

[Chairman: Dr. Carter]

[11:10 a.m.]

MR. CHAIRMAN: Ladies and gentlemen, we'll start officially. The opening comments to be made are these. I'm sorry to start when we're in session. However, there is the difficulty of trying to find people as soon as session closes. The other thing is that the search committee for the Chief Electoral Officer is in a much more intense stage. We hope to have that one finished by the last week of June.

By way of process, the Chief Electoral Officer report may or may not have ramifications on this one -- well, it does in many ways as to the method of searching. Jim, so you know, along with the rest of us: when the search committee for the the Chief Electoral Officer brings in its final report in June or July, the House won't be sitting -- at least, we hope not. What happens is that the committee gives its report to every member of the Legislature but gives its recommendation to the Legislative Offices Committee, of which you are now a member. If the Legislative Offices Committee then approves the report of the search committee -- and, hopefully, since we comprise the majority of the Leg. Offices Committee -- then that recommendation goes forward to the Lieutenant Governor in Council to make the appointment.

With respect to the Auditor General, the time line is this. Mr. Rogers does not wish to be reappointed. He completes his work at the end of March next year. However, because of the importance of the job and its functioning, they would like to have the new Auditor General in place for January 1, so there would be a three-month overlap. We know that December is as good as shot for most things, so that sort of moves our time lines forward a bit. I think that overall, after we've gone through our initial meeting today, at the pleasure of the committee we might decide when we might meet again in terms of the time lines on the ad and so forth. But we would really start to pick up the pace probably the end of July or early August.

The other reason for having the meeting today is in terms of David McNeil, who has been with us, holding our hands, through the search committee for the Ombudsman as well as for the Chief Electoral Officer search to date. David has seen fit to seek employment in

Saskatchewan, and I don't blame him in terms of the challenge, plus getting a substantial pay increase. So David leaves us within the next couple of weeks. Because we knew the committee was going to be structured, I asked him to do some preliminary work with respect to not only the ad but the position profile. So that will help shrink the time line.

I think that pretty well states it. Are there any questions with respect to those few comments? We're fortunate to have Louise assigned to the committee, as well as being with us on the Chief Electoral Officer. That's very helpful as well as very pleasant. We have a preliminary binder, thanks to Louise. The two items in place in there are the legislation and the budget. If you'd like to flip to the legislation section, the Auditor General Act is there. You might find time in the House to scan it, or certainly before our next meeting. If you look at page 2, section 3 deals with the appointment of the Auditor General. You will see in subsection (2) that

Subject to section 6, the Lieutenant Governor in Council shall appoint the Auditor General, on the recommendation of the Assembly, for a term not exceeding 8 years.

Section 6 is that other process, which I just outlined to you, about tabling the document to every member and back to Leg. Offices and then on to cabinet. In the following subsection, he could be eligible for reappointment after that -- for those of you who will still be around eight years from now. In section 4 he also has the ability or the choice to resign at any time. Those are the two pertinent sections that apply for our knowledge.

Would you like to go to the previous section, which deals with the budget estimates? In the current estimates which have been approved for the Legislative Assembly, provision was made for this sheet, which has a budgeted amount of \$50,000 to look after this particular search committee. For comparison's sake, because we were not anticipating the Chief Electoral Officer to resign, in terms of the funding and budget of that committee, we had to do it separately. In that regard I think David or Louise might refresh our memories as to this advertising line of \$30,000. On the Chief Electoral Officer we were able to shrink that by ...

DR. McNEIL: Down to \$12,500.

MR. CHAIRMAN: So I believe \$50,000 is more than adequate to cover what needs to be done in terms of this search committee. We should probably save money on it. We are certainly saving money on the other one.

MR. HIEBERT: Is there any flexibility, Mr. Chairman, with regard to the items, or are we limited precisely to those totals for each item?

MRS. EMPSON: No, it is quite flexible. For instance, if you overexpend on one item -- it's global.

MR. HIEBERT: The global amount is the important amount.

MRS. EMPSON: Right.

MR. HIEBERT: Thanks.

MR. CHAIRMAN: The Ombudsman ad elicited 400 applications, and the Chief Electoral Officer 200. That's just for information. Who knows, because this is a much more narrow technical area, it may well shrink it. I think it probably will.

Is everyone happy so far? David, would you like to speak to us about the advertising? You have a copy of the ad here.

MR. MILLER: When was Mr. Rogers appointed, David? It runs in my mind that he was doing the same function, but then he changed and became the Auditor General. So I presume he has been with the government for a long time.

DR. McNEIL: I think he started in '48. He was Provincial Auditor until '77. Then the Auditor General Act came in, and he became Auditor General.

MR. MILLER: I see.

MR. CHAIRMAN: So he's the original.

DR. McNEIL: Before that, the Provincial Auditor was a guy by the name of Huckvale. Mr. Collins described him as Premier Manning's alter ego. He was Provincial Auditor when Manning came in.

MR. THOMPSON: So this job seems to carry on for a while.

DR. McNEIL: Yes. It's stable.

MR. CHAIRMAN: Have you a copy of the ad that was printed up before? David, would you talk about how we went about the general distribution, please, before we look at the ad itself?

DR. McNEIL: We send a draft of the ad to the ad agency, and they will put it in that format. We'll review it, and then they will distribute it to the appropriate papers that we decide we want to advertise in. The normal fee for that is 15 per cent of the total billing, and that's the standard in the industry. I would think we would go the same route this time with the ad. They did a good job last time in terms of getting the ad in in a fairly efficacious manner. We didn't have any problems with them.

MR. CHAIRMAN: The distribution across the country and within the province was roughly . . .

DR. McNEIL: The distribution in the province was in the major dailies. Across the country: in the west, the major dailies in each province; in eastern Canada, we went in the Toronto Globe and Mail and the Ottawa paper. With this ad for the Auditor General, I expect we might want to hit the provincial capitals across the country and the major dailies within Alberta. I would also suggest that it should go in the CA magazine, if we could hit the deadline. If we got it in there, we would get the most accountants, I'm sure.

MR. CHAIRMAN: And the Alberta Report.

DR. McNEIL: The Alberta Report and the Globe and Mail.

MR. CHAIRMAN: With the Globe and Mail we get a deal, so you could run it twice.

DR. McNEIL: We might also want to think about contacting the Institute of Chartered Accountants -- the Canadian institute and the institutes in the various provinces. That's something you can debate at a later date, depending on when you want to place this ad.

MR. CHAIRMAN: And that group you and I went to speak to -- the institute of chartered management accountants.

DR. McNEIL: CGAs, RIAs? It's a big issue these days.

MR. MILLER: Does the Auditor General have to be a Chartered Accountant?

DR. McNEIL: It depends who you ask. The Act doesn't state it that emphatically. I discussed that issue with Mr. Rogers. Naturally he has a bias. He said that if it wasn't, there would probably be a large hue and cry from the Institute of Chartered Accountants.

MR. CHAIRMAN: And the general public, I suspect.

MR. THOMPSON: You would have to have an exceptional person in other ways if he wasn't a chartered accountant.

MR. CHAIRMAN: Committee members, were you happy with our last ad placement? That was Baker Lovick in Calgary.

MR. MILLER: It was excellent.

MR. CHAIRMAN: Would someone like to make a motion along that line?

MR. MILLER: I so move. They did a good job.

DR. McNEIL: They sure did a better job than the one we had on the Ombudsman.

MR. CHAIRMAN: All those in favour of the motion? Carried unanimously.

Let's try to think for a moment about the time line for the ad to go in. We would want to appoint no later than mid-November, to give someone moving time of a month.

DR. McNEIL: Given the time of the year, I think you would be better off to have a decision made by the beginning of November. December is pretty well wiped out for most people.

MR. THOMPSON: Mr. Chairman, I have problems. You're talking about placing the ad and the deadline for applications. That could go on in August and September, but we have a very

active chairman of the Heritage Savings Trust Fund Committee. He seems to just wipe out most of September and the latter part of August with meetings. So I would have trouble attending in that time frame. So I think that would be a good time to get the ads out and start the sifting process, but not too many meetings of the committee itself.

MR. MILLER: What effect do the summer holidays have on response to an ad? Is it quite significant, David?

DR. McNEIL: Yes, it can be significant. With this kind of lead time, I would hope that getting the ad in the accountants' magazine would be quite helpful that way, and then any direct contact and direct sourcing that's possible through Auditor General's offices in other provinces and the federal office. It should be fairly easy to make it known. I'm sure it will get around very quickly that the job is open, because it is a pretty prestigious, high-profile position. Generally speaking, summer is not a good time to advertise, but in this instance I think you have a position that the moccasin telegraph will let people know about just as effectively, if not more effectively, than a newspaper.

MR. CHAIRMAN: The other part of the question is how early we can put the advertisement out. Can we have it appear in June, for a decision the end of October and to have somebody here for January 1?

MR. MILLER: David, would there be any merit in doing it in two stages? In other words, get it into the trade magazine, as it were, by the end of June and then do a newspaper advertisement some time in August, for example.

MR. THOMPSON: Or the early part of September.

DR. McNEIL: Or you could do the trade magazines and the newspapers at the end of June but repeat the newspapers or a subset of the newspaper ads in July or August. It would cost you a bit more, but it may be worth it given that you are advertising over the summer. In terms of being in a position to make a decision by November 1, you would be better off to advertise fairly early and get a lot

of preliminary work out of the way so that come September, the committee would almost be in a position to be at the final interviews. The staff would have done some preliminary interviews on a lot of the applicants.

MR. CHAIRMAN: With regard to your office, Louise, in terms of holidays and that, are you and Ann away at different times?

MRS. EMPSON: Yes. Ann is not taking any this year in any case.

MR. CHAIRMAN: So in the initial stages, just responding to letters and all that, she could do that. Well, that sounds like a time line that makes sense. Unless I hear another proposal, let's put it together and try to have it in the trade magazines for the June issue. That means we have to get moving.

DR. McNEIL: Yes. Find out what the deadline is.

MR. CHAIRMAN: And then try to get as many of them as possible in here by early August, and then do an extra ad the first week of August.

MR. THOMPSON: Mr. Chairman, I feel a little uneasy about where the ad says "Chartered Accountant", if it isn't a requirement in the Act. What compounds that is if you start giving the trade magazines an extra shot early. I'm sure we're going to pick a chartered accountant. Of course, I feel ambivalent about this because we don't want to get a whole bunch of people who aren't chartered accountants. But I feel just a little uneasy in a way about being accused of basically tunnelling our vision toward chartered accountants if it isn't a requirement in the Act. I don't know how you people feel about that.

MR. CHAIRMAN: John, may we come back to that in a moment?

MR. THOMPSON: Sure.

MR. CHAIRMAN: Can we deal with our time line? I have it underlined here, and I think you make a quite cogent point that if it isn't in the Act, then we shouldn't have it in here.

MR. THOMPSON: What I was bringing up was

the fact of putting it in a trade magazine early. That was the point I was making.

MR. CHAIRMAN: It's valid. If I understand correctly, David, we're talking about trying to do the trade magazines, not simply the chartered accountants', during the month of June and, in addition, trying to run it in the newspapers between June 15 and the end of June.

DR. McNEIL: I think you should try it then. There may be value in following up with another ad later, a subset in some publications. Maybe we could put together a proposal to be more specific about which papers and when. I think it would be best to hit the market with the ad on a broad basis in June, if that is possible.

MR. GURNETT: With the closing date the end of July.

DR. McNEIL: I was thinking about the closing date. You might want to have a closing date of August 15 or something like that, so that by September 1 all the applications are in, they have been screened, and the majority of preliminary interviews have been done by the staff of our office so that come September, the committee is ready to deal with the recommended candidates in terms of doing the next set of interviews. That could be fairly time-consuming.

MR. CHAIRMAN: Then we can work around your dates when you are going to be in on Heritage Savings Trust Fund. Are you on the trust fund as well?

MR. GURNETT: Yes, I am.

MR. CHAIRMAN: So we'll just have to work around it. That also gives us some time in early August to start to deal with what we will have already received, in the A, B, and C kind of thing.

In terms of deadline time, we're talking about August 15. Is that agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: So that's one building block. In the meantime, in respect to the distribution of the ads and all the rest of it — Terri, you

understand what the committee wants. So we can get on with placing whatever ad needs to be done, as well as contacting the ad agency about two different types of ads or placements.

MR. MILLER: Mr. Chairman, I presume the ad wouldn't appear before June 15, or would it?

DR. McNEIL: The best thing to do would be to find out what the deadline dates are for the specialist publications and then try to hit the market at the same time, if that is possible. I wouldn't think you would want to advertise the last week of June. A weekend around the 15th or 22nd would probably be best.

MR. MILLER: If a trade journal comes out just once a month -- suppose it comes out on June 7 or July 7. If we miss June 7, it would be July 7.

DR. McNEIL: In that instance, I think it would be best to run the newspaper ads first and the trade magazine to follow.

MR. CHAIRMAN: We'd like to have a look at the ad, please. I think John's point is well taken -- the beginning of paragraph 3.

MR. THOMPSON: Excuse me, Mr. Chairman. It's not well taken, because I think the bad side about it is that you may get people applying whom we really aren't prepared to consider. It's a very iffy thing to me. It isn't in the same class as the Chief Electoral Officer or the Ombudsman. It's a specialized, technical field. I wish it said in the Act that it was a chartered accountant, and then of course there'd be no problem. There may not be one anyway. The only thing I'm saying is that if somebody comes to me and says, "Why did you limit it to chartered accountants when the Act doesn't specify that it is a chartered accountant?"

DR. McNEIL: I don't know the answer to this. I'm just wondering what kind of reaction the Institute of Chartered Accountants would have if it's not advertised as a chartered accountant. Both Rogers and Al O'Brien were pretty emphatic that it has to be a chartered accountant in terms of professional credibility.

MR. GURNETT: It seems to me, though, that as long as that is not a legal requirement, it's

very hard to do otherwise. The rest of the qualifications will probably limit it to that.

MR. CHAIRMAN: Along the same line, if you read that sentence and drop "Chartered Accountant" from it -- "If you are familiar with the public sector at the Federal or Provincial levels and have extensive experience in auditing . . ." You have now described a chartered accountant.

MR. THOMPSON: But it isn't specific.

MR. MILLER: How about "If you are an accountant", and leave out the word "chartered"?

MR. THOMPSON: I think just leave out "Chartered Accountant". "If you are familiar . . ." and then you go on. It's pretty well limited to chartered accountants anyway, without specifying it.

MR. MILLER: Do they just deal with chartered accountants? They don't deal with certified general accountants?

DR. McNEIL: You mean the Auditor General's office?

MR. MILLER: Yes.

DR. McNEIL: Yes, they just deal with chartered accountants. They hire chartered accountants to do their audits.

MR. MILLER: But that isn't a requirement. I had a letter on my desk this morning from a certified general accountant who employs eight people. From reading between the lines of his letter, he seemed very competent, probably more competent than some of the chartered accountants I have had to deal with. My experience with them has been less than delightful. I don't think we should discriminate against a certified general accountant if he is competent.

MR. THOMPSON: In theory, you're a hundred per cent right.

MR. MILLER: But in fact . . .

DR. McNEIL: The other question the

committee will have to face at some stage is some way of assessing the accounting and auditing competence of applicants. We discussed this a bit with Mr. Rogers and Mr. O'Brien, and they suggested that there has to be some -- maybe you could forward the names of these individuals to the Institute of Chartered Accountants or get somebody from the Audit Committee to get some feedback from the appropriate place as to the competence of the candidates being put forward.

MR. CHAIRMAN: "In due course" is what I see three smiles saying.

DR. McNEIL: That's an issue I raised with them, and these were their proposals. But I appreciate that the committee will probably want to seek advice from some source at some point in time.

MR. CHAIRMAN: I appreciate the fact that you met with the Auditor General and some of his staff as well as with staff in Treasury. If you return to this sheet for a moment, the first two paragraphs really are sufficiently intimidating that if you knock off "Chartered Accountant" in that third paragraph . . .

AN HON. MEMBER: Agreed.

MR. CHAIRMAN: So we knock off "a Chartered Accountant". The next line down . . .

DR. McNEIL: Do you want to leave "Accountant"?

MR. CHAIRMAN: I'm sorry. "If you are familiar with the public sector at the Federal or Provincial levels . . . we seek your application", or "we encourage" or "we invite" . . .

MR. MILLER: Mr. Chairman, is that too broad? Shouldn't "Accountant" be in there? A person could be familiar with the public sector but not from an accounting point of view.

MR. THOMPSON: Excuse me, Bud; it carries on, "extensive experience in auditing."

MR. MILLER: Oh, yes. I guess it's covered.

MISS PREVISICH: It's a matter of whether you choose to highlight it at the outset.

MR. CHAIRMAN: Okay. Term? The possibility of reappointment? Or is eight years long enough?

MR. THOMPSON: The Act says you can be.

DR. McNEIL: Could we say "subject to reappointment"?

MR. CHAIRMAN: Not "subject to" but "with provision for". Effective date of appointment, January 1, 1986. Closing date, August 15, 1985.

MR. MILLER: How does the term read now, since you've looked at it, Mr. Chairman?

MR. CHAIRMAN: "Appointment for a term not exceeding eight years, with provision for reappointment." It just tidies up what is in the Act, so they know ahead of time that they are not absolutely finished at the end of eight years if they're working out fine.

DR. McNEIL: For your information, this is based on a draft that Mr. Rogers produced. He cited a bunch of sections of the Act and so on, and I excised those and left in the responsibilities. I removed the specific references to the Act.

MR. CHAIRMAN: They'll get that later, more than they want. Again, we'll list all the members of the selection committee with the ad.

DR. McNEIL: I have a question before we get off the ad. In terms of the other trade publications, do we want this in the Society of Management Accountants' publication and the Certified General Accountants' publication, assuming there is one? I don't know whether there is one across Canada. Are there any others that come to mind? Those are the three I'm aware of. I just wonder if there are any others. We'll get some advice from the ad agency too, to see if they can think of any that we're not aware of.

MR. CHAIRMAN: Can I have a motion to approve this amended ad?

MR. GURNETT: I so move.

MR. CHAIRMAN: Thank you, Jim. I was told

at my last meeting I don't need a seconder. All those in favour of the motion, please signify. Carried unanimously.

Committee time line. We pretty well have in place what we're going to do. If you would be good enough to give Louise the dates you're going to be away on holiday -- we can work around the rest of them, but it would be very useful if we had the times of holidays. Terri, you're going to hold our hands through this process?

MISS PREVISICH: I'll do my best.

MR. CHAIRMAN: So you can give us your holiday time too, please. The other thing is that as soon as the dates are established for Heritage Savings Trust Fund -- Louise, you can get access to those -- we can meld our system.

Position profile to be distributed. If you want to grab a bite of lunch and come back and sit down, please do so, or you can have your lunch afterwards. I know Bud has to cut out in 15 minutes or so. Could you pass that position profile down to Jim so he can see the format?

DR. McNEIL: That's sent out to every applicant. It gives them a little better perspective on the role than reading the Act might.

MR. CHAIRMAN: We don't need to decide on this today, but it means that we need to go over it and have another meeting in the next couple of weeks so we can finalize it and get it off to the printer. Louise, refresh our memory, please. Once we get it into the newspaper, we can start getting applications within a day, right?

MRS. EMPSON: Yes, that's what happened last time. We received an application two days after the weekend the ad appeared.

MR. CHAIRMAN: And you got flak from at least one person when you couldn't produce the profile right away.

MRS. EMPSON: Yes, on Thursday of that same week. I think Creative Services will need at least two weeks to put it together, depending on how busy they are.

DR. McNEIL: Last time we got it done in a

week.

MRS. EMPSON: For the CEO position we had Easter holidays, so it took a little longer. I guess it's like everything else; it depends on their workload.

MR. CHAIRMAN: In the meantime, would you phone them and put them on notice that we're going to be having another document which is similar in length to the other, so at least they don't act too surprised? I really don't think it's fair to give the committee the stuff and expect them to go through this and decide on it today. Perhaps we can take it with us, work through it, and try for another meeting within the first two days after the House shuts down. We know we'll just have to make the time to have the meeting. It shouldn't take great gobs of time. By then we can have an idea of where the ads are going to be placed for a double check. The ad agency should have the ad mock-up.

DR. McNEIL: I thought it might be useful too to send this to the Auditor General, Mr. Collins, and Mr. O'Brien. They said they would be glad to provide editorial comment if the committee thought it was worth while.

MR. CHAIRMAN: Does the committee agree with that?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Let's get that to them today if possible and tell them it is very much an initial draft and that we would like to have their responses by Friday. Has the Auditor General already seen this?

DR. McNEIL: No. Most of it is based on what's written in the Auditor General's report and from the discussion I had with him, Mr. Collins, and Mr. O'Brien. You'll notice in the qualifications that it also states "Chartered Accountant".

MR. MILLER: Mr. Chairman, I think it's a good idea that we're going to take this and read it over. I've had a concern over the years that the Auditor General is pretty well in a position where he brings in a negative report at all levels. This is fair to a certain extent. However, I have often felt that where some

department is doing an exceptionally good job, he should be able to report on that as well. When I look under (A)(ii) of the Position Summary, everything is negative. Should another section be put in that first part about being prepared to say a positive thing once in a while?

MR. CHAIRMAN: Would you feel comfortable raising that when you see Mr. Rogers?

DR. McNEIL: Yes.

MR. CHAIRMAN: Something must be going right somewhere in the province.

DR. McNEIL: He is very -- what's the word? Fussy is the wrong word.

MR. THOMPSON: He is that too.

DR. McNEIL: He's very aware. He talked about his responsibilities strictly in terms of what the Act says his responsibilities are. If it's not in the Act, it really shouldn't be highlighted. I suspect that would be his reaction. When we went through the responsibilities, he was very specific about pointing out exactly what section of the Act this responsibility revolved around. Actually, the Auditor General's report is a very useful document to read through. There's a lot of interesting information there. You get a pretty good understanding of what the job is all about.

MR. CHAIRMAN: That also raises an interesting question. If people write in and want a copy of the last Auditor General's report, hopefully -- I don't know. There we are in a bind. We can't just give the name to the Auditor General's department for them to mail it out. You're stuck with having to mail it out if the request is made. So would you check to see if they have an extra supply just in case?

MR. THOMPSON: On that point, Mr. Chairman, someone who is that concerned could certainly go to the Queen's Printer and get one, couldn't he?

MRS. EMPSON: Then you're getting the civil servant image of "Go get it yourself."

DR. McNEIL: I recommend that you send a

copy to those people who ask for one. When we get down to the short list, they could be provided. I suspect that a lot of people who reply will ask for a copy.

MR. CHAIRMAN: The other thing about access to either the Auditor General's office or the Queen's Printer is that they then have to divulge the name.

In your discussion with Mr. O'Brien and Mr. Collins, would you be good enough to raise with them the same positive point Bud made?

DR. McNEIL: Just to mention my discussion with Mr. O'Brien, Mr. Collins, and Mr. Rogers, they indicated that they would be more than happy to meet with the committee to give their observations on the role and the kind of person that would or would not fit in the role. They had some very specific suggestions, especially as to what kind of person to avoid. It would be useful for the committee to have that input.

MR. MILLER: I agree. Mr. Rogers has done a great job over the years -- very conscientious.

MR. CHAIRMAN: We're only too pleased to meet with them and to listen. We'll see what happens.

Any other issue that anyone would like to raise? The date of next meeting. I mentioned that we'd try to make it in the first two days of the House's shutting down, if you don't mind keeping that floating deadline. Similarly, I think the Legislative Offices Committee will also be trying to meet in that first two or three days after the House has completed. Agreed?

HON. MEMBERS: Agreed.

MISS PREVISICH: What dates would that be then?

MR. CHAIRMAN: You'd better ask him. He's got more control over it than we do. What's the answer, Jim?

MR. GURNETT: I don't know.

MR. CHAIRMAN: Hopefully within 10 days, with a plus or minus factor of two weeks.

MR. THOMPSON: Do you need a motion to adjourn?

MR. CHAIRMAN: I just got it from you. All those who agree? Carried unanimously. Awesome. Thank you very much.

Jim, I'm glad you're on the committee and look forward to working with you.

[The committee adjourned at 12:05 p.m.]

