

**Standing Committee on Public Accounts  
January 10, 1992**

**MINUTE NO. 8**

1. **PRESENT:** Mr. Swenson in the Chair and Members Anguish, Johnson, Muirhead, Serby, Sonntag, Van Mulligen

**Officials**

**Provincial Auditor's Office**

Wayne Strelloff, Provincial Auditor  
Fred Wendel, Assistant Provincial Auditor  
John Hunt, Deputy Provincial Auditor

**Comptroller's Office**

G. Kraus, Comptroller  
T. Paton, Director, Financial Management Branch

2. The Committee resumed consideration of the *Report of the Provincial Auditor* for the year ended March 31, 1990 and the *Public Accounts* of Saskatchewan for the year ended March, 1990.
3. The Committee resumed consideration of Chapter 33, Saskatchewan Property Management Corporation for the year ended March, 1990.
4. **Public Hearing: Saskatchewan Property Management Corporation (continued)**

**Witnesses:**

Garry Beatty, Acting President  
Gordon Robinson, Special Advisor to Acting President  
Ian Laidlaw, Vice President, Customer Services  
Shirley Raab, Vice President, Financial Services  
Ken Rankin, Vice President, Real Estate Services  
Rob Isbister, Director, Financial Planning & Reporting  
Doug Porter, Director, Security Services

5. It was moved by Mr. Van Mulligen:

That the hearing of the Saskatchewan Property Management Corporation be concluded subject to recall, if necessary, for further questions.

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

6. The Committee proceeded to the consideration of Chapter 21, Department of Parks and Renewable Resources for the year ended March, 1990.
7. On the motion of Mr. Van Mulligen, it was agreed that the Committee sit *in-camera* to discuss with the Provincial Auditor issues respecting the Department of Parks and Renewable Resources.

8. It was agreed that the Committee now resume its public sitting.

**9. Public Hearing: Department of Parks and Renewable Resources**

**Witnesses:**

Doug Cressman, Deputy Minister  
Dick Bailey, Assistant Deputy Minister, Recreation and Management Resources Division  
Ross MacLennan, Executive Director, Operations Division  
Keith Rogers, Executive Director, Family Foundation  
Bill Marr, Director, Management Services Branch  
Doug Mazur, Director, Resource Lands Branch  
Shelly Vandermey, Director, Contract Services Branch  
Joe Warbeck, Manager, Management Services Branch  
Brenda Cote, Head of Administration

10. The Chairman advised the witnesses of their rights and obligations.

11. The witnesses answered questions.

12. The Provincial Auditor answered questions.

13. It was moved by Mr. Van Mulligen:

That the hearing of the Department of Parks and Renewable Resources be concluded subject to recall, if necessary, for further questions.

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

14. The following documents were tabled:

**PAC 6/92** - By the Department of Finance: response to questions asked of the Department of Finance at the January 6, 1992 meeting. (Public Employees Superannuation Plan agreement with Royal Trust)

**PAC 7/92** - By the Department of Finance: response to questions asked of the Department of Finance at the January 6, 1992 meeting (Westbridge fees paid to Public Employees Benefits Agency)

**PAC 8/92** - By the Comptroller: response to questions asked of Executive Council at the January 7, 1992 meeting. (Executive Council - schedule of payments)

**PAC 9/92** - By SPMC: response to questions asked of SPMC at the January 7, 1992 meeting

15. At 10:45 am the sitting was suspended.

16. At 11:00 am the sitting resumed.

17. It was moved by Mr. Muirhead:

That the Standing Committee on Public Accounts formally requests the Board of Internal Economy to consider funding the creation of a research support service by the Saskatchewan Legislative Library, so that the committee is better able to deal effectively with the increasing volume and complexity of material it must study in order to fulfil its mandate.

And debate arising,

It was moved by Mr. Van Mulligen:

That the Committee not consider the motion now, but that the tabled motion be presented to the Board of Internal Economy for its feedback in this matter; and

That all other information relative to this motion be made available to the Board of Internal Economy and to this Committee.

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

18. It was moved by Mr. Van Mulligen:

That the Final Report of the Committee contain the following recommendation concerning the Department of Energy and Mines (reference Chapter 15, paragraphs .08 - .14):

If the remission of natural gas royalties is to continue to be paid to NewGrade Energy Inc. the amount to be provided should be included in the Estimates and presented to the Legislative Assembly for their consideration.

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

19. It was moved by Mr. Van Mulligen:

That this Committee authorize the Legislative Counsel and Law Clerk to seek to obtain, through lawful recourse, the Ernst & Young report referred to in the Provincial Auditor's Report for the year ended March 31, 1990, at Chapter 34, paragraphs .04, .05, .06 and .07, for the immediate use of this Committee.

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

20. It was moved by Mr. Van Mulligen:

That the Standing Committee on Public Accounts requests the Provincial Auditor to review:

- a) the reported practice of government organizations (departments and corporations) requiring their employees to perform services solely for the benefit of other government organizations and other organizations or individuals (this review would not include arrangements commonly called "secondment". These are arrangements whereby government organizations require their employees to perform services solely for the benefit of other government organizations and the employer organization is reimbursed for the remuneration expenses related to the "seconded" employees); and

- b) the reported practice of government organizations making payments to Dome Advertising, Roberts & Poole Communications and other advertising agencies for which no specific services were provided; and
- c) the reported practice of government organizations providing goods and/or services without charge to Ministers of the Crown; and
- d) the reported practice of government organizations providing goods and/or services without charge to other government organizations, counter to their stated mandates; and

to report all instances where these practices are observed for the fiscal years ending March 31, 1990 and March 31, 1991 and whether, in his opinion:

- a) an officer or employee of the government has wilfully or negligently omitted to collect or receive money belonging to the Crown;
- b) public money was applied to a purpose or in a manner not authorized by the Legislature;
- c) an expenditure was made for which there was no authority or which was not properly vouchered or certified; or
- d) the rules and procedures applied were not sufficient:
  - i) to safeguard and control public money;
  - ii) to effectively check the assessment, collection and proper allocation of public money; or
  - iii) to ensure expenditures were made only as authorized and any other comments which may be relevant in these matters.

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

21. It was moved by Mr. Van Mulligen:

That the Committee meet again during the month of March to consider the mandate of the Committee, the final report of the Committee and such other matters as may be identified by the Chair and Vice Chair and the Member for Saskatoon Greystone in consultation with the Clerk of the Committee.

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

22. At 12:10 p.m. the Committee adjourned to the call of the Chair.

COMMITTEE CLERK  
Robert Vaive

CHAIRMAN  
R. Swenson