

STANDING COMMITTEE ON PUBLIC ACCOUNTS

October 6, 1998

MINUTE NO. 36

9:00 a.m. — Room 10

1. **PRESENT:** Ms. Draude in the Chair and Members, Gantefoer, Goohsen, Jess, Koenker, Osika, Shillington, Stanger, Thomson and Whitmore.

Provincial Auditor's Office

Wayne Strelloff, Provincial Auditor
Fred Wendel, Assistant Provincial Auditor
Mobashar Ahmad, Executive Director
Judy Ferguson, Executive Director
Bob Black, Principal
Andrew Martens, Principal
Bill Harasymchuk, Manager
Kelly Deis, Manager
Rosemarie Volk, Manager
Tara Kucher, Auditor

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller
Chris Bayda, Director, Financial Management Branch
Jane Borland, Manager, Financial Management Branch
Tamara Stocker, Analyst, Financial Management Branch

2. The Committee proceeded to consider Chapter 25 (Workers' Compensation Board) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)* and Chapter 2 (Workers' Compensation Board) of the *Spring 1998 Report of the Provincial Auditor*. Ms. Ferguson and Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapters.

The following Workers' Compensation Board (WCB) officials appeared before the Committee and answered questions:

Witnesses

Stan N. Cameron, Chair
Peter D. Federko, Chief Executive Officer
Jamie Wilson, KPMG

3. The Committee recessed at 10:45 a.m. until 11:03 a.m.
4. The Committee concurred with the recommendations of previous Provincial Auditor reports, which are repeated at paragraph 2.16. The recommendations concern the need for improvements to the WCB system for determining compensation costs. The Committee noted that the WCB is working towards compliance with the recommendations through a pilot project.

5. The Committee concurred with the recommendation made at paragraph 2.22, concerning the content of the WCB annual report. During deliberations on this subject the following document was tabled by the witnesses:

PAC 40/23 – Worker’s Compensation Board: Strategic Planning: A Framework for Action. Creating a Workers’ Compensation System for the Year 2000.

The Committee noted that the WCB is making progress towards compliance, as demonstrated by the strategic planning document.

6. In consideration of the recommendation made at paragraph 2.29, concerning the question of public disclosure of persons (other than injured workers) who receive money from the WCB, it was moved by Mr. Thomson:

That the Public Accounts Committee request the Worker’s Compensation Board work co-operatively with the Provincial Auditor to consider alternative public disclosure requirements and report back to the Public Accounts Committee at a future meeting.

A debate arising and the question being put, the motion was agreed to.

7. The Committee proceeded to consider Chapter 2 (Public Service Commission) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)* and Chapter 16 (Public Service Commission) of the *Spring 1998 Report of the Provincial Auditor*. Ms. Volk of the Office of the Provincial Auditor provided an overview of the chapters and an update of the office’s previous work.

The following officials appeared before the Committee and answered questions:

Witnesses

Wynne Young, Chair

Clare Isman, Executive Director, Human Resource Development Division

Will Loewen, Director, Classification Branch,

Employee Relations & Compensation Division

Sharon Roulston, Director, Administrative and Information Services Division

Lily Tingley, Provincial Employment Equity Co-ordinator, Employment Equity Unit

8. The Committee recessed at 12:18 p.m. until 1:30 p.m.
9. The Committee proceeded to consider Chapter 9 (Department of Economic Development) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)* and Chapter 11 (Department of Economic Development) of the *Spring 1998 Report of the Provincial Auditor*. Mr. Martens of the Office of the Provincial Auditor provided an overview of the chapters.

The following officials appeared before the Committee and answered questions:

Witnesses

Fraser Nicholson, Deputy Minister

Donna Johnson, Executive Director, Corporate Management Division

Brian Cousins, Deputy Minister of Northern Affairs

10. The Committee concurred with the recommendations made at paragraphs 9.36 and 11.13, concerning the need for the Department of Economic Development to have written agreements with others for the services they receive or provide. The Committee noted that the department intends to comply with the recommendation.
11. The Committee concurred with the recommendation made at paragraph 11.17, concerning the necessity for the Minister responsible for the Department of Economic Development to request and obtain recommendations before approving loans exceeding \$25,000. The Committee noted that the department has complied with this recommendation.
12. The Committee proceeded to consider Chapter 17 (Department of Municipal Government) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)* and Chapter 9 (Department of Municipal Government) of the *Spring 1998 Report of the Provincial Auditor*. Mr. Harasymchuk of the Office of the Provincial Auditor provided an overview of the chapter.

The following officials appeared before the Committee and answered questions:

Witnesses

Ken Pontikes, Deputy Minister

Larry Chaykowski, Acting Assistant Deputy Minister, Housing,
Protection Services and Facilities

John Edwards, Executive Director, Program and Policy Development and Review

Marj Abel, Acting Director, Finance and Administration

Bill Werry, Executive Director, Culture, Recreation and Lotteries Co-ordination

13. The Committee concurred with the recommendation made at paragraph 9.17, that the Saskatchewan Archives Board should have written contracts with the University of Saskatchewan and Saskatchewan Property Management Corporation for office space and other services. The Committee noted that steps have been taken to comply with this recommendation.
14. The Committee concurred with the recommendation at paragraph 9.30, concerning the inability of the Auditor's office to discharge its duty with respect to the First Nations Fund, established pursuant to *The Gaming Corporation Act*. The Committee noted that the Department had attempted to have the Fund's trustees respond to the concern. In the absence of a response, the Committee agreed that the trustees should be directed to allow the Office of the Provincial Auditor to carry out its responsibilities to the Legislative Assembly, pursuant to the recommendations of the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.
15. The Committee concurred with the recommendation made at paragraph 17.17, that the Department of Municipal Government should have written agreements with others for the services the department receives. The Committee noted that the department has complied with this recommendation.
16. The Committee concurred with the recommendations made at paragraphs 17.31, 17.32, 17.33 and 17.34, which concern assurances needed by the Department of Municipal Government that the money granted to libraries is used for the intended purposes. The Committee noted that steps have been taken to comply with these recommendations.

17. The Committee concurred with the recommendation made at paragraph 17.42, that the Department of Municipal Government should require local governments to prepare their financial statements to the standards recommended by the Canadian Institute of Chartered Accounts. The Committee noted that the department has established a task force in order to assist local governments to comply with the recommendation.
18. The Committee concurred with the recommendations made at paragraphs 17.51 and 17.52, which concern improvements to the internal reporting of the Saskatchewan Heritage Foundation to its Board of Directors. The Committee noted that steps have been taken to comply with these recommendations.
19. The Committee concurred with the recommendation made at paragraph 17.63, that the Wanuskewin Heritage Park Corporation should strengthen its rules and procedures to control donations received by the corporation. The Committee noted that the corporation has now complied with the recommendation.
20. The Committee concurred with the recommendation made at paragraph 17.68, that the Wanuskewin Heritage Park Corporation ensure its financial statements include comparisons of planned results to actual results. The Committee noted that the Department of Municipal Government is continuing its efforts to have the corporation's board comply with the recommendation.
21. It was moved by Mr. Goohsen:

That this committee do now adjourn.

The question being put, the motion was agreed to.
22. The Committee adjourned at 3:30 p.m. until Wednesday October 7th, 1998, at 9:00 a.m.