

# **Standing Committee on Public Accounts**

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# STANDING COMMITTEE ON PUBLIC ACCOUNTS 1999

Rod Gantefoer, Chair Melfort-Tisdale

Ned Shillington, Vice-Chair Regina Northeast

> June Draude Kelvington-Wadena

> > Jack Goohsen Cypress Hills

Jack Hillson North Battleford

Walter Jess Redberry Lake

Mark Koenker Saskatoon Sutherland

> Violet Stanger Lloydminster

Andrew Thomson Regina South

Grant Whitmore Saskatoon Northwest

### STANDING COMMITTEE ON PUBLIC ACCOUNTS April 15, 1999

**The Chair**: — Thank you very much, members. Good morning. Thank you very much for your indulgence for the rescheduling of the meeting that we had scheduled a week past. With some pressure on time I consulted with the Vice-Chair and we agreed that we would postpone it to this point. So I thank you very much for the fact that you were able to accommodate that on very short notice a week ago.

The first item on our agenda is the approval of the agenda as circulated.

#### (There was a microphone malfunction for a small portion of the following verbatim).

**Mr. Shillington**: — I was actually wanting to speak to that. Contrary to the practice which at least has been the custom since I have been on the committee which is a very short period of time, this agenda was not one that we had the opportunity to agree to in advance.

I will, in addition to my comments, move a motion that the request for a special investigation by the Provincial Auditor regarding the ... (inaudible) ... cost overrun be deleted from the Standing Committee's agenda. I do so for reasons which I have stated previously. The Provincial Auditor has customarily audited the health districts. If this had been a matter he thought was important ... (inaudible) ... he would have done it.

I just note in passing that in fact in the last report which we received and worked on, the Regina Health District at least received ... (inaudible) ... performance ... (inaudible) ... Indeed, the Provincial Auditor in the future may, and I'm sure will if it's appropriate, report on the matter. In my mind this office is too busy and too important to have its schedule set for it by any party which ... (inaudible) ... rather than ... (inaudible) ... accounts.

In addition to my view that these are not appropriate for the committee ... (inaudible) ... the Provincial Auditor ... (inaudible) ... In addition to that, the legislature's in session. The appropriate place for this is in ... (inaudible) ... where the minister will be shortly, for as long as the opposition want to question her, hers. And for that reason as well I think that it's appropriate ...

I therefore move, seconded by . . .

**The Chair**: — You don't need a seconder.

**Mr. Shillington**: — I therefore move:

The request for a special investigation by the Provincial Auditor regarding the Regina Health District cost overruns be deleted at this time from the Standing Committee on Public Accounts' agenda.

**The Chair**: — Thank you. Mr. Shillington has moved:

That the request for a special investigation by the Provincial Auditor regarding the Regina Health District cost overruns be deleted from the Standing Committee on Public Accounts' agenda.

I have an indication Ms. Draude would like to speak to the motion.

Ms. Draude: — Thank you, Mr. Chair. Mr. Chair, I am really disappointed — maybe not really surprised — but very disappointed that the members opposite are talking about this committee and this mandate. I think this is one of the committees that we've all agreed has been able to be non-political to as much of a point as politicians can be, and our job is really to make sure that we represent all of the constituents in Saskatchewan.

We have a legitimate request from an elected member of this House who represents not only his constituents but members right across Saskatchewan who at this time are very much embroiled in the whole idea of health care and monies and where money is being spent.

We have a Provincial Auditor who has indicated many times to us what the work of this committee is and the work that he does for the committee members is to represent what they are asking for and he has . . . I don't think to say that he is too busy would be an adequate statement unless I would hear it from him.

I think that we have ... the department that the member talked about that will be, can have questions asked to it when we go into estimates is the information they'll have ... will be from the department, not necessarily from the district health board, and not at this time anyway. The work will not be done for a while and we're talking about something that it's imperative we look at right now.

By the time the reports are all done, this is put on the back burner and some other thing will be on the agenda or in a public's mind and perhaps some of the importance of this is going to be left down the road.

I would implore the members to look at this as an opportunity to say, hey health care is an issue that is non-political. It is an opportunity for all members to say, let's get on board, let's check where every penny in this province, every penny of health dollars is being spent on this province.

The government of course makes decisions about where it's being spent but it's effecting everybody and I think that I'm speaking ... I know I'm speaking for a lot of people in this province when they say, hey we got \$40 million here that we want to know where it goes to, where it went to, and why it went.

It's a legitimate request from a member and to say that it's not something we should be dealing with at this time I think is very irresponsible, to be kind.

**Mr. Hillson:** — Thank you, Mr. Chair. I would just like to say that my understanding is that under the previous administration, Public Accounts became so hopelessly out of date, dealing with reports that were apparently several years old, that it became little more than an historical review that had little relevance to the current situation.

And the government has taken some credit for trying to keep

Public Accounts more current and therefore more relevant. But it seems to me that on that line of reasoning the government ought to be interested in dealing with this issue here and now today while it is current and while this committee actually has the ability to change, to change public policy, to change public expenditures, and to be that guardian of the public purse that it is supposed to be.

Reviewing several years later whether cost overruns were justified and how they could have been avoided becomes an interesting historical exercise similar to reviewing the reasons we got into World War I, but unfortunately a few years down the road, it won't mean anything, and it can't possibly make any difference. It can make a difference today.

So, while I give some credit to the government for trying to make the Public Accounts Committee a more current and relevant committee, let's take the next step by dealing with an issue that's current right now and we can actually make a difference in the expenditure of public monies to make sure that they are spent in the most effective way possible with as little waste as possible.

Let's be something more than just an historical review going over ground that, frankly, no longer matters. And I urge all members to do that because I think that really makes this committee then function the way it's supposed to, and can hopefully have a positive and strong impact on public policy especially in the area of the expenditure of public funds in this province. Thank you.

The Chair: — Thank you.

Mr. Thomson: — Thank you, Mr. Chairman. I appreciate the comments Mr. Hillson makes about the work that this committee has done over the past several years to catch up to date. I want to say though that the motion Mr. Shillington has moved, and indeed this whole issue I think we need to put back into perspective. Nothing in this motion precludes the Provincial Auditor from investigating this issue. Nothing precludes him from filing a report at any time, as he is able to under his Act, with this committee on this issue.

The question that Mr. Hillson raises is should we be talking about how current expenditures are. That's as Mr. Shillington says. That's a responsibility of the Committee of Finance and estimates to take a look at how the budgets are. This committee deals with auditing. It deals with accounting. We take a look back at those issues.

I support Mr. Shillington's motion because I think it's up to the auditor to decide what he wants to investigate, and he should do that. Should he come forward with an investigation, a review, a special report, or simply a note in his next report about this issue, we should examine it. And we should examine it in a timely manner as we have all other matters.

But to ask the Provincial Auditor to drop everything else he's doing to look into this for what I hope are not political reasons, then I think we need to re-evaluate that.

The office of the auditor is an important one. It's a largely independent one, and for us to reset his priorities I think is

wrong. The questions members of the opposition ask about this issue I think are legitimately ones that should be addressed in the Assembly as a whole, and should be debated and dealt with there.

I'll support the motion.

The Chair: — Thank you.

Mr. Koenker: — Yes, I think if the issue is that the overruns in the Plains instance need greater public scrutiny and need it currently, that could very easily be accomplished right now in the House in Committee of Finance. And we already have entered Committee of Finance and I don't know why initiatives haven't been taken to raise this urgent and pressing issue of public business in the House. I mean let's be dealt with maybe today, tomorrow, whenever. It doesn't necessarily have to be dealt with here. And let me remind you, opposition members, that the House is televised.

Ms. Draude: — To the members opposite, I appreciate that you were thinking about the auditor's time and efforts that he has to put forward. I would think that as a representative of all the people of this province, he probably will look at it seriously, but he does always take guidance from this committee when it comes to what we consider to be an important issue, something that an elected member is saying should be looked at immediately.

And when we say that we can go into Committee of Finance and ask these questions in Health, it hasn't been up yet and I imagine it will be shortly. But we have to get ... I would imagine that we're going to hear at least once if not many times if we ask questions on this area, we don't have that information, it's not available yet. And it would be looked at from the department head who was obviously somebody who was a political person — we're talking about a minister.

What we're asking for is an independent review from the person that the people in this province hold in esteem to look at and give his judgment of how money is being spent. We're not asking the government to justify; we want to know how it's being spent and we don't want it guarded in any way that's going to help them define it in their perspective right now.

We want the answers in black and white, immediately, not anything saying well we'll find out later on at the end of this year. Maybe some of these costs are still being looked at. And we'd like to know what's happening.

I think the public needs to hear that because right now we're in a crisis, a health care crisis, and we're talking about monies. The same amount of monies that we're talking about in an overrun is just about the same amount of monies our nurses are looking at. So what are we doing? How can we possibly say we're doing our job right if we're not looking at turning every dollar over and seeing if we're spending it in the best way possible. That's what the people of this province are asking for.

And if this committee is the one committee in this whole Assembly that can do something that's supposed to be for all the people regardless of political lines, I think we're not doing our job if we don't ask the minister . . . the auditors we've got

come forward right now and do what everybody in this province is asking for.

Mr. Goohsen: — Thank you, Mr. Chairman. It seems that in our society we've come to a point in time where we have accepted the fact that cost overruns on contracts let by provincial levels of government are an acceptable thing. And that of course flies in the face of the whole process of tendering and the reason why we have developed that system over time.

At the rural, municipal, and local town levels when contracts are let, people tender for them and the lowest bidder normally gets the contract and there are no breaches of those contracts, because otherwise the tendering process is destroyed. If you automatically know that you can get more money out of a contract after you've got it than what you bid on it, then there is no sense to having a tendering process any more and so we've destroyed that whole concept of fairness in public tendering.

It is therefore my contention that we have to draw the line at this new concept in provincial tendering and contracting that we can automatically justify contracts being violated, and overruns being the acceptable norm for every contract. And we see it in hospital renovations, we see it in the Plains for education processes, and it's going on far too often. We have to draw that line in the sand or the entire process, the entire system, is no longer valid. And so we need to do that and we need to do that very quickly.

Now when Mr. Koenker alluded to the fact that we can debate this in the House, that is probably a very good idea and I'm going to ask the very straight-forward question: is that now a commitment that you will allow an emergency debate to be gone ahead with this day in the legislature?

You see because you say it is an open and accountable for us to address these issues, but every time I have seen anybody ask for an emergency debate this year, it is voted down by the government and the debates are not allowed. So that vehicle is not open to us unless you are willing to commit today to allow that emergency debate, and then this process is valid and that direction would have some validity.

But under the conditions that we are working under in the system this past session, this is not happening. And so I challenge you to open that door and I challenge you to correct the problems that are happening in the almost assured destruction of the tendering process.

Thank you, Mr. Chair.

**Mr. Hillson:** — Yes very briefly. Once the work has been done and the cost overruns have been incurred, we can't rewrite history, but we can redirect the expenditure of public funds right now. We can correct any problems that may exist right now, and I suggest we ought to do so.

**The Chair**: — Thank you. Mr. D'Autremont has indicated a desire to speak to this. Since he is not a member of the committee and because a motion is on the floor, he could only do that by leave of the committee. Would that leave be granted? Agreed.

**Mr. D'Autremont**: — Thank you very much and I thank the committee members for allowing me the opportunity to speak. And there have been some good arguments placed around the table earlier.

I believe that an independent review of this entire budgetary process at the Regina General . . . the Regina District Board in dealing with the Plains hospital costs needs to happen.

When the debate takes place, as it will at some point in time on the floor of the Assembly, it's done so in a politically charged atmosphere particularly now with the events as they are occurring in health.

Mr. Koenker says that we will have that opportunity at some point in the Committee of Finance. Yes, we will. The question is how timely will that opportunity be? Can we expect the government to bring forward Health in the Committee of Finance this week? I would suggest no, we cannot have that expectation. Can we have that expectation next week? I would suggest no. Not as long as we have the current crisis taking place in health care will we see Health come forward in the Committee of Finance.

So in a timely manner, there is no immediate opportunity to deal with this issue. This is the first opportunity that the general public and the committee members and the members of the Assembly have to deal with this issue.

Mr. Goohsen made a good point when he talked about an emergency debate. The government, this session, has not allowed any emergency debates to take place.

When we have a debate in the House — be it an emergency debate or any other kind of debate — we deal with some fact, a lot of rhetoric, and no answers. It's debate; it's not answers. The only time that we can gain access to the opportunities for answers is in the Committee of Finance in the House or question period. And we all understand that it's called question period, it's not called answer period, because there are no answers.

The minister, even in Committee of Finance, will in all likelihood not have access to the information that the Regina District Health Board would have, dealing with the financial arrangements and the construction costs at the Plains hospital. To get that information the minister would have to refer back to the Regina District Health Board and ask them to supply the information and we would gain it at some later date as happens in a lot of cases in the House. At some later date would be after the House was no longer sitting.

We have seen estimates as high as \$40 million for the current cost overruns. We don't know if those have ended; if the costs continue to escalate. We have seen contractors who when tendered, the tender called for bonding to be in place. When the tenders were given, there was no bonding in place to the subcontractors.

We have been told that there was to be a \$10 million savings with the transfer from the Plains to the General Hospital and to the Pasqua. Now we're told that that will not happen.

There are a lot of questions there in the minds of the members of this Assembly and in the minds of the public as to what is the Regina District Health Board doing with the funds that we have allocated them as the Assembly of Saskatchewan.

Last year during the Channel Lake debate, the government members were all insistent that Public Accounts and Crown Corporations sit, investigate, and hear what was happening in that situation. I ask you, committee members, what is so different this year when we bring a request to do exactly the same thing with the cost overruns at the Regina District Health Board and the Plains hospital changes?

I would ask you to reconsider the motion. I would ask you to allow the debate to take place at this committee, and to allow the Provincial Auditor to carry on a special investigation and to report back to this committee in a timely manner so that it may be dealt with before all of the work is completed to determine whether or not cost overruns continue and why any cost overruns that were incurred did indeed happen. Thank you.

Mr. Thomson: — Let me address a couple of issues because I think we're talking about different things here. Ms. Draude says it's important that we take a look at the current expenditure priorities to see where the money is going so we know... have some better understanding what's happening with health dollars and what's available for salaries. That's a question we should deal with in estimates.

Mr. D'Autremont asks, how is this different from Channel Lake? The difference was Channel Lake was triggered by a report provided by the Auditor, on his own, based on his own investigation — not directed by this committee. That's a significant difference.

We listened to Mr. Goohsen talk about cost overruns. I think we need to understand that there . . . this issue and it's been, I think, politely lumped into all this term cost overruns. A lot of those were enhancements to the building so we could deal with new services that we added in afterwards. Some of the new costs in there, as we know, are costs to have built on the MRI (magnetic resonance imaging) room, to make available space for other new services.

I think that what is happening here is, unfortunately, a political timetable is being used to drive the auditor's agenda and I think that we need to resist that as members. The auditor has the ability under his Act and has the freedom at any time to table a report on any issue he so pleases.

It's not for the political members of this committee, which is all of us, to direct that office as to what he should investigate. And I think that that's really the crux of this matter. If the auditor were to come in tomorrow with a report on this issue we would be compelled to deal with it. But for us to sit here as politicians and tell the auditor that he must investigate this, well as much as the members may say it's not for political reasons, one has to wonder

In due time the report will come in from the auditor on this issue if he decides that that's what he wants to look at. At that point we have a responsibility to deal with it. If the question is, as Ms. Draude poses, that we need to deal with the question of

how government spends its money, that's legitimately dealt with in the Assembly. If it's as Mr. Goohsen says, that we should be dealing with the question of tendering policy, that should also be dealt with in the Assembly.

The bottom line on this is this is a question about who directs the auditor's priorities. And I'm saying it's not up to us as politicians to do that.

**The Chair**: — Thank you.

**Mr. Goohsen**: — I'd like to comment on a couple of those statements that were made. The reality is here that this whole system of how we allow our tenders and how we allow contractors to jump out of contracts is now being permitted. And it is destroying the structure of the fair and honest tendering process.

When a board decides that it is going to make extensions to the original contract while the contractor is working . . . First of all, there's two points here. First of all it shows incompetence on the board for not having properly planned and not having properly done their work. And that needs to be investigated.

And the second thing of course is that if you're going to do extensions, then the board should re-tender those extensions and there should be a new contract drawn up as to what those costs are going to be and those should be discussed by the board and approved by the process. You can't keep adding extensions under the old contract if you're going to have the tendering process be fair to all bidders.

If I have a good friend — and I'm in the municipal process and he's a contractor — and I say to him, I'm going to ask my council to build a mile of road; you bid it at 50,000. I know the cost is going to be a hundred. You bid it at 50; I'm sure you'll get the job. As soon as you get the job, I'll talk my council into extending it for two more miles and those will each cost \$150,000. And we'll just get it okayed because it's through some rocky land. And you'll make up your money. You'll have the contract, and you as my friend will have the job.

You see how this thing can get out of hand. And the public perception is that there is wrongdoing when contracts are allowed to be handled that way. The contractors themselves become suspect of the process. And when that happens, they themselves then try to initiate contracts and workings within those contracts that will allow them to break the contracts as they're working. And I've been there. I've seen this.

And the contractors will always try to talk you into let's fix this other little thing while we're here, which is an extension from the contract. And as the body responsible for that contract, as a municipal person and you people as government, you have to be the ones that say, no, this is not allowed. We have not put that in the contract, you cannot have that extension, you cannot have that extra work unless it is approved by the process.

So what we see here is a two-edged sword. We've got incompetence by a board and we've also got extensions of monies being paid for things that don't appear to have been approved.

So we've got somebody playing games. And we're not sure if it's the contractors, the people that let the contracts, or both. But there's something wrong with the system when cost overruns occur that are that great and nobody has authorized them or let them out for tender to get a competitive rate. And that means the system is breaking down and that's why we have to have this type of an investigation while the work is going on. Now, not later.

Do you want to be in a process where a year from now you take a look at it and say, well my goodness, maybe this person or that group or somebody did something wrong. What'll we do now? Sue them to recover our losses? No. You stop it now and you put the full process back into perspective and you find out who's doing the things wrong.

If the board is not allowing the proper tendering process, then we correct that. We don't have to slap any fingers; we just tell them these are the rules, start to work under them.

That's my contribution, Mr. Chairman.

Ms. Draude: — Thank you, Mr. Chair. And to the members again, I remember something that my dad used to say: sometimes you should just save your breath to cool your coffee. And when I'm looking across the table here and I count five, and I count four, three, then I wonder if maybe this is an exercise in futility.

But I'm just asking one more time for the members to think about this. Mr. Thomson said that as members, when the auditor comes back with his report on this hospital, we'll be compelled to deal with the issue at that time. I don't think the word "compelled" is something that you would want to hear. You should be glad to deal with the issue. We shouldn't be frightened of it.

And right now I would think that the auditor, Provincial Auditor, may feel in a quandary if he does go forward and deal with this without this body saying go ahead and do it. Is he going to look like he's favouring or he's doing something that maybe the committee members haven't asked if it's voted down at this time?

Would you really feel ... like, are we putting him in a quandary? I would think that's something that we have to think about.

The member also talked about comparing it to Channel Lake. Well that was an auditor's report where there was a mistake. Why can't we learn from that and say, hey, if we know right now in the middle of it that there's a problem, why do we have to wait and redo that whole fiasco again? Why don't we change things and let's see if we can make it be right this time? Why do we have to wait till it's in black and white and say: hey lookit, there was a problem, we kind of knew about it but we thought we'd wait to get it in writing.

We're not doing our jobs if we're saying, I'm going to just wait until it comes down on paper. And if we were in a business and business people spending money and we say, hey this looks like something is going wrong here and a business person will say, well let's wait until the end of the year and see what the books look like — you're not going to be there at the end of the year. You've got to deal with an issue that's current at that time. You can't sweep it under the rug. Let's look at it.

**The Chair**: — Thank you.

Mr. Hillson: — Mr. Chairman, Mr. Thomson correctly pointed out that we are apparently talking about significant enhancements as well as cost overruns. And that's a valid point, as I understand, at least from media reports, the increased budget expense isn't just simply because the projects undertaken have ended up costing more than they were supposed to.

However on the issue of the enhancements, there's a very, very serious budget question which has been raised and that is, have these enhancements been approved by Sask Health? And I think that's something that this committee would do well to look into.

If a district is proceeding with unauthorized improvements, unauthorized capital expenditures, how will this affect the capital budgets which will be available to other districts? Will their capital budgets ultimately be affected because one health district has gone significantly above Sask Health authorization?

Conversely it has to be asked, if a health district can simply proceed with unauthorized capital expenditures, what effect will this also have on the budgeting process? What will the other districts say if one district can jump the queue? Will other districts take their lead from this? If they do, the whole budgeting process of Sask Health will collapse.

So I certainly don't mean to prejudge the issue, but I mean these are some of the issues which have already been raised publicly. Is this what's happened? And if so, it raises very significant issues in terms of Sask Health determining the capital priorities of the various health districts of the province and putting them into a sensible order of priorities, trying to balance off the needs of one community against another.

So while I agree with the member that we're not correct when we just talk about overruns, that's not the case. I think when we talk about enhancements, that also raises a whole other set of questions that should be very, very serious for this committee and for the auditor.

The member from Regina South also says that we should not be too quick to tell the Provincial Auditor how he goes about his job, and I'd like to say I agree with that as well and I view this motion as a recommendation as to where we believe his energies ought to be directed. If he comes back and says, no, I don't consider this a priority at this time, I think this committee would all unanimously accept his word on it. So I view this as a recommendation; I would certainly accept it if the auditor said no, I don't consider this a priority of my office.

Okay. But I strongly suspect that would not be the view of the Provincial Auditor and he would accept the recommendation of this committee that this ought to be a high priority item.

The Chair: — Thank you.

Mr. Jess: — Yes, I've heard some very interesting arguments

on both sides of this issue and I appreciate the fact that there's been a complete discussion, because this is a major issue and needs to be discussed.

I don't believe that the auditor should be drawn into the debate. He's quite capable of making decisions on his own, as we've found out in the past.

The very reference to an audit, to me suggests that the role of an auditor is to review what has been done in the past, and not a guide to the expenditures themselves. So therefore I believe that the discussion should be elsewhere for now as the proper forum is open to any of us and that the opportunity to discuss this from the auditor's conclusions at a later time will be available.

So I will be supporting the motion.

**The Chair:** — Thank you. I see I have no other names on the speaking order. I've heard the question called for. Are you ready for the question? All those in favour? Opposed? The motion is carried. Thank you.

Members, is the balance of the agenda then acceptable?

An Hon. Member: — Agreed.

The Chair: — Thank you. Then we'll move on to the second item, the consideration of the government's response to the second report of the Standing Committee on Public Accounts. Members will have received two drafts, if you like, of the second report — a revised one that makes some very minor corrections.

Before we begin, I would like to take the opportunity as the Chair to express my appreciation to the Clerk of the committee for an outstanding job of putting this draft together.

I would entertain, before we go to a motion, comments from any members in terms of the report itself. And  $\dots$  (inaudible interjection)  $\dots$  Oh, I'm sorry, the government's response to the second  $\dots$  I'm sorry, I got on to the wrong item on the agenda.

We've had the government's response to the second report tabled with the committee. I stand ready to receive direction from the committee in terms of how we handle it. The response is fairly dated. Does any members need copies?

**Mr. Shillington**: — . . . anything more elaborate than simply receiving the response. My understanding is what is traditional . . . (inaudible) . . . the response, like it or not like it. But we sort of received the response. I'm not sure whether Mr. Chair would not have anything more elaborate than that in mind.

The Chair: — I think given the datedness of this response and our replying to it, that something that simple would be appropriate. When we would be in a better position . . . my hope would be when the government responds to the third report that we'll be dealing with later in the agenda, we'll be able to deal with that in a more timely basis and may be in a better position to comment specifically on response issues. Because of the timeliness or the datedness of this response, I think that simply noting and receiving it is quite appropriate.

**Mr. Shillington**: — I will move then that the government's response be received and I guess leave it at that.

**The Chair**: — Thank you. Any discussion on the recommendation? If not, we concur with the recommendation. Thank you.

Then we move on to the third report. And the comments I made, I won't repeat. Are there any comments that any member would like to make, and I would also like to ask the Provincial Comptroller and the Provincial Auditor to make comments. But I'd like to do that before we have a motion on the floor so we don't have to request leave in order for them to make those comments.

So, members, perhaps we could begin if we may, with the Provincial Comptroller's office.

Mr. Paton: — Thank you, Mr. Chair. We did review this report in some detail. I had a person go through the report in its entirety and compared all of the recommendations in the report with the verbatims. We actually did find one recommendation, recommendation no. 65, that differs slightly from the verbatim. And in the verbatim, Mr. Shillington actually asked that the original recommendation be clarified. And just to read part of that:

The recommendation states that the Department of Justice should review its procedures for collecting fines and further, that procedures be developed to ensure that when repeat offenders appear in court, the sentencing judge will be informed if previous fines are unpaid.

And after much discussion, Mr. Shillington suggested that "and where possible procedures be developed." Now it's a minor change, but I think the committee agreed with "where possible" is the proper wording that should be adopted, and the committee agreed with that. So I would suggest you go with your original verbatim on that recommendation.

**The Chair:** — So we're adding "and where possible" — I just want the wording.

**Mr. Paton**: — The words "and where possible" be inserted prior to "procedures be developed".

**The Chair**: — "And where possible procedures be developed" — that would now be the wording?

Mr. Paton: — Yes.

The Chair: — Okay.

Mr. Paton: — Those were the only discrepancies that we found in the report with the verbatim, but we did go through it in some detail, so I think the report does reflect the decisions of the committee.

**The Chair**: — Would there be agreement that the words after "further that where possible" be added — "procedures be developed." That's agreed? Thank you. And that concludes your remarks.

Mr. Strelioff: — Thank you, Mr. Chair, and members. Good morning. Our office has reviewed . . . has carefully reviewed the report and we strongly support it. We think that it is a valuable contribution and that it represents a significant step forward in the work of this committee because it's timely, and it will therefore be more effective in effecting positive change in how governments manage and how they report on their management.

So we're very supportive of this report and are very pleased that you're meeting today so that it can get finalized and introduced into the House. And that's all. Thank you.

The Chair: — Thank you.

Mr. Shillington: — I just have one general comment — nothing specific. I wasn't sharp enough to pick up that flaw in the drafting. That is a tiny flaw in a large document and I want to compliment the Clerk for what must've been a Herculean effort to get it done in fairly short order. So I want to compliment the Clerk and thank the Clerk.

Also this may well be the last Public Accounts meeting I'm in. I want to compliment the member ... I want to echo the comments of the Provincial Auditor. I want to compliment the members on their conduct. Throughout much of the proceedings, one would have had difficulty knowing ... if you didn't know the background of the members, you would've had difficulty knowing which side of the House they sat on.

I think the committee was very effective. I think it reflects well on the committee members. And I really agree with the Provincial Auditor, this moves the whole process of holding government accountable along ... moves it along well when members behave in that fashion.

So I commend the members for their behaviour, and I hope . . . When the committee resumes publicly with new members, I hope this bipartisan spirit continues because I think it's been very effective.

Ms. Draude: — Actually I just wanted to again compliment the Clerk on the work that was done here. It makes us look like we were all knowing exactly what was going on at all times and it reflects well on the members. And I also think that the work that we did together was a good feeling for all elected members to know that we can sit down and discuss some of these items openly and come up with some very grave conclusions for the people of the province.

**The Chair**: — Thank you. Any further comments? If not, if members would refer to page 2. Because of our previous decision under the heading, Government's Response to the Second Report, I would suggest that your committee thanks the Government of Saskatchewan for its reply to the second report. And the rest of that be deleted, including the Appendix B to which it's referred.

Would that be agreed? What it asks is that our response is then included as Appendix B because we have decided, by the previous agenda item, to simply receive the report. There really is no response and therefore Appendix B is not required and the rest of that paragraph is inappropriate.

Would that be agreed? It's just a further amendment. Thank you.

If I could have a motion then that the draft third report of the Standing Committee on Public Accounts as amended would be presented to the Assembly.

Motion by Mr. Thomson:

That the draft third report of the Standing Committee on Public Accounts be adopted as amended and presented to the Assembly.

Are you ready for the question? All those in favour? That's carried. Thank you.

The final item is a discussion as to when to present it in the House. It has been suggested to me that if the committee is in agreement, that we would present it on this Monday next. That gives the Clerk's office time to get it properly printed. And further, we will have the social studies teacher group in the Assembly I believe on that day, and it might be useful for them to see a committee report and how it is presented to the House.

So that if it's in agreement with the members, we would do that on Monday next. Okay, thank you very much.

Members, I would like to thank you for your diligence on this issue and I would also like to echo my appreciation to all members, Chairs, and committee members that have participated in the preparation of this third report.

I think it is an outstanding achievement. It brings our deliberations to a current status for the first time in, I think, recent memory. And I think every member of this committee, those serving currently and those past, deserve a great deal of commendation for that.

With that, if there's no further discussions, motion for adjournment? Mr. Jess. Thank you very much.

The committee adjourned at 10:52 a.m.