

STANDING COMMITTEE ON PUBLIC ACCOUNTS

May 2, 2006

MINUTE NO. 32

10:30 a.m. - Room 8

1. **PRESENT:** Mr. Hermanson in the Chair and Members Borgerson, Cheveldayoff, Chisholm, Crofford, Harper* and Trew.

Substituting Member

Mr. Harper for Mr. Iwanchuk

Other Members

Mr. Allchurch, Mr. Bjonerud

Provincial Auditor's Office

Fred Wendel, Provincial Auditor

Rod Grabarczyk, Principal

Kim Lowe, Principal

Andrew Martens, Principal

Corrine Rybchuk, Principal

Victor Schwab, Principal

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller

Larry Boys, Manager, Financial Management Branch

2. The following documents were tabled:

PAC 36/25 – Department of Finance: Responses to questions raised at the March 9, 2006 meeting of the committee, re: 2005 federal transfer total for health care, dated April 10, 2006.

PAC 37/25 – Department of Finance: Government's response to the First Report of the Twenty-fifth Legislature of the Standing Committee on Public Accounts, dated March 31, 2006.

3. The committee proceeded to consider Chapter 15 (Northern Affairs) of the *2005 Report of the Provincial Auditor (Volume 3)*. Mr. Grabarczyk of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Northern Affairs officials appeared before the committee and answered questions:

Witnesses

Al Hilton, Deputy Minister

Glenn McKenzie, Assistant Deputy Minister

Anita Jones, Executive Director, Planning and Financial Management

Richard Turkheim, Executive Director, Resource and Industry Development

Gerald DesRoches, Senior Account Manager, Northern Development Fund

4. The committee concurred with recommendation 15-1 made at page 301 of Chapter 15 (Northern Affairs) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Department of Northern Affairs should receive and analyze the borrowers' financial and operating information as required by its loan agreements. The committee noted that the Department of Northern Affairs is making progress towards complying with the recommendation.
5. The committee proceeded to consider Chapter 16 (Agriculture, Food and Rural Revitalization) of the *2005 Report of the Provincial Auditor (Volume 3)*. Mr. Martens of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Agriculture and Food officials appeared before the committee and answered questions:

Witnesses

Doug Matthies, Deputy Minister
Karen Aulie, Director, Corporate Services Branch
Rick Ashton, Acting Director, Lands Branch
John Babcock, Acting Director, Irrigation Development Branch

6. The committee concurred with recommendation 16-1 made at page 310 of Chapter 16 (Agriculture, Food and Rural Revitalization) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Department of Agriculture and Food should provide adequate guidance and supervision to staff recording information and preparing financial statements. The committee noted that the Department of Agriculture and Food is making progress towards complying with the recommendation.
7. The committee adjourned at 11:52 a.m. until 10:30 a.m. on Tuesday, May 9, 2006.

Margaret A. Woods
Committee Clerk

Elwin Hermanson
Committee Chair