his rationale for disagreeing with the Act that creates his office and what improvements he would suggest to that section . . . (inaudible interjection) . . . Paragraph 20 of the auditor's Act.

**Mr. Strelloff:** — Madam Chair, Mr. Thomson . . .

**Mr. Thomson:** — Paragraph .16 of his report; paragraph 20 of the Act.

**Mr. Strelloff:** — Did I say I agree . . . disagreed with my Act?

**Mr. Thomson:** — It says in paragraph .16 that "... members suggest our Plan be referred to a government-appointed audit committee." That audit committee obviously being the one established under The Provincial Auditor Act, section 20.

You then go on to note: "We disagree because this impacts our independence of the Government. We do not think government officials should decide how we audit the Government." I guess my question is, if the legislature has provided a mechanism for an audit committee to be established and has passed that under the same Act that creates your office — establishes an audit committee to provide greater accountability of your office to the Assembly and sets out the mechanism by which that's done — I'm just confused in terms of how the auditor can offer an opinion disagreeing with the Act that creates his office.

**Mr. Strelloff:** — Okay, Madam Chair, Mr. Thomson, members. In paragraph .31 we address this government-appointed audit committee. We meet with this committee. The purpose of this committee is to ensure the government receives a copy of our reports before they are made public. So through this committee we provide a copy of our report to the secretary to this committee, which is the deputy



minister of Finance. That's the mechanism that was put in place when our legislation was changed back in 1983 to make sure that the government receives a copy of our report before it goes public.

Prior to '83, my understanding is that we provided our audit report to the Minister of Finance and then the Minister of Finance had to decide when to table the report. So the legislature changed our Act to take that responsibility away from the Minister of Finance, and yet in drafting the legislation, my understanding of the intent of the draft was that the government of the day and the legislature agreed that there needed to be another mechanism for the government to receive a copy of our report before they are made public. So an audit committee provision was put in place. And this committee provides advice to the executive government. So . . . period.

**Mr. Thomson:** — I'm not certain I understand then. If the reports are provided anyway, what is the problem with referring the plan to the audit committee that's established by the Act and approved by the legislature?

**Mr. Strelieff:** — Madam Chair, members, Mr. Thomson. As I state in this report, that this is a government-appointed group and it seems like a conflict of interest to ask a government-appointed group to decide how the government should be audited. Now the purpose of the audit committee was to receive a copy of our report before it goes public and have an opportunity to discuss that report before it goes public, not to deal with how we audit the government.

**Mr. Thomson:** — See this is an interesting, it's an interesting debate that we're starting to move into here because I note in paragraph .18 that you refer that the Public Accounts Committee is the audit committee for the Assembly when in fact the audit committee's the audit committee under your Act. I mean there's obviously a difference here. I think we've run into a confusion of terms.

What I wonder is if the auditor would support, at some point, changes to his Act that would allow us to better clarify some of these issues — perhaps specifying particular positions that should serve on the audit committee; perhaps providing the regular review of his office by an independent committee. I'm wondering if we are moving more quickly to a point where we should just re-examine the relevance of the Act and how we can improve it. Has the auditor given any thought to improvements to his Act?

**Mr. Strelieff:** — Madam Chair, members, Mr. Thomson, yes.

**Mr. Thomson:** — And I guess my second question then — and it will move me into a slightly different approach — have those discussions happened with the Board of Internal Economy?

**Mr. Strelieff:** — Madam Chair, which discussions?

**Mr. Thomson:** — The discussions about the potential improvements to the auditor's Act?

**Mr. Strelieff:** — Madam Chair, members, Mr. Thomson, the board has not discussed changes to our Act. I mean if they discuss our plan, that's their job. In the past when changes to

The Provincial Auditor Act have been contemplated, my office would issue a report on the changes. And then . . . and what if it's . . . and how we think the changes should take place, and that report would come here.

And I think in one case in my memory, I think you then would invite the Minister of Finance in to discuss the changes and decide what changes should be made.

**Mr. Thomson:** — Okay. I appreciate that comment. In paragraph .18 the auditor addresses the issue of the plan, of his business plan or his work plan I guess it is, business and financial plan, and suggesting that Public Accounts should probably review this in advance of the Board of Internal Economy doing so.

I have some concern. I think I understand what the objective is, and that's to provide greater ability for legislators to have input into his work plan. My concern is that the Board of Internal Economy of course is a very specific management body of the Assembly and I have some concern with us moving the officers of the decisions around the budgets and the work plans of the officers of the Assembly into the standing committees. I think that that is potentially a somewhat dangerous precedent in that Public Accounts Committee has a very specific mandate and is specifically excluded from dealing with the budgetary matters of the auditor's office.

I don't think we want to move to a point where we are limiting the influence and the importance of the Speaker's office, which is what this move would do in my mind, is essentially bypass the importance that the Speaker plays in the management of the Legislative Assembly's function.

And so I think this is a fairly . . . I think it's an issue we would need to consider quite seriously before we proceeded with it. And I would suggest that this . . . if the auditor is in fact interested in going at it in this way, that perhaps the discussion should best occur with the Speaker and the Board of Internal Economy before coming forward from here for a recommendation.

That's the concern I have. I'm not adverse to us looking for ways to improve and enhance and update the Act or the way the business plan is worked out. But I am reluctant to see the standing committee's role expanded into that of a management of the officers.

**Mr. Strelieff:** — Madam Chair, members, Mr. Thomson. I wasn't planning to propose that this committee approve our budget. I mean that is the Board of Internal Economy's responsibilities. I was planning to propose that this committee have a better opportunity to provide advice, both to our office and to the Board of Internal Economy, about the contents of our plan.

So I'm still thinking that the Board of Internal Economy has that responsibility, but they have said to me that they're not sufficiently familiar with the work of our office. And in taking that comment, I thought, well certainly this committee works with our office far more than other legislators; and I thought, well if this committee had an opportunity to review our . . . or did review our annual report on operations, our performance

report sometime prior to September of every year, the end of September every year, they could . . . you could provide us advice, hopefully constructive criticism, as to how we carry out our work. And we could take that advice and fold it into our business and financial plan which we then give to all legislators but also goes to the Board of Internal Economy for their review and approval.

So it wasn't to take away . . . I don't think the idea would be to take away the decision-making responsibilities of the board. It would be to provide them access to other kinds of information and advice as they consider our plans and proposals. So it wasn't that part.

**Mr. Thomson:** — Okay. I guess I appreciate what the auditor's saying and I understand . . . I have a better understanding now in terms of what his objective is.

Again I think we need to be mindful as MLAs (Member of the Legislative Assembly) not to step on the . . . or begin to curtail the important role that the Speaker plays in terms of the management of the Assembly and to direction of the officers. And I am reluctant to see us move that from the Speaker's office over to the chairman or vice-chairman's office here or any sort of second guessing. I really think it's very important that the officers and reporting relationship between the officers and the Speaker be maintained.

Our job as I view it as Public Accounts is largely a forensic job in terms of going back into the documents and looking at the years under review. I think if we were going to look at something larger than that, we would need to consider the implications that has on other offices. In particular, I think of the Children's Advocate, which was another office of the Assembly — the Ombudsman's office — and how those offices would be impacted by this kind of a change.

And I understand that the auditor is probably the most pre-eminent of those legislative offices, but I think that this move is headed in the wrong direction, well-meaning as it is. I'm simply concerned that before we get into any more detailed discussion on it, that we would want to, I think, clearly have some discussion at the Board of Internal Economy on it so that the Speaker has an ability to have some input. I feel very, very reluctant for us to cut the Speaker's office out, which is what I see this largely being. Thank you, Madam Chair.

**Mr. Jess:** — Yes, Madam Chair. Mr. Strelieff, just a couple of very general questions. And I expect this information is here, but just for my own knowledge and on the record, how many employees are in the Provincial Auditor's office at present? And how does your overall costs compare — that's your audit costs — to other governments or corporations doing between 5 and \$6 billion annual business? And if indeed this is a fair comparison. This is kind of the type of question that your audit involves. Are we getting the proper bang for the buck?

**Mr. Strelieff:** — Chair, members, Mr. Jess. The first question is relatively straightforward. How many people are in our office? And we have about 60 people. It changes from month to month because we are what's called a training office, and we bring in co-op students from the University of Regina for four-month work terms. And we have about a 10 per cent

turnover every year, so it's quite dynamic. So about 60. I think right now we may have 62, because we have a few co-op students in our office right now.

Now whether you get the best bang for the buck, for the buck from our office — tough, tough question. I think we do do a good job. I mean we take a lot of ownership with — personal ownership — with how we carry out our responsibilities. And we really try to make sure that the results of our work helps to improve government management, reporting, and the ability of legislators to understand and assess the performance of government organizations.

I guess I think, I think we do a good job but I think you have to answer that question. I mean you're the users of our services and our reports, and I can say that I think we do a good job, that we deliver good bang for the buck. But in our business plans and annual reports we set out our goals and our objectives and our performance indicators and our costs of what we do, trend lines, and the types of recommendations that we make and the acceptance of those recommendations within government organizations, the acceptance of those recommendations by this committee and the Assembly.

I think our office has had a good impact on certainly the last seven years that I have been around. I think that management and accountability practices are on the right trend line. But I'd like to say that a lot of that was due to us, but you know we're just one of the players in the system of governance that's here.

So we provide performance information to you and you work with us. At the end of the day I guess it's really your decision as legislators.

**Mr. Jess:** — Thank you. Between you and our situation as of '91, we all became very conscious of the dollar, there's no doubt about that. And we needed yourself or somebody to help us deal with a very tough situation.

The other question that I didn't get an answer to, and I'm not sure that it's a fair question anyway, is: is your cost realistic with a corporation or another government handling the 5 to 6 billion a year? Have you ever . . . If you don't have that kind of comparison, I can understand that, but I just . . .

**Mr. Strelieff:** — Madam Chair, members. I can't provide you a comparison like that that would withstand the rigorous measurement test.

**Mr. Jess:** — Okay. Thank you.

**Mr. Whitmore:** — Thank you, Madam Chair. Having the distinct opportunity to sit on the Board of Internal Economy, also to be a member of the board of Estimates, now a member of the board of Public Accounts, I have the opportunity to see the five-year plan many times over in terms of the Provincial Auditor.

I think too in terms of what the auditor said today, in terms of the quest of the Board of Internal Economy, in terms of I guess that comment that was made today — who audits the auditor in terms of the professional side — is a discussion of the Board of Internal Economy, is an issue that we will certainly deal with in

Board of Internal Economy in terms of recommendations.

I think too it's important to, as today, to highlight the things to this committee in terms of the business plan and how the Provincial Auditor is accountable so more and more members have an understanding of that too. And I think that's an important role today.

As I said, I think Mr. Thomson has raised some interesting points in terms of where we go from here, in terms of different structures, in terms of that auditing the auditors as some has suggested, as you have done in your report — a government-appointed committee — whether that has its merits or not I think has to be dealt with by the board. I think whether it be outside assistance directly to the Board of Internal Economy to provide a review and to ask questions in that forum, it may be another way to go.

But as I say, I look forward to May when we can look at those options and have an opportunity to look at it and see where we go to make the Provincial Auditor's position I think better, I think, for everyone concerned, to have a great understanding of what the Provincial Auditor does. Yet though, being a member now of this committee, I'm not sure if I want to see the five-year plan a third time.

**Mr. Strelloff:** — Madam Chair, members, Mr. Whitmore. Just when you were going through your comments, I was thinking I don't know any organization that is subject to so much scrutiny and challenge as ours in terms of the size of it — four and one-half million — it's interesting.

And it's not just the dollar amounts that get looked at in our office, it's the — as you notice in these committees — it's anything we recommend, conclude. Just think, I mean the government officials come in and they know their operations far better than we do, and yet we come out and we'll make a recommendation, and then both sides of the House asking us questions as to you're really sure that what you're recommending makes sense or why.

I mean it's an interesting job in that sense, in terms of the constant challenge as to what we do and report. On the other hand, we do report publicly so we should be subjected to those kinds of challenges and questions. I mean that's healthy, but it's just an interesting experience over the last seven years and four months as to all the scrutiny, challenge, and the opportunities to be accountable that are presented to me. But that's just . . .

**Mr. Whitmore:** — But I think that's . . . I guess the inherent, I guess the positive side, the independence of your position in terms of having that kind of scrutiny and that kind of discussion. Because it doesn't exist, you know, in the private sector in terms of the relationship with auditors and the relationship with the business community, you know, with a private industry. Unless an auditor has found something terrible, you know, rarely have I seen in terms of financial statements . . . it is simply that page in the front that states that things have followed proper procedure, you know.

But your report goes beyond that too. Yours is not simply signing off the balance sheet or, you know, the working capital statements or whatever. It is a very detailed analysis of what's

going on. And I think because of that scrutiny, that's why there is scrutiny in terms of what goes on to make sure we have an understanding of the things that you have said. And I think that's why it is a unique role.

And I think too, that's why you do have departments or Crown agencies say well, you know, does this person know because they're not intimately involved. But again it is that view from . . . (inaudible) . . . that you were looking at that makes it more . . . you know, that allows you to the opportunity to do that. But if I can use the, I guess, the simple term "turf war" may be a way to describe some of the push and pull that takes place.

**Mr. Strelloff:** — I think the scrutiny on our office is healthy. And so when I think of that I'm always encouraging other organizations to be subject to the same kind of scrutiny.

**The Chair:** — Comments? Mr. Whitmore, are you finished? Okay.

**Mr. Tchorzewski:** — Thank you, Madam Chair. Just some brief comments. Let me begin by saying, it's the importance of the Office of the Provincial Auditor I think is without question. And no member of the Legislative Assembly will disagree. And those of us who have been around longer than some people think we should have, have learned to appreciate the value of the work that is done.

Having been the Minister of Finance in 1991 when we did the financial review of the province, I want to state it, because it can be on the record, that the assistance that was provided by the Provincial Auditor's office with the commission that we had established was extremely valuable in identifying where we were at financially and then identifying what provisions government might put into place to at least mitigate, if not prevent, future governments from sort of going down that wrong path yet another time. So I just wanted to say that here today and extend my appreciation for that assistance.

Sometimes members of the legislature will disagree with the Provincial Auditor, and I think there is nothing wrong with that. And sometimes the media or others will pick that up as somehow questioning the independence or the role of the Provincial Auditor. I don't think that's the case. I think members who are elected have a responsibility to do that. So when it's done, it's not done in the context of sort of an attack on the institution or the individuals. They do play an important role, but in the nature of democracy sometimes there are disagreements, and they do happen. Not very often mind you, but they do happen. And I think we all of us have to sort of take that in that kind of a context.

I was interested in your comment about the amount of scrutiny that the Provincial Auditor gets and — almost as much as politicians — but the scrutineer will always be scrutinized very intensely. That's just the nature of things. And I think the fact that it is able to happen speaks well for our kind of government system that we have in this country and in this province. There are places where you wouldn't dare do that — well there are places in which you wouldn't dare have a Provincial Auditor — but I think it speaks well for the kind of institutions of government we have and the kind of democracy we have.

I want to comment on a couple of things that Mr. Thomson raised, one is the audit committee. I'm aware of the fact that it advises the government, but . . . I am not, but if I were the Provincial Auditor, I think I would appreciate some advice from the audit committee and I think they are a group of individuals who come from different spectrums, removed from the political side of government, and sometimes may have some insight that I think is not only valuable to the legislature but can be valuable to your office as well. And I just offer that as a comment, maybe an advice if you want to take it that way.

On the question of setting budgets and that kind of thing, I agree, we should always look at better ways to do it. And if the Board of Internal Economy at times is not familiar with some of the things that are in there, then I think they should do what we would do, or what a treasury board would do, and that is inform themselves. And I mean and I'm sure you're quite capable of informing them and they can even go further. I really think they need to do that. I'm not right at this point arguing against or making any kind of criticism or accusing anybody, but . . . I'm not arguing against this committee having some input, but I'm not yet ready to accept that for some of the arguments that have been made here.

But, and I guess I say this because maybe I have been tempered by being a minister of Finance who's put together four budgets, that officials in government and people outside will use any kind of lobby that they can to present their cause. And I'm not suggesting that's the intent here, but it could be at some time. And I wouldn't want this committee to at some time be used as a little lobby on the Board of Internal Economy or a little pressure group. And I think we have to, as a committee, be concerned about that.

And please don't misunderstand. I'm not saying that that's what the intent is, but at some point in time it may be that, and I don't think we should. You know I like to be fairly direct about these things because I believe in the system of government that we have here.

Having said that, I think I want to express another concern and it's not the concern with the Provincial Auditor or anybody else. It's a concern with the way the public has tended to view institutions of government, institutions of a democratic government, whether it's the auditor's office or whether it's a department or whether it's the Department of Justice or a court system. And I think we have to as legislators, and each of the institutions have to in their own right, do everything in our power to restore some of that confidence which has been lost. Because a democracy cannot survive when the population has lost confidence in its institutions.

I think some of that confidence lost may be for good reason, because of some things that have happened in the past. But to a large extent it's because there are people, for not good reasons, who will attack those institutions. Sometimes they're political and sometimes because somebody has a vested interest and if you can discredit an institution of government it helps your cause and so on. So I think we all have to be very cognizant of that. And that's why I think we need to come to the defence of the institutions of government when they are under attack and explain to the public in a proactive way why they are important in order for a democracy to work.

The final point I want to make is that because we always . . . It seems to me these four days we've had a lot of talk about autonomy and independence, and that's good. But I want to underline what I firmly believe and have always believed and probably will forever, that autonomy and independence is determined — and to what degree there is autonomy and independence — is determined by the legislature.

That's what we're elected to do. We're elected to pass legislation which provides the guidelines as to how autonomous is this organization and give it some protection from political interference from time to time, or whatever it might be.

So I keep coming back to that — the final authority is the Legislative Assembly, because through that then the electorate or the public is then the final authority because they are the only ones that choose the Legislative Assembly and determine what its make-up is going to be.

And so all of us, either as committee members or as officers of the Legislative Assembly, should always be very careful that we know what the Legislative Assembly intended; what the legislation the Legislative Assembly has provided says and try to be within that, because when we stray as politicians or officials too far beyond that, I think it begins to destroy some of this credibility with the people we all have to deal with.

And I think that . . . The point I make is that through this process it's the people out there who vote every four years who then really are the ultimate authority through the people they elect. And sometimes maybe those people they elect make decisions that are not wise. We're human beings. But nevertheless that's their job. That's their right — to elect them. And they change them when they're not happy.

I think that's all I want to say. I just simply say that I think this has been a very helpful and useful presentation, and I think a good discussion. And certainly as a new member of the committee who has come back for a second time — it has been more than three days — that I value the work that we do here. I have always been impressed about the history of this Public Accounts Committee. I said that the other day, and I'll say it again.

And I don't mean to be critical of the press — but I guess I'm an old guy from a long time ago — but when this committee met in camera, it was a better committee. I say this as a politician to politicians because at that time we did not only go through the auditor's report. We went through the *Public Accounts* — Greg reminded me — page by page by page, and I thought at that time it was useful. We really got to cover what we're supposed to be covering as a Public Accounts Committee.

And we didn't have to, at any time, worry about the vice-chairman, as a member of the government caucus, feeling he has to make a political point. Or people in opposition very seldom tried to use the committee to make political points. Unfortunately we do that now and that's just the way it is. I'm not criticizing anybody about doing that. That's the nature of the business. But that's only historical perspective from a person who considers himself a bit of a historian, and we're in a new world now. I think we need to all the time remind

ourselves that our role is to really carry out the mandate that is provided to us in the legislature.

**Mr. Gantefer:** — I thank you, Madam Chairman. I think that it bodes interestingly well for the direction that this committee is going that I find myself in complete agreement with what the Vice-Chair just indicated and put on the record, so I won't bother to go over the whole process again.

I think it's absolutely true in my tenure on this committee, and I look forward to the continued work on it, is that we tried in that term to build this as a committee that was indeed operating in as non-partisan a way as possible and to focus on the tasks at hand. And I stand willing to say on the record that it was one of the most prideful accomplishments that I've had so far in my experience as a legislator, is my participation in this committee.

And I think that the reason why the Provincial Auditor's office is held in great esteem across the province is in some measure a result of the fact that this committee operates in a very effective and professional way as well. The two things operate hand in hand. If this committee decides that it's going to spend much of its time either attacking the auditor's positions or not regarding them with high esteem and as a professional discussion, then we do ourselves a disservice and the legislature a disservice. And in the long run I do not think we serve the politics of our positions well either. In the long run I think we'll be found out to not be doing the appropriate job that the legislature has commissioned us to do.

In terms of these ongoing dynamics, of a changing dynamic, if you like, of the relationships, I really think that we've got to be mindful of our responsibility as a Public Accounts Committee as set out to us by the legislature. I think it has indeed given this committee a great responsibility to see to it that there is a complete and accurate accounting of the public accounts and to look at the recommendations of the auditor with all due diligence and seriousness. And that aspects of the Provincial's Auditor's office, like is his budget appropriate or not, as an officer of the Assembly, that the Board of Internal Economy is rightly responsible for that.

But I would think that we would stand ready to give comment if requested in terms of the work the auditor does from this committee, and as the Deputy Chair said, that the Board of Internal Economy, if they're doing their job appropriately, should probably ask us. And that's a fair comment.

But having said that, I do not think — and I've said over this last few days — that I think we have to be very, very sensitive about carving off or suggesting we carve off any of the responsibilities that the legislature has given us until the legislature has maybe defined a new responsibility and role for us; that we shouldn't be trying to sort of shuffle it off; that it's very much something that we should take with complete honesty and complete seriousness. And if the legislature in its wisdom decides to establish a new mandate and relationship for us with other committees, then we have to accept that responsibility. But until that happens, we have to accept the very great responsibility that we have.

And I very much want to say that from my standpoint I very much respect what the Provincial Auditor has done, not only in

terms of the day-to-day operations but in terms of the improvement in a pretty dramatic way of the overall public confidence in the institution of government. So thank you.

**Ms. Stanger:** — Well the previous two speakers said so much of what I was going to say I guess I could say it in three words. I think that this committee is all about accountability, responsibility, and cooperation, to serve the people that we are elected to serve well.

And I want to give the auditor some comfort because if he thinks in the last seven years and four months he has felt the scrutiny to be accountable, I can tell you that the legislators in Saskatchewan have felt the heat from all political parties to be responsible. There is just more and more pressure from the public — and I think they are right — for us to be accountable and responsible. So I think everybody feels that. I believe people in the departments and in the Crowns and all over feel that responsibility to be accountable.

And I take . . . And again moving on to the next point from accountability, I believe we should all take our responsibility seriously. And I don't think we should shuffle things off, as a former Chair said, and I don't think there's any intention on any of us from any . . . the opposition or the government to shuffle them off. I think it's just where it should be done and where it should be done properly and whose responsibility it is. And I think surely to goodness we can define all of that.

And the cooperation is that, after all, at the day's end I guess we all have to come to the conclusion as why are we here. I think at least if we're . . . I believe Mr. Blakeney was correct. I had a private conversation with him about six years ago and he said we live in a country that is in the top six most democratic countries in the world. And I believe that if we in some way, in our actions as legislators, begin to demean that democracy for political points, we will all suffer the consequences. Because we do live in one of the best countries and one of the best provinces in the world.

And it's because of legislators before us, that came before us since 1905, built this and they built well. As Mr. Tchorzewski has said, that's not to say that there haven't been some of us that haven't been responsible like we are supposed to, but I guess that's why we live with the close scrutiny that the public has on all of us now. Thank you very much.

**The Chair:** — Thank you, Ms. Stanger.

**Mr. Hillson:** — Yes, Madam Chair. Well on the whole I agree with most of the comments we have heard this morning.

I would like to provide a slightly different perspective, and I would like to refer members to the University of Toronto's landmark study entitled: "Responsible Government in Ontario." And if I may just very briefly, by way of background, members will recall that in Ontario you actually had a provincial government which was in office for 42 years. And of course that gave rise to a number of practices that maybe were unusual in the normal give and take of democratic government.

But the point of that study was that the whole concept and principle of responsible government was used to thwart

responsibility. And what the study showed was that the ultimate authority of the Assembly, of which Mr. Thomson has alluded to quite correctly, was used as a means of the government majority to . . . when questions were raised the government majority would be asked, well do you want this looked into? And the majority said no.

And therefore on the doctrine of responsibility to the House, responsibility was in fact prevented. On the doctrine of the ultimate accountability to the legislature, accountability did not occur because the ultimate accountability was the House and the House said no, we're not terribly interested.

Now, well we all, I think, want to serve with responsibility and diligence, and all with a sense that we have a higher obligation to the people of Saskatchewan than to the parties we represent. We should not totally forget, in the words of Mr. Lyons when he was the Chair of this committee, that it is a partisan committee; that it was set up with some practices and concepts to ensure accountability and the power of the majority is to be tempered by concepts, practices, and principles — two of the most ancient in our system — of which are the public auditor office and the Public Accounts Committee.

And one of the most ancient practices in the British parliamentary system was the practice of drawing the Chair of the committee from the ranks of the opposition. And this is a recognition, as I think Mr. Tchorzewski correctly said, that the reality is that opposition members are more likely to want some matters aired and discussed; sometimes the members of the government.

I have some sympathy with Mr. Tchorzewski's comments that sometimes perhaps more can be accomplished in camera. However, I say the reality of the system is that it is from the ranks of the minority that we are more likely to have issues raised, and we do not want to get into the Ontario situation where, in the guise of responsibility, we have a majority that says, oh no, no, we're satisfied; everything is fine and nothing need be looked into. And we have therefore followed the principle of accountability and responsibility because this is what the majority of the members of the legislature said they want. Democratic government is more than merely majority rule. It is a question of minority rights. It's a question of the rule of law. It's a question of proper procedures. And of course that fact is . . . underlines the present reference in our Supreme Court.

Now the Provincial Auditor, of course, is standing on principle that all public funds should be reported and accounted for in a public forum. I have to tell you that I found Mr. Wright somewhat persuasive yesterday when he said that there may be very limited value in having volumes of names and figures of those who have been involved in a car accident, or a fire in their home, or a hail claim, or break-in. I frankly have to say I found that rather persuasive.

But I also think that the Provincial Auditor was correct to say that if we are going to have an exception to the rule of public accountability, it should be done in clear and unequivocal words. It is not for some official to decide that this will be an exception to accountability. And I think that if there are to be exceptions to public accountability then they should be for

compelling reasons and they should be very clearly stated rather than simply matters of administrative policy.

And the last comment I want to make is that I still think that many of the comments we have heard from hon. members opposite suggest that they think the Provincial Auditor has powers he does not have. As I understand, the Provincial Auditor can investigate, can report, and can recommend. And I don't mean to put words in anyone's mouth and maybe I'm misunderstanding here, but some of the comments I've been hearing the last few days suggest that hon. members opposite seem to believe that the Provincial Auditor has powers to prescribe and correct; he has no such powers. So the fear that he's going to somehow exceed his jurisdiction, well his jurisdiction is to report. That's it. And yet one of the continuing themes of the last two days is that he's going to exceed that. Well say he has no power to do anything beyond investigate, report, recommend.

The power to take action, of course, rests with the elected officials — properly so. But the elected officials cannot take the necessary action unless they are first of all equipped with the information.

So with that I'd say that there are two concepts. As my colleague from Lloydminster said, cooperation is part of making our system work. But as Mr. Lyons said, this is a partisan committee because we are committed to the principle that the truth best comes out when two sides, coming from somewhat differing perspectives, take their positions and ask their questions from those perspectives.

Now from my reading of this committee in 1990, hon. members opposite suffered from no constraints of cooperation with the then administration, which prevented them from delving into questions that the government of that day would have preferred be ignored.

Interestingly enough, it was the member for Lloydminster at that time, Michael Hopfner, who was a strong proponent and believer in cooperation, in never deviating from the strictest terms of the order of the agenda, and that we should just all get along, and members of the opposition should be careful to abide by the rules which the majority members of the committee set. Interestingly enough, it was the then member from North Battleford who took a somewhat opposite perspective.

So while I say I'm not exactly in disagreement with what has been said by members opposite, I just ask you all to remember that the principle of the ultimate authority and responsibility of the Assembly can, and has in times past, been used to prevent accountability. Thank you, Madam Chair.

**Ms. Stanger:** — Madam Chair, just to correct something. My colleague, my former colleague, Mr. Lyons, as esteemed as he was, was never Chair of this Public Accounts Committee. Am I correct, Mr. Putz?

**Mr. Tchorzewski:** — You're correct.

**Mr. Thomson:** — But don't let the facts interfere with your argument.

**The Chair:** — Okay. I appreciate everyone's comments. We have a number of gifted speakers here. I don't think there's any . . . There wasn't any recommendations in this report, but I do appreciate the auditor's comments and I'm sure we all would like to thank you for your work.

There's a couple of . . . After some of the motions that were made yesterday regarding movements or recommendations to the Assembly towards Crown corporations, I think that there are some discussions we'll have this afternoon, after our final group is in, about where we go, where we have the next meeting, and what we'll have on the agenda, that type of thing.

So we'll be coming back here at 1:30, and after the committee, this Executive Council, leaves, then we'll have a discussion. Thank you very much. We'll see you at 1:30.

**The committee recessed for a period of time.**

#### **Public Hearing: Executive Council**

**The Chair:** — Late, but not too bad. Welcome and I'd like to ask the deputy minister to introduce the officials with him.

**Mr. Marchildon:** — Thank you very much. Perhaps I should introduce myself because it's the first time I've been here. My name is Greg Marchildon, deputy minister to the Premier and cabinet secretary. And I'd like to introduce you to Bonita Heidt, who is the director of administration in the Department of Executive Council; and Jan Baker, who is the Acting Chief Electoral Officer, on my far right. Thank you.

**The Chair:** — Thank you very much. Before we go on further I'm just going to read a statement of testimony of witnesses to you, testimony of witnesses appearing before the committee: 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 a subject of a civil action.

In addition, I wish to advise you that you are protected under 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.

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 15 copies be submitted to the committee Clerk, who will then distribute the document and record it as a tabled document. And please address all remarks through the Chair.

Thank you and I'm going to turn it over to the Provincial Auditor for an overview.

**Mr. Strelioff:** — Thank you, Madam Chair, members, colleagues. We're focused on chapter 5 of the '96 fall report,

page 77, which deals with the Department of the Executive Council.

With me this afternoon are two new people. Mike Heffernan is at my left. He's executive director with our office and mainly in charge of our Health work but also has responsibilities for this audit of the Executive Council. As well as Linda Kuntz, who's executive coordinator in our office, who keeps track of Fred and I. So if you want things done in our office, she's the person to contact. As well as, she works with our printers to make sure our reports are prepared and published.

Mike is going to provide the overview of this chapter. Michael.

**Mr. Heffernan:** — Yes, paragraph .01 in our report briefly describes the role of the department. The Department of Executive Council facilitates and communicates decisions of cabinet and it ensures compliance with The Election Act and provides support to the Premier.

Paragraphs .06 to .24 we deal with the Electoral Office and its role in ensuring compliance with The Election Act. In particular it deals with donations to candidates and political parties. We think the public wants to know who gives money to political parties and candidates.

The public also wants to know who gives . . . who receives money from government agencies. To meet this public need, The Election Act requires candidates and political parties to file returns showing who gave them more than \$100 in a fiscal year. And most government agencies now annually make public a list of persons who received money from them.

The Election Act requires disclosure of donors even where donations to political parties and candidates are received indirectly through agents or political parties. Examples of agents or political parties are: the federal parties, provincial constituency associations, trust funds, or special funds.

If the names of donors are not published, the Act requires the Electoral Office to collect anonymous donations and pay them into the General Revenue Fund. Recently there's been public concern regarding the use of special funds to finance provincial political parties and candidates. The concern relates to the public's need to know who gave money to the special funds which was later given to political parties and candidates. Special funds include contributions from federal parties, provincial constituencies, and special funds and so on. The contributions from special funds were reported to the Electoral Office in single lump sums with no disclosure of the original donors. We asked the Electoral Office what system it used to identify anonymous donors. The office told us it relied on candidates and political parties to inform it of any anonymous donations.

We think the office needs to improve its rules and procedures for identifying anonymous donations. We think the office should issue directives to candidates and political parties stating out its interpretation of the Act, and in fact the office has started to do that.

Also the Electoral Office should review the candidates' and political parties' returns for questionable donations. For

example, donors that appear to be agents or political parties or related parties.

If the Electoral Office identifies such donors, it should ask for more information from candidates and political parties to decide if the donors are agents or political parties under the Act.

In 1996 the Electoral Office started investigation of the special funds. The office wrote to three political parties seeking information about special funds to ensure compliance with the Act. We think the office asked for sufficient information to decide if special funds are agents or political parties. If the office decides the special funds are agents or political parties, it will need more information to determine if they are anonymous donations.

In paragraph .23 we recommend that the Electoral Office should improve its rules and procedures for identifying anonymous donations of more than a \$100 to candidates and political parties. Since our fall report, things have moved along and the Electoral Office has completed its investigation of special funding and made a report. The Electoral Office's report include that most of the special funds are controlled by political parties. However, the office did not then require the special funds to disclose the names of original donors and remit any anonymous donations.

Therefore, in our 1997 fall report we continue to recommend that the Electoral Office should improve its rules and procedures for identifying anonymous donations of more than \$100 to candidates and political parties.

I'd like to now draw your attention to paragraphs .12 to .14 in our report. In 1994 we made a report to this committee regarding election expenses. The report recommended changes to The Election Act to give the Electoral Office more authority. We thought the office needed authority to issue directives set out in paragraph .12. The Election Act, 1996 gives the Electoral Office the authority we recommended in 1994. And we understand the Electoral Office is preparing guidelines for candidates. We will assess these guidelines and report the results in a future report.

Finally we think that the public . . . find in paragraphs .25 to .29 — we note the department should provide an annual report to the Assembly to improve the department's public accountability. The public could use the annual report to understand and assess the performance of the department. The annual report should provide useful, timely information. The report should describe what the department's all about, what the department has done, where the department is now, and what the department plans to do. And in paragraph .29 we recommend that the department should prepare an annual report on its performance.

That concludes my remarks. I would be happy to answer any questions the members may have.

**Mr. Strelloff:** — Thank you, Michael.

**The Chair:** — Thank you very much. And I'll refer to the deputy minister for any comments before we go further.

**Mr. Marchildon:** — No comments.

**Mr. Gantefer:** — Thank you, Madam Chairman, and welcome, Mr. Deputy Minister and officials. You'll find that the Public Accounts Committee is a very delightful committee to work with in that we always are very, very desirous to simply get at the information and material and do that in the most professional way possible.

I want to ask just a few questions in regard to this and I recognize that it gets a little bit difficult because the year in review also is not specifically that year that the new legislation comes into effect. So if I'm ruled out of order . . . Because I think in the context of this discussion, the fact that the new legislation is in effect has some relevance; so that we're sort of talking about in some instances what's envisaged in the new legislation as well as what the issues were of the day, because it kind of overlaps I think.

One of the issues of course . . . the main issue in this whole section has to do with the reporting of donations, and I recognize that the amount has changed under the current legislation but the principle of disclosing, albeit is over a different threshold, is still the same.

Does the new legislation take care of those issues, of the problem that the Chief Electoral Officer Kuziak in his report mentioned about donations made to federal parties and that the disclosure is made at the federal level and not specific to the provincial level? Does the new Act cover that issue?

**Mr. Marchildon:** — I'm going to turn that question over to Jan Baker, the Acting Chief Electoral Officer.

**Ms. Baker:** — Thank you. The Election Act, 1996 contains new provisions, section 240, 250, and 261, requiring that where a federally registered political party, a constituency association, a corporation, or a trust fund makes a contribution to a provincially registered political party or to a provincial candidate, they must also provide the chief official agent of the registered political party or the business manager of the candidate, within every case, a statement setting out the name of and the amount contributed by each person who made a contribution in excess of 250 in a year and whose contribution was used to make up funds contributed. Except in the case of a federally registered political party — they must also file a statement setting up the name of the person who authorized the making of the contribution.

**Mr. Gantefer:** — Fortunately or unfortunately, we only have one lawyer in our midst, and . . .

**Mr. Hillson:** — You're not going to get two opinions.

**Mr. Gantefer:** — Yes, and only one understanding. So if a \$500 contribution, for discussion — I just use that because it gets over that exemption threshold — if a \$500 contribution is made to a federal party and then that federal party reimburses the money back to the provincial party, where there's that connection, does the donor in that instance have to be identified provincially?

**Ms. Baker:** — Yes.



**Mr. Gantefer:** — So that's a change under the new legislation where one of the problems that Mr. Kuziak identified in his report was the fact that in the past the donor was registered with the federal party under the federal legislation and it merely showed as a donation back to the provincial recipient, as a donation by the federal party. So that's been corrected?

**Ms. Baker:** — Yes, it has.

**Mr. Gantefer:** — Okay, thank you. As well, under the new legislation the issue of agents and things of that nature as a way of bypassing the disclosure of the donor also has been corrected, I understand. Is that right?

**Ms. Baker:** — Yes, it has.

**Mr. Gantefer:** — Are donations of things like gifts in kind and things of that nature also covered in terms of if a person donates \$500 worth of paper supplies or something to a candidate, all those kinds of contingencies are also covered off?

**Ms. Baker:** — Yes, they are. It's inclusive.

**Mr. Gantefer:** — Thank you. In the Kuziak report as well, there was a mention that in the new elections Act that there was the recommendation I believe, that the tax credits, in order to alleviate the issue of this whole flowing back and forth through federal parties, that the unproclaimed section of the provincial tax Act be implemented to allow for provincial tax credits. Is the department anticipating implementing that recommendation as well?

**Ms. Baker:** — Not at the present time.

**Mr. Gantefer:** — I was afraid you'd say that. Thank you very much.

**Mr. Hillson:** — Madam Chair, there is a . . . I'm prepared to defer because I do have a motion that I'll be making but perhaps the general questioning and discussion can proceed, but I just want you to be aware of that.

**Mr. Tchorzewski:** — I was going to do a motion; so Mr. Hillson, since he's on the floor first, may want to maintain his position.

**Mr. Hillson:** — Well in that case, I will then present this forward, which I'm sure the Deputy Chair will find a good motion.

**Mr. Tchorzewski:** — Of some interest.

**Mr. Hillson:** — Of some interest and without deserving of his support. Paragraph .14, Madam Chair. I think it is a matter of concern to members, and I think to the province as a whole, that now we have reports to the effect that while there have been . . . there has been failure to comply, but in terms of past failures to comply, nothing will be done about that.

So I would like to move:

That we urge the Chief Electoral Officer to enforce the law regarding collection of anonymous donations, such

donations to be paid over to the General Revenue Fund.

And say that . . . I mean I suppose it could be argued in one sense it's superfluous because that's what the law presently says, and yet that's not what has in fact happened and I think we . . . so this is not a change in the law, but it is a saying that we want that portion of the law enforced.

**The Chair:** — Mr. Hillson, it's been suggested that the word "urge" be changed to "recommends."

**Mr. Hillson:** — Satisfactory.

**The Chair:** — I'll read the motion by Mr. Hillson:

That we recommend the Chief Electoral Office to enforce the law regarding collection of anonymous donations to be paid over to the General Revenue Fund.

**Mr. Tchorzewski:** — I'm not sure I understand what this motion would do being that I am not a lawyer. And furthermore, it seems to me that that's . . . I have no opinion of this, so I'm going to ask for a reading of the Chair because it seems not to deal with the recommendation here. Is that motion in order? Or is it a policy motion? I seek the assistance of the Chair.

**Mr. Hillson:** — If I may, just before the Chair speaks, I think it relates very specifically to paragraph .14. It is not a policy decision in that I mean this is what the laws says. It's just that for some reason the law does not appear to be being enforced in all instances. So it's not a change in the law and it does relate very specifically to matters within the report that is before us this afternoon.

**The Chair:** — Although Mr. Hillson referred to number .14, it isn't that we were dealing with a specific recommendation and the committee can agree to bring forward any recommendations. So, yes.

**Mr. Tchorzewski:** — Okay. Again, I see this motion as a motion directing officers of the legislature, or in this case, officers of a department, how they should enforce a law. And I'm not sure that that's our role.

I mean I have no problem with the intent of the motion, but I just don't understand whether it is our role to be doing that. And therefore at this time I am reluctant to support that motion because it's not clear to me that this is what we are intending to do here.

The officers fully understand what their obligations are under the legislation. There is new legislation. It clarifies all of the issues that have been raised by the auditor. We are here addressing one specific one, but when we get to the 1997 report, we will again address the whole range of them, and we'll find it in the legislation which has been proclaimed.

All of the concerns that were raised have been addressed and therefore it is now up to the Chief Electoral Officer to carry out the law. I don't think we need to be telling the Chief Electoral Officer to carry out the law. I kind of suspect we should expect our officials to do that.

**Mr. Hillson:** — As I understand it, there has never been any discussion as to what the law has stated. And this is not part of the amendments. The law has stated for some time that where donations are anonymous, then they are simply to fall into the consolidated General Revenue Fund. And I don't think there's been any dispute. The legislation passed by the Assembly is quite clear and I am not aware of any argument at all as to what the requirements are.

Mr. Gantefer has, of course, correctly said that there may have been some confusion where a donor has been identified to the federal government but was not identified here, but I think that can be characterized as somewhat of a technicality as opposed to where the donor simply was anonymous.

So this is not a question of the amendments. Nor is it a question of a dispute or difference as to what the requirements were. Nor has there been a dispute even for that matter, as I understand it, with the Chief Electoral Office. The Chief Electoral Office has taken the view that well, yes, this wasn't done; probably it should have been done; and from starting now it will be done.

That's all very well and good, but I say it doesn't address whether we, as members of this committee and as members of the Legislative Assembly, believe that part of restoring public confidence — which the hon. member spoke of before lunch — part of restoring public confidence is that these past anonymous donations, which we understand to be still very much in existence, are addressed by the Chief Electoral Office. And that's all I'm saying.

We have passed laws as an Assembly and we believe that public confidence, public interests, would be best served if these laws are enforced, as opposed to saying, well we will enforce them from this point.

**Mr. Tchorzewski:** — I think Mr. Hillson is correct. The law is very clear, particularly the new legislation which has clarified some of the grey areas and areas where, for some considerable period of time, political parties, all political parties, had certain interpretations and understandings under which they operated, including the Liberal Party, I might add, which has received considerable donations from the federal Liberal Party which have been anonymous, and so has the New Democratic Party. So I'm not suggesting that anybody was intentionally doing anything wrong here.

But I do know, and I'll ask the assistant electoral officer to explain that — because I have read the papers like everybody else — that steps have been taken to explore the recovery of past funds and that some decisions were made that can . . . So if I may ask whether there can be some explanation of what is happening.

**Ms. Baker:** — Under The Election Act the Chief Electoral Officer was not, by virtue of any provision of The Election Act, expressly empowered to issue rules or procedures for identifying anonymous donations to the registered political parties and candidates. However the former chief electoral officer engaged in an investigation of the financial contributions and reporting practices of the registered political parties.

The focus of this investigation was centred around disclosure

made in provincial financial reporting forms, that the names of donors who made contributions to corporations, trust funds, federal political parties, and constituency associations which were subsequently transmitted to and reported by the political parties in bundled form. The report which was released on June 3, 1997 concluded that the practices of all the parties fell short of best efforts to provide detailed disclosure as to party financing.

For a number of reasons the report did not recommend prosecuting the political parties or their financial agents or taking any further action under the Act. The recommendation was based on the advice of the Department of Justice, public law division, that prosecution would not be in the public interest, and that there was no reasonable probability of obtaining a conviction. The Justice recommendation was based on the fact that the practices of the parties and their candidates had been of long standing based on a particular interpretation of provisions outlined in the Act. In particular the Department of Justice concluded that these provisions were ambiguous and problematic.

Given the analysis of the information obtained from the political parties and other extenuating circumstances detailed in the report, the Acting Chief Electoral Officer supported the conclusions and recommendations made by the former chief electoral officer in respect to any regulatory offences which may have resulted from the practices applied by the political parties in reporting the sources of contributions received. It was the view of the Acting Chief Electoral Officer that the former chief electoral officer address the possibility of initiating public or civil action in order to enforce the confiscation of contributions which may have been received and retained in the past by the political parties.

However, the Acting Chief Electoral Officer requested further advice of the Department of Justice as to whether it would be appropriate for any action to be taken with respect to the funds in question. The Acting Chief Electoral Officer is comfortable with the subsequent advice received from the Department of Justice, public law and civil divisions, and concurs that it would be not in the public interest to pursue litigation in respect of this matter.

The steps necessary to address the problem have been taken for the fiscal year 1997 and beyond, by the provisions of The Election Act 1996. The Chief Electoral Officer has been empowered under section 5 of the Act to issue and distribute financial and administrative guidelines to facilitate compliance with the new extended financial reporting rules and procedures which came into effect on January 1, 1997, and which apply to the reporting of contributions.

Anonymous contributions continue to be prohibited and continue to be subject to the requirement that they be paid to the Chief Electoral Officer and then transferred to the province's General Revenue Fund. The proclamation and the new legislation now necessitates the establishment of documentation necessary to ensure compliance with the financial reporting provisions of the Act. The Acting Chief Electoral Officer is preparing the administrative materials and guidelines directed at ensuring full and adequate disclosure in respect to contributions received and reported by the political parties and candidates.

Currently documentation and material have been forward for use by the registered political parties in order to facilitate the compilation of financial reporting and recording obligations specific to the 1997 fiscal year. In addition the aforementioned materials have also been directed to the Office of the Provincial Auditor for their perusal and comment.

The recent changes to the contribution reporting rules incorporated in the new Act address the auditor's concerns by eliminating the previous ambiguities in the interpretation and financial reporting deficiencies made by political parties and candidates.

**The Chair:** — Before we go forward I made an error here before, allowing an official to speak when there was a motion on the floor. I should have got the agreement of the committee to allow the official to go forward in the agreement.

**Mr. Hillson:** — I was aware of that.

**Mr. Tchorzewski:** — Thank you for that explanation. I think clearly, Madam Chair, that all of the steps that should have been required to be taken have been taken. Chief Electoral Officer at the time looked into the matter, made some judgements based on the information that was available, went further than that and asked for a ruling by the Department of Justice as to whether this was in fact possible to be done.

And the justice advised him that it would not be an appropriate thing to do because there was no case — I would assume that's the way a Justice department would apply. And therefore for us to then once again pass such a motion to have him go through the same processes over again I think is first of all superfluous, and I think is not exactly constructive use of officials' time who need to be spending their time making sure that the new Elections Act is fully prepared and looks after the deficiencies of the old one. And I don't think that the matter . . . I think we can assume that this matter is now closed.

**Mr. Koenker:** — Could you read the motion before us, Madam Chair?

**The Chair:** — The motion by Mr. Hillson:

That we recommend that the Chief Electoral Office to enforce the law regarding collection of anonymous donations to be paid over to the General Revenue Fund.

**Mr. Hillson:** — Yes, I would like to request if the opinion of the Department of Justice could be filed with this committee.

**Mr. Tchorzewski:** — To whom is that question directed?

**Mr. Hillson:** — Well it would I guess be, it would be a request of the acting chief if she would be prepared to do that for us.

**Ms. Baker:** — I am not comfortable in doing so as I would prefer not to share our discussions with our lawyers, as they are and will continue to be privileged information. I do believe I have given you the sense of the advice that I have received.

**Mr. Tchorzewski:** — That's fine and I think tradition of the House has been, Mr. Hillson, as a lawyer — he may or may not

know that because he's a new member — that advice and the interpretations provided by the Department of Justice to departments and officials is usually not tabled. That is the practice and I think it is an appropriate practice in the interests of protecting the justice and judicial process.

**Mr. Hillson:** — Well this is not of course the judicial process, Madam Chair, and while I would agree that this has not been standard procedure I think in this case when a government department is providing opinion on government legislation and the enforceability of that government legislation, I think that there is nothing here of a private confidential nature. This is not a solicitor-client relationship we are talking about. This is the Department of Justice providing their view on the enforceability of our legislation, and I think it is important that the committee see that.

However, I mean that's not the motion on the floor now. If the indication is that that opinion will not be voluntarily filed, I will be subsequently moving a motion that it be filed.

**Mr. Thomson:** — Well I'm prepared to debate the issue when the motion comes forward. On this particular one though, I would suggest that I'm satisfied with the explanation given by the Acting Chief Electoral Officer that she and her predecessor are carrying out the legislature's wishes to the best of their ability. As such I see no particular reason for this motion and will vote against it.

**The Chair:** — Any other debate or discussion? Okay, we have a motion on the floor. Will you take it as read? Those in agreement with this motion? Those opposed to this motion? The motion is defeated.

**Mr. Hillson:** — Recorded vote, Madam Chair.

**The Chair:** — Those in favour of this motion? Two. Those opposed to the motion? Four.

**Mr. Hillson:** — Madam Chair, if I may, and I don't think I need to give any further reasons, but I move:

That we request that the opinion of the Department of Justice received by the Chief Electoral Officer regarding the possibility of prosecutions for anonymous political donations be filed with this committee.

**Mr. Thomson:** — In the past I've supported members when they have called for departments to provide us with legal advice or the legal advice they've received. This particular piece, however, is substantively different in that it deals with prosecution. And I think that it is not appropriate for the legislature of Saskatchewan, be it the legislature as a whole or its standing committees, to involve itself in prosecutorial matters.

And I really would encourage the Chair to rule this out of order. Barring that, I will certainly vote against it, if only because we should not now nor never politicize and make a partisan issue out of prosecution. As the member for North Battleford mentioned this morning, this committee does have a partisan bias to it, and as such I am satisfied that the officers have dealt with it appropriately.

**The Chair:** — The motion, as far as a procedural motion, is in order. It's nothing that the Chair will look at. And so the motion is presented. Any other comments?

**Mr. Hillson:** — Madam Chair, in response to Mr. Thomson I'd say two things. First of all, we are not involving ourselves in the prosecutorial discretion to say that we would like to know the details of why Department of Justice feels that enforcement of the legislation is not, as the Chief Electoral Officer told us, in the public interest. And I don't think it is too much for this committee, or even the general public of Saskatchewan, to know on what basis the Department of Justice feels that it would be contrary to the public interest to prosecute this matter.

Indeed, in the normal course, these are things that would be made public. We don't feel a prosecution is warranted for the following reasons. So it's not confidential and indeed, of course, the Acting Chief Electoral Officer has quite properly given us her summary of that.

And incidentally, in bringing this motion, I take no ... I certainly do not mean that as any reflection on the summary she has given us. I'm quite satisfied that she has no doubt done her very best to, say, summarize the legal opinion. So in a very real sense it's already before us. I'm simply requesting the actual details, the actual words be before us.

We've already received what I'm sure is in good faith, a summary. And to ask that we know why the Department of Justice feels these prosecutions are contrary to the public interest, that does not mean that politicians are meddling in the court system. It doesn't mean that at all. And I think this is something that not only should we see. I think it is something the Department of Justice should actually be anxious to share with all of the people of Saskatchewan.

**Mr. Thomson:** — Let me just say, Madam Chair, two things. Number one, the Acting Chief Electoral Officer has given us an explanation as to why we're not going to proceed with prosecution; namely, they do not believe they could get conviction and it was not recommended. I think that explanation is in itself satisfactory.

I want to reiterate again, and perhaps it's simply a fundamental difference of opinion between myself and the Liberal member, I have no interest in seeing the legislature and its political parties involve itself in decisions of prosecution. And we should leave this matter in the hands of those people who are charged with that responsibility.

I find Mr. Hillson's approach worrisome — very, very worrisome — in terms of the interest in politicizing prosecutions.

**Mr. Tchorzewski:** — I will not speak at length because I agree with Mr. Thomson and was going to say that. I think Mr. Hillson, being a lawyer, knows very well that it is not the function of us as politicians or this committee as a branch of the legislature to politicize the function of the Department of Justice.

The Department of Justice has got to be independent in making those kinds of judgements and be seen to be independent in

making those kinds of judgements, and the minute ... as does the electoral officer. And the minute we start or at the time when we start asking the Department of Justice to provide the kind of things that Mr. Hillson asks, it opens the whole issue up to the potential politicization of the role and function of that department which would not do the government or the opposition or the legislature a great service.

And on the basis of that, I think it would be wrong for this committee to support the motion. And I too will be voting against it and I urge Mr. Hillson, being a lawyer, to reconsider.

**The Chair:** — Further comments? We have a motion before us that we request that the opinion of the Department of Justice received by the Chief Electoral Office regarding the possibility of prosecution for anonymous political donations be filed with this committee.

The question? Those in favour of this motion? Those opposed? The motion is defeated.

**Mr. Hillson:** — Recorded division, Madam Chair.

**The Chair:** — Those in favour of this, two. Those opposed to the motion, four. The motion is defeated.

**Mr. Tchorzewski:** — If you have anybody else on the list.

**The Chair:** — I don't have anyone on the list.

**Mr. Tchorzewski:** — Then I shall put myself on. Not to repeat what has been said but simply underline that on the basis of the recommendation that we're dealing with here, and other recommendations which we will be dealing with, knowing now — and I don't think anybody here on the committee disagrees that the requirements as provided by the Provincial Auditor have been met — I think I would like therefore to move the following motion:

That the Standing Committee on Public Accounts notes The Election Act, 1996, came into force effective January 1, 1997. The new rules and procedures are now in effect to ensure that all donations are disclosed in accordance with provisions of the Act.

Thank you.

**The Chair:** — Comments anyone? There's a motion before us. Will you take the motion as read? Okay.

**Mr. Hillson:** — I would appreciate hearing it again please.

**The Chair:** —

The Standing Committee on Public Accounts notes that The Elections Act, 1996, came into force effective January 1, 1997. New rules and procedures are now in effect to ensure that all donations are disclosed in accordance with provisions of the Act.

**Mr. Hillson:** — Well I do have some concern with the final phrase in that. While there have been some amendments, I am not comfortable with the suggestion that anonymous donations

shall be remitted to the General Revenue Fund. That's not the new provision.

**Mr. Tchorzewski:** — Oh sorry, I can't ask you . . .

**Mr. Hillson:** — So it's not a new provision, and so if the implication here is that it's a new provision, that's not the case. Some of the details of the Act have been tightened and clarified but the suggestion that the banning of anonymous political donations and anonymous funds is new. That's not my understanding.

**Mr. Tchorzewski:** — Oh, no. Can I . . .

**The Chair:** — If we went to involve an official, just ask. It can be done with agreement of the members.

**Mr. Tchorzewski:** — Well the official may want to get involved. We may ask. But I was listening carefully to the explanation given. In fact I carefully looked at the legislation when it was being prepared and introduced. And indeed it does and I stand to be corrected and I think if the officials want to correct me I would ask the committee to allow them to.

Any anonymous donations now, or there may be a requirement of over \$200, have to be disclosed. That is clearly a provision of the new legislation. I don't think there's any question about that, and I think that's pretty clear. Am I correct? Can I ask them to tell me if I'm correct?

**Ms. Baker:** — Yes you are correct.

**Mr. Tchorzewski:** — Thank you.

**Mr. Hillson:** — But, Madam Chair, that isn't the point I raised. The point I raised is that anonymous political donations having to go to the General Revenue Fund, I'm saying that was there before. So while I'm not arguing with the Deputy Chair in saying what the state of the law is now, but that state of the law is not brand-new as of 1997. That . . . and again, the Acting Chief Electoral Officer can please correct me if I'm wrong, but that is a long-standing provision.

Anonymous donations having to be remitted to the General Revenue Fund is not a new provision. Yes, it's there, but it's not new. I defer to . . . and that is . . . and she is nodding her head, let the record show.

So the point is not that I'm saying you're misrepresenting the law; you're not. My disagreement was with the implication of the word "new," and that's where we part company.

**Mr. Thomson:** — Well I was going to say, the key point here is that the Vice-Chair has said that new rules and procedures are now in effect to ensure that the law is adhered to.

**Mr. Tchorzewski:** — Yes, I'm talking about new rules and procedures.

**Mr. Thomson:** — The key here is that apart from the fact that the new Act is in place that tightens these up, that we are of the view that there are now new procedures in place to ensure that compliance will be met. And I think in that regard this is

essentially an expanded, agreed-and-note-compliance type motion.

**Mr. Tchorzewski:** — Yes, but my motion goes beyond the law. It talks about the rules and . . . the rules that will now be applied. That's the part that was never clear before; it is now — or it will be.

**The Chair:** — Mr. Thomson, do you have anything further to say? No further discussion. We have a motion before us. Will you take the motion as read? Those in favour of this motion? Those opposed? The motion is carried.

**Mr. Tchorzewski:** — So we can record that as being unanimous, let's take a recorded vote.

**The Chair:** — Motion, those in favour of this motion? Those opposed? There was none opposed.

**Mr. Thomson:** — Now you're skipping the vote and you're still here. Oh the joys of being a Liberal.

**The Chair:** — That was . . . you were dealing with recommendation .23.

**Mr. Tchorzewski:** — Indeed I was.

**The Chair:** — Okay. I believe we have one other recommendation in front of us, no. .29. I guess it's 5.29.

**Mr. Tchorzewski:** — I wondered if any of the officials wanted to speak to that one. To this one on the annual report.

**Mr. Marchildon:** — Yes, I can speak to that issue. This has been raised many years now but the reality is that the Department of Executive Council is a central agency and a true central agency. There is no direct service delivery to government or to outside agencies in that sense, even though there are services coordination both in terms of policy and in terms of communications to the rest of government.

In addition, as you well know, there is support of and advice to the Premier, support to cabinet, in addition to the coordination activities that I discussed. And in our view an annual report would provide no new information concerning these activities and would involve extra expenses to prepare. And in that sense I believe that an annual report would not truly be necessary.

**Mr. Tchorzewski:** — Yes, and I thank you for that, Mr. Marchildon. Really I think, among other things, we have to be cognizant of the fact that we shouldn't be creating work that's not necessary from officials who have enough work to do. Everything that would be . . . well pretty well everything that would be in this report is already being reported somewhere else. But further to that, I did some research into this because I knew that this had been raised before.

The Government Organization Act, as it is, requires that government . . . to provide the Legislative Assembly with annual reports. And that's reports of activities of departments. But in that Act some things are exempted, and Executive Council is exempted in the legislation from requiring to provide an annual report, for the very same reasons which Mr.

Marchildon pointed out. There's good reasons why the Assembly chose to do that. And I submit that on the basis of that we should, whatever the phrase is, not concur with this recommendation.

**Mr. Paton:** — Madam Chair, if I could just expand on that point as well. I think this is another situation where the auditor, I believe, is merely reporting on a recommendation of a past committee recommendation. And again perhaps when the recommendation was made, wasn't fully contemplated places where it may contradict what the government already stated it wanted. Executive Council is one place where they're provided with an exemption for this requirement and the Department of Finance, I think, is the only other place where this exemption is provided for — those two departments — for some valid reasons.

I think the committee should seriously consider the direct application to this department, and being a little selfish, perhaps consider expanding that recommendation to include an exemption for the Department of Finance as it relates to this. I know the Department of Finance provides a number of reports that would constitute information that's included in an annual report and that's the reason why they have been provided an exemption in the past as well.

**Mr. Tchorzewski:** — Out of fairness to everybody, this is not an attempt by whoever introduced such legislation at whatever time to hide anything or not report information. This is simply I think an exercise of good, efficient government. Therefore I think my recommendation ought to pass.

**Mr. Hillson:** — Madam Chair, by leave of the committee, I think we should hear from the auditor as to whether number .29 is here just as a sort of a matter of general principle that everybody should file an annual report or what he thinks specifically are the implications of the filing or non-filing of an annual report in this particular instance.

**Mr. Strelieff:** — Madam Chair, members, colleagues. We've talked about annual reports for departments in previous meetings and for all organizations, that it's a . . . it represents a good opportunity for those who manage organizations to step forward and report on and answer questions about how they carry out their responsibilities.

This is an important organization. It manages, the year under review, about — and that was an election year — perhaps it was about \$13 million of public money. And it seems reasonable that legislators would receive an annual performance report from each organization of government.

I think, in particular, the Department of Finance should prepare an annual report for the Legislative Assembly. They administer significant responsibilities on revenue collection, on debt management, on personnel matters, and as well the Executive Council also is a significant organization. And annual reports are opportunities to explain how you carry out your responsibilities, to promote confidence in how you carry out your work. And also an opportunity to set out your goals and objectives — the key performance indicators that you're using to monitor and measure your performance, the targets and status of those indicators, and also the significant issues that

organizations have to manage well to be successful.

So I don't . . . I think the question was, is this in here because it seems like a recommendation that . . . it's just a general recommendation and perhaps all organizations should consider it. I think it's an important recommendation for all organizations. Thank you, Madam Chair.

**Mr. Hillson:** — Just a follow-up to that, if I may, Mr. Koenker, Madam Chair. I think I follow what you have said in case of the Executive Council and Electoral Office and I personally would be interested in hearing what our acting chief has to say on that score.

But if I may, in the case of the Department of Finance, I mean I can almost hear them saying . . . I mean they do of course, present the budget to the legislature each year. I mean that seems to me to represent a plan as to what they are up to and where they are going and what their plans are. So how do you differentiate? I mean they have this very . . . (inaudible interjection) . . . Is that not . . . Is the budget not in something in the nature of an annual report?

**Mr. Strelieff:** — Well the budget is a plan for what the government is going to do through the General Revenue Fund. So it's a plan. Performance report would be what did you do at the end of the year, compared to what you thought you were going to do, and what were they key issues that surfaced along the way.

But the Department of Finance, in addition to providing advice on preparing the budget, has its own responsibilities. I mean it's a significant department that, as was mentioned earlier, manages the debt of the province. It has revenue collection responsibilities. It does provide significant advice to Treasury Board and to other departments of government in which . . . are part of the budget, and prepare annual reports.

So the budget and the volume I of the *Public Accounts*, at the end of the day, that are prepared by the Department of Finance deal with a broader scope of activity. They don't deal with what the department does in its day-to-day management responsibilities. So it would be, I think, useful to understand exactly how they manage their responsibilities.

**Mr. Koenker:** — I really have to take exception to this resolution, and it reminds me of some of my remarks on the matter of every organization having to have a business plan. I think here we have an example of a government department that doesn't need to issue an annual report on its activities, in paper.

And I say this because annually, once, if not twice or more, there's provision for the Legislative Assembly to meet for any number of days. And there is an annual accounting for the actions of Executive Council that is broadcast on television and recorded in paper, and more importantly, is heard by members of the opposition. And even more important than that, the accounting is initiated by people who have been elected by their constituents as members of the opposition, and so I think, I find, that we're at a point where we have to discriminate and use some common sense as to what agencies or departments of government report in what fashion. And it makes no sense simply to have a rubric that says everyone must report and

account in exactly the same fashion.

I think this ignores the role of the legislature and in fact one of the very principles of the democratic foundation, of the democratic foundations of the democratic system. And I simply have to say, as I said when we were dealing with the matter of the business plans for government, that there is an accounting and some people may find or may feel that it comes too late sometimes, but ultimately the government's actions and its words are measured by the public, and if there hasn't been an adequate accounting there is a day of reckoning when the government comes to the polls.

So to speak to the recommendation .29, I just don't see the need for an annual report in this instance. I think it happens in pretty clear fashion, better than any issuing them an annual report on paper. I'll just leave my remarks at that.

**The Chair:** — Further comments? I would ask that the Deputy Chair clearly states what he is recommending then in this.

**Mr. Tchorzewski:** — My recommendation is that having listened to the debate and to the explanations, and although we understand the reasons why the Provincial Auditor has made the recommendation, and I think it's done appropriately and I think in a serious way, but having listened to all the arguments, it really, I think, is not something that we should be burdening further on some departments. And it's like the debate over some of the other things we've had — a blanket recommendation, that this committee may have made at one time without considering all of the implications, may not apply. And I think this is one of those situations.

And therefore my motion is that there be non-concurrence with this, if that's the right word, with this recommendation.

**Mr. Hillson:** — Madam Chair, I just ask for the ruling of the Chair. Is a negative motion not out of order? Should we not perhaps have a motion here of compliance?

**The Chair:** — It's going to be some disagreement. We'll ask the member to put it in a form of a motion.

**Mr. Hillson:** — No, but I mean I think the motion would . . .

**Mr. Tchorzewski:** — The little rude cheek you gave us.

**Mr. Gantefer:** — Would a motion not be made to concur with the auditor's recommendation and that motion be defeated.

**Mr. Thomson:** — In this case, I think the motion is that we not concur.

**Mr. Tchorzewski:** — Yes, that's my motion. That's my motion.

**The Chair:** — So then you're saying, you're just going to say that you disagree with the auditor's recommendation. Okay. It's a suggestion then, so if you want to do it . . . (inaudible interjection) . . . No, that's right. Oh if it's a motion we have to write it down and then we can vote on it. If it's just sort of an agreement, then we don't have to.

**Mr. Tchorzewski:** — Okay, can we vote to see if there's agreement then?

**Mr. Hillson:** — Well I'm prepared to move concurrence.

**The Chair:** — Then I guess we need a motion. One or the other of you. One of you has to write a motion.

**Mr. Hillson:** — Was I out of order?

**The Chair:** — You didn't give me a motion. You said I recommend that we're just going to go along with it. But if somebody is opposed to it then we have to have a motion.

**Mr. Hillson:** — So shouldn't we be asking the vice-chairman to provide the motion?

**The Chair:** — We could be but one or the other of you has to. Either somebody agrees or somebody disagrees. We have one motion in front of us. We have a motion that we concur with recommendation .29 — I guess it would be 5.29.

**Mr. Hillson:** — Thank you, Madam Chair.

**The Chair:** — Question. Those in agreement with the motion? Those opposed to the motion? The motion is defeated. Any other comments? Suggestions?

**Mr. Tchorzewski:** — The end of the report.

**The Chair:** — Thank you very much to the officials. We appreciate your attendance.

**Mr. Marchildon:** — Thank you very much, Madam Chair.

**Mr. Koenker:** — I'd like to thank the Acting Chief Electoral Officer for her remarks. I found them very helpful in terms of clarifying many of the issues that we dealt with in the recommendation pertaining to the . . .

**The Chair:** — Thank you very much. Before everyone disappears then, we're going to have a discussion about future meetings, and we all were given a suggestion of how we could deal with the next reports of the Provincial Auditor. It's not necessarily something we have to design today, but we're thinking about it.

**Mr. Thomson:** — Could I suggest that, as is tradition in this committee, that we ask the steering committee to work with the auditor, canvass other committee members, and pull together an agenda for a future meeting.

**Mr. Tchorzewski:** — Can I add to that?

**The Chair:** — Yes.

**Mr. Tchorzewski:** — Maybe I shouldn't speak so soon because others may want to speak, but I agree with that. But I would add to that, we should also consult with various departments, because to call a department you've got to make sure they're not somewhere out, somewhere else. So I think we can work something out.

**Mr. Gantefer:** — Madam Chairman, could I also request that in the deliberations that the Chair and Deputy Chair, our agenda committee, be sensitive about the issues that are raised this week in terms of the '97 report and move those to the . . . as much as possible, recognizing the restraints of departments being able to be available and things of that nature, so that the issues that were contentious this week be brought to the agenda at the earliest possible moment.

**Mr. Hillson:** — May I inquire? Due to unfortunate events, my caucus is not directly represented on the steering committee — is it? — in order to ask that there be some consultation with that.

**Mr. Thomson:** — What I suggest is that members of the committee be surveyed.

**Mr. Tchorzewski:** — Yes, that's what the suggestion is.

**Mr. Hillson:** — I was wondering if that was what . . .

**Mr. Tchorzewski:** — We would never, ever think of not consulting with the Liberal caucus.

**Mr. Thomson:** — As many arms of it as there are.

**Mr. Hillson:** — Madam Chair, may I say that is a wise course of action and the members opposite are to be congratulated, and I'm sure that they will find much enlightenment in following that procedure.

**The Chair:** — Thank you, Mr. Hillson. I think the direction that was given to myself and to the Vice-Chair yesterday regarding the recommendations on bringing forward information to the Assembly, which would then go onto the Crown Corporations Committee, is a very important issue. And it is something that we will be deciding about, whether we will report to the Assembly as finishing a report, except for Worker's Compensation, and I'm wondering . . . I would hope to bring together this committee and ask for the report that will be prepared, possibly before session starts, so we can look at sort of an idea of what happened, that we could bring forward to the Assembly. We can discuss what happened at this committee.

**Mr. Tchorzewski:** — The earlier the better, because in that report there can be a recommendation right there going directly to the Crown Corporations Committee. Is that what you're saying?

**The Chair:** — No it won't go directly to the Crown Corporation Committee. I understand it will go to the legislature.

**Mr. Tchorzewski:** — Yes that's what I mean, from the legislature. Yes, the earlier the better. I think you're right.

**The Chair:** — Okay, I'm suggesting we will probably have that before we go into session and then we'll be calling . . . Will that meeting be in camera?

**Mr. Tchorzewski:** — No, I don't think . . .

**Mr. Thomson:** — Could I suggest that probably what we will want to do is when the session begins again, we begin our regular meeting schedule, is we may want to take some time and provide a report to the Assembly on our deliberations intersessionally which would facilitate us referring those matters over. Then we could do a second report at the end, once we've concluded '97.

**Mr. Tchorzewski:** — That means we'll have it in right away because we . . .

**The Chair:** — Including the meetings from this spring.

**A Member:** — Yes.

**The Chair:** — Okay.

**Mr. Koenker:** — On a related matter, it was mentioned yesterday that in terms of scheduling during the session, it's helpful to know when the various caucuses meet. Do we have that information at hand? I think we need to have that as soon as possible so that we can coordinate ourselves and get to work.

**Mr. Tchorzewski:** — I want to thank Mr. Koenker for raising it because I think if we get that out of the way now, since now we know when the session is going to be, we're ready to roll. I looked at what you as a committee did last time, and it seems to me that Monday is not a good day because that's when people from out of the city are travelling in. Friday is not a good day because the House sits in the morning, so you really got a choice of three days. And you chose at that time to go on a Tuesday, between 9:30 and 11:30 a.m. every Tuesday. The NDP (New Democratic Party) caucus has their caucus meeting on the Wednesday morning, so that makes it a little difficult, and I'm sure you all have caucuses so we have to know when you meet.

**Mr. Gantefer:** — I would ask the agenda committee to certainly do that survey, to find that out, but I'd also like to caution the committee that we don't put too much work on ourselves during the session. And I would ask them then when they look at this whole . . . the issue of what work we have before us, including by the end of session, we will have a spring '98 report.

So we really are facing the one item of, as I understand it, Workers' Compensation out of this report. That's the only outstanding issue. And then both '97 reports, and by the end of session or going into summer we will have the spring '98 report that will then be tabled as well that we'll have to deal with it.

And I would ask you to potentially anticipate what might be in the spring '98 report in terms of workload, although the issues can't be done. And then recognize that it's been appropriate in the past, and this year because of a lot of events it wasn't possible to bring into reality, the fact that we generally budgeted for approximately three weeks intersessionally.

I find that you really get a lot of quality work done on these intersessional agendas because you stay focused on the work of Public Accounts and there's nothing distracting you. I always found it quite difficult to meet too often during the session because there's so many other issues going on and it's really



difficult on a weekly basis to potentially do that.

So what my suggestion is, is to try to ascertain what the workload is going to be and how much time it's going to take, including the spring '98 report, work our way backwards in terms of assuming that there'll be three weeks intersessionally that'll be available and then determine if we should meet weekly or bimonthly or something of that nature during the session, when you're making those recommendations.

And in terms of when caucus meets, I don't think we've established a fixed day yet so that if it need be that we'd have to be flexible, I think that we could exercise some flexibility to accommodate the committee. Crown Corps is another one.

**Mr. Tchorzewski:** — Yes, I agree. We shall meet and discuss this. Thank you.

**The Chair:** — Okay. Thank you very much.

**Mr. Thomson:** — I move we adjourn.

**The Chair:** — Adjourned by Mr. Thomson. Anybody opposed?

The committee adjourned at 2:40 p.m.