

Standing Committee on Public Accounts

Wednesday, April 7, 1982

Chairman: Mr. Mandeville

10:10 a.m.

MR. CHAIRMAN: Good morning everyone. We have our quorum now, so I guess we'll start our meeting. We don't always start on time, but we'll make sure we quit on time.

You all have the minutes before you. Shelly has passed them out. Are there any errors or omissions in the last minutes of Public Accounts? These ministers lose theirs before they get here. (interjections) Is there any business arising from the minutes? Dr. Anderson moves that we file the minutes we've agreed to.

Committee members, as we discussed at our organizational meeting, we will be going through the recommendations and the document *Improving Accountability: Canadian Public Accounts Committees and Legislative Auditors*. I see Mr. Henkelman passed out copies of this. If anyone doesn't have a copy, raise your hand.

I'm going to ask Mr. Rogers to be our resource person for this document. He was involved in it and with the recommendations. He has agreed to go through the recommendations. There are 69, so we'll go through them as quickly as possible. We'll have questions from the committee as Mr. Rogers goes through the recommendations.

We're going to have to come up with some method of handling these recommendations. I have a suggestion from the Chair, if I could bring it to your attention. I thought if we go through the recommendations, discuss them briefly, and have all the input we can from the committee, then we could have a committee -- say, the chairman and the vice-chairman, or whatever the committee decides -- prepare a report on the recommendations. We could then bring the report to committee members. After we have it approved by committee members, we could present it to the Legislature for approval, for any changes we want with regard to these recommendations.

A number of recommendations toward the end deal with the Auditor General. We can briefly go through them, but I think those recommendations will have to be dealt with by the select committee of the Legislature set up to handle a lot of these recommendations toward the end.

MR. GOGO: Mr. Chairman, just for clarification. Are you suggesting that this committee will make recommendations to the Assembly, and the Assembly would adopt the recommendations? When you mention select committee, are you talking about another committee?

MR. CHAIRMAN: The recommendation I made -- and I'm certainly open to more recommendations -- is that we discuss the recommendations here, and have all the input we can from the committee. Before we finalize it, we'll have a committee draft a report; just a committee from this committee.

MR. GOGO: From this committee?

MR. CHAIRMAN: Yes, from this committee. We'll have a committee from this committee prepare the report, have it approved by the committee, and then present it to the Legislature for any changes.

Are there any further recommendations from any committee members on how we can handle these recommendations as efficiently and expediently as we can?

MR. McCRAE: Mr. Chairman, I think it's a very good move to go through them and have input from whatever members want to have participation in a given recommendation, then appoint a subcommittee to review them and come up with a report for this committee to adopt, vary, or whatever, and forward to the Legislature when we've all agreed on it. I think you made a good recommendation.

MR. CHAIRMAN: Keeping in mind that everything will be recorded and will be in transcript, the report can come from that. If there are no further recommendations, maybe I can turn the meeting over to Mr. Rogers. He will go through the recommendations one by one.

MR. ROGERS: Thank you, Mr. Chairman. This report was commissioned by the board of governors of the Canadian Comprehensive Auditing Foundation. The foundation consists of the legislative auditors of the 10 provinces and Canada and the main accounting firms in the country, together with other interested parties, such as academics and so on. It was felt that one of the prime issues that had to be addressed was the accountability cycle, if you will, that we've referred to in our report, commencing with the budget and ending with the public accounts and the review of those accounts by the Select Standing Committee on Public Accounts and the review of the Auditor General's report, which deals with the transactions shown in the public accounts.

In the interest of time, Mr. Chairman, perhaps we could get on with the first recommendation of the report.

1. Each Public Accounts Committee prepare and adopt a formal, written statement that describes the committee's role and responsibilities.

I think this committee has always had an appreciation of its role and responsibilities, but it's a matter of whether or not those should be written down somewhere.

MR. CHAIRMAN: Are there any comments?

MR. MAGEE: Mr. Chairman, is it your intent that we discuss each one as we go, rather than run through them all? If it is, I would like to add that I would certainly approve of such a written statement by each committee. I think it's important that people know the rules of the ball game. Putting it in concise language for a committee's direction is a very good approach to this matter.

MR. STEVENS: Mr. Chairman, I'm not sure there's a need for a formal statement when, in fact, our role is very broad. We meet regularly. We have access to the Auditor, the Controller, or any minister and his or her department. I'm not clear, and perhaps Mr. Rogers could explain. This is a full report on all the Canadian experience. I'm not sure whether our committee falls into the category of not having sufficient in the form of a statement. I'm not clear. I don't need to take a long time in the committee to know if we need a very general and broad statement that the committee has a role to carry out a function of doing such and such.

MR. ROGERS: I think it's a question of form and substance in the same way that many employees have known what their responsibilities are but then whether or not a job description outlining all their responsibilities should be prepared.

It's that kind of thing: whether or not there should be a full written outline of what the committee is expected to do. It's really up to the committee. I don't think it would alter anything as far as the day-to-day work of the committee is concerned. It may be useful for subsequent legislatures to know exactly what the committee is supposed to be doing.

MR. STEVENS: But I don't have any question, and that's what I'm saying. I guess dealing with employees who wonder about job descriptions, I find that employees tend to work to fill the job description rather than doing the work one expects of them. That was my reaction. I thought we had a very broad role to examine the public accounts of Alberta, with your advice and that of other officials. So to do (a), (b), (c), and (d) means that we leave out (e)? That's what I was concerned with.

MR. ROGERS: I think it's related to the second recommendation, which should perhaps be dealt with at the same time. On a number of occasions, the committee has addressed the first several items, generally, but perhaps it has not fully addressed the last three items, which deal with economy, efficiency, and effectiveness. I think a written statement would serve to clarify whether the committee intended to get into those areas.

MR. CHAIRMAN: We're dealing with questions 1 and 2. Mr. Stevens, are you finished with your questioning?

MR. STEVENS: No. 2 is bothering me, in the sense that if you say all these things, then what have we left out? I just don't like to be in that position. I'd rather have a broad overview, that you, Mr. Chairman, and all of us have, and not get caught in writing job descriptions.

MR. CLARK: Mr. Chairman, I'm always easy to get along with; I usually go along with everything. But I find this a little difficult. I'm very much like Mr. Stevens. He said it narrows it, and I think it puts you in a narrow framework that you can't get out of. Once you write everything down and specify what your job role is, it's very much like hiring someone to do a job and if you vary from that job he says, that's not my job. I think we should look at it in a general way, and I really prefer not to go along with those two recommendations, Mr. Chairman.

MR. KOWALSKI: Mr. Chairman, I would like to add to the comments made by the Member for Banff-Cochrane and the Member for Drumheller. When you first look at Recommendation No. 1, it seems a very, very motherhood type of thing. But I have never been constrained in this committee in the past. I thought we always had a great opportunity to ask, in essence, whatever questions we wanted of witnesses who were asked to appear before this committee. I am unaware of any boundaries that would constrain hon. members from raising any type of question.

On that basis, I would like to amplify on the comments made by my two colleagues a few minutes prior to me beginning. Basically they said, if you have rules you set boundaries and, you may leave some obvious areas unattended. Needless to say, one can adjust those boundaries from time to time. I guess my basic philosophy is one who is a great believer in the so-called private enterprise or free enterprise system and who believes that we should rid ourselves of all rules and regulations as much as possible and deal with common sense wherever we can. I might be constrained because of a lack of comprehension of the total boundaries one would want to take a look at at a given time.

In terms of this Public Accounts Committee in the Legislative Assembly of the province of Alberta, recognizing the very open-door policy that this committee has had in the past and that other jurisdictions in Canada may not be as open as we are in this province, suggests that we simply don't need those kinds of rules. We have an excellent approach right now in this committee, with total availability of any witness we call. In my experience as a member of this committee, the chairman has never said, look, that's beyond our means, beyond our boundaries, or beyond our mandate. When we start listing specific areas to look at, in essence we may be eliminating some or suggesting there are some we should not be looking at. As a member of this committee and this Legislature, I would not want to be constrained by that.

MR. CHAIRMAN: Any further comments on recommendations 1 and 2?

MR. MAGEE: Mr. Chairman, I would like to get back in again. Notwithstanding what the three previous members discussed, maybe I read No. 1 a little differently than others:

1. Each Public Accounts Committee prepare and adopt a formal, written statement that describes the committee's role and responsibilities.

Because these are various public accounts committees. Maybe I misconstrued the intent, but I took it to mean that they would clearly mark down their responsibilities to this committee. If done in a judicious manner, I think this might bring some things to the attention of future members of this committee that they should be questioning or be more cognizant of in the operation of each of these public accounts committees. Maybe I have taken a different look at it from that point of view.

MR. CHAIRMAN: Any further recommendations on 1 and 2? If not, we will go on to No. 3.

MR. ROGERS: Mr. Chairman, I think Recommendation No. 3 has to be considered in the light of recommendations 7 and 44. Recommendation 7 says:

7. Provision be made to allow Public Accounts Committees to meet whether the House is in session, recessed or prorogued.

Consequently, if public accounts and the Auditor's report became available while the House was not in session, No. 3 would really make sense only in that there would be the need, if the committee so wished, for consideration to be given to the report before it was tabled.

No. 44 states:

44. Auditors' annual reports be released to members of the legislature and to the public as soon as they are available, regardless of whether they have been tabled in the legislature.

In the last couple of years there has not been a problem, in that the report has only become available while the session was in progress. Consequently, the tabling and the release have occurred on the same day. Again, if the report were available before the session commenced, say between the fall and spring sessions, then if this committee could meet when the House was not in session, it would make sense that the Auditor's report could be released and studied by this committee prior to its being tabled. That would cause changes to Standing Order 46(4), Section 78(1) of the Financial Administration Act,

and Section 19(4) of the Auditor General Act, which at the moment says that, when complete, it shall be handed to the chairman of the Select Standing Committee on Legislative Offices for tabling. So I think there would have to be some fairly minor changes if this committee wished to sit when the House was not in session and to consider public accounts and the Auditor General's report prior to those being tabled. So this is a decision that the committee has to make.

MR. CHAIRMAN: If we could deal in the same vein with recommendations 3 and 7, and possibly 44, I'm sure it would help in essence of time.

MR. McCRAE: Mr. Chairman, on No. 3 -- that is, the automatic reference of the Auditor's report to this committee -- I think we all assumed that would follow, and I don't see any difficulty with changing the *Standing Orders* to make that reference.

With regard to item No. 7, to meet whether we're in session or not, I thought it was within the prerogative of the committee to judge that if we wanted to sit when we're not in session, we could. If work was undone that we thought needed to be done, we could call a meeting. In the past, I think we've tried try to meet when we're already in session, for two very valid reasons: one is the time constraint of members coming back to deal with matters; the second is the cost to the public purse. Presumably if we did have a meeting when we're not in session, all members would be paid whatever the per diem rate is, and frankly, in the view of the government, that has been unnecessary because the committee has been able to do all its work within the period we were in session. I think that has been demonstrated by the occasional lack of attendance at this committee by certain members of it.

Just to sum up, I think the assumption is that the Auditor's report will automatically be referred to this committee. I see no difficulty in amending the *Standing Orders* to set that forward.

On item No. 7, I think that's presently within the prerogative of the committee. And 44, what the dickens is it? The third one, 44, was the release to the Legislature and to the public as soon as they are available. I don't have a feel for that. But in setting up the Auditor General Act we did set forth a very unique relationship between the Legislature and the Auditor General's office, and that was the select standing committee. As you said, to date at least, the reports have coincided with the sittings of the House. Again, I think Alberta is in a fairly unique situation, in that we have both spring and fall sessions, and there's no great period of time between either one.

I don't know about -- presumably if we made that change, it would mean that the select committee would get it and then just release it to the public rather than tabling it in the Legislature. I'm not sure what that does in terms of the relationship of the select committee to the Legislature. It seems to me that somehow there's a filial relationship -- that probably isn't the right word, though -- between that committee and the Legislature. At the moment, I have some reservations about that committee by-passing the Legislature and distributing the report to the general public. I think it's a very academic situation we're discussing at this time.

However, I do have some reservations about proceeding with the third part of this three-pronged discussion. I have no difficulty with the first two. I think the second one automatically happens, and I think the first one is an assumption we've all made anyway. I would like to think much more about the third one.

MR. STEVENS: Mr. Chairman, I fully agree with the Member for Calgary Foothills.

Perhaps I misunderstood the Auditor General, but if we look at Standing Order 46(4) it says:

Public Accounts, when tabled, shall automatically stand referred to the Public Accounts Committee.

I am gathering from recommendations of the Public Accounts Committees and Legislative Auditors that if we're not sitting and if the public accounts are available, they somehow become public at the same time as they would become available to members. But there are members of our Assembly who are not members of this committee.

In response to the question from the Member for Calgary Millican, the Auditor General explained that something happened in the postal or courier delivery system, which as a member of this Assembly I felt was regrettable, where some members received the Auditor General's report and others did not. The Auditor General said that steps would be taken to correct that. I'm not comfortable with what I'm understanding -- public accounts "when tabled". It seems to me that the Legislature has already said the public accounts are to be tabled, and each minister has certain department reports that are required to be tabled during a sitting, within so many days. If there is no sitting, the report is not made available to the public. It's made available to the members when the session is in place, for obvious reasons.

So I'm uncomfortable. But I agree with the concept, as the Member for Calgary Foothills has said, that it should be that as soon as the report is available to the Legislature, then it's automatically referred to this committee. If that needs clarification, fine. But I'm uncomfortable if we're going to go around those members who are not here, for reasons of government business or if the session is not holding a sitting. I don't feel comfortable about that.

MR. ROGERS: I think the purpose of the recommendation is to enable the committee to examine both public accounts and the Auditor's report prior to a session commencing, and therefore before tabling. That is contrary to what we presently are called upon to do.

MR. STEVENS: But I thought that was the point we were raising. If members are not in session or are away on business of the Assembly, this committee would be examining a report before their colleagues have seen it. That is what I'm asking. Is that really what is being recommended? I'm not comfortable with that, if I'm not a member of this committee. I don't know how my colleagues in the Assembly would feel.

MR. CHAIRMAN: Any further comments on 3, 7, and 44? As I recall, we did discuss No. 7 at one of our previous meetings. As I understand it, the committee can call meetings between sessions. Nothing restricts us from doing this if we so desire as a committee.

MR. MAGEE: I don't want to create a prolonged discussion on this, but I just wonder, through you to the Auditor General, how would you resolve the problem of an election year in which many members had announced an intent not to run and a new committee had not been struck by the Legislature. I just wonder if that would create a complication in 44.

MR. ROGERS: There could be a situation when there was not a committee in existence.

MR. MAGEE: So some years you'd be able to do it and other years you would not be able to do it.

MR. ROGERS: It could pose a problem. It is really a choice as to whether to continue as we have been, perhaps amending *Standing Orders* to provide for examination of the Auditor General's report in the same way that 46(4) presently provides for the examination of public accounts -- that is, after being tabled -- or whether to open it up so the committee can commence its work before the session. That is really the choice. Assuming that the public accounts and the Auditor General's report were available, say, two months before the spring session, would the committee wish to commence its work on documents yet to be tabled? The committee has that choice.

MR. HYLAND: I think Mr. Rogers straightened out part of my concern. I was concerned that we're getting the two things mixed up: what happens with the Auditor General's report and what happens with the tabling of the public accounts. The problem that occurred was with the Auditor General's report and not the tabling of public accounts, which I think are tabled by the Provincial Treasurer, aren't they? Doesn't he table public accounts?

MR. ROGERS: Yes.

MR. HYLAND: I was just concerned that we were getting the two things confused and trying to roll them into one. Public accounts is mentioned in *Standing Orders*, but I don't think the handling of the Auditor General's report is mentioned in *Standing Orders*, is it?

MR. ROGERS: But there is provision in the Auditor General Act for the tabling of the Auditor General's report by the chairman of the Select Standing Committee on Legislative Offices. The question is: should the *Standing Orders* provide that, once tabled, that report should automatically stand referred to the Public Accounts Committee? That is one of the questions we are faced with. If the committee did not wish to discuss a report that had not yet been tabled, a copy could easily be given to each MLA. That could be arranged. But let us say that, prior to a session, this committee wished to commence a review of either the public accounts or a report that had yet to be formally tabled, it would mean amending 46(4) to eliminate the words "when tabled". That would mean that the committee could then examine public accounts and the Auditor General's report prior to the commencement of a session, during which session both documents would be tabled. That's really the question.

But there's a subsidiary question. Even if the committee decides to stay as we are -- that is, only look at documents that have been tabled -- there's a subsidiary question as to whether or not to amend the *Standing Orders* to have a provision somewhat like 46(4) for the examination of the Auditor General's report.

MR. HYLAND: As it happens now, the examination of the Auditor General's report has just been a practice. There's nothing in the orders, but we've done it every year it's been tabled. We've handled it in Public Accounts, but it's not in the *Standing Orders*. It's in the Auditor General's legislation that it can be tabled, but not in our *Standing Orders* that it can be.

MR. ROGERS: Mr. Chairman, if I could express an opinion. On the matters to date, I've been completely neutral. But on this one, I think it may be a good idea, simply to tidy things up a little, to have 46(5), let us say, a similar provision for the Auditor General's report as 46(4) has for the public accounts. That's my own feeling.

MR. CHAIRMAN: Thank you, Mr. Rogers. If there are no further questions on these recommendations, could we move on to Number 4?

MR. ROGERS: Mr. Chairman, No. 4 says:

4. Public Accounts Committees recognize their capacity to investigate any matter that is within their terms of reference.

I don't think we need any action on this, from what has already been said this morning. I feel that this committee feels that it can look at any matter.

MR. CHAIRMAN: Five.

MR. ROGERS:

5. Ministers be called as witnesses before Public Accounts Committees only when they have been personally involved in decisions under examination.

This is somewhat different from our practice, but again it is a matter for the committee.

MR. CHAIRMAN: Is there any discussion from the committee on No. 5?

MR. GOGO: Mr. Chairman, in order to do its job, I think the Public Accounts Committee ought to be able to call any minister of the Crown regarding expenditures of his department. One area I've always been sensitive about is when you want to get into questions of policy, particularly policy that existed at the time those public accounts were done when somebody else was the minister of that portfolio, and then in terms of the government of the day with regard to policy questions. But I think the committee should certainly be able to call any minister of the Crown to this committee to ask him whatever they want. Whether or not he answers is his prerogative.

MR. CHAIRMAN: Any further comments on No. 5?

MR. ROGERS: MR. Chairman, if I could just interject. I think what lies behind this is the feeling that many of the matters looked at by this committee are also the result of administration. Therefore, the thinking is that perhaps deputy ministers in their own right should be directly accountable to this committee and questioned by the committee. I think that is perhaps one of the underlying thoughts.

MR. McCRAE: Mr. Chairman, I just want to observe that I think the system we in Alberta have been using has been working quite well. Remember this is an across Canada report. The practice we've used with this committee -- and it varies from department to department, from minister to minister -- essentially is that the ministers have come here with whatever number of public servants they wish, and the ministers have answered or directed the questions to one or more of the people they have to assist them.

As I read the report, I think the thrust, as Mr. Rogers said, is that the ministers would not be here unless they were specifically invited, and the public servants would be here. Then at some future date, the poor old minister would prepare his defence for what might be said in his absence. Frankly, I think the way we've been doing it is very adequate. Since many of the questions since my participation in the committee have had a very distinct policy direction, it would be wrong to simply have the public service people

here to answer in policy areas. Someone recently rephrased an old Chinese Confucian maxim: if it isn't broke, don't fix it. I don't think our system is broken in this respect. I don't think it needs fixing. I think it's working very, very well.

If committee members are not satisfied with the answers they're getting from the minister, they have every right to keep probing and ask him to produce additional information. We've been doing that. So I think it would be an error to exclude the minister, who is ultimately responsible for the policy direction of his department. We should just carry on the way we're doing it. If we're not happy with the answers a particular minister gets or gives, let's get after him for it. But let's not throw out the baby with the bath, sort of thing.

MR. HYLAND: If we accept that recommendation, I think we're cutting down our scope. The basic part of the democratic system is that the elected person is responsible. He should be there, and there's nothing wrong with his officials being there with him to answer questions. But I don't think the officials should be there without the minister.

In my understanding, normally the only people who come before this committee without the minister there are people such as the Auditor General, who is a servant of the Legislature, not a servant of government. I think it's important that we maintain that and that that's there, because the minister is the one who has to answer the responsibilities of the programs and the policy. Because he is ultimately responsible, he makes the policy. I think we should maintain that.

I feel that if we accept that recommendation, we're confining ourselves a little. If the officials are there, we can still ask the questions. They can be answered by the minister, he can turn it over to the officials to answer, or we can keep him coming back -- and we have, as I remember from 1975 to 1979. The Chairman would remember. The Export Agency: we were on that one week after week. I think there's a way to do it, and this wouldn't be the way. This might confine, at least the system we use now, more than at the present time.

MR. KESLER: I too feel that to restrict the effectiveness and efficiency of the committee through this proposal is eliminating one of the basic checks and balances we have. Not being familiar with the committee to that extent, because I'm very new here, I feel it's important we have those kinds of checks and balances within the system at this level. To remove them at this time is something that we as members of the Legislature can't afford to do.

The other thing is that it certainly lends to making those involved in decisions more accountable when they rationalize that if in fact some mistakes have been made, they have to be accountable to the committee and represent their position. We have to leave that in place. Also, I think it's something we as Members of the Legislative Assembly can be more comfortable with. We can call those people we feel are necessary in order to establish the things that have taken place in these decisions.

DR. McCRIMMON: Mr. Chairman, I feel that our present system has been working pretty well. If we went to this system, we'd have duplication. If witnesses other than the minister for a department are called, he can give answers only as far as operation is concerned and no policy answers as far as the department is concerned. If policy questions come up, the minister has to be called in to answer those questions, duplicating the same thing. I think the minister is responsible in the first place. He should be here when his department is up before the committee.

MR. GOGO: Mr. Chairman, I guess I need clarification. As a committee we determine, at the beginning of a sitting, that we want to examine various departments. Let's say one is Housing and Public Works. The recommendation here is that at some point we would have to say: the Minister of Housing and Public Works was not personally involved in any decision, and therefore he wouldn't appear. Frankly, under the system we use I don't think it could be handled at all. If we are going to examine Housing and Public Works, the tradition has been that the minister would appear and questions would be posed to that minister orally, not in writing; then the minister would respond. This has been the custom. In many cases, he would refer it to his staff, his deputy or whoever. I don't know how you would even resolve it to say that the only time the minister would be here was when he or she were personally involved in a decision. I frankly don't understand how that could be accomplished, on the basis of how we presently set our priorities of who we'll examine in this committee. So I have some difficulty accepting that.

MR. STEVENS: Mr. Chairman, I was just looking at the report. Going back to the report, it's interesting to note New Brunswick and Prince Edward Island -- I'm sure those are jurisdictions that do not have the same kind of enormous public expenditure or growth situation that we have in other more fortunate parts of Canada, like Alberta. But I turned the page over in the report, and it says:

All deputy ministers we interviewed said that they thought it is both fair and proper that they themselves should answer for actions and decisions . . .

In our situation in Alberta, a deputy minister is a deputy head of a department. He or she is responsible for the administration and so on of that department. He or she is accountable to the minister. The minister is in fact the department head. The minister is accountable to his or her cabinet and the Legislative Assembly, the people of Alberta.

If we adopted this recommendation, this would put a deputy minister in a very difficult position. Maybe it's necessary in the Canadian Parliament, where the ministers can't keep track of the comings and goings of the 260,000 public servants there are. It seems to me that this would put a deputy minister in a double-jeopardy position. The deputy minister is accountable to the minister. He or she is appointed by an order in council by the Lieutenant Governor in Council. It would be very difficult for a deputy minister to be placed in a position where he or she is accountable for policy directions of his minister, the cabinet, or the Legislature. It's not Alberta's way. The Alberta way is to have the minister accountable and to come forward to this committee with the staff witnesses he or she needs and this committee requests.

MR. ROGERS: Mr. Chairman, I think this matter came up and was discussed at some length in '75 or thereabouts. In British practice too, the senior civil servants of a department have some responsibility to Parliament directly. The thinking of these provinces is perhaps based on that concept and the same with Canada. Of course, as a policy Nova Scotia and British Columbia do not call ministers. So I think there is a split here in the thinking, and this committee has to make up its mind which way it wants to go.

MR. KESLER: One short comment on the statement of being personally involved. I think that to narrow and limit something in a statement of determining what personal involvement is and to try to put things into that fine a line is a dangerous area to deal with, as well. Who will make references in the

definitions for the personally involved area of that statement? I just think it restricts and limits too much the effectiveness of the committee in dealing with matters.

MR. CHAIRMAN: If we can go on to Recommendation No. 6, Mr. Rogers.

MR. ROGERS: I think this one perhaps is reasonable within our practice, in that I believe that when outside witnesses have been called and placed under oath, they perhaps have been advised of their rights. Really, it revolves around Section 39 of the Legislative Assembly Act, which provides that:

no person is liable in damages or otherwise for any act done
(a) under the authority of the Legislative Assembly . . .

I suppose advising witnesses of this may set them somewhat at ease in giving evidence. Perhaps that is one that could be of some value.

Shall I carry on, Mr. Chairman?

MR. CHAIRMAN: Mr. Rogers, yes. I think we've covered No. 7.

MR. ROGERS: No. 8 deals with the size of the committees. As members will see from this report, Alberta has by far the largest committee on a percentage basis. Here it's a matter of choice between a comparatively small committee of representatives of the various parties -- perhaps members of the committee have knowledge in accounting, law, and so on, and so forth, and these in effect report to the Legislative Assembly in a great amount of detail -- or a larger committee, such as we have here. The purpose of the recommendation is to bring the matter to discussion, I would say. The table on page 25 of the report shows the various jurisdictions in Canada and the size of the committees compared to the size of the legislatures.

MR. CHAIRMAN: Do we have any input or discussion from the committee with regard to the size of our committee?

MR. GOGO: Mr. Chairman, I have a different view from the recommendation. I note that one of the largest legislatures in the country, Ontario, has what I would view as a minimal sized committee. I think Public Accounts should be as large as possible, because I think it serves many other purposes. For me as a member of the Assembly, it is certainly affording me the opportunity of learning the public business that I don't think I would learn otherwise. Unless there's some very distinct and good arguments for reducing the size of the committee, I certainly wouldn't recommend it.

MR. CHAIRMAN: Any further input as far as the size of the committee is concerned?

MR. KESLER: Mr. Chairman, I'd like to say that I agree with Mr. Gogo, in that I think that any member, or as many as you can accommodate in this committee anyway, should be accommodated because of the importance for them to be accountable to their constituents on matters dealing with the public accounts. I think that everyone who feels that importance in relating those matters to their constituents should have an opportunity to sit on the committee. It's a very valid reason to leave the size of the committee as is.

MR. CHAIRMAN: If we have no further recommendations on No. 8, could we move to No. 9?

MR. ROGERS: Mr. Chairman, No. 9 has to do with the appointment of the committee, and it is:

9. Public Accounts Committees be appointed for the full term of the legislature, and not session by session.

Of course that is the way in which this committee is appointed. I believe the background to this is to provide continuity.

MR. STEVENS: Mr. Chairman, I have no quarrel with the concept, except one question. We have had two members of this Legislature elected through by-elections. What happens in that case? Would they be denied the opportunity to be a member? I think there should be some flexibility for the Legislative Assembly to consider changes if someone is ill, for example. I think locking us in like that is always a mistake. I think that may be the intent of the Legislature and you follow it in practice, but to create a rule would prevent a by-election member from being able to become a member, I would think. How do you deal with illness or other constituency problems? You can't be here; the Canadian Parliamentary Association requires you to travel. I don't know; I don't have that privilege. But isn't locking us in undesirable? If it's a practice this committee recommends, and the select committee on the appointments follows that practice, I'm comfortable, because we all learn more. But to deny a member that opportunity -- is that how I read this? Is that what it's trying to do, Mr. Rogers? Would it eliminate those opportunities?

MR. ROGERS: I think the substitution of a member who no longer wishes to serve or the addition of a new member who has just come into the House would be entirely up to the committee, and the terms under which substitution can take place would probably be reflected in *Standing Orders*. I don't really see that as a problem.

MR. HYLAND: I have problems with that, because I think everybody should take their crack at Public Accounts. It shouldn't be just a select few who are there all the time. Everybody should be able to have their turn, come in and ask the questions they want to ask or suggest which departments and ministers they want to talk to or what's wrong with the Auditor General's report or these recommendations we're working on, and stuff like that. I don't think it should be tied in for the full life of the Legislature. Maybe every two years instead of session by session, but longer than that I think would be a backward step because many members wouldn't get the chance at it during the life of the Legislature. I think they should put in their time too.

MR. CHAIRMAN: Any further recommendations on No. 9?

MR. McCRAE: Mr. Chairman, I make the observation that I think Section 48 of the *Standing Orders*, and probably the practice of the Assembly, anticipates substitutions and additions to committees. I don't think it would be impossible to accommodate the last two speakers by going along with the recommendation. I think we could accommodate them, adding new members as they indicated a preference to be added to a committee, and substituting others for by-elections, sickness, and so on. I support the recommendation.

MR. CHAIRMAN: Not to be rushing our recommendations through, but we already have a lot of these recommendations in place or they do not pertain to our committee. I don't think the committee needs to spend that much time on them.

MR. ROGERS: Can we by-pass recommendation No. 10?

MR. CHAIRMAN: I would certainly agree that we've already got No. 10. Possibly we could by-pass several other recommendations too, Mr. Rogers, that we've already got in force or they're working in our Public Accounts Committee at this point in time. So we go to 11?

MR. ROGERS:

11. Chairmen play a leading role in all aspects of committee work and participate in the questioning of witnesses and in other committee deliberations.

AN HON. MEMBER: He does that now.

MR. CHAIRMAN: I would give up that power. I think what they're saying is that the chairman can question the witnesses. I think that it's possible.

MR. ROGERS: I think that is a matter of choice. I believe it has happened in the past.

MR. ROGERS:

12. Chairmen of Public Accounts Committees serve for the life of the legislature or until replaced.

MR. HYLAND: Doesn't that depend on what you do with No. 9? No. 12 and No. 9 are really -- if you accept one, you accept the other; if you reject one, you pretty well have to reject the other.

MR. CHAIRMAN: I agree.

MR. ROGERS: I think No. 13 has already been dealt with. In No. 14, the question is whether the public accounts committees appoint a steering committee to plan the work and to bring forward drafts of committee reports. We've had an *ad hoc* committee on occasion to help plan the work. Of course at the moment, there are no reports. That again is a matter of choice of the committee. In the past, committees have been struck when required.

MR. CHAIRMAN: Is there any discussion on that? I think we have taken this procedure in the past. If there's no further discussion on that, could we go to 15?

MR. ROGERS:

15. Ministers not be appointed as members of Public Accounts Committees.

MR. GOGO: Mr. Chairman, I feel strongly against that for the reason I gave earlier. Members of this Assembly are elected by their constituents to represent them here. In addition to the departmental responsibilities, I think they have a responsibility to the public of Alberta, and certainly to their constituents. I in no way could see myself condoning that we prohibit a member of Executive Council from being on the committee. We have the safeguards built in, with the size of the committee, to accommodate that. I oppose that on the basis that I don't think that a member of this Assembly

should be restricted from serving on the committee simply by virtue of the fact he's a member of Executive Council.

MR. CHAIRMAN: Any further discussion on whether ministers sit on the committee?

MR. KESLER: Mr. Chairman, I don't want to be too negative, but if we're going to allow that to go by, perhaps there should be a replacement as to the number who could sit on the committee at one time, so that you don't have an imbalance of ministers on the committee eventually and have more ministers than non-ministers on the committee. If you would put a number limit of ministers who can actually sit on the committee at any one time, you'd have the safeguard built in that you need. I think it's certainly something that has to be considered.

MR. HYLAND: That's a good point, Gordie.

MR. STEVENS: Mr. Chairman, I beg leave of the committee to introduce a group of children and their teachers.

MR. CHAIRMAN: I'm certain the committee will agree to that, Mr. Stevens.

MR. STEVENS: They're not from my constituency. Is it agreed?

HON. MEMBERS: Agreed.

MR. STEVENS: Mr. Chairman and members of the committee, on behalf of the Member for Barrhead, who is a member of this committee but is unavoidably absent for a few minutes, perhaps I could introduce the students, their teachers, and parents who have accompanied them today, and welcome them to the Assembly. I understand they're from Westlock.

MR. MAGEE: I certainly think that a number of cabinet ministers should be available to the committee. They often bring a background of expertise and knowledge of a general nature that guides us in many respects on subjects we're not really familiar with as new MLAs, in most cases, who sit on this Public Accounts Committee.

We should certainly be careful before we start to restrict cabinet ministers by deleting it to a very minimal number, because certainly they could be absent on some occasions just by the fact that other business interfered with their attendance. The committee generally would be left without the benefits of their experience and background.

MR. CHAIRMAN: If there's no further input on No. 15, could we go to No. 16?

MR. ROGERS: Perhaps we could deal with 16 and 17 together, Mr. Chairman, in the interests of time; that is, whether this committee should have the support of a clerk and, in addition, research assistance. This would be for the purpose of preparing background material and so forth to assist the committee in its work. Both recommendations of course are strictly for decision by the committee.

MR. McCRAE: I'd like to comment on that, Mr. Chairman. I think the present practice is that the committee hires whatever staff it thinks it needs. If we needed research staff, we would hire them. If we needed a clerk or a secretary, we would hire them. I think that's as it should be. I would not like to see us, as a guardian of the public purse -- I think Olds-Didsbury and

all our friends would support that just for the sake of hiring a clerk and researchers, we should do it. We should hire them if, as, and when we need them. Each member here has a research and support budget right now. It's not an inconsiderable budget.

So we do have a good deal of resources at hand right now. I just caution all of us against hiring people we perhaps don't need. We do have the ability, the authority, the budget to hire if, as, and when. I believe we should leave it there.

MR. CHAIRMAN: I'd just like to point out that Mr. Rogers is available to us any time we need him in our committee. If any member needs him at the committee meeting, if they'll get in touch with the Chair we'll see that he's here. So we do have that available at the present time.

MR. HYLAND: Just one quick -- it goes back to 15, talking about Mr. Kesler's comment. I think the number should be knocked off to accomplish what he's after. If you're going to go that way, it should be percentage. Then as the size of the committee changes, the make-up doesn't change.

MR. CHAIRMAN: If I understand you correctly, you're saying there should be a percentage of ministers in relation to the size of the committee.

MR. HYLAND: If the size of the committee changes, the number can be off balance. Percentage would maintain that as the size of the committee changes, the proportionate ratio would remain the same. I think he agrees. We just talked about it.

MR. CHAIRMAN: If we can go on to Recommendation No. 18.

MR. ROGERS:

18. Consideration be given to compensating members . . .

This is already provided for in the Legislative Assembly Act for committee meetings outside session time. Perhaps we could proceed right on to No. 19, Mr. Chairman?

MR. CHAIRMAN: Yes, if you would, please.

MR. ROGERS: This of course would need a change in the Legislative Assembly Act. That is whether:

. . . appropriate financial recognition for the extra work and responsibilities assumed by the chairmen of Public Accounts Committees.

MR. CHAIRMAN: Being the chairman at the present time, I think the chairman is well paid.

MR. GOGO: Mr. Chairman, I disagree with the Chair. If the inference is that there should be a means test for the chairman, I disagree. I think precedence has been set in other jurisdictions that the workload of the chairman is uniquely different from other members. In deference to you, Mr. Chairman, I think we must look down the road. If we reach the position where there is additional workload -- maybe not, because I know how busy you are -- I think provision should be there whereby we give serious consideration to compensating the chairman for the extra time involved.

MR. STEVENS: Mr. Chairman, would an appropriate venue for this be the Select Committee on Legislative Offices? It may be more than that, but I'm thinking that there are chairmen of standing committees other than this committee who may also have additional duties and time, and that if the Legislative Assembly received a recommendation . . . That may be the committee, although it's trapped also because it has a chairman. But that's dealing with a number of committees, is it not? I may be wrong.

MR. McCRAE: I just want to say, Mr. Chairman, that if we do have extra meetings, I think there should be extra compensation for the chairman just as for others. If the chairman is involved in a good deal of preparation for that meeting, then he probably should be compensated at the *per diem* rate.

I am sympathetic to the recommendation, and I don't think the chairman is overpaid. But I don't want to see us put up a per annum figure for the chairman which might encourage him to create a whole lot of work for the rest of us which we may not want to indulge in. I generally concur with the recommendation, but suspect that the *per diem* payments would accommodate it.

MR. CHAIRMAN: I didn't want to get the position competitive. If we could move to 20.

MR. ROGERS:

20. All Public Accounts Committees meetings for hearing testimony be open to the press and public, except when evidence of a particularly sensitive nature is to be given.

That is generally in line with our past practice.

21. Meetings for planning future work, briefings, reviewing progress and drafting reports be held *in camera*.

If it's a question of drafting reports, I think that makes sense.

MR. CHAIRMAN: Any discussion on No. 21? If not, we could go on to 22.

MR. ROGERS:

22. Public Accounts Committees plan, in general terms, the work to be undertaken at the beginning of each session, and prepare formal agendas for public distribution at least one week ahead of each meeting.

MR. CHAIRMAN: In most cases I think we go along with that recommendation or we do it at our Public Accounts Committee.

MR. HYLAND: You can't get the week, because it's only a week from meeting to meeting. But we get it as quickly as possible. I don't see where we can get that much better.

MR. ROGERS:

23. Committees arrange for suitable briefing material to be available to members prior to hearings, and if necessary set time aside to review it.

MR. CHAIRMAN: Here again, I think the members themselves are going to get the material together. They've got research assistants, and I think in a case like this the committee members themselves are going to prepare the materials. Is there any discussion on this?

MR. KESLER: Mr. Chairman, in the case of a steering committee or a subcommittee assigned to a special area, perhaps this could relate to that subcommittee that they present those materials or findings prior to a hearing if, in fact, they affect that hearing. That's the only thing I can see where information from the committee should be made directly available to all members of the committee.

MR. CHAIRMAN: Thank you. Any more comments in this area?

MR. ROGERS: Mr. Chairman, I believe the next several ones are in accordance with our practice. I'll read them very quickly:

24. A verbatim transcript of Public Accounts Committee hearings be prepared and published promptly.
25. Committees keep brief, formal minutes of proceedings.
26. Suitable meeting space, with appropriate facilities, be available to Public Accounts Committees.
27. Public Accounts Committees schedule sufficient, regular meetings to discharge their responsibilities.

MR. CHAIRMAN: I'm sure we do that at the present time. We have our meeting once a week. I haven't seen where we haven't covered all the areas we plan on covering in the spring or fall sessions.

28. Provision be made for legislators who are not members of Public Accounts Committees to attend meetings and participate in the questioning of witnesses, but not to vote.

Again, I believe this is in line with practice.

29. Procedures for questioning witnesses be adopted that permit productive lines of questioning to be taken to their conclusion and allow all members an opportunity to participate.

If you look at the report, I think a number of different approaches have been taken in different jurisdictions, some on a time basis, to allow questioning on a particular subject to conclusion. Of course, we have a restriction of two supplementaries. Again, this is a matter for decision by the committee.

MR. CHAIRMAN: Is there any discussion on No. 29? As a committee, we do restrict ourselves to one question and two supplementaries.

MR. McCRAE: I think that's a fair approach, Mr. Chairman. It gives everyone an opportunity of fairly full participation. If they're selective in their questions, they'll get their point of view across in the three, and then come back in at the tail end of other interested questioners.

I wouldn't want to see us go the direction, if that's what the suggestion is, that one member might occupy front and centre stage for one or two committee meetings while he pursued a point with a vengeance, vigor, or

enthusiasm, to the exclusion of all others, as if it were a sort of trial. I think the practice we've adopted here is a good one, and I'd like to see others across Canada adopt our practice.

We may be in harmony with the recommendation. I'm just going through it in detail right now. I don't think we are. I think that the recommendation is that one member get the bit in his teeth and go until he has satisfied himself that he is finished with it. I think that is inconsistent with the practice of question period and most committees, where all members have an equal chance of participation.

MR. MAGEE: I concur with Mr. McCrae's comments. I would like to go further, that after the two supplementaries, no doubt if it was a matter of issue, other members would pick up the cudgel and carry on, and would therefore be able to participate in their own words in the debate.

MRS. EMBURY: Mr. Chairman, I just want to add the comment, because I agree with that also. But I certainly don't think we would be that rigid, and I can't recall it happening since I've been on this committee. I mean, if somebody wanted to ask one or two more that we wouldn't provide the opportunity. I think there has to be a little give and take. That's what I'm saying, and I think we would respect an individual if we saw he just couldn't quite do it in the original question and the two supplementaries. I just want to throw that out as some reasonableness that would be with the members of the committee too.

MR. CHAIRMAN: Thank you, Mrs. Embury. Did you have a question, Mr. Gogo? If there's no further discussion on 29, could we go to 30?

MR. ROGERS:

30. Public Accounts Committees concentrate their attention on significant issues of management and financial administration rather than on isolated, unimportant, individual transactions.
31. Public Accounts Committees prepare substantive reports at least annually containing a summary of findings, a statement of conclusions, and recommendations for action to be taken by the government.

This is fairly common practice in other jurisdictions and even in our own jurisdiction. For instance, there is a report on the Heritage Savings Trust Fund prepared by that committee, and a report is tabled by the chairman of the Standing Committee on Legislative Offices, and others. So the precedent is there within our own jurisdiction.

MR. CHAIRMAN: Is there any discussion on preparing a report? I feel that it's all on transcript. Even if we don't have an official report, everything we do in our committee is available to every committee member or, for that matter, the public. I think our meetings are wide open to the public and to committee members to participate. The information is available to every member of the Legislature, whether on the committee or not.

MR. ROGERS: Mr. Chairman, if I could interject a moment. I think the thought there is that this committee may wish to make recommendations to the Legislative Assembly, through the vehicle of a report.

MR. McCRAE: Mr. Chairman, I agree with what you said and what Mr. Rogers said. I would only make the additional observation that I think it's a question we should address each year. Some years, such as this one, we may want to make recommendations to the Assembly on something, and that is the matter we're discussing now. Last year, for instance, we may have simply gone through the public accounts and the Auditor General's report and have nothing significant or substantial to report to the Assembly. In a case like that, we may not want to bother with a formal report. On the other hand, we could have a very short formal report.

So I suggest that toward the end of each series of sessions of Public Accounts, we should address the question to the chairman: do we want a formal report this year or don't we? Depending on what we've done that year, we would make that decision.

MR. CHAIRMAN: Can we go on, Mr. Rogers?

MR. ROGERS:

32. Wherever possible, Public Accounts Committee reports be arrived at through a consensus of all members of the committee.

I think if we had reports, that would follow.

33. Legislatures set aside time to debate the reports of Public Accounts Committees at least annually.

Mr. Chairman, following the thinking, if the report was significant enough, it would be debated.

MR. CHAIRMAN: Is there any discussion? In the event that we present a report to the Legislature, I feel that we have the opportunity to discuss our reports in the Legislature if they're so necessary. Mr. Stevens, did you have . . .

MR. STEVENS: Thank you, no. You've covered what I was going to ask.

MR. ROGERS: Mr. Chairman, the next one?

MR. CHAIRMAN: Yes, Mr. Rogers, we can carry on.

MR. ROGERS:

34. Public Accounts Committees adopt an effective procedure for following up their recommendations with the administration.

Of course, this would be contingent on making reports containing recommendations.

MR. CHAIRMAN: I see we have no discussion on that. Carry on, Mr. Rogers.

MR. ROGERS: Mr. Chairman, it depends on the wish of the committee, but from here onward, the matters relate to the Auditor General and, by and large, I would say the recommendations reflect fairly well the provisions of the Auditor General Act of Alberta. I would say that all the significant points are taken care of by the various sections of the Auditor General Act.

If you wish, for those members who are interested we could prepared a cross-reference for the next meeting, rather than spend the time going through them

this morning, of the various recommendations and a few comments as to have these have been dealt with in the Auditor General Act.

MR. McCRAE: I'm fairly happy with that, Mr. Chairman. I would also comment that I've gone through recommendations 32 to 69 and, in each case, found that they were almost on all fours with the Alberta legislation. I don't know whether that's because our Alberta legislation is such good and model legislation for all Canada -- probably it is -- or whether part of it is that our Auditor General was a member of that committee and persuaded them what we are doing and what he is doing is in fact a model for all Canada. Either way, I think the committee should feel pleased with the fact that all the audit recommendations are pretty much bang-on with the Alberta legislation and practice.

MR. ROGERS: Mr. Chairman, I would like to say, if I may, that I had no part in the preparation of this report.

MR. STEVENS: I fully agree with the Member for Calgary Foothills, with the possible exception of 55.

55. The Auditor's salary be tied by statute to that of top public servants.

The reason I want to raise that is that the body of the report talks about Alberta having a different approach, which I think is a better approach, where the select committee reviews that and is free of any other government review. In following Mr. McCrae's point, I just felt that 55 is one exception. I think the present practice in Alberta is, in fact, highlighted in the report and doesn't follow the recommendation. I would prefer to leave it the way it is, if members are in agreement. You don't want the select committee to be tied into public service salaries for the Auditor General.

MR. HYLAND: I agree with the comment on 55. I remember being on that committee and the problems that we had in setting the initial amount and the attempt that was made to keep the office independent of the public service and keep it a servant of the Legislature.

From 34 on, I think the Chairman could talk to the chairman of the Select Committee on Legislative Offices and have that committee review this as well, along with what they will comment on and with what the Auditor General will give us next week, or whenever it is. If we are going to prepare a report, I think it would be helpful for us to have that information before we complete our report.

MR. CHAIRMAN: Yes, I'll agree to take that under my wing.

MR. ROGERS: Mr. Chairman, would the committee still like to have a cross-reference between the provisions of the Act and comments on each recommendation?

MR. CHAIRMAN: Mr. Rogers will prepare a cross-section if it's the wish of the committee. All agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: It's agreed that they would like a cross-section of the report. I see we've exhausted our time. We went a little over, but we started a little late; I didn't keep my promise. We got through all the

recommendations, and I'll undertake to talk to the chairman of the select committee to discuss the other recommendations on our report. Making an assessment from the input I got from the committee going through these recommendations, to this point I can't see where we need to make any changes as far as these recommendations are concerned. It certainly doesn't hold true to the press coverage we got when the report first came out.

I think that pretty well covers this. We'll look at it, file a report, and report back to the committee. We won't hold our committee meeting next Wednesday. Our next meeting will be a week from next Wednesday. It will be to deal with the overview of public accounts. If we finish the public accounts overview, we'll go on to the report of the Auditor General.

MR. HYLAND: We will be dealing with a general overview of the accounts?

MR. CHAIRMAN: That's what we'll be dealing with.

MR. GOGO: I move we adjourn.

The meeting adjourned at 11:35 a.m.