

8:30 a.m. Wednesday, September 22, 1993

[Chairman: Mrs. Abdurahman]

MADAM CHAIRMAN: I'd like to call the Standing Committee on Public Accounts to order. I'd like approval of the agenda, please.

Mr. Lund.

MR. LUND: I would suggest that maybe we make a few changes in the agenda and delete 5(a)(ii) and 6(b),(c),(d),(e), and (g). Those are basically all housekeeping matters, and if the committee continues to function on procedure like we have before, those matters are covered. I would like to get to the Auditor General.

MR. BRUSEKER: Could I ask him to repeat that motion, please.

MADAM CHAIRMAN: Okay. Ty, could you repeat your motion, please.

MR. LUND: I move
that we delete 5(a)(ii) and 6(b),(c),(d),(e), and (g).

MADAM CHAIRMAN: Would you like to speak once again to your motion, Ty? Do you wish to say anything further in speaking to your motion?

MR. LUND: Well, I made the comments that all of those are basically housekeeping, and in the past the committee functioned okay, I think, with the method before. I'm anxious to get to discussing the audited financial statements with the Auditor General.

MADAM CHAIRMAN: I have to remind members that we are still in an organizational meeting.
Anyone wishing to speak to the motion? Frank.

MR. BRUSEKER: I would speak against that motion. I put a motion before the committee last week that we adjourn debate upon dealing with the concept of out-of-session committee meetings and deal with that in summary as being proposed, along with eliminating a variety of other items on the agenda. To me it seems entirely inappropriate, and since we have a motion already on the floor that was being debated, it seems this motion should actually be ruled out of order.

MR. LUND: Well, if you heard me to start with, I made a suggestion that the chair do that, and then I was asked to make it a motion. I think Frank Bruseker is correct. There is a motion on the floor, and it would be out of order to accept this one at this point.

MADAM CHAIRMAN: That's correct.

Also, I had a request I was going to bring forward to the body. Our deputy chairman asked if we could table the motion that's before this body until he's present, and I said I'd bring that forward this morning. He's unable to be in attendance today because of constituency business in Peace River.

What's the wish of the body? We're at the adoption of the agenda, and it's been put forward as an item that we delete 5(a)(ii) and 6(b),(c),(d),(e), and (g). We've had two speakers to the motion, one for and one against. Is there any further discussion? If not, I'll call the question. All in favour of the motion with regard to amending the agenda? Against? It carries.

Please note that approval of the agenda has deleted 5(a)(ii) and 6(b),(c),(d),(e), and (g).

The procedure I'd now like to ask: is there agreement to table 5(a)(i) as an agenda item, or would you like to wait till we get to that point on the agenda?

MR. BRUSEKER: Since it was my motion, it seems that I should speak to it. I have no problem with tabling the motion until next week when the deputy chairman can be in attendance.

MADAM CHAIRMAN: Thank you. Is there agreement, then, that when we get to 5(a)(i), we will table it until the next Public Accounts meeting? Thank you.

Moving on then: approval of the minutes of the September 15, 1993, meeting. Are there any corrections? You should all have your *Hansard* and also the minutes as done by our secretary. I'm looking for a motion to accept them as circulated.

Jocelyn Burgener. Any discussion? If not, I'll call the question. All in favour? Against? It's carried unanimously.

It gives me great pleasure as chairman of Public Accounts once again to welcome and introduce Mr. Salmon, who is going to speak on the recommendations included in his Auditor General's report and any other business that he feels is appropriate at this organizational meeting. I'd also ask Mr. Salmon to please introduce the staff member that's with him this a.m.

MR. SALMON: Thank you Madam Chairman. I have with me today Merwan Saher, senior director of the office in charge of professional practice. He's here with me today to assist in anything that may come up in relationship to what we talk about today.

I appreciate very much the opportunity to say a few words at the beginning of the meeting. I have sat through organizational meetings before and recognize that there are matters that need to be attended to as the committee of the whole. I do appreciate the opportunity to take a few minutes and talk about some introductory remarks regarding recommendations I made in 1991-92 annual report.

Before I discuss the report, I think it may be useful for me to spend a few moments on my role in relation to the committee. Since becoming the Auditor General, I have attended almost all the meetings of the Public Accounts Committee. Generally at the beginning of each session, following the organizational meeting of the committee, I have been asked to introduce my annual report and answer questions from committee members. In the past I have also attended a further meeting to continue answering members' questions on the report. In subsequent meetings when ministers have appeared before the committee, as primary witness, I have been present to observe and assist the committee if necessary by providing information and sometimes answering questions.

The first eight recommendations included in my 1991-92 report were directed to the Executive Council, with recommendation 6 being related specifically to the Public Accounts Committee, which I would like to comment on briefly. For those familiar with the report, these particular comments are found on pages 13 to 15 of the report.

I believe that an effective Public Accounts Committee working with the Auditor General can serve as a deterrent to poor administration and an incentive to rectify problems. Based on my experience in working with Alberta's Public Accounts Committee and in reviewing the practices of other jurisdictions, I concluded that the Alberta committee could function more effectively if it encouraged a nonpartisan approach by limiting its size to a maximum of 11 members. The 1989 subcommittee of the

Canadian Council of Public Accounts Committees recommended that a committee should have a minimum of five members and a maximum of 11 on the basis that the committee should be an effective working group. As a matter of interest, Public Accounts Committees across Canada vary in size, five being the smallest, the majority being under 12, and the largest being Alberta with 21.

I believe that the Public Accounts Committee should focus its attention on the Auditor General's annual report and on the more significant departures from budget as shown in financial statements included in the public accounts. I believe that the committee should be concerned with ensuring that the policies and programs of government have been implemented in an effective, efficient, and economical manner.

The 1989 subcommittee of the Canadian Council Of Public Accounts Committees concluded that the committees should hold senior management accountable for their performance of the administrative duties and implementation activities which have been delegated to them. Senior management are primary witnesses in almost all Public Accounts Committees across Canada. Recommendation number 6 called for

deputy ministers and senior managers, who are primarily responsible for administration, rather than ministers, to be answerable to the committee. I used the word "answerable" deliberately. I believe that senior officials can and should explain their management activities, but they should remain accountable to their own minister.

Finally, in relation to functioning effectively, I believe that the committee should direct its agenda at the problems identified in the public accounts and in the Auditor General's report. I believe also that it should gain an understanding of what is financially significant through an examination of the consolidated financial statements of the province and also prepare a report at least annually to the Legislative Assembly containing its findings and recommendations.

The government's response to my recommendation on the Public Accounts Committee was communicated to this committee on May 10. The government agreed that the committee should set its agenda by reference to the public accounts and the Auditor General's report. They also agreed that the committee should prepare recommendations to the Legislative Assembly on how administration of government policy could be improved.

8:40

Although the government has not yet accepted the part of my recommendations that deputy ministers and senior managers be called as primary witnesses, the government seems to have indicated that deputy ministers and senior managers will be available to answer questions on their administrations. This appears to me to be a step in the right direction.

As you know, the Auditor General's report for 1991-92 was made public on February 17 of this year. It contained 45 significant recommendations, the first eight, as indicated earlier, being directed to the Executive Council. Having discussed number 6, I believe I would like to briefly discuss the other seven recommendations as well.

Collectively the first eight recommendations asked the government to define what it proposed to do and then account for its use of public funds. My belief is that timely information focused on results achieved and their cost is critical to members of the Assembly when setting future policy. Wherever possible, those public resources should deal with facts and not opinions on the effectiveness of programs. Information on the results of government programs and their costs is needed to make sensible decisions to deal with Alberta's annual deficit. The results achieved

need to be compared with what was intended. In other words, the actual results need to be compared with the budgeted results.

Since a consolidated budget was not prepared, my first recommendation was

that the government prepare annual consolidated budgets in order to communicate financial plans at the highest summary level and for subsequent comparison to the Province's consolidated financial statements.

This recommendation has been acted on. In 1993-94 the consolidated budget is the first step to a full consolidated budget showing the province's budgeted revenue and expenditure by sector. I concur with the Provincial Treasurer's assessment, however, that full implementation will take time.

My second recommendation was "that the government release the . . . Public Accounts by September 30." On September 8 the Provincial Treasurer released volume 1 of the public accounts, which is the province's 1992-93 consolidated financial statements. I understand that the balance of the public accounts will be available soon and before the end of September.

As far as I'm aware, Alberta's March 31, 1993, consolidated statements are among the most realistic and are the earliest to be released in Canada. I am pleased to state that a timely, realistic financial statement is available so the province can deal with the financial problems they have.

Recording the province's unfunded pension liabilities and other employee benefits for the first time was a major step forward, and recognizing that loans to school boards can be repaid only out of future appropriations and certain accounting estimates need to be more realistic is another significant step forward.

The third recommendation was

that the Public Accounts . . . include the financial statements of all Provincial agencies and Crown-controlled organizations, and their subsidiaries.

I can report that the Crown-controlled organizations have been included in the 1992-93 consolidated financial statements and that public accounts will include the financial statements of subsidiaries.

I also recommended

that all financial statements included in Public Accounts contain a comparison of actual and budgeted amounts of revenue, expenditure and cash flow.

My financial statements in the public accounts will include budget information, which is a good start in implementing this recommendation.

The fourth recommendation was

that the government prepare and make public a plan that will over time record all of the Province's assets and liabilities.

I recommended that the plan start by dealing with the province's unfunded pension liability and then deal with recording the unconsumed cost or value of specific types of capital assets.

The 1992-93 consolidated statements, which were recently released, include the pension obligations as a liability, and inclusion of this liability for the first time is a positive step toward recording all the province's assets and liabilities. The government has also agreed to develop a plan for recording such assets. I wish to point out that recording the capital assets is a complex subject and many issues will need to be resolved. The Institute of Chartered Accountants is currently studying the subject, and I think it would be sensible to consider the institute's guidance when formulating a plan to capitalize the province's assets. However, I expect it will take several years for this matter to be fully dealt with.

The government is also considering how to include the provincially owned universities, colleges, hospitals, and their subsidiaries

as part of a government entity in the consolidated financial statements of the province.

The fifth recommendation was that the government establish a system for promoting effectiveness measurement.

I believe that the province needs a system designed to support ministers' attempts to encourage effectiveness measurement within their departments and assist program managers in providing the Legislative Assembly at appropriate intervals with suitable information on program effectiveness.

I also believe that effectiveness measurement should be as simple as possible. Governments generally have a long tradition of developing overly complex systems which take years to develop. We need simple systems which provide genuine help to the decision-makers in the short to medium term.

Let me illustrate the point. In my office we have introduced measurement systems which are both simple and helpful. However, a number of my staff have not been supportive of the systems because they are not perfect. I feel it will take time before we can have effectiveness measurement systems that are perfect; yet at the same time we are getting good benefit from them as they are. The government accepted the recommendation and has even indicated a particular initiative. The initiative is to have business plans from departments and provincial agencies which would set up goals and program objectives and specific ways to measure results and performance. I intend to include more on the subject of effectiveness measurement and reporting in my next annual report.

Madam Chairman, I have commented on 6, so there will be no further comment on that one. However, recommendation 7 was that the Province consider using the expertise of the Public Service Commissioner to short-list suitably qualified candidates for appointments to the boards of all Provincial agencies and Crown-controlled organizations. The primary criterion for selection of candidates should be proven relevant expertise.

This recommendation also has been accepted by the government. Just recently I indicated to the government that my use of the word "all" in the context of the Public Service Commissioner to short-list suitable candidates "for appointments to the boards of all Provincial agencies and Crown-controlled organizations" should be taken to mean all significant agencies and organizations. I do believe an auditor should never be concerned with the insignificant or immaterial, and my use of the word "all" should be considered in that light.

In the eighth recommendation I call for the definition of Crown-controlled organizations to be widened to include a 50% interest in, or equal control of, an organization. This change would extend the application of my previous recommendations to any use of public funds in joint ventures.

This recommendation has also been accepted. The government intends to implement it through Bill 5, which was introduced in the Assembly on September 9.

I believe there are other matters in the report that could be dealt with in subsequent times when questions can be asked of myself or those with me, and I'd be pleased to answer any questions on those at a mutually agreeable time with the committee. I know today you have other matters to resolve, and I thank you for the opportunity to comment on those things today.

MADAM CHAIRMAN: Thank you, Mr. Salmon.

Is there a wish for any questions to be asked at this time? Ty.

MR. LUND: Yes. Good morning to the Auditor General. I'm interested in your comments about the number of people on the

Public Accounts Committee. I'm wondering: why do you feel that reducing the number would make the committee more efficient? We find this a very useful committee, and members do learn a lot. They have an opportunity to get into depth in the various ministries. It would seem to restrict the number. I can see more of a downside than an upside, and I would appreciate it if you would comment on that.

8:50

MR. SALMON: Madam Chairman, the reason for the smaller number is that then one can see a committee that can concentrate on matters pertaining to expenditures of government in various aspects in much more detail, in a much more open way, rather than the structured process of the committee. Many public accounts committees don't have the tight structure of this committee. Certainly the committee makes the decision. I'm only offering a suggestion. In examining the way the others operate, it's much less formal, not as tightly controlled, much more open to discussion and asking any questions. You have to remember too that those other committees have senior management and deputy ministers there; it's more of an informal discussion of what's gone on so they can explain how those expenditures occurred and what they've achieved with them and so forth. Now, it's the concept of making it a little easier to dig into the background of some of the expenditures, whereas with a broad committee a lot more people must comment and sometimes you can't get into too much detail.

MADAM CHAIRMAN: I'll allow you one supplementary, and then I'm going to move on.

MR. LUND: Thank you. I appreciate those comments. Of course, as you're well aware, the deputy ministers and senior officials do come to this committee, and we do have the opportunity to question them. Also, we have a committee that's being structured to look at the whole process, and part of that will be the workings of the Public Accounts Committee.

I also want to note that of those 45 recommendations you made, none of them were rejected by the government. A number of them require quite a bit of work, as a matter of fact, to get them up to speed.

I don't have a question. Thanks.

DR. PERCY: Mr. Auditor General, just a question as to what constitutes a significant Crown agency or a board. Is it in terms of number of employees? Is it in terms of expenditures? Is it some mix? Do you have a cutoff in mind?

MR. SALMON: No. Personally I haven't made the decision as to what's significant or not. I think as one examines those organizations that are significant in relationship to the expenditures, the kinds of operations they're involved in — then you have other kinds of boards that are not involved in heavy expenditures; it's more in the nature of developing things pertaining to policy matters and so forth. You don't really get into the heaviness there. You've got all the provincially-owned hospitals and so forth that are appointed by the government, and some of those are very large operations. I really felt that the significance of the thing needs to be developed by the policymakers. My understanding is that that is presently taking place. I haven't seen anything yet. I expect to see something possibly before it's fully decided in order to see whether we're concerned about some things they may leave out. But it really is a case of them deciding what they would like to put forward as being what goes through the Public Service

Commissioner and what doesn't. We really haven't made that cutoff. Our whole purpose in that recommendation stemmed back to the NovAtel situation. We felt very strongly that in making an appointment to any board where there are some significant matters taking place – and NovAtel was significant – someone on that board should have some expertise. That was really where we were coming from, rather than the list of what is or what isn't.

DR. PERCY: Just a final question on this issue. Do you have in mind any models used in other provinces that you think are appropriate for Alberta, something you would view as being a good mix we could draw upon?

MR. SALMON: I'm sorry. I don't know whether there are any good models out there.

MADAM CHAIRMAN: Jocelyn Burgener.

MRS. BURGNER: Thank you. I appreciate your candour. Good morning, and it's nice to meet you.

I have a sense that if we as a government are implementing the Auditor General's report, we will have much more extensive budgetary information in terms of estimates that we are all privy to and have an opportunity to review. In addition to that, our subcommittee of supply designates certain departments that we go through on line-by-line items, if that's the will of that particular subcommittee. I'll be real blunt. I don't know why we do this after the fact. I'm wondering: if we implement this and change our scrutiny of public dollars as we are dealing with them, what is the rationale for maintaining such scrutiny when it's one year later or two years later?

MR. SALMON: I'd love to comment on that one.

MRS. BURGNER: I'm willing to make a motion.

You know, I'm sitting here as an elected official responsibly reviewing financial information that is absolutely irrelevant today; the policies are and perhaps some of the implications are. I'm looking at the fact that when I go to the subcommittee of supply, I'm also doing the same thing on current issues. I really struggle with the document we looked at last week. So maybe you could clarify it. I mean, I understand that public scrutiny is required, but I'm wondering: if we go to the point of having quarterly statements and those kinds of things, why would we be needing to do this?

MR. SALMON: I believe the Public Accounts Committee is part of the accountability for the expenditures that take place within government, and I think the committee is part of that public scrutiny that should take place after the fact. I think the recommendation which has been accepted by the government – and I do appreciate the fact that the recommendations of the Auditor General have been accepted and things are moving along really well in relationship to them – the inclusion of the budget figures along with the financial statements of the various organizations included in public accounts today, when it's made public, will be a great opportunity for members of the Public Accounts Committee to question senior management and the ministers with respect to why expenditures are in excess of those budget figures. I think that's where this committee can benefit. Possibly after this year I might change my mind. Maybe we do need 21. I'm just saying that that opportunity to have those budget figures against the actuals, I think, will be a positive thing and will assist the committee in that public scrutiny and that accountability process

the committee is part of for the purpose of ensuring that where the money has been spent they've achieved what they set out to achieve. I believe when the effectiveness process gets more established, that in itself will also be helpful to the Public Accounts Committee, because you'll have some basis on which to measure and to ask questions as to what they were trying to do at the beginning and what they've achieved at the end. It will provide additional opportunities to show that accountability in the public venue.

MRS. BURGNER: My supplementary, then, refers to your comments about bringing school boards and Crown-controlled subsidiaries into the process in a more effective way. At the end of the day would we be able to bring in the school boards and ask them how and why? Is that ultimately what kind of scrutiny you're looking for?

MR. SALMON: Madam Chairman, I'm not talking about school boards and never have. There's another subject that's out there in the world right now about school boards. School boards are not part of the government entity itself. Grants are given to school boards, but the school boards are autonomous and separate from the government. I really was concerned with those entities that are a hundred percent owned by the government, such as the provincially owned hospitals and the provincially owned educational institutions and other institutions included in the public accounts.

MRS. BURGNER: I thought you had indicated that maybe it was in the asset side about this.

MR. SALMON: Well, there was an adjustment to the consolidated for about a billion dollars because of the financing through the AMFC, and that will be required to come out of the general revenue fund to assist the school boards to make those payments.

MRS. BURGNER: So it's just that portion of their budget.

MR. SALMON: That's right.

MRS. BURGNER: Okay. Thank you.

MADAM CHAIRMAN: Frank Bruseker.

MR. BRUSEKER: Thank you, Madam Chairman. Good morning, Mr. Salmon. Your comments earlier on about other public accounts committees across the nation intrigued me, following up on Mr. Lund's question about the size of committees. I'm wondering a little bit about the operation of some of those committees. In the past we in this committee have not been able to each year question each minister and their department officials. Do other public accounts committees go through the entire list of departments and ministers in their scrutiny?

9:00

MR. SALMON: There are public accounts committees in Canada that meet only within the session as well and therefore do not cover the full realm.

I think really it isn't a case of whether or not you cover everything. It's a case of whether or not you're covering that which is significant and of concern. I think identifying the budgets against the expenditures, as I indicated in my opening remarks – the Public Accounts Committee in setting your agenda should be able to get that which is most important to you in relationship to this public accountability you're doing so that

you're doing your work with those that are most important. You have to admit that there are certain departments and there are certain organizations that are really not as – they're important in what they're doing, but there's nothing in them that would really cause this committee to get too excited. Whereas others, maybe where the expenditures have gone way over or there are other matters that are of concern, could easily be established in your own agenda. I've got some comments on agendas, if you want them sometime, that would help you to zero in on those things that would be most significant, because you're limited in the number of times you meet. That's why I think it's important that order of things be established. So using the Auditor General's report and when you've seen the public accounts zeroing in on those concern areas where public discussion should take place would be, I think, most beneficial.

MR. BRUSEKER: Following up on that then, are you suggesting that in reviewing the public accounts it might be most effective if, for example – since you are probably the most intimately acquainted with everything that's in here – we set a priority list of departments and ministers that we should be examining in this committee? Or how should we, then, be setting the agenda in terms of whom we should be questioning in terms of ministers?

MR. SALMON: I'm going to go out on a limb if I comment right now on something, Madam Chairman. I get along pretty good with him, so I can make this comment. I would think this committee would benefit – and this committee will have to decide, but you've asked the Auditor General, and I'm here, so I can make this comment – if you had a meeting maybe before I discuss further the annual report or recommendations on the departments, the other 37 recommendations, if you're interested in that . . . Again it's old and they've said that they would correct them and so forth. It might not be as important, and you may decide that's not important. You could benefit, I think, by having a meeting as early as possible, as soon as your organizational meetings are over, with Treasury officials where they come to this meeting.

Years ago I remember when they used to come, but they haven't come for a long time. If they would come – and even if you invite the Provincial Treasurer as well or just his officials, just like we're here – to review with you volumes 1, 2, and 3 of public accounts as to how it comes together, discuss the accounting recommendations, the accounting changes, the accounting estimates and guide you through it. Things are much different this year. It's going to look very different when you see it. I think they could help you get an understanding, particularly with so many new people, of how the public accounts all come together and then make your decision as to what you want to zero in on. I just think Treasury has a responsibility to explain that. It's their accounts. I give the opinion on them, but they're certainly put together by Treasury. I think the committee would benefit if they came and actually explained to you in a meeting such as this how the public accounts all come together. Now, I haven't talked to them, so they might be really kind of annoyed with me for suggesting that, but I think it's not a bad idea.

MRS. ABDURAHMAN: Barry McFarland.

MR. McFARLAND: Thank you, Madam Chairman. Good morning, Mr. Salmon. I have a question dealing with recommendation 7. Although the government accepted the recommendation, I would like to question when you mentioned a public commissioner shortlisting qualified candidates. I have no problem with it

at all. I think everyone's idea is that you want to get the most qualified person, but why shortlist through a single body, a single person?

MR. SALMON: Well, my only comment there would be that if you don't have a shortlist, you sometimes run into the fact that you've only got one person to choose from and that person says no. I think any time you are getting a person on a board, there are sometimes extenuating circumstances that don't permit them to accept the position, and you need several people that could fit into the role that you're looking for in order that a choice can be made. That's really why you have more than one. Also, I don't think it's the Public Service Commission that's deciding. I think it's a case that they are trying to find out who is suitable, and that decision can be taken by those that make that final decision. That's really what I'm saying.

MR. McFARLAND: I always compare with what I'm more familiar with, and that was 15 years of county experience, where you dealt with hospital boards and served on them or school boards or ag service boards or whatever the case may be. A lot of time at local government level you got suggestions from the public as to who might be suitable candidates to sit on the various committees. In that public person's eye the name that they submitted was a very qualified person in their mind. The county council would sit and look at three or five or 10 different names that would be put forward and make an adjudication based on their best knowledge.

MR. SALMON: Sure. Yeah.

MR. McFARLAND: The question that I had. It's all rather irrelevant when you say "significant," because contrary to what's coming out in the House the last couple of days, the public should be aware that not all hospital boards are appointed. Many, many are served by elected people or people appointed by an elected body, such as ourselves.

Again using personal experience, the hospital board that I served on for 11 years was made up of five board members, three of whom were elected by individual municipalities and two who were appointed . . .

MADAM CHAIRMAN: I don't want to cut you off, Barry, but we're talking provincially, and I'd like you to get to the question, if you don't mind, please.

MR. McFARLAND: Okay. What I am trying to determine is: what is the matter with names coming to government for board appointments and being adjudicated by the government rather than one person who isn't going to be the most popular cat in the house, depending on where you perceive his allegiance to lie?

MR. SALMON: Oh, I got lost on that one. Sorry. Just another comment – and I'm not sure I'm going to answer your question because I didn't quite get where you were heading on the last part. The Public Service Commissioner is only named there because of the expertise within his own shop to determine who would have qualifications, whatever they might be, and find individuals who have that type of qualification. In a hospital board you wouldn't want everybody with the same background. There is a need to have some expertise, if we're talking about hospitals or if we're talking about something else, in the area in which that particular organization is operating so that you're not totally in the dark and making decisions without really having some expertise background

in the area in which you're in. So you can certainly have a variety of people on boards, and I think the Public Service Commissioner just shows that separation of the . . .

For instance - excuse me for using this - when I was appointed Auditor General, I had to apply for the job, and that was a Canadawide competition. Now, I think on the basis of a Canadawide competition and the hours I went through before I got this job - not that I really wanted it when I first started up, but I ended up with the job - they were looking for someone who was qualified to do the job. I think that if you don't seek out and find several people that match up and then finally go through those final things for that decision . . . The Public Service Commissioner was involved in that original competition, and the selection committee of the Standing Committee on Legislative Offices made the final decision because they did the final interviews. That's the kind of thing we were talking about. If we'd had someone on the NovAtel board who had even greater expertise than was there and then that information had flowed up, those decisions may have been made a lot earlier than they were and probably saved us some money. That's really where I'm coming from.

9:10

MADAM CHAIRMAN: Thank you.
Alice Hanson.

MS HANSON: Good morning, Mr. Auditor General. These are comments rather than questions, and it's to do with the usefulness and the size of this committee. It's been my experience over many years that large committees simply never get anything done. There are lots of practical reasons for that. One of them is the size; it's very difficult to set agendas. A lot of people have to miss, and then they come next time and they're not up to speed. It just seems to me, I would agree very strongly, that this committee should be no more than 11 people.

The other question about why are we doing this when it's after the fact. Well, it seems to me that budgets and the way we spend our money - it's crucial that we look at how it's actually been spent while we're looking at estimates as well as looking at the results, the measurements of a program, because during the year that you're looking at the estimates, all you're looking at is the future. You need to know how that turned out and then to see how the decisions based on that information - why is the budget going the way it is this year? I mean, it just makes perfect sense to me.

MADAM CHAIRMAN: Any direct questions?

MS HANSON: No; it was just a comment.

MADAM CHAIRMAN: Moe's having coffee or looking after everyone. So if there's no objection, I'd like now to move to . . . You're here?

MR. MAGNUS: Alice, you were supposed to ask a question or something.

MADAM CHAIRMAN: I was going to acknowledge you next if you weren't back.

MR. MAGNUS: Mr. Salmon, good morning. Can you tell me out of the original eight recommendations which ones have been implemented now? Because some of them certainly appear to have been.

MR. SALMON: All of them have had some action on them, and it's just a case of time before they would all be pretty well handled. The first recommendation, Madam Chairman, is on the consolidated budget and, of course, we know that has commenced to take place. There are other aspects of that budget that have to be worked through, but certainly it is a positive step, as all of them have been. I think that come the time when our annual report for this particular year is finalized, we will have a full update as to the position we're in with respect to the recommendations, and that will help the committee in another year be more clear as to our feeling about how the implementation has taken place.

MADAM CHAIRMAN: Seeing I gave you a new name, Richard, I now acknowledge you as Richard.

MR. MAGNUS: Well, we can blame Moe. It wasn't that good a question.

Appreciating that we're on the organizational portion of this question, can I just ask a question that's in this report that's been driving me nuts for a long time? In '86 we had a flood here, and the feds owed us \$17.1 million. We've got some of that money back from them. Why does it take eight years to get money back from the federal government for natural disasters?

MR. SALMON: Madam Chairman, that kind of question is an interesting one. We've had that situation in other areas too, and I think it's painful sometimes, the slowness of what takes place.

MR. MAGNUS: We could be out of Confederation before we get that money or something, who knows? It's just amazing to me that it takes eight and nine years. Maybe you could do some recommendations for them.

MR. SALMON: Clean up all the red tape.

MADAM CHAIRMAN: Let's implement ours first.

Ty, would you defer to Harry? Then I'll come back to you.

MR. SOHAL: I simply want to know how effective this committee has been in the past. What are the accomplishments of this committee?

MR. SALMON: That's a good question.

MR. SOHAL: Thank you.

MADAM CHAIRMAN: As chairman, I'd recommend you read the past minutes and then become informed how effective the Public Accounts Committee is.

Ed.

MR. STELMACH: The question was to the auditor, not to the chairman.

MADAM CHAIRMAN: Well, Mr. Salmon, would you like to answer it?

MR. SALMON: I think in my opening remarks I explained how it has operated. In the seven-some years I've been here, I believe I've seen some good discussion and I've seen some not so good. I think the opportunity is there. Even with the committee the size it is, zeroing in on the agenda part and picking up those things that will be of most worth in having a discussion at the committee

level would be the best way this committee can operate effectively.

MADAM CHAIRMAN: Mr. Stelmach, I believe you missed the opening comments of the Auditor General. I think they're very relevant to our ongoing operation.

Any supplementary?

MR. STELMACH: I was here since 8:30. I heard them.

MADAM CHAIRMAN: Oh, were you? I apologize.

MR. STELMACH: I do have a number of questions. Is it my turn?

MADAM CHAIRMAN: Yes. Yes, it was.

MR. STELMACH: My name is Ed Stelmach, Vegreville-Viking. I'm really glad that we're able to meet this morning.

You talked about the structure of public accounts. You mentioned that some aren't as structured. If I may just give you my impression of what you meant: some of these committees, then, are smaller in size, more open-minded, and are not there to score political points; they're there to make decisions on what's best for that jurisdiction and what's best for the future.

MR. SALMON: Uh huh. Nonpartisan basically. To ask some questions about what's happened and get into the history of that.

MR. STELMACH: How do they get to that point? Setting everything aside, I'm really interested in that. If we're to come to this Legislature and say that we're all so concerned about the future of Alberta and the deficit reduction and stuff, how do we as the Public Accounts Committee get to the point that some of the smaller public accounts committees across Canada have obviously achieved, based on your observation?

MR. SALMON: I believe it comes back to the agenda and that list of individuals or organizations which you spend your time examining. I believe the very fact that this year we've got a consolidated budget – I think there are some comparisons there that haven't been there in the past that this committee could zero in on. I also believe the committee benefits if they fully understand how the public accounts have been put together. I do believe it is not an easy set of volumes of accounts to all of a sudden put in front of you and comprehend how it's all come together so that the questions that are asked are relevant and significant to the overall situation. I think that really is a case of having a good understanding of how government operates financially and how those accounts come together and where it would be important to ask questions. I'm not in a position where I'd tell you what to ask. I think the committee has to make that decision, but I think the understanding of that would help.

MADAM CHAIRMAN: I would like to come back, if you don't mind, Mr. Stelmach, so that everybody has an equal opportunity. Frank Bruseker.

MR. BRUSEKER: Thank you, Madam Chairman. Mr. Salmon, I'm curious about your recommendation 5, effectiveness reporting. I believe there's more to effectiveness than simply spending as much as what you predicted you were going to spend, as opposed to either a shortfall or an overexpenditure. I wonder if you might comment a little more, in particular, on program effectiveness.

How would you suggest we or government, however you want to put it, effectively measure whether a program was worth while?

MR. SALMON: Program effectiveness has been kicked around for some years now. There certainly are some ways out there which some people feel is an effective way to measure. In making this recommendation, I was not in any way trying to establish evaluators and expensive processes whereby the government needs to spend a lot of money, but I do feel very strongly on this, that management themselves need to measure themselves. It should come through management rather than through the auditor. I really am not convinced that the Auditor is the one that should be out there hammering the people as to whether or not they're effective. I think it's really a case of determining what you're trying to achieve with these dollars in this particular year and in simple form setting those measurement criteria to a point where you could effectively determine, by setting those goals, whether or not you've achieved something a year from now.

9:20

Now, the achievement is not that you've spent the money; the achievement is whether or not you can measure those outputs that you've achieved by spending that money. I think starting with the costing of outputs is the first thing and going from there into maybe a little bit more complicated things if necessary. I really think that if management sets out what they want to achieve and then goes about doing it and then reporting back that that's what they've done, it is a simple yet very positive way in which the public especially would know that there is some concern about the spending of the dollars. Now, if you end up not achieving that, there has to be a reason, and possibly that would be an indication of whether or not there was value in that particular organization. I think it will come both ways. There'll be some things that'll be great, others that are poor, and then decisions can be made whether to continue. Certainly it would identify it very quickly, and management would be more concerned themselves as to what they're trying to do as well.

For many, many years governments – and I mean not this government but governments generally – have just had money, and they've spent the money, and there's been no process for measurement. The complicated systems have been very costly. I don't think that the federal government has been one that has hired evaluators over the years and has done an awful lot of spending of dollars to try to measure. But I really think it comes back to management simply looking at that and saying, "Here's where we're going to go and here's what we're going to achieve," and at the end of the year accounting for what they've done. That's really where I'm heading.

MR. BRUSEKER: Just a supplemental then. That was dealing with the program side. What about the personnel? Are you recommending that some kind of process be established to look at the effectiveness of both the number and qualifications of personnel that are delivering the programs?

MR. SALMON: Certainly in any type of measurement, even in a simplistic sense, someone is going to make a judgment as to whether or not the people involved in it are adequately conducting the affairs, and if management is doing it, you can't help but consider who it is that you have working in those areas and make the changes as needed.

MR. BRUSEKER: Regular review.

MR. SALMON: You bet. That is very essential.

MR. LUND: Following right along on this line, I really appreciate what you have said relative to planning in the future and then measuring. Madam Chairman, I wholeheartedly agree, and I believe that the three-year business plans that the government has now required all departments to do will certainly go a long way to accomplishing that very thing.

I also really appreciate your comments about not having people out there checking to see whether a program is working. I can give you an example on my own farm where the government spent probably \$500 or \$600 auditing one program only to find that they owed me some money. I just shudder when I see those kinds of things happening.

I guess I'm going to ask you for an opinion, and you can decide whether you want to answer it or not. There are a couple of things happening under Ralph Klein's leadership: number one, standing policy committees. They are looking in depth at budgets, something that hasn't been done before. They're looking at programs. Also, more recently subcommittees were set up to look at budgets, a four-hour process. They look in depth at the programs; they look at how the money is being spent.

Now, I appreciate Jocelyn Burgener's comments about after the fact, and I think this is important, that we look after the fact as well, but I believe it's more important that we look to see what we're doing in the future. I'm wondering if you feel that those things that we are doing – the business plans, what the standing policy committee is doing, and these more recent subcommittees – don't go a long way to accomplish what you're talking about in recommendation 5.

MR. SALMON: Madam Chairman, I believe it's all part and parcel of it. I think these are all steps towards what we were looking for in relationship to measuring the effectiveness of what's happening. I think the business plans are a good step. I think there are other things that are also going to take place. As you know from the budget documents, there was some indication there that there would be some consultation with the Auditor General, and we are planning very shortly to meet with Treasury officials to discuss it further. The only reason I'm involved is not to establish the policy but for them to feel comfortable that we're not going to come back a little later and say, "Hey, you know, we think you're off base." We're just sort of there to advise and to kind of help understand the whole situation. So, yes, I think these are all positive things that are taking place.

MR. LUND: Madam Chairman, I'm not sure where we're at in the agenda. Was it your intent to deal with all of these recommendations at this point, or were we coming back to them?

MADAM CHAIRMAN: I was purely dealing with item 4 right now and giving all members full opportunity to ask questions and make comments to Mr. Salmon. That's the process we're still on, Ty.

I have Barry, then Ed, and Sine.
You had a supplementary?

MR. LUND: No, it's a different question.

MADAM CHAIRMAN: Okay.
Barry.

MR. McFARLAND: Thank you, Madam Chairman. I imagine the Auditor General is going to feel as though this is question

period. I guess I have a half comment/half question, and it's coming back to a previous one, Mr. Salmon. Calgary-Currie and Rocky Mountain House talked about the thing that bothers me to some degree, and that's living in the past. You've made some really good recommendations, and to the government's credit I think they've accepted all of them. I think that has to be positive and forward thinking, and that's doing what's right.

But if you are improving on something, why go back to something that in your mind had to be improved on and question it? I hate to be blunt, but to me it ends up being a witch-hunt. If we have variation reports or quarterly reports or whatever you want to call them in the future and we implement the recommendations that you've made, then that has to be a proactive thing, I guess you'd refer to it, a proper thing to do. If you try to compare what you've recommended us to do to make things better, what's the point of going back to something that you felt wasn't done sufficiently or efficiently or whatever to review something that has to be changed?

MR. SALMON: Are you talking about the committee, or are you talking about me? I'm not sure.

MR. McFARLAND: No. I'm referring to us in light of your recommendations that you've made to government, and government has undertaken to improve the situation or act on your recommendations. What is the point of going back?

MR. SALMON: Okay. Madam Chairman, just to possibly answer it this way. Any recommendation that's numbered that the Auditor General makes in his annual report: in my view in order to fulfill my mandate, I must comment on that recommendation the next year in the light of what's happened. In other words, if it's been fully implemented and operating well, then I can say so and we can move on to new things. If it hasn't been fully implemented and there are some problems with that recommendation in relationship to what is occurring and it's still relevant in the light of another year gone by, I would comment on it in a different way possibly and identify where the problems are.

Now, I believe that similarly this committee, in using the agenda of the public accounts, which is past, the Auditor General's report, which is past, and discussing in an open forum here matters that they are concerned with – where budgets have been overexpended beyond what they were established at, where maybe something else has gone haywire throughout the year – to ensure that you understand what caused the problem . . . I think identifying in a public forum like this whether or not the money has been properly spent, asking about some measurement criteria which the minister or the senior officials could explain to you is worthwhile to indicate that the past has been properly handled. I don't think that the committee is here to necessarily criticize what's happened. I think you're there to ensure that what was intended to happen – you add credibility to what the Auditor General has done, you add credibility to the reporting that's taking place in Public Accounts by having that public scrutiny. I believe that your establishment of the agenda in that light is really what your role is.

Now, that's really where I'm coming from. Of course that affects the future. I think that the people involved in the budgets have to understand what's happened in the past in order to help establish the current budgets as well. It's all a combination, I think, of this whole thing.

9:30

MR. McFARLAND: I guess what you're referring to is the nonpartisan part again.

If I can be straightforward, if I make a mistake in my farming operation, lose an engine in a tractor, I can blame myself for poor maintenance, or I can blame it on age, or I can blame it on anything. The fact of the matter is that I lost an engine, or it hailed and I lost a crop. But I can't go on the rest of my life looking over my shoulder at what I could have done to improve the situation. Is that what I'm hearing from you, that you've got to forget?

MR. SALMON: Well, let me ask the question: why did you lose the engine?

MR. McFARLAND: That's what I just said. I could have . . .

MR. SALMON: You know you lost the engine, but why did you lose it?

MR. McFARLAND: Either one of two things: it became so old that it just wore out, or I didn't properly maintain it.

MR. SALMON: Right.

MR. McFARLAND: I admit that. So hopefully I learned from it and either, one, improve my maintenance operations or, two, make enough money to trade it off sooner so it doesn't wear out on me; right?

MR. SALMON: Right. Okay; so I think the same thing applies here.

MR. McFARLAND: But I don't want to dwell on this thing forever.

MR. SALMON: No, absolutely not. I agree with you.

MADAM CHAIRMAN: I have three more names. Once they have asked their questions to Mr. Salmon, we'll move on to the next agenda item so that we can do some calendaring for future meetings. Is there agreement?

Sine Chadi.

MR. CHADI: Thank you, Madam Chairman. I apologize for being late this morning. In my haste to look after and scrutinize the public's purse, I ultimately ended up spending my own money: I got into a car accident. I hope you'll forgive me for being late.

Good morning, Mr. Salmon. Is there any indication – and you may have remarked about this earlier, in my absence – as to when the 1992-93 public accounts will be out? I know that September 30 was a date that was passed around. Are we on track, or are we going to expect to be late?

MR. SALMON: They're on track.

MR. CHADI: So September 30?

MR. SALMON: I think so, or before.

MR. CHADI: Thank you. Did you give an indication earlier, or is it safe for me to ask this question: would we have the opportunity to have you here when we need you to scrutinize with us, perhaps, or question you on the '92-93? Or are we going to have to wait a year? Is this an annual thing that you come to see us about?

MR. SALMON: In my opening remarks, Madam Chairman, I indicated that I came to all meetings. I think it's a case of deciding what you want to do in the next meeting or so. I had suggested that possibly Treasury spend some time explaining public accounts to the committee in order to help you identify your agenda. That of course is a committee decision.

MR. CHADI: Thank you.

Now I've got a question with respect to the consolidated financial statements. In reviewing some of those – and I'm sorry I don't have a copy in front of me – there were valuations that were placed on the corporations' loans and loan guarantees.

MADAM CHAIRMAN: I'm sorry; I'm going to rule you out of order. We're here for an organizational meeting and more of an educational process. We're not getting into detail this morning. I think that would be unfair to Mr. Salmon. He didn't come prepared to do that. So if you've got something that's more in line with organizational, I will allow you another question.

MR. CHADI: No. He's answered my questions. Thank you.

MADAM CHAIRMAN: Okay.
Ed.

MR. STELMACH: Mr. Salmon, on recommendation 7, "using the expertise of the Public Service Commissioner," what in your opinion was the problem in those corporations, the boards that you have cited? Was it a problem with the role of the board, or was it the people that sat on it? I know that there are a lot of people here that are members of the Public Accounts Committee that have been appointed to or were members of various boards. Those boards that did get into trouble in the past, the board members got mixed up between their role, either administration or a straight policy direction, and I'm more concerned about the orientation.

I'd just like to make a comment on the expertise. Sometimes when we appoint to agencies people that consider themselves to be experts, they tend to get more involved in administration, and then you lose the accountability because there isn't that one person that comes to that board with these recommendations. You may want to make a comment on that, Mr. Salmon.

MR. SALMON: Yes. Madam Chairman, I believe I understand where the member is coming from. Certainly one has to recognize that in an appointment to a board that board member needs to understand what his responsibility is and not step over the bounds and strive to do other things that are not in keeping with his or her responsibility. I think we're coming from the point of view that the Public Service Commissioner could help the government in identifying individuals who could have the expertise on a particular type of board and ensuring that there was some balance. I'm sure there has to be balance in appointments to boards. For instance, you really wouldn't want to have a board of all a bunch of chartered accountants, because they'd be so narrow in their view, as I am. I mean, I'm a chartered accountant, but I would hope that there would be other management and business people around to offset the views of everybody. At the same time, if you were in a housing corporation or if you're somewhere else, you'd want someone with some background, or in educational institutions someone with some background that would help to maintain a balance and the mix of skills that should be there.

MR. STELMACH: Thank you.

MADAM CHAIRMAN: Anything further, Ed? No.
Danny.

MR. DALLA-LONGA: Thank you. Mr. Salmon, my questions are related to recommendations 3 and 5. My first question arises as a result of some questions that I had during the debate on interim supply and has to do with our new quarterly reporting system and our current budgeting system. What is the ability of the government as it relates to quarterly reports to accurately do cutoffs and the proper adjustments for those quarterly reports and thus come out with accurate quarterly reports such that at year-end we don't have major variations on what we were seeing during the year? What's your involvement with those adjustments and with the quarterly reports and the budgets?

MR. SALMON: Madam Chairman, I must say that I'm not involved with the quarterly reports. They are unaudited. If there's any weakness at all, it would be within the systems, to come up with what those proper accruals were, to come up with reasonable quarterly financial statements. I do believe that every effort is being made to establish a basis on which they can feel comfortable with them. It certainly is something that hasn't been done for a number of years. Also, with our emphasis on the consolidated financial statements this year it has been a learning curve for Treasury to come up with the quarterlies in the current year. Certainly our indication from our own involvement with them – and our own staff that's there doing the work within Treasury understands that they're making great effort to come up with as reasonable and comparable figures as possible. We do have to recognize, though, that we will not be auditing them on a quarterly basis because of the time factors and so forth but certainly would hope that they would be reasonable in relationship to the overall so that come the end of the year we're really not too far off base when the audited financial statements come out.

9:40

MR. DALLA-LONGA: That would be nice, yes.
My question is also directed to budgets as well. You have no involvement with the budget?

MR. SALMON: No. That's policy.

MR. DALLA-LONGA: Okay.

MADAM CHAIRMAN: Anything further, Danny?

MR. DALLA-LONGA: Yeah, I have a second question. As I go through the estimates and the accounts, occasionally I would like to have seen some more breakdown in some of these particularly large accounts, you know, account descriptions that seem to be relatively generic in their description. How much input do you have in the amount of detail that goes into the public accounts reporting?

MR. SALMON: Oh, when you are able to see volume 2 and volume 3, I believe it'll give you an indication of the bigger picture. I think the consolidated, of course, are confined to pulling them into that one financial statement, and, yes, there's not a lot of detail within them themselves, but you'll have a lot more detail in the other two volumes this year.

MR. DALLA-LONGA: Than in previous years.

MR. SALMON: Than in previous years, because they are now including all of it: Crown-controlled organizations and the subsidiary organizations as well.

MR. DALLA-LONGA: I was talking more about the breakdown.

MR. SALMON: If there's additional breakdown that you feel is important, we certainly have discussions with them about that. We feel adequate in what is there now to give the opinion that we give, but if the committee member would like more detail, that can be sought from Treasury or at least considered for another year, if they choose not to give you the detail at a specific request.

MR. DALLA-LONGA: Thank you.

MADAM CHAIRMAN: Thank you, Mr. Salmon.

I'd like now to move on in the agenda. We've just over 15 minutes to deal with some items. There has been agreement with regards to 5(a) to be tabled to our next meeting.

The next item of business is 6(a), date and time of committee meetings. Do you want to bring any information forward with regards to that at this time, Corinne? What's the wish? We have historically been meeting at 8:30 till 10 a.m. every Wednesday when the House is in session. Could I have some direction?

Ty, and then Debby.

MR. LUND: I move that we continue with that time slot.

MADAM CHAIRMAN: Are you so moving?

MR. LUND: Yes.

MADAM CHAIRMAN: Do you wish to speak to your motion?

MR. LUND: No. I'd be interested in hearing comments from other members.

MADAM CHAIRMAN: Okay.
Debby, and then Jocelyn.

MS CARLSON: Well, I would have to speak against that. Having spent many, many years in reviewing accounts for the public in my practice, I don't believe that in an hour and a half once a week we can get into any kind of depth in reviewing these accounts or get into the kind of detail with the senior officials that we would wish to call. I would think that we'll be sorely pressed to cover the information required in a full morning session, and I would like to see the time extended.

MRS. BURGNER: I'd just like to make two comments in favour of the motion. One is drawn on the comments that the Auditor General has made this morning in that, you know, we have an opportunity to focus on key issues and deal with them and make meaningful recommendations. I personally believe what we have to do is be more productive with the time we have and take that suggestion that we have some sense of focus rather than just starting at page 1 and going to page 5000 or whatever.

The other comment is that at this point a number of us have scheduled around this commitment, and I would be hard pressed to find extra hours or extra days. I am committed to being prepared, and I take this opportunity to thank you, Madam Chairman, for having the material here. I may make a suggestion: what I do is leave it here in the House at my desk, and then when some of our less meaningful debates occur, it gives me a chance

to keep working at it. My point being that I have made a commitment to be prepared for these meetings and I've structured my schedule to having the material here so I can work with it, I don't believe that now, with the other commitments that have been allocated to me, at this point I have a chance to revisit my schedule. For that reason, I believe we should just work with what we have, and I support the motion.

MR. BRUSEKER: Madam Chairman, in the past we in fact did meet from 8:30 till 10 Wednesday mornings. In part that was driven by the fact that the Private Bills Committee followed hard on our heels in this Chamber at 10 a.m. Is it correct that that time has been changed and we don't have that pressure any longer?

MADAM CHAIRMAN: Yes. Dr. Taylor and I know Corinne are aware of that, and certainly she made me aware.

DR. L. TAYLOR: They're on Tuesday mornings.

MR. BRUSEKER: Well, in that regard, then, I guess I would like to speak against the motion too. I think just based on my experience in the past that after an hour and a half, the chairman at the time had many people that wanted to ask questions still on the list of questioners. Just as our evenings sessions have no fixed set ending time, perhaps we can leave it more open ended. I respect the comments from the Member for Calgary-Currie, I think it is, with respect to scheduling. We all indeed are busy, but this is a standing committee of the Legislature, and this also should be a commitment that we are prepared to make. So I would like to see a longer time than an hour and a half as well.

MR. DALLA-LONGA: Well, not being a morning person I would like to see if there's any appetite for, say, an afternoon meeting. I'm gauging from all the commitments made here that there probably isn't. If there is any appetite for a meeting in the afternoon, I would certainly like to look at it.

MADAM CHAIRMAN: I'd like to keep the debate to the motion that's before us.

Sine, then Barry.

MR. CHADI: Madam Chairman, after hearing some of the comments that are being made with respect to time, perhaps if it's at all possible, maybe Ty would consider changing his motion slightly to be something to this effect: we play it by ear, whereby say we go from 8:30 until 11, and if we so decide that we don't need that time, let's change it then, if we're all in agreement to something like that.

MR. McFARLAND: Madam Chairman, I'd just reiterate some of the comments that have been made before. As much as I would like to, I can't find another hour or another day in the present work week. I'm sorry. If you want to meet after 10 o'clock at night, if we're finished by 10 o'clock at night, maybe you can squeeze us for another hour, but I don't know too many that are going to enjoy that either. I have very little time. I know that some of the standing policy committees are being inundated with public presentation requests, and we're trying to schedule special meetings. Even that 10 to 11 o'clock time is rather precious if we're trying to meet some of the groups that are wanting to come and meet with us. As much as I want to, Madam Chairman, I think we've got to make the best use out of the hour and a half we've got.

MADAM CHAIRMAN: I'll rule that we allow one more speaker, and then we'll call the question. Richard.

MR. MAGNUS: Well, I feel much the same as Barry. My time, frankly, is taken up from early in the morning till late at night while we're in session. We're not talking about doing anything out of session, at least not in this conversation. I'm scheduled. To play it by ear, I'm real sorry. You know, I don't know what Sine is doing through his day, but my day is filled. I simply can't play it by ear.

MRS. FRITZ: I just have a question of clarification based on what was said.

MADAM CHAIRMAN: Okay.

MRS. FRITZ: I know you've ruled that I can't ask a question.

MADAM CHAIRMAN: I didn't rule that you couldn't ask a question.

MRS. FRITZ: I thought it was one more speaker.

MADAM CHAIRMAN: I'm allowing you to ask a question.

MRS. FRITZ: Thank you. A question of clarification. I understood that the Liberal caucus was at 10 o'clock based on what you'd said. Can we meet until 11?

MR. CHADI: That's not a problem.

9:50

MADAM CHAIRMAN: If it's the wish of this body.

MRS. FRITZ: I'm sorry. I understood that . . .

MR. CHADI: It wouldn't bother me. We do have a caucus meeting which starts at 10; you're absolutely correct.

MRS. FRITZ: Which is why I understood that we were meeting from 8:30 till 10 and why we changed the private Bills. Is that not so?

MADAM CHAIRMAN: I have not that understanding as chairman. I'd like to make the point that I'd like us to keep to the motion. If someone wished to move an amendment, we could address an amendment, but no one has done that at this point in time, so I would rule that . . .

MR. CHADI: Didn't I move an amendment?

MADAM CHAIRMAN: No, you certainly did not, Sine.

MR. CHADI: Well, I move to amend that motion in this fashion: we would accept 8:30 until 11 o'clock and go along with it until such time as we feel that it's not necessary. At that point in time we may want to consider moving it back. If we find it necessary, then we should all be here for this important function.

MADAM CHAIRMAN: Your amendment would be changing the hour of 10 a.m. to 11 a.m.?

MR. CHADI: That's correct.

MADAM CHAIRMAN: Okay. Anyone wishing to speak to the amendment? Ty, then Barry, then Jocelyn.

MR. LUND: Thank you, Madam Chairman. I'm not sure what all the recorder has got there as the amendment; however, the principle of the amendment I think was to extend it to 11 if necessary. Well, my timetable is very structured, and I just simply cannot find an hour maybe. We've got a constituency that we have to look after as well. I can appreciate that if you're living in Edmonton and you can go home between 5:30 and 8 and don't have to be in the House in the evening and all of those kinds of things, you can juggle your schedule so you can find that extra hour. I just could not support the amendment and ever try to handle everything that we've got on our plate.

MR. McFARLAND: Whether you want me here or not, Madam Chairman, I know that if we went to 11 o'clock on the 29th, which is next Wednesday, and on the 3rd, which is the next Wednesday, I've already got a meeting scheduled. I'd look rather foolish phoning up people that are coming 200 miles to tell them: I'm sorry, but we might have to meet an extra hour next Wednesday and the Wednesday after, so you'll have to reschedule yourself. As much as I'd like to, I can't.

MRS. BURGNER: A further comment on that. You know, I appreciate the suggestion that we need more time. It's the ad hoc nature of whether we need it or not. We'll end up debating every afternoon or every morning whether or not we need it. So I can't support the motion.

MADAM CHAIRMAN: Okay.

Sine, would you like to close debate on the amendment, please.

MR. CHADI: Well, I just feel that we could all co-operate in the spirit of this whole committee functioning to the best of its ability. If we require the time, we should implement it in there. If you can't make it, slip out, leave. If we need the time, it's there. I mean, if we don't need the time, then I think that at that point in time somebody would move that we change the meeting hour. Let's find out first of all. Everyone of us for the most part, I think, with the exception of two in this room are new to this process. Why are we arguing over this thing? Deal with it. If we don't need the time, put another motion on the floor.

SOME HON. MEMBERS: Question.

MADAM CHAIRMAN: Question has been called. All in favour of the amendment? Against? The amendment's been lost.

Ty, would you like to close debate on the motion.

MR. LUND: Just very briefly. I think that the Auditor General this morning has made some very good comments and some that we should take heed to. Certainly if we structure our agenda so that we get to the real meaty matters, I think we can accomplish a great deal without going into extended time. For that reason, I would urge members to support 8:30 to 10 o'clock on Wednesday mornings.

MADAM CHAIRMAN: Question has been called. All in favour? Against? It's been carried.

As chairman I have a concern with two items on the agenda that are crucial to our ongoing functioning, and that's (h) and (i). The

next agenda item is 6(f). We've got five minutes left to deal with it, so Number and Order of Questions by Members.

MR. BRUSEKER: Madam Chairman, I'll make a motion – and this follows on what we've done in the past – that the number of questions be similar to what we're doing in question period, that being one primary, our initial question, and two supplemental questions. The order of questions in the past – this isn't part of the motion – was just a list kept by the chairperson.

MADAM CHAIRMAN: Anyone wishing to speak to the motion? Richard.

MR. MAGNUS: When you say the same, are we talking no preamble on the supps, et cetera, et cetera, et cetera? Are we going to be that formal?

MR. BRUSEKER: No. In the past it's been much looser on that. It hasn't been paragraphs, but if you have to make a statement or two or three to get into your second question, then by all means.

MRS. BURGNER: I can speak in favour of the motion. I think that it gives us a reason to be concise if we have a sense of what we're trying to accomplish and the questions that are pertinent. I think that it focuses us a little better and moves the process along, and I appreciate the need for some elaboration on the sort of preambles to the prequestions to the process.

I also think, then, that it's incumbent upon us that if an idea develops because of an appropriate answer that comes through, we may be revisited so we're not limited. I guess the sense is: does only one person ask once, or is the debate allowed to be exchanged; you know, you ask one and then 10 minutes later you can ask another one.

MADAM CHAIRMAN: Could you clarify?

MR. BRUSEKER: In the past what has happened is the chairman keeps a list and when the committee members arrive, they simply signal to the chairman that they wish to ask a question that day, and the chairman then just keeps a rotation. For example, earlier today Mr. Lund started off on a series of questions to the Auditor General, then it sort of went around, and Mr. Lund had another question, so he was back up again, as I was as well. So that's kind of the process that we've followed in the past.

MRS. BURGNER: That clarifies it for me. I can speak in favour of that.

MR. LUND: I support the motion if the mover could clarify. I would appreciate it if the supplementaries flowed from the main question, that we don't jump around in topics on our supplementaries. That's been the practice in the past, and I would like clarification when he closes.

MADAM CHAIRMAN: Corinne is just indicating that that wasn't necessary in the past practice of this committee. You understood that the questions could be?

MRS. DACYSHYN: My understanding from this committee in the past has been that the past chairman allowed members to sometimes ask supplementaries that weren't necessarily based on the first question.

MADAM CHAIRMAN: So we need to be clear what it is we're agreeing to then.

MR. LUND: Well, I don't mean to disagree with Corinne; however, it's been my experience that they were somewhat related. If they're not, then we run into the risk of getting into long preambles with the supplementaries. It's just to try to accommodate so that all people get an opportunity to ask questions and have some dialogue with whoever they're questioning. I don't want to see it too structured, but I don't want to see it get so loose that only four or five members get to speak.

MADAM CHAIRMAN: Yvonne and Barry, have you something new to add to the debate? I'm looking at the clock, and that's the reason for my question.

MRS. FRITZ: Well, I'm finding that each time I go to ask a question, it seems to me that it's either been cut off - this happened last time we were here as well, or even now it's cut off because of time, and it's happening here again right now.

MADAM CHAIRMAN: I'm not cutting you off. I'm asking you if there's something new to be introduced.

MRS. FRITZ: I'll forget it, I guess. It's okay. I'll wait for the closing debate.

MR. McFARLAND: I guess I'm contradictory, Madam Chairman. I'd prefer just one main and one supplementary because if there's 21 of us and 90 minutes, that's roughly four minutes, and I know that being politicians we'll eat up the four minutes just asking the question. I think it would be far more efficient for all of us to have one main, one supplementary, then put your hand up and go on the bottom of the list again and give everyone a chance to ask at least a question and a half.

MADAM CHAIRMAN: Do you wish to close debate on the motion, mover?

MR. BRUSEKER: I think it's pretty self-explanatory, Madam Chairman. One main question and two supplementary questions.

MADAM CHAIRMAN: Thank you. I'll call the question. All in favour of the motion? Against? The motion has been carried.

10:00

MADAM CHAIRMAN: We now have run out of time. We haven't dealt with (a), (h), and (i), which is the scheduling of the Auditor General. I need some direction for our next agenda, please, before we stand adjourned.

MR. BRUSEKER: I would move that we ask the Auditor General to appear before the committee again next week.

MADAM CHAIRMAN: Mr. Salmon is not available next week. Would you be able to make staff available?

MR. SALMON: I don't think it's fair to my staff to come and spend the day. I would prefer if you could change it. I can be here on the 6th, but I can't be here next week.

MADAM CHAIRMAN: What's the wish of the committee then? Scheduling the Provincial Treasurer, or Treasury?

MR. LUND: Well, in keeping with one of the comments that the Auditor General made this morning, if we are going to bring in the Provincial Treasurer, I would like to see us also invite some of his people. Now, because we have so many new members, I certainly do agree with the comments that the Auditor General made this morning, that it would be very useful if members had an understanding of how this all comes together. So we could ask the appropriate people along with the Provincial Treasurer.

MADAM CHAIRMAN: Thank you. Is there general agreement that the chair and the deputy chair will ensure that we have that on the agenda? Thank you.

MR. MAGNUS: Somebody ought to check with the Provincial Treasurer and make sure he's in the province before we schedule him.

MADAM CHAIRMAN: The understanding is that we will be doing that.

[The committee adjourned at 10:02 a.m.]

