

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**  
**May 17, 1990**

**MINUTE NO. 11**  
May 17, 1990 at 8:30 a.m.

1. PRESENT: Mr. Van Mulligen in the Chair and the following Members: Anguish, Britton, Hopfner, Muller, Lyons, Rolfes, Sauder and Swan

**Officials**

**Provincial Auditor's Office**

J. A. Hunt, Provincial Auditor  
M.A. Heffernan, Deputy Provincial Auditor

**Comptroller's Office**

G. Kraus, Comptroller

2. The Committee resumed consideration of the Report of the Provincial Auditor for the year ended March 31, 1988.
3. The Committee resumed consideration of Chapter 2 — Current Issues of Importance of the Report of the Provincial Auditor for the year ended March 31, 1988.
4. The Committee resumed consideration of Mr. Anguish's motion:

That, whereas the 1987-88 Report of the Provincial Auditor makes reference to a lack of co-operation from Westbridge Computer Corporation, and, whereas new information has become available to the financial affairs of this Crown controlled corporation, be it resolved,

That prior to concluding the committee's examination of the 1987-88 public accounts, Westbridge Computer Corporation be called as a witness before the Public Accounts Committee;

And of the amendment of Mr. Lyons thereto that the words: "prior to concluding the Committee's examination of the 1987-88 public accounts" be deleted, and that the following be added immediately after the words "Public Accounts Committee" in the last line:

"and that this examination deal with the 1987-88 and 1988-89 fiscal years concurrently."

5. A point of order was raised by Mr. Hopfner questioning the Committee's authority to examine, in the context of its consideration of the Provincial Auditor's Report for the year ended March 31, 1988, a letter dated July 27, 1988 from the Provincial Auditor to Thorne, Ernst & Whinney, i.e., a letter dated after the end of the year under review.
6. The Chairman ruled against the point of order stating that although the letter was dated after the end of the year under review by the Committee, the substance of the letter pertained to issues discussed in the Report of the Provincial Auditor currently before the Committee.

Whereupon Mr. Hopfner appealed the decision of the Chairman.

And the question being put: "Is the Chairman's ruling sustained," it was negatived. Accordingly the decision was overruled.

7. A point of order was raised by Mr. Swan seeking clarification on the Chairman's ruling.
8. The Chairman made a statement explaining that the Committee's mandate was to examine all matters referred to it by the Assembly as outlined in *Beauchesne's Parliamentary Rules and Forms*, 6th edition, paragraph 830:

... standing committees have the power to examine matters that are referred to them by the House, reporting from time to time ...

The Chairman stated that the Report of the Provincial Auditor for the year ended March 31, 1988 was one of the items that had been referred to the Public Accounts Committee and that it was therefore in order for the Committee to examine all matters contained in the report including correspondence relating to matters discussed in the Report.

The Chairman further indicated that while he had ruled that it was in order to discuss certain correspondence which related to substance of the Report, it was also in order for the Committee to appeal his decision and possibly overrule it, as was the case. The Chairman cited *Beauchesne's* 6th edition, paragraph 821(1): "All rulings of the Chairman may be appealed to the Committee."

9. On the motion by Mr. Swan, it was agreed that the Committee's decision to overrule the Chairman's ruling earlier this day, be rescinded.
10. It was agreed that correspondence referred to in paragraphs 34.07 and 34.08 of the 1987-1988 Provincial Auditor's Report be tabled.
11. The Committee resumed consideration of the motion of Mr. Anguish and of the amendment thereto of Mr. Lyons.

After debate, the question being put on the amendment of Mr. Lyons, it was negatived.

And the question being put on the motion of Mr. Anguish, it was negatived.

12. The Committee resumed consideration of the Draft Recommendation pertaining to Chapter 2 of the Provincial Auditor's Report.
13. It was agreed that the following words of the first sentence of the second paragraph be deleted:

Your committee recognizes that this was the initial year of operation under the new Act and that some of the difficulties stemmed from this fact.

It was agreed that the Draft Recommendation, as amended, be concurred in.

14. The Committee considered a Draft Report to the Assembly.

15. After debate, it was agreed that the Draft Recommendation form part of the Draft Report.
16. After further debate, it was agreed that the words “you cannot have an asset in the form of a loan” in paragraph No. 4 under Department of Finance, be deleted and the following substituted therefor:

the Consolidated Fund cannot have an asset (loan receivable) if the only source of repayment of the loan is future appropriations from the Consolidated Fund.
17. After further debate, it was agreed, on motion of Mr. Muller, that the Draft Report, as amended, be concurred in, as the Committee’s Fourth Report to the Assembly.
18. **Ordered:** That the Chairman report forthwith the Committee’s Fourth Report to the Assembly. (Mr. Hopfner)
19. At 10:35 o’clock a.m., the Committee adjourned until Thursday, May 24, 1990 at 8:30 a.m.

**Agenda:**

The Committee will resume consideration of the following items:

- (1) Plan agenda for the Review of the Provincial Auditor’s Report for the year 1988-89
- (2) Items related to CCPAC and the Guidelines document