

STANDING COMMITTEE ON PUBLIC ACCOUNTS
November 30, 1990

MINUTE NO. 24
November 30, 1990 at 9:00 a.m.

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

Officials

Provincial Auditor's Office

Wayne Strelloff, Provincial Auditor
Fred Wendel, Assistant Provincial Auditor

Comptroller's Office

G. Kraus, Comptroller

2. The following document was tabled:

PAC 24/90 — Law Clerk's Opinion: *An Act of the Legislature vs. a Resolution of the Legislative Assembly* and Chairman's Statement.

The Chairman tabled the opinion of the Law Clerk and Legislative Counsel to the Legislative Assembly of Saskatchewan entitled *An Act of the Legislature vs. a Resolution of the Legislative Assembly*, dated November 29, 1990.

3. The Committee proceeded to the consideration of the Law Clerk's opinion.
4. The Chairman tabled a statement with respect to the Law Clerk's opinion which is as follows:

Mr. Bob Cosman, the Law Clerk and Legislative Counsel to the Legislative Assembly of Saskatchewan is attending.

He has submitted an opinion with respect to the issue of a conflict between a resolution adopted by the Legislative Assembly and provisions of an Act of the Assembly. This opinion has been distributed to you.

As you will note in Mr. Cosman's opinion, provisions of an Act of the Assembly have priority over a resolution of the Assembly.

Nevertheless while, pursuant to S. 13(b) of The Financial Administration Act, Treasury Board has discretion to prescribe what the contents of *Public Accounts* should be, the Assembly should not be "precluded from recommending by resolution the inclusion of specific items in the *Public Accounts*".

Although "such a resolution does not have the force of law as opposed to an Act of the same Assembly specifically placing the decision as to content of the *Public Accounts* squarely in the discretion of Treasury Board," I submit for your consideration that there is substantial justification for the Public Accounts Committee to request that certain items be included in the *Public Accounts*.

The Assembly has given the Public Accounts Committee a clear mandate to review the *Public Accounts* of the Province of Saskatchewan and the issues raised in the Annual Report of the Provincial Auditor.

That Treasury Board comply with the Committee's recommendation that certain items be included in the *Public Accounts* of the Province is quite reasonable and a logical corollary of the Committee's mandate. The Legislative Assembly, in properly carrying out its responsibilities of ensuring that government departments and agencies remain financially accountable, must have at its disposition the necessary information and instruments. Citizens of Saskatchewan of course expect their elected representatives to have proper access to relevant information thereby enabling them to monitor the expenditure of their tax dollars. Indeed the principle was accepted by Government acquiescence in the Committee's 1975 request. The *Public Accounts* from 1976 through 1984 included a supplementary volume of information as then recommended by the Committee.

Furthermore, the Minister of Finance, in his Paper entitled *A New Agenda for Public Accountability* dated November 13, 1990 confirmed the role for the Public Accounts Committee with respect to the contents of the *Public Accounts* of the Province, and I quote the following from that Paper:

With this in mind, the Government will ask the Public Accounts Committee, an all-party committee, in conjunction with the Provincial Auditor to determine the kind of information and the level of detail needed in the *Public Accounts*.

The Public Accounts Committee does not rely on statutory authority to support its recommendations. The Public Accounts Committee effectiveness is based on the moral force generated from public scrutiny of government administration.

Therefore it is clear that this isn't strictly a legal issue but is generally one of policy and principle regarding the Committee's responsibilities and abilities to carry out its duties.

Therefore a motion reaffirming the Committee's recommendations concerning supplementary information of April 1975 is certainly in order today.

5. The Chairman presented the Report of the Twelfth Annual Conference of the Canadian Council of Public Accounts Committees.
6. It was moved by Mr. Britton:

That the report of the July 8-11, 1990 Conference of the Canadian Council of Public Accounts Committee be received and added to the Verbatim of the Committee.

The question being put on the motion, it was agreed to.

7. The Committee proceeded to the consideration of its Draft Report to the Assembly.
8. It was agreed, That immediately after the words "amendments to the Act" in the Recommendation on page 2 of the Draft Report, the following words be added:

"to distinguish between calendar days and sitting days."

9. It was agreed, That under the heading "Supplementary Information," on page 6 of the Draft Report, the following recommendation be inserted:

Recommendation

Your Committee is of the opinion that the kind of information and level of detail in the *Public Accounts* be reviewed by the Committee at an appropriate time.

10. It was agreed, That the recommendation under the heading "Timeliness of Information" be deleted.
11. It was agreed, That the recommendation under the heading "Special Warrants" on page 7 be deleted.
12. It was agreed, That under the heading "7.16-7.17," on page 8, the words "was pleased to learn" be deleted and replaced by the following therefor:

"learned."

13. It was agreed, That under the heading "Revenue Improperly Retained" on page 12, the words "assents that an agreement has been reached" be deleted and the following substituted therefor:

"reported that it is working towards an agreement."

14. It was agreed, That the following be included in the Report:

Economic Development and Tourism

10.01-10.5 Postage

The Department advises that postage invoices will be more detailed and broken down in order to have better management control.

10.06-10.09 Cash Receipts

The issue of lack of proper mail room procedures resulting in inadequate control of incoming mail containing cash, cheques or other negotiable instruments was examined and new procedures have been established to tighten up control and allow the accounting section to be involved at the mail room level.

10.10-10.9 Payments without Authority

The Department advises that a non-authorized payment was made in the belief that it was made with proper legislative authority. The Department further advises that in the future, there will be no further transactions of this type.

15. It was agreed, That in consultation with the Chairman and Vice-Chairman, the Clerk of the Committee confirm certain information on pages 14 to 18 inclusive, of this Draft Report when the relevant transcript becomes available.

16. It was moved by Mr. Sauder:

That the Committee report to the Assembly, the Draft Report, as its Fifth Report, subject to final approval by the Chairman and the Vice-Chairman.

The question being put on the motion, it was agreed to.

17. The Committee adjourned at 10:43 a.m. to the call of the Chair.

COMMITTEE CLERK
Robert Vaive

CHAIRMAN
H.H. Van Mulligen