

CANADIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

TWENTY-FIRST ANNUAL CONFERENCE SEPTEMBER 17 TO 19, 2000 HALIFAX, NOVA SCOTIA

TUESDAY, SEPTEMBER 19, 2000

FOURTH SESSION

Mr. John Williams -- Chairman Canada Public Accounts Committee

[8:30 a.m.]

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Good morning, welcome. I will ask everyone to please take their seat. We are going to have to start because some of the members do have to catch a plane mid-morning.

I am Jim DeWolfe and I sit on the Public Accounts Committee in Nova Scotia. I will be chairing the first session.

It is, indeed, a pleasure for me to introduce Mr. John Williams. He will be our guest speaker this morning. John is Chairman of the Canada Public Accounts Committee. He will be talking about globalizing accountability, reaching beyond national borders to promote democratic governments, combating bribery, fraud and corruption.

John was born in Aberdeen, Scotland. He is married with two children. His political career started in 1993 when he was first elected to the House of Commons. He was then re-elected in 1997. He has been the Official Opposition Critic for the Treasury Board since 1997. As I said, he is Chairman of the Public Accounts Committee.

Without further ado, I will ask John to take the floor.

MR. JOHN WILLIAMS (Canada): Thank you, Jim. Good morning, everybody. Wasn't that wonderful lobster that we had last night? We must come back to Nova Scotia every year, I think. The lobster and the hospitality is definitely worthwhile and we will be recommending it to anybody and everybody, right across the country.

Before I get into the text of my speech, a couple of years ago I was invited by the World Bank to attend a conference in Delhi, India, on the issue of corruption. They had organized a top level conference of retired Supreme Court Justices, Ministers of Finance, Auditors General, Public Accounts Chairs and so on. At the end of the conference everybody said, well, this has just been absolutely wonderful and where do we go from here? Of course, the answer was, there wasn't anywhere to go from there. We had spent a great deal of money; many people had travelled halfway around the world but through lack of continuity, it was a stand-alone conference. While we had great resolutions and great ideas, they all fell flat on their face because there was nothing to carry it through.

It was at the Public Accounts Committee Conference, the CCPAC in Edmonton three years ago, when Max Trenorden from Western Australia and I were sitting and having breakfast one day. Max said, we need an organization of Public Accounts Committees. From that conversation with Max, we have continued to develop this idea. As some of you know, at the invitation of Max, the Auditor General, Denis Desautels and I travelled to Australia last year to make a presentation to the Public Accounts Committee. Max and I made a presentation to the Australasian Council of Public Accounts Committees. Since that time, we have continued to develop the issue.

It has certainly been my pleasure to work with Max. Tony, perhaps you can take that back, that Max is very much in my mind and I wish him well. I appreciate the input that he has had on this initiative.

It is my privilege, indeed, to be here this morning to speak on the issue of good governance and the oversight challenges that we face in the world today. We can all say that we subscribe to democratic principles, but what does that really mean? Democracy means government by the people. But how can we involve the people in government in a meaningful way to ensure that democracy works? In the most general way, we mean that a democratic government must be accountable to its citizens through financial statements and public reporting.

My definition of accountability is motivators over which you have no control, which causes you to think and act in a certain way. When your financial competence is open to public scrutiny and your management of society is part of the public debate, you are likely to be motivated to provide the best governance with the most appropriate programs for the lowest taxation.

We, who are legislators and parliamentarians, are part of a privileged few who have been given the authority by our electors to set the rules for the orderly management of our society. It is not a responsibility that should be taken lightly. Our responsibility is

to hold government to public account for the way in which they spend taxpayers' money and the way they deliver programs and services to our society.

When governments fail to address the needs of hunger, poverty, education, health and the prosperity of our citizens, we, as parliamentarians, have failed to hold our government to account. It is the role of Parliaments and parliamentarians to ensure openness and transparency in governments, to ensure that society is informed of the performance of government. When the factors governing transparency and accountability are in place, our electors will ensure that if a government in office cannot provide good governance, they will find someone else who will.

Good governance doesn't come naturally. Parliamentarians rarely come to office with a deep knowledge of the new responsibilities. They don't go to college to become a parliamentarian. Their election is seldom based upon the knowledge of good governance and, unfortunately in too many parts of the world, too many parliamentarians depend upon corrupt practices for their electoral success. Yet, I have met many parliamentarians and legislators from around the world who are crying out for knowledge, skills, and the resources to fulfil their obligations as governors because they want to govern their society well. But where do they find this information?

Some parliamentarians have benefited by visits to Ottawa to look at our government and I know that I have benefited personally by visits to parliamentarians in Washington, Europe, Australia and elsewhere. Collectively, we, as parliamentarians, have a wealth of knowledge and understanding in the role we play in governing our society's wealth. Wouldn't you think that we also have a responsibility to share that knowledge with other parliamentarians who want it and need it? By us spreading the understanding of good governance we can alleviate poverty and desperation and replace it with hope, education, health and prosperity in the lives of so many.

For the past couple of years, I have talked to parliamentarians around the world of the need for a global organization of parliamentarians who are committed to good governance. I have heard and seen too much about the horrors that bribery and corruption impose upon society. As parliamentarians we are the first in line to hold our governments accountable. We are the privileged few who have the responsibility to ensure that our governments are open, transparent and honest. For that reason, I believe parliamentarians who are committed to improving good governance, who want to fight against corruption, should form regional organizations. There already is an organization called the African Parliamentarian Network Against Corruption.

Two months ago I was in Lucknow, India, at a conference on legislative control over the public purse, where my proposal and the proposal between myself and Max, received warm enthusiasm. I would like to think that Bangladesh and other countries

in South Asia, could join with India to form such a regional organization. We are sponsoring regional organizations in other parts of the world such as Europe and Latin America. These regional organizations can then connect through a global network with each other in order that we can share our knowledge and develop standards among ourselves, which will enhance the living conditions of the people whom we govern.

There is a growing awareness that corruption has a devastating impact on society which has led to a recognition that it must be combated with a huge emphasis on developing and maintaining good governance and the rule of law.

Last May in Washington, the Sub-committee on International Financial Reporting Guidelines and Standards for the Public Sector -- that is a subcommittee of the Public Accounts Committee in Ottawa -- heard that fighting corruption is the number one issue of several international organizations. The World Bank has changed its emphasis from developing infrastructure and projects in the developing world to recognizing that good governance is, if not the only key, then a major key in the development of an industrial economy and enhancing prosperity in the Third World.

The Inter-American Development Bank, which lends exclusively in Latin America, has recognized the same principles. They have poured billions of dollars into the development of the economies of South America, to little or no avail. Corruption is endemic, poverty is the norm, education standards are non-existent, health care and quality of life are extremely poor. The International Monetary Fund has now adopted a policy that denies financial assistance to countries where bribery and corruption threaten to undermine economic development programs.

We also had the opportunity to speak to others in Washington who share similar concerns about corruption. Our Canadian Ambassador to the Organization of American States, confirmed and reiterated the need to enhance good governance in Latin America. Mr. David Walker, the U.S. Comptroller General and head of the General Accounting Office -- that is the equivalent of Canada's Office of the Auditor General -- reinforced the need for battling corruption and is prepared to make the resources of his office available to enhance the probity of the management of public funds.

There is a growing awareness here, in Washington, in London, and indeed everywhere I speak, including all of the parliamentarians that I meet from time to time from around the globe, that the time has come to promote good governance as the means of combating corruption and enhancing the development of societies around the world. Bribery and corruption are the dark forces that must be challenged at each and every opportunity. A number of starts have been made already.

The Organization for European Cooperation and Development, the OECD, has a convention against the bribery of foreign public officials. The Council of Europe has defined corruption and set out a code of conduct for parliamentarians. The Organization of American States has a convention against corruption and African parliamentarians have started a network against corruption.

As I just mentioned, I recently attended a conference in Lucknow, India, sponsored by the World Bank, to address corruption in India and to start the debate on developing the notion of good governance there among parliamentarians. That conference is to be followed up by a workshop in Bangalore in January of next year and it looks very possible that an organization there is about to be formed in the Indian subcontinent.

There are initiatives currently being developed for Latin America. The Inter-American Dialogue, an organization funded by the United States Government, is looking at a \$400,000 initial assessment of how to develop good governance structures for parliamentarians in Latin America.

I have talked to my counterpart in the European Parliament, the Chair and Vice-Chair of the Budget Control Committee, who recognized the need for more emphasis on need for good governance. You may recall that all 24 commissioners of the European Union had to resign in disgrace last year due to impropriety in the management of public funds. I recently talked to the Auditor General's Office of the U.K. who are working with eastern European governments to improve the management of public resources and they recognize that parliamentarians must be involved.

Bob Charles, Chairman of the Public Accounts Committee of the Commonwealth of Australia, took the initiative that was proposed at the Australasian Council of Public Accounts Committees one year ago, as a resolution to the Asia-Pacific Parliamentary Forum and had it endorsed.

As you can see, the initiative is gaining momentum around the world and Canada is at the forefront of this new effort to improve the standard of living around the world. While the idea is still very much in the idea and conceptual mode, I believe it is possible that Canada could host an International Conference of Parliamentarians Against Corruption two years from now in the fall of 2002. That is why I am standing here this morning, ladies and gentlemen, to ask for your support, as Public Accounts Committees of Canada, and as parliamentarians who recognize that every democratic government needs to be accountable to support the initiatives that started around the world and to support the recognition that Canada has a major role to play.

Accountability has developed from the work of the Public Accounts Committees. The Public Accounts Committee is one of the fundamental building blocks to improve the

oversight function by Parliament, and it should also be instrumental in creating other institutions and tools, to bring oversight and accountability into government. I believe that we can strengthen Public Accounts Committees here and around the world and enhance the skills of parliamentarians who sit on those committees, through developing awareness of the tools that are required which are openness, transparency and accountability.

Our work as Public Accounts Committees is a major linchpin in the democratic process of ensuring that the general public is educated in the ways of their government and can ask appointed questions to ensure that the government remain focused. I believe at this conference we can recognize the need to set in place the fundamental building blocks for prosperity and deliverance of societies from the evils of corruption can be laid. I would hope that by the end of this conference that we can have a resolution to carry this agenda forward. As I said at the last conference I was at in Bangladesh, we can talk for one day, or three days, or many days, but unless there is a commitment to carry this agenda forward it is all for nothing.

I normally finish my speeches by saying, surely in this age when so many people in this world have so little and even that can be diminished by the greed and corruption of those in public responsibility, we owe our citizens no less than transparency, accountability, and good governance. In closing, I ask for your support to allow me and the Public Accounts Committee in Ottawa to move this agenda forward because we have so much to offer to the world and they so desperately need it. Thank you, very much. (Applause)

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Thank you, John. The floor is now open for anyone who may have a comment or question. John Hastings from Ontario.

MR. JOHN HASTINGS (Ontario): Mr. Williams, thanks for your address. I am a little perplexed as to why we seem to always be reinventing the wheel. There is a German based international group, probably private sector, called Transparency International that rates countries on their index of corruption by public officials. I am wondering why you haven't, or have you considered, their benchmarks or standards in measuring where countries are? I am also a bit concerned that there is so much focus placed on this event that infrastructure development in the emerging countries gets neglected because we seem to have a one track mind when it comes to dealing with issues like this. Does your address mean that countries that are high on the corruption index, as indicated by Transparency International, are they to be penalized and are being penalized by CEDA and other agencies of the Canadian Government or by the World Bank, et cetera? What happens in that context?

MR. JOHN WILLIAMS (Canada): First regarding Transparency International, I actually asked Wes Cragg from York University, who is the Canadian Director of Transparency International, to come here to address this conference but unfortunately, budgetary constraints did not allow that. As you point out, Transparency International is a private organization, an NGO that originally started in Germany, with the focus of trying to elevate the awareness of how bad corruption is around the world. Fortunately we can say that Canada rates among the best, the highest being the best. What Wes and Transparency International are trying to do is to elevate the awareness that corruption is an evil thing that brings societies down.

What we are trying to do here is say, let's talk to parliamentarians and let's form an association because surely, as I said, it is we who have the responsibility to hold our governments to account. We can't delegate that to the private sector, we can't delegate that to NGOs. We can appreciate their assistance but we are the ones who have to take the initiative.

With regard to CEDA and the World Bank, there is no penalty by them in countries where corruption is high. Bangladesh is about the worst and I just came back from there. Canada spends \$50 million a year through CEDA in Bangladesh. We would hope that this type of initiative would enhance the value for our investment. We are not talking about penalization, we are talking about enhancing the value of our investment. In Bangladesh, the Opposition do not sit in the Chamber of their Parliament. They accused their Speaker of being corrupt and therefore they refuse to go into the Chamber. However, the constitution says that if a parliamentarian is absent for more than 90 days, he forfeits his seat. So after 85 days they all troop in for one hour and then they all troop out. They maintain their pay and privileges as parliamentarians and the contribution to the debate on society is nil. They tell us that committees are still working effectively however, but all committees meet in private.

Bangladesh is a long way to educating its parliamentarians in India, in South America, around the world to say, we have responsibility. You have an obligation to govern your country. If you call yourself a democracy, you have an obligation to debate in public, you have an obligation to be at the debate and you have an obligation to keep the citizens informed and these things are not happening. That is why to complement what Transparency International is doing that we, as parliamentarians are the ones who were elected by our constituents to hold governments to account because we are parliamentarians, not because we are in Opposition but we are parliamentarians, to understand our role as parliamentarians, to help others around the world to understand what their role actually is when it comes to accountability.

I was astounded in Washington to find out in the Spanish language there is no such word as accountability, it does not exist. So you are starting from a low base when

you are trying to tell people around the world, or educate people and enhance accountability around the world when the notion doesn't even exist in their language.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Thank you, John. For the purpose of recording, I believe it was John Hastings that put that first question on the floor and of course, John is from Ontario. Any further comments? Richard Patten, Ontario.

MR. RICHARD PATTEN (Ontario): I can't disagree with your thesis that we certainly can share our experience about holding government accountable but I worked in the international field for a couple of decades, sat on a committee with the World Bank, had dealings with CEDA, and was President of the Canadian International Council for Cooperation. One of the failings we have, and I will just offer this, is our own arrogance when we look out to the world and we have the definition for them and we think we know how they should live and we think we know how they can best do things.

I will tell you, when I sat on a World Bank committee in the 1980's, 90 per cent of their projects failed and the reason why 90 per cent of their projects failed was because they had a Western American culture and a definition of what these countries could do. They rammed it down their throats and if they didn't accept it, they didn't get it. I know there is tied aid with CEDA and the purer forms tend to happen, quite frankly, not government to government, but with churches and all kinds of the NGOs. So I would only just put that on the table to say that we should proceed in all humility, it seems to me, and that maybe we have something to learn from them. When you say there is no such word as accountability in Spanish, believe me, there are other terms and they do have the notion of accountability and you are seeing it in Peru today, the fall of the government because of corruption. Thank you.

[9:00 a.m.]

MR. JOHN WILLIAMS (Canada): Thank you, Richard. You are absolutely right that the World Bank recognized that trying to say the western people have the answer and you follow our way and all is going to be well, was absolutely wrong. About three years ago we found out when we were in Washington visiting the World Bank they recognized that these projects they built around the Third World, and as they talked about it, they would put a ringed fence around the project to try to minimize the corruption as they built the project. At the end of it they said, there you are, it is all yours, now you are going to be better off with this new dam electrification project or whatever has not worked and they just released their report last week, recognizing that good governance is one of the most important underpinnings to developing societies.

Now good governance doesn't say western good governance, it means openness and transparency, however they developed that and how they communicate with their electorals. That is why we are proposing regional organizations, not a global organization, because corruption is often cultural. The way that corruption works in this part of the world is quite different than how it works in another part of the world which is different again in others. Therefore, these parliamentarians have to come together in their own regions of the world to recognize how democracy works and to come up with their own solutions. We want to enhance that and help them to do that.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Thank you, John.

Tony Fletcher from Tasmania.

MR. ANTHONY FLETCHER (Australia): Thanks, James. I had the pleasure of listening to John Williams present a similar paper in Perth, Australia in February 1999. I want to congratulate him on the extent to which he has developed his thesis since that time. I believe it is starting to take shape and is making progress and I believe it is a proposition that is worthy of support.

In another forum, as a member of the Commonwealth Parliamentary Association, I had been aware of the significant contribution that has been made to regional Parliaments by the Commonwealth Parliamentary Association, particularly by Australian members, as a result of their participation. I think that has been nowhere more evident than in the transitional period from apartheid in South Africa, where the Commonwealth Parliamentary Association and Members of Parliament from Australia were significant, influential people in that process. I think, as Members of Parliament, we have our first obligation to our own local or state jurisdictions but further than that, we ought to think more broadly to the global scene and have confidence that we have much to offer and much to share and in sharing we will also be recipients, we will receive other benefits, or other experiences, or other knowledge which will be to the benefit of us, as individuals.

I welcome the opportunity that John puts forward. He and Max Trenorden have lit a candle to bring a little light into the darkness that is corruption in places in the world. We ought to be prepared to be part of that and there is still a long road to travel, in my judgement, but certainly Australia, at its national conference, will be addressing this matter again. My feeling is that there is enthusiasm toward extending the influence of the Members of Parliament who choose to be part of Public Accounts Committees and I think that is laudable.

MR. JOHN WILLIAMS (Canada): Thank you, Tony. I appreciate that comment.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Mr. David Morse, Nova Scotia.

MR. DAVID MORSE (Nova Scotia): John, you were concluding your speech with calling for a carry-forward resolution to advance the battle for accountability and I guess I am asking you, just what does that mean, in terms of where we are today? Are you looking for something here today and if so, could you perhaps make a suggestion?

MR. JOHN WILLIAMS (Canada): I am looking for an approval in principle that we would like to endorse this concept. As I mentioned, at this point in time I have a vision but nothing concrete, about a conference of parliamentarians from around the world in Ottawa in about two years from now. I would like to think that the Canadian Council of Public Accounts Committees of Canada would endorse that initiative to try to help parliamentarians to spread the word amongst parliamentarians around the world. I would like to ask this organization if they would like to agree, in principle, to participate in an organization. We could perhaps strike a subcommittee to report back next year, which would be in lots of time; just an agreement in principle at this point in time would be sufficient.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): I guess you are making a motion now from the podium. Would someone care to second that motion? The motion has been seconded. Benoit Sauvageau, Canada.

MR. BENOIT SAUVAGEAU (Canada): Avant voter, est-ce qu'on pourrait nous éclaircir, les parlementaires de cette table, sur la possibilité de ce forum régional que M. Williams mettre en place -- puisse ce retrouverer dans la conférence des parlementaires des Amériques, qu'on appelle la COPOP, ou ce sont les idées de tous les parlements des Amériques -- nord, central and du sud -- se réunissent au deux ans si je ne me doute? Et pourrait-on bénéficier de ce forum parlementaire, oui ou non? Avant de créer un autre forum régional de parlementaires de ce point là? Je vous remercie.

MR. BRIAN O'NEAL (Canada): My name is Brian O'Neal and I am the Researcher for the Public Accounts Committee in Ottawa and I am just going to do a very rough translation for Mr. Sauvageau. Mr. Sauvageau would like to know whether or not it would be advisable to create or initiate such a regional organization within an organization for parliamentarians that already exists. COPOP is an association for parliamentarians of the Americas, which has been in existence now for two years. I think what Mr. Sauvageau wants to know is that rather than starting afresh and creating a new regional organization, perhaps it would be advisable to use an existing organization to forward this particular agenda that Mr. Williams is talking about.

MR. JOHN WILLIAMS (Canada): As far as ACOPA is concerned, I think that is primarily focused in South America. What I am asking for here today is the Canadian Council of Public Accounts Committees to endorse the concept of what we are doing, so we can move the agenda forward, the idea of that being we can sponsor a conference two years from now, of parliamentarians from around the world. Some of the local or regional organizations. Some have been formed, I mentioned the African Network of Parliamentarians Against Corruption, they are seriously looking at one in India. There are organizations available in South America, such as ACOPA. As they coalesce to become organizations, then they would all feed in to the conference that we are proposing.

At this point in time I am not asking for a resolution that is specific to creating an organization here, I am just asking for the support of the Public Accounts Committees across the country to support this initiative.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Marlene Jennings, Canada.

MS. MARLENE JENNINGS (Canada): I like the position you have made, John, because I am aware of some of the organizations or initiatives that are taking place across the world amongst parliamentarians, to deal with the issue of corruption in public administration. If I am not mistaken, there exists something in New South Wales that came out of the Royal Commission into police corruption and as a result of that the State Legislature in the mid-1990's actually created an agency that oversees all of the state departments and reports directly to the State Legislature, itself. So I think the idea is good, that we try to identify those initiatives across the world and attempt to bring them in to see if there is an interest in an international conference on this issue.

MR. JOHN WILLIAMS (Canada): Thank you, Marlene. Yes, it is very much a focus of helping, sharing and educating. As I mentioned, in India, Public Accounts Committees do not meet in public, it is sort of an oxymoron to have a Public Accounts Committee that doesn't meet in public, but they don't. I had the privilege of attending a Public Accounts Committee meeting where they addressed three or four particular issues and I can remember one where they were talking about the Auditor General pointing out that a road had been authorized to be resurfaced but they paid for the road to be rebuilt rather than being resurfaced at a significant additional expense. There was absolutely no physical indication that the road had been rebuilt, only resurfaced, but the government paid for the road to be rebuilt. The Public Accounts said, isn't that too bad, next subject, please, because they met in private.

How can the citizens -- in that case of the State of Uttar Pradesh -- expect value for their taxes when that type of thing is happening? As Marlene pointed out, she is now

aware of an initiative regarding the police commission in New South Wales and Marlene has a background of police commissions and therefore it is a subject near and dear to her heart. How many others around the room were aware of such an initiative? It is through organizations such as we are proposing that as it develops we can come together, share, learn, and appreciate what others are doing.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Thank you, John. Ladies and gentlemen there is a motion on the floor now whereby John Williams asked for approval in principle. It was seconded by Mr. David Morse of Nova Scotia. Is there any further debate? Are you ready for the question?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried. (Applause)

MR. JOHN WILLIAMS (Canada): Thank you very much, ladies and gentlemen. I appreciate that support very much and I think all of us have an obligation, as Public Accounts Committee members, to enhance good governance. If we can enhance it not only in our own jurisdiction but elsewhere, surely we are making a contribution to society everywhere. Thank you all.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Thank you, John and thank you, ladies and gentlemen for your participation. It is early and we will take our break now. I would suggest that perhaps we could come back a little early. The schedule calls for our health break to be from 10:00 a.m. to 10:30 a.m., we are early, would you be in agreement to come back at 10:00 a.m.

SOME HON. MEMBERS: Agreed.

MR. CHAIRMAN (Mr. James DeWolfe, Nova Scotia): Then 10:00 a.m. will be fine. That will give us an early start for lunch perhaps. The other possibility that was just posed by one of the co-chairs is that perhaps we could continue on with the next session. The next session is the open discussion on topics that have been brought forward at this conference.

Perhaps we should contemplate our next move over a health break and bring our thoughts back at 10:00 a.m. Is everyone in agreement with that? You are awfully quiet out there. Those lobsters made us awful thirsty too, did you notice, the water seems to going pretty quick here. Those Nova Scotia lobsters tend to do that. See you at 10:00 a.m.

[9:16 a.m. The session recessed.]

[10:08 a.m. The session reconvened.]

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): We are only a few minutes into extended break. Maybe we can get started.

I would like to make a suggestion. I know that we have talked to a few of the delegates and I know that others also had to leave, the Canadian delegation had to go back. Something is happening, I think, in Ottawa, today, some members wanted to be back for.

Anyway, I am going to make the following proposal and see if that sits with delegates. I am proposing that what we do is adjust the agenda slightly. As you know, according to the agenda, we have between 3:00 p.m. and 4:00 p.m. the paper that is going to be presented by the British Columbia delegation. It is the follow-up process for Public Accounts Committee reports on what happens after six months.

What we are proposing, with the consent of delegates present, is that we move into that 3:00 p.m. presentation now and following that presentation, if there is time remaining for the scheduled lunch break, that we would then move into the open discussion that was actually intended for this time. If we do that then, of course, the session for the day would be wrapping up at least an hour earlier.

Is there a general agreement for that?

Hearing no dissent, I am going to turn over to my colleague, Barry Barnet, who will introduce our speakers and he will chair that session. Following that, when we go into the general discussion, that will be chaired by Mr. David Morse.

Okay, Barry?

SESSION FIVE

**Ms. Kelly Dunsdon, Researcher
British Columbia Public Accounts Committee**

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thanks, John. My name is Barry Barnet. I am the MLA for Sackville-Beaver Bank.

First of all, I would like to lodge a little bit of a protest. Because the meeting was held in Nova Scotia, I had some constituency business last night and I missed the lobster. I would like to propose that we not hold it here again so that I can enjoy it.

AN HON. MEMBER: For 12 years.

MR. CHAIRMAN (Mr. Barry Barnett, Nova Scotia): At least for 12 years so I can enjoy the festivities along with everyone else.

I would like to thank the delegation from British Columbia for filling in for Rick Thorpe who was supposed to provide this presentation.

We have with us, Peter Gregory, the Assistant Auditor General, as well as Greg James, Executive Director of CPAC, and Kelly Dunsdon, who will be doing the presentation here today. After they are finished, we will have a question and answer session. I would ask members that are here to simply raise their hands so we can assist the audio people to get you on the mike. Thank you very much.

MS. KELLY DUNSDON (British Columbia): Good afternoon. I would just like to pass on the regrets of our Chair, Rick Thorpe, and the other members of our committee. They were unable to be here today. I will be doing the presentation on their behalf.

Our presentation is about the follow-up process in B.C. which is a process the committee has just started to follow up on its own recommendations. It is the role of the Public Accounts Committee to scrutinize, through consideration of reports tabled by the Auditor General and referred to the committees, the extent to which programs are operating efficiently and with accountability to the public.

The role of Auditors General is to assist legislators in over-seeing the management of public money by providing independent assessments of government's accountability and performance, and making recommendations.

Together, Public Accounts Committee and legislative auditors form what has been referred to as a partnership in accountability. In most jurisdictions, it is generally recognized that Public Accounts Committees and legislative auditors must work together to achieve maximum accountability to the Legislature.

After a Public Accounts Committee has met to consider the results of an audit, the continued interest and attention of the committee to actions being taken by government in response to an audit is an important part of the accountability process. This is what is commonly referred to as the follow-up process.

Often, time constraints present a significant challenge. In B.C., since the early 1990's, the Auditor General has issued a number of topical reports throughout the course of a year. The Public Accounts Committee, for the most part, reviews every report.

Although the committee now has the authority to sit intersessionally, it nevertheless works under time pressures and it is not possible to hear back from all witnesses on the progress they have made after their initial evidence was provided to the committee.

There are varying degrees of formality in the follow-up work done by Public Accounts Committees in various jurisdictions. In some jurisdictions, such as New South Wales and Australia, governments are required to table comprehensive responses to Public Accounts Committee reports within a certain period of time. This is a significant catalyst in ensuring timely response to recommendations made by the Auditor General and a committee. However, there is no formal requirement of this nature in British Columbia.

I will just talk a little bit now about the follow-up process in B.C. that we recently developed. Historically, in B.C., the Office of the Auditor General has included the government's response to recommendations in audit reports.

The Office of the Auditor General has also had a formal follow-up process, whereby auditees have been requested to provide reports addressing the status of recommendations. Those reports are then reviewed by the Auditor General's Office. That process is generally worked on a two year cycle with information incorporated into follow-up reports. Those reports are tabled in the House by the Auditor General.

Periodically, the Auditor General has also reported on the status of Public Accounts Committee recommendations. However, this two year follow-up cycle and the busy schedule of the committee has meant that the progress made by government in addressing recommendations does not come back before the committee for consideration until a considerable period of time has passed; often as much as three years.

Members of the Public Accounts Committee have raised concerns about the timeliness of the process and the need for a procedure that would act as a catalyst for more immediate government action on committee and Auditor General recommendations. The committee has been given a broad range of powers in its terms of reference and the standing orders, as well as the B.C. Constitution Act and Legislative Assembly Privilege Act, that would allow more frequent and comprehensive follow-up work to occur.

In the interests of creating a more timely and efficient follow-up process, in the spring of 2000, a series of meetings was held between the committee, its staff and representatives of the Auditor General and Comptroller General's Office.

On April 4, 2000, the committee approved a new process for following up on the implementation status of the Auditor General and committee's recommendations. The new procedure has been summarized in a document entitled, Guide to the Follow-Up Process and that paper has been made available today on the table, as we enter the room.

The new procedure involves five steps. I will just go through each one of those.

First of all, a follow-up request is made a few months after witnesses have appeared before the committee to speak to issues identified in an audit. The Auditor General's Office contacts those witnesses and requests that they provide a progress update to the office. Usually that is done within five months of the date of appearance before the committee. In the meantime, the committee may prepare and table a report on evidence it has received on the topic to date, making its own recommendations. Sometimes those recommendations have differed slightly from the Auditor General's.

The committee may include a recommendation referring to the follow-up procedure, generally stating that a written response on progress made in addressing recommendations is expected by a certain date.

The second step in the procedure addresses the format of the written response. Audited organizations are asked to prepare a written response in a particular format that addresses the information needs of the committee. In particular, they are asked to provide a synopsis of which recommendations have been fully implemented, which have been partially implemented, and which have not been implemented at all. A response to each and every recommendation made by the Auditor General and by the committee is expected, outlining all actions taken to respond to each recommendation.

Most importantly, for those recommendations not fully implemented, organizations are asked to provide a work plan that includes information regarding the means by which each recommendation will be implemented; time-frames, identification of branches, with primary responsibility for addressing recommendations and procedures to monitor progress. Responses must be signed off by a senior official, normally at the Assistant Deputy Minister level, or Vice-President level if a Crown Corporation. Written responses are then directed to the Auditor General's Office.

The third step in the procedure is review by the Auditor General. The staff at the Auditor General's Office reviews the written responses in accordance with standards established by the Canadian Institute of Chartered Accountants to generally confirm the fairness of the information. This process usually takes place over the course of one month.

The next and fourth step is committee review of the response. The Auditor General provides the committee with a copy of each written response, along with the results of his office's review of the information. This information is normally provided approximately six months following a witness's attendance before the committee. The committee then decides whether any further action is necessary to follow up on an audited organization's progress. Further action may involve a request for a second, more detailed written response or a request that representatives of an audited organization re-attend before the committee to provide further information.

Finally, the fifth step in the process is the committee and Auditor General reports. The committee reports to the House on information that it has received in response to follow-up requests, making additional recommendations if it feels necessary.

In addition, to replace the more formal follow-up recording procedure used in the past, the Auditor General plans to table in the House, normally in March or October of each year, all written responses he has received, along with the results of his reviews.

Now I will just talk about communicating the process. The Guidelines of Public Accounts Committees in Canada note the importance of Public Accounts Committees in establishing and maintaining constructive working relationships with government. Creating a clear, consistent understanding among government organizations as to what their obligations are to report back to the committee, serves to further this objective. Of course, the procedure is only effective if communicated to all who will be affected by it.

On this note, a guide produced jointly by the Office of the Clerk of Committees, Comptroller General and Office of the Auditor General entitled, Guide to the Follow-up Process, details the procedure and expectations regarding written responses to be provided by government. As I mentioned before, a copy of the guide has been provided today. The guide also outlines the composition and terms of reference of the committee and describes the general procedures followed during the course of committee meetings. The guide is included with each piece of follow-up correspondence sent by the Auditor General's office. The guide is also available on our website. The committee's follow-up procedure is also outlined in the Ministry of Finance's policy manual.

Now I will speak for a few minutes about some of the challenges we anticipate will arise as this is a fairly new procedure for us. The procedure has been working well so far and to date, the committee has received written progress updates pertaining to eight different audits. As well, there were two other audits, Earthquake Preparedness and B.C. Ferry's Fleet and Terminal Maintenance and Operational Safety which were followed up in person with the attendance of witnesses, which is always the

prerogative of the committee. However, some of the challenges that we anticipate are as follows: first of all is administrative burden. Needless to say the process generates a lot of paper and committee staff has to ensure that all paper is logged and tracked appropriately. The office of the Clerk of Committees is now in the process of developing a database that not only will track all issues before the committee, but will allow the clerk and the researcher to track when follow-up responses are due, how they are dealt with, and flag items that require witness reattendance or any further action by the committee.

The second challenge that we anticipate may arise is sort of the continuity in senior government personnel. In the Westminster model of government, the lines of accountability flow from public servants to ministers, from ministers to the Legislative Assembly, and from the Legislative Assembly to the public. However, in reality, it is senior public servants who will have the information sought by a committee as it conducts its deliberations.

Committee members from most jurisdictions will be aware that the turnover in senior government personnel is often high. This can result in a break in continuity of progress, time lags in getting information and gaps in the information provided to a committee as it tries to follow up on government progress. This is a challenge beyond the control of the committee, obviously, but one that must be recognized.

The third challenge that we anticipate may arise is determining whether further follow-up action is necessary on the part of the committee. Sometimes the extent to which a recommendation has been implemented may not be clear, or there may not be consensus on it. As well, some recommendations are ongoing and others may take years to resolve. Our committee plans to aggressively monitor the effectiveness of the new process and to make improvements, as necessary.

Despite the challenges we expect, the process is a more timely one that will help the committee fulfil its role in monitoring government efficiency and accountability. Conferences such as this one provide the opportunity to share ideas and learn from the experience of others. We look forward to comments from delegates here today, about the follow-up processes that have worked well in other areas. Thank you. (Applause)

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thank you, Kelly. The floor is now open for any questions of Kelly, Peter, or Craig.

John Gerretsen of Ontario.

MR. JOHN GERRETSEN (Ontario): I am curious about the guide that you have here. Is that freely available to everyone, to the general public and ministries as well? Do they know what the procedure of the committee is?

MS. KELLY DUNSDON (British Columbia): Yes, they do. The guide is actually on our Public Accounts Committee website and it is also included in all correspondence that the Auditor General's Office sends out, asking for progress updates. So all ministries are aware of it, as is the public.

MR. JOHN GERRETSEN (Ontario): Just so I understand, the follow-ups are initially done by the Auditor General after the report has been submitted to the committee and the committee is dealing with the matters. In our case, I think, most of the follow-ups at that stage are being done by our researcher and our clerk. Is it the auditor in your case that follows up any issues raised during the hearings or as a result of the hearings?

MS. KELLY DUNSDON (British Columbia): Yes, that is right. If they find there are some recommendations that have not been, in their view, fully implemented then they will do a follow-up review. I might just refer this question to Peter Gregory and he can talk about what his office does in terms of follow-up work.

MR. PETER GREGORY (British Columbia): When determining which recommendations need following up, we rely very heavily on the deliberations of the Public Accounts Committee or the Hansard of those meetings and the record kept by the Clerk's Office. Anything the committee itself feels has not been dealt with or resolved satisfactorily, we would put it on our list to follow up further.

MR. JOHN GERRETSEN (Ontario): So the committee itself, through its staff, will do the initial follow up. It is only if the answers they get aren't very satisfactory that the Auditor General would get involved again?

MR. PETER GREGORY (British Columbia): No, I would say it is a little different. The committee makes the determination, the Clerk of Committees tracks those responses or those attitudes of the committee and the audit office then, for any open issues, we initiate the contacts. So, we would write to management informing them the committee would like further information and outlining the process. They would send their response to us, we do a review of that in terms of fairness of the information and that then gets presented to the committee.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Mr. John Holm, Nova Scotia.

MR. JOHN HOLM (Nova Scotia): You pretty well covered most of what I wanted to ask during the last sequence but the actual guidelines themselves, the one to five stages and so on that you go through, were those guidelines adopted by the committee or are they contained in any way in legislation?

MS. KELLY DUNSDON (British Columbia): By a motion of the committee.

MR. JOHN HOLM (Nova Scotia): Was that motion supported by a similar motion in the Legislature?

MR. CRAIG JAMES (British Columbia): I am the Clerk Assistant and Clerk of Committees in the Legislative Assembly of British Columbia and I clerk the Public Accounts Committee as well. No, and this is an interesting procedural question because technically, the Public Accounts Committee in British Columbia and as you know probably elsewhere in the Commonwealth, Public Accounts Committees are normally instructed to consider issues for the year under review. In British Columbia it has been stretched to the point where the Public Accounts Committee actually has gone beyond that initial interpretation of their terms of reference.

It has evolved since about 1987, where there has been consensus that the Public Accounts Committee should be able to do a number of different things. One is it should be able to sit intersessionally and meet more than just one-half dozen times a year. It should be able to issue reports on specific topics flowing from reports that have been tabled in the House or made public by the Office of the Auditor General and of course the Public Accounts documents themselves, produced by the Comptroller General for the province.

[10:30 a.m.]

In the end, as most of you probably know, Erskine May does clearly state that the terms of reference for any parliamentary committee or a matter for that committee to interpret and as a result, in British Columbia, the Public Accounts Committee has taken the view that provided everybody is comfortable with what they are doing, they will pursue issues which are contained not only in the Auditor's reports, but other administrative actions which enable them to fulfil not only their enquiry but the way they view their terms of reference, a follow-up process being one such issue.

MR. JOHN HOLM (Nova Scotia): If I may just follow that up with a couple of quick ones. Of course, I would expect anyway that British Columbia, as we do here in Nova Scotia, our rule books lay out what the various committees are and what the responsibilities and so on of each of the various committees are. As well, here, the Public Accounts Committee had expanded the mandate but then it went through the

Legislature in terms of a resolution being adopted, which means I guess it might have a little bit more weight than the committee doing it itself. I am just wondering, are there any sanctions that a government department or others who have been requested follow-up information, if they don't follow the guidelines and don't provide that kind of information, is there any kind of sanction or authority to subpoena the information? Certainly, the Auditor General's Office would have, I suspect, a lot of power in that regard but I am just thinking of the committee, itself.

MR. CRAIG JAMES (British Columbia): In British Columbia, and I suspect elsewhere as well, parliamentary committees are empowered to ask and obtain records and papers from witnesses, bodies and so on. This particular follow-up process was contained in an appendix to one of the Public Accounts Committee reports to the House which was adopted by the House. So, I guess in essence, that probably answers your initial question about the authority of the House as opposed to the authority of the committee. We inserted it in the appendix to give it that extra impact and there was marginal debate on the follow-up process but everybody, of course, that was in the House seemed to be happy with this new way of doing business.

MR. JOHN HOLM (Nova Scotia): I am trying to keep track of all the time lines in the various stages but from stage one when the recommendations are made until getting down to the point whether it is decided if further follow-up action is required, what kind of time line is involved to get from that stage to the next? The last question I will just throw out, have you had general cooperation from all the various departments?

MR. CRAIG JAMES (British Columbia): Well, to take your second question first, I think there has been general cooperation among all of the agencies and certainly between my office, the Office of the Auditor General and the Office of the Comptroller General and any ministry, as far as I know, has been very cooperative. So everybody seems to be on side and the process seems to be following quite well. I will let Peter maybe answer the question about the time lines because the time lines, I think, probably more affect what they do, as opposed to what we do.

MR. PETER GREGORY (British Columbia): The process as it is outlined now really is in keeping with the Public Accounts Committee's desire to have a faster, more nimble, less formal follow-up process, as Kelly indicated in her remarks. We used to have a process where we followed up, kind of on an annual or every two year basis and that was quite formal. This is much less formal and it all occurs in six months. The committee meets, makes a determination at its meeting as to which things are set aside to be resolved and which they want to hear more about. The Clerk's Office tracks those decisions and we work from that to send out a letter to management saying, in six months the committee would like to hear back on this.

After about four and one-half to five months we send a letter saying, please send your representation. We receive that and do our review work, usually in two weeks but I think Kelly gave us a month in her remarks and sometimes it takes that long, but we are able to get that back before the committee within six months. So on a six month basis the committee is hearing back on all of the outstanding issues.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): David Morse, Nova Scotia.

MR. DAVID MORSE (Nova Scotia): I am curious just how many provinces and other jurisdictions here have this process already in place? Is it possible to raise your hand if you have a mechanism for reporting back to the Legislature and follow up? How many jurisdictions? Saskatchewan, Ontario, and now British Columbia, so three. How long has it been in place in Saskatchewan, Ken?

MR. KEN KRAWETZ (Saskatchewan): A while is what I would say. I am not clear on the exact amount of time it has been in there but the procedure for reporting has been in place for the time that I have been there, which is from 1995, at least.

MS. TONIA GRANNUM (Ontario): Our follow-up procedure is not as structured as Kelly has outlined but what we do is track the responses to recommendations in the committee's reports. So the committee will review a section or ministry and then make certain recommendations and we follow up on the recommendations that pertain to the committee. So if the committees ask for follow up from the ministries, then we will follow up with the ministries and let them know that we need a response by a certain date, or the committee has recommended a response back to us. So far, the ministries have been responsive and followed up with us. The provincial auditor follows up in his next annual report on any recommendations he has requested in his annual report. So we have two streams of follow-up: one to the committee based on their recommendations and then the Provincial Auditor, himself, on his recommendations.

MR. JOHN GERRETSEN (Ontario): The other thing the Auditor does automatically is a follow-up two years later on any particular report that he has done, to see whether or not the recommendations he and the committee have made are implemented.

MR. DAVID MORSE (Nova Scotia): Has that been in place for some time; a number of years?

MR. RAY MCLELLAN (Ontario): In terms of the committee follow-up, it is older than 10 years now, it is probably from the late 1980's. So that formal committee letter going out and requesting responses has been well established. As the chairman has just said, the Auditor has that two year rotation. A third component of the follow-up is

that the committee clerk sends out letters requesting follow-ups and responses from those audits that we don't consider from the annual report as well. In a sense, I guess there is a three part follow-up process that has been in place for quite some time. My evaluation or assessment of it is I think it is very good and efficient and the ministries certainly respond to requests from the committee on a timely basis, thank you.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): John Gerretsen.

MR. JOHN GERRETSEN (Ontario): I have just one further comment with respect to what the House does with the reports. We table the documents with the House but there really is no discussion on the contents of the report, as such. In other words, the reports aren't discussed in the House once they are made and I am talking about the committee report once it is tabled. We are looking into maybe doing something about that. I would like to know what the experience of other jurisdictions is. In other words, are the reports from the committees, once they are tabled with the House, actually discussed in the House? I don't mean that in an informal way but more in a formal way. Is a certain time period set aside to discuss the contents of the committee's report?

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Is there anyone who would like to answer that? Saskatchewan?

MR. KEN KRAVETZ (Saskatchewan): I think the procedure in Saskatchewan is very similar to that as outlined in Ontario where the committee will make its reports, the reports will be received in the Legislature and copies are made for each and every member. There is no formal discussion of the report itself, other than that government in its response to the recommendations that the PAC committee will put forward in its report, will then respond to the PAC committee directly.

MR. CRAIG JAMES (British Columbia): In British Columbia, all committee reports that are presented to the House are normally debated at a separate stage, usually with leave during the same day. With the Public Accounts Committee, all of the reports that are tabled in the House are normally with leave adopted and in so doing there is some limited debate on the report. Most of the reports -- until this past year or so -- have been fairly non-controversial. There have been a number of reports that have been tabled in the House and more to come that are controversial and naturally, the more controversial reports tend to provoke more debate.

We have a drinking water report which is on the table at the back here that the committee produced some time ago and though it doesn't speak to controversy, it certainly speaks to a very topical issue and that did provoke lively debate in the House before the report was subsequently adopted. There is a report coming out that Kelly is

working on as well with the fast ferry system in British Columbia. If any of you are knowledgeable about the subject you will know that it is a hugely controversial issue in British Columbia and that is a report that may or may not even see the light of day, depending upon whether or not there is an election called or whether the Public Accounts Committee has the will to deal with the issue more substantially. So that is really what happens in British Columbia.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thank you, Craig.

Mr. John Holm.

MR. JOHN HOLM (Nova Scotia): In Nova Scotia when a report is tabled, that is it, it is tabled. Any discussion that takes place would be with the media outside afterwards if they are interested at all, where individual members talk and are being quite candid, or maybe something that is used during debates, but there are no formal ones. I am speaking here really for all committees. With regard to the Public Accounts Committee, we have not had a very good record of filing reports in recent years. I can't remember when the last one was tabled but it would have been four or five years ago, there has not been one tabled this year as yet. Then we had a few elections that interfered. We had an election called in 1998 so the 1997 one that would have been coming forward did not, then we had the 1998 election which would have messed up any plans for one then and of course, we had another election in 1999. I don't think we will have one for a few years but it something this committee, here in Nova Scotia, has to look at very seriously and it is something that we, as committee members, are making note of that we are going to have to address.

Also, something we haven't really done -- we hold hearings, have meetings and question witnesses -- but we haven't generally as a committee sat down and debated the recommendations we wish to be filing as a result of what we have heard. We tend to have meetings where we examine something; we have a briefing session, then we have a meeting where we examine the witnesses, maybe once, possibly twice, and it really ends there. I am speaking for myself as an individual, but it is not something that I think is satisfactory.

I very much appreciate hearing what British Columbia has done because although there would be some challenges with the resources we have available to us as a committee, because we don't have any real staff specifically designated to the Public Accounts Committee, they deal with all the committees, so there would be a staffing problem. I think your process is something we should be looking at very seriously here in Nova Scotia to see what we can adopt.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Is there any further discussion?

MR. BERNARD FOURNIER (Canada): I am Clerk of the Public Accounts Committee. I should apologize for the members of our delegation who were ordered by their respective Whips to be in the House for 2:00 p.m. in Ottawa, mostly for the introduction of the two new Official Leaders of the Opposition.

Our procedure is very similar to the B.C. experience. The main changes in the last five years or so has been the emphasis on looking at the government response because up to 15 years ago a committee would table in the House, nothing would happen and basically if the Auditor General did not pick up anything on his follow up, which he automatically does every two years after the initial audit is published, then it would be picked up by anyone.

The committee has basically been studying two-thirds of all of the audits being contained in the reports of the Auditor General. The one-third that we don't get around to examining in committee, we do send letters in the spring, signed by the chairman of the committee, addressed to the head of the department or organization, apologizing for not having the time to have them appear before the committee. However, we assure them that they have not been forgotten and we are very interested in knowing what they have done about the recommendations and expect an action plan to be tabled with the committee by the summer. Basically the staff and the Auditor General's staff will look at that and if deemed unsatisfactory the DM and others could be called upon to appear before the committee to explain why they haven't taken enough action on this.

The responses have generally been very comprehensive. It is amazing what a threat to be called before a committee can do to produce a very detailed response. Last year for the first time, we actually had a look at those responses to determine whether on some we could seek additional written information and we have done so. If you have a look at the latest edition of *Scrutiny*, which is in the back here, we mention that as a new procedure followed by the committee.

As far as the government response goes, we table a report to the House. The Chairman, Mr. John Williams -- who has been chair of the committee for the last four years -- has insisted that for every meeting that we have on something, if it is important enough for the committee to see to something and to have officials come before the committee, it should be important enough to have a report to the House, even if we agree with everything we heard so it would be a very short report, but usually it contains very specific recommendations that go beyond what the Auditor General's chapter would contain. We have been looking at the government response to

ensure that what the committee effectively asked has been responded to satisfactorily. Perhaps Brian, our head researcher, if he has anything to add?

MR. BRIAN O'NEAL (Canada): Thank you, Bernard. The only thing I would add to that is that now we have all of the committee reports appearing on the committee's website and very recently we started to include the government responses, as well. That has two purposes: to make sure people out there in the world beyond Parliament have an opportunity to see that committee reports have had an effect, and that reports aren't, in effect, just like a tree falling in the forest without anyone hearing them. So they do get a government response.

The other effect we hope to achieve is to improve the quality of government responses, which are already pretty good I have to say. So anyone here who is interested in checking out any of our reports or the government responses to them, can check the committee's website. The other thing is that Bernard, of course, mentioned the follow-up audits done by the Auditor General and the combination of government responses plus the action plans the departments table with the committee in the event that they can't come as witnesses, provide some very useful material for the Auditor General when he goes in to do his follow-up two years afterwards. He has an opportunity to see whether or not action has been taken and whether certain commitments have been met. The final thing I would add to that is that the committee is particularly interested in reviewing the results of those follow-up audits and we are pretty careful on doing that. The committee is particularly interested in those instances in which follow-up audits have discovered that departments have failed to take action in key areas.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thank you, Bernard and Brian. Are there any further questions?

Mr. David Morse.

MR. DAVID MORSE (Nova Scotia): As a follow-up on some of this good information, we have identified Saskatchewan, Ontario, B.C. and Canada as not only making the reports but also with a follow-up procedure. I have been sort of trying to take in the ambience of what has been going on and I am going to ask, starting with B.C. and through those four groups, just to confirm if their committees generally work on a more collaborative, non-partisan fashion? I would like to start with British Columbia. Kelly, would you feel comfortable making that statement about the operation of your Public Accounts Committee?

MS. KELLY DUNSDON (British Columbia): I would say generally our committee works on a fairly collaborative basis. All agendas and so on are agreed to by the chair and the deputy chair on a fairly informal basis, it is quite cooperative.

MR. DAVID MORSE (Nova Scotia): And Canada?

MR. BRIAN O'NEAL (Canada): Absolutely, Mr. Chairman. I would have to say as a neutral observer to the committee's activities that the committee is remarkably non-partisan in its approach. I think there is a consensus around the notion that the committee is not examining policy, it is examining the implementation of policy. Although the members do, on occasion, indulge in partisanship, it is usually the most friendly kind. The only thing they insist on in terms of the reports is that there be balance and that when a department or agency has actually done something right, credit is given where credit is due, as well as recognizing that there are some areas in which gaps remain. Again, the concern is that the committee issues a report that is constructive in terms of what it would like to see the department or government do.

MR. DAVID MORSE (Nova Scotia): Thank you. Perhaps we could ask Tonia from Ontario. We are getting staff commentary and I don't know if I am putting you on the spot by asking you that question, but you would probably be a better judge. (Laughter)

MS. TONIA GRANNUM (Ontario): As a new Clerk to the Public Accounts Committee, I can say it is one of the committees that works quite well together. They take their jobs seriously and work on a collaborative basis, trying to produce reports that are unanimous and deal with the issues before them.

MR. DAVID MORSE (Nova Scotia): Thank you. Mr. Chairman, if you would beg my indulgence to Saskatchewan and Ken? I think the young lady next to you is staff so perhaps we should pre-empt you or are you a member?

MS. MARGARET WOODS (Saskatchewan): I am Margaret Woods, I am the Clerk Assistant in Saskatchewan. I haven't actually clerked a Public Accounts Committee to this point. I currently work as the Clerk to the Crown Corporations Committee but I will be taking over the PAC committee later this fall. But in answer to your question, generally the PAC committee in Saskatchewan does take a collaborative approach. They do reach the recommendations by consensus. In Saskatchewan we do not allow dissenting reports so the report that does come from the committee does consist of the recommendations of the majority. Generally, when they do go that approach, they do try to seek consensus as to what goes in.

MR. DAVID MORSE (Nova Scotia): Someone with a little more experience, although I think you also have limited experience as you have just come on.

MR. KEN KRAWETZ (Saskatchewan): Exactly and Margaret has covered it very well in that when a resolution will come forward, even though a consensus cannot be reached, it will be by a majority vote as to whether or not that recommendation is carried or fails. So the recommendations that are put forward in the report are as a result of a majority vote at the table.

The point that I made yesterday, when I indicated that in Saskatchewan this past April, the Legislative Assembly has changed the procedures of the committee by allowing a stand-in for an absentee that occurs at the committee level. Therefore, there is the possibility that at all times all representatives will be present for that vote on a particular recommendation.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Mr. John Holm from Nova Scotia.

MR. JOHN HOLM (Nova Scotia): I don't know if this question is more appropriate this session or in the next session. I am intrigued by some of the things that are going on and I am looking at it, I guess, in a Nova Scotia context. I am wondering what kind of resources are really designated or set aside for Public Accounts Committees? Do most Public Accounts Committees across the country have specific resources? Here I am thinking of staff resources whose job it is to only deal with the Public Accounts Committee, or are they multi-committed as we are?

MR. KEN KRAWETZ (Saskatchewan): Yes, multi-committed is the answer. We have limited resources and in fact, when we plan the budget for the PAC committee, we look at where we will be able to spend our funds. There are no additional funds to hire additional researchers so we rely a lot on the staff of the Auditor's office, of course, because they are present at all times; the Comptroller is also present at all times at our PAC meetings and those are the people we will rely on for research assistance.

As I indicated yesterday, the Minister of Finance of Saskatchewan has proposed an advisory committee to PAC. That advisory committee would be a committee that we would, I guess, as PAC members be able to rely on for additional research. That is being debated, as I indicated yesterday, at our committee level as to whether or not we would like to see that type of power granted to an audit committee, because I think that is the word that is being used. Those kinds of things are being discussed this fall and we will see the direction we will take in Saskatchewan regarding additional research help, if you want to put it in that context.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Is there anyone else who would like to provide some enlightenment for John Holm?

MR. GEOFFREY KELLY (Quebec): We are working on it because I think this goes to the key of the continuity of our work. We have a full-time clerk who is uniquely working with our committee. We now are up to two and one-half people, or someone working half-time from the National Assembly Library preparing research for the accountability sessions that we have, in addition to the help we get from the Auditor General's Office. So slowly it is a long struggle but we are trying to get more and more of our own independent staff.

To get back to B.C.'s presentation of this morning, the cycle of audits of the Auditor General and the follow up of the Auditor General in Quebec, is usually closer to three years after the case and for politicians, three years is a very long time. Elections may come and go, composition of the committee may change over three years. As an example, we held hearings last spring on ambulances, in the spring of 1999, because ambulance services in Quebec are a chronic problem and still are if you have seen, not a strike, but there is job action in Montreal right now, ambulances have been showing up in the St. Lawrence River, so it has been a very unfortunate series of events.

I admit to a sort of political impatience because as a follow up to our hearings the government announced a work group, which has been working away for a year trying to come up with recommendations on how to fix our ambulance system. We are now 16 months after our hearings and there has been no concrete improvement in the delivery of these important services in Quebec. We are hoping that with more resources it will allow us to increase debate and put more pressure on the Minister of Health and Social Services to come up with a concrete action plan in this important area.

[11:00 a.m.]

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thank you, Geoff. Kelly, you had your hand up, as well?

MS. KELLY DUNSDON (British Columbia): Yes, thanks. I just wanted to add to the discussion about the resources. In B.C., in our office, we have, obviously, one clerk to the committee, plus myself, the researcher, but it is really multi-committee assignments, in that I do work, as well, for other committees. The assignments are divided up among the two clerks, as well.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Okay, is there anyone else that would like to add to this discussion? Bernard Fournier.

MR. BERNARD FOURNIER (Canada): Our situation is pretty well identical to that in Quebec, although we don't have that two and one-half yet, which we need, at

that time of the year. We do have two full-time research officers from the Parliament Library, seconded to the committee. They do other things but their main responsibility is to assist the members of the committee, especially preparing briefing documents and then, eventually, drafting the reports to the House.

I am a full-time clerk and I guess it depends on how frequently the committee meets and how many meetings, how many reports to the House. When a committee meets over 50 times a year and produces over 15 to 20 reports to the House, that keeps me fully busy all year.

MR. CHAIRMAN (Mr. Barry Barnet, Nova Scotia): Thank you. Are there any further comments or questions? Seeing none, I would like to thank Kelly, Craig and Pietro for their presentation and turn the floor over to David Morse who will chair the next session.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Yes, and I am not sure, but we have sort of started slipping into the next session. I hope that you still have some things that you would like to bring up. This is your chance to make comments or ask questions of other participants about anything that has come up so far, or whatever topic you would like to discuss, as long as it has something to do with Public Accounts Committees. John Gerretsen.

MR. JOHN GERRETSEN (Ontario): Thank you very much. There are two issues that I am interested in; one deals with committees, in general, and I would just like to get some feedback from the other provinces and from Canada. I have always found it strange within our system in Ontario that committees do not have the right to sit other than during the time the Parliament sits. There are set times for the various committees. If it wants to meet out of session, it, in effect, needs a motion by the House to allow it to do so. I think that is very antiquated, personally. I was just wondering what the approach is in other jurisdictions.

Now, having said that, I think that the consent has always been given and, basically, the House Leaders have to agree to it. I suppose one of the reasons for that was at one time committee members used to be paid additional compensation, but that is no longer the case in Ontario. There may have been a fear that at one time, committees would just meet for the sake of the members getting their compensation. Anyway, I would like some feedback on that.

The other comment that I would like to make is about the set-up of meetings like this. Let me start off by saying that I would like to congratulate all the people in Nova Scotia who are involved in arranging for this conference and the way everything has been run. (Applause) It has just been fantastic.

Having said that, however, I don't know whether or not a set-up like what we have here right now, where I pretty well need binoculars to see who is at the other end of the room, and half the time, from this end of the room, you don't know who is speaking, exactly, until you kind of figure out their voices, and what have you, after a while. It seems to me -- and I know we all come into this room as equals and nobody wants to sit in the second and third rows, and things like that -- to have this kind of a set-up doesn't lead, in my opinion, to any kind of meaningful dialogue or discussion.

I know I have attended other conferences that have similar set-ups. Sometimes they used the Legislative Assembly for that and maybe that works a little bit better, but you probably couldn't do that in all places. Is there any way -- and this is basically for the people in Regina, who will be getting the conference in the future -- to sort of get away from this United Nations approach of getting a table larger than the room is, sort of, so that everybody can sit around at a table? To my way of thinking -- and this is just my own personal opinion -- it doesn't lead to the kind of atmosphere that you, perhaps, want for a free and open discussion. I will just throw that out for whatever it is worth.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Ken, I wonder if you would like to respond to that, as the host province. John did mention Saskatchewan, specifically.

MR. KEN KRAWETZ (Saskatchewan): That's right. I guess, maybe, I will start with the last comment first. We have been talking, as individuals from Saskatchewan, about hosting the conference next year and what we might be doing. One of the suggestions from our clerk -- who many of you know -- has been that we might be looking at using the actual Legislative Chamber for this very session. We believe that the group that we see seated around this large table will fit right into the Legislative Chamber. So that will allow us, I think, to bring everybody much closer together.

There will not be any distinction about the rows, other than the fact that you might be on the right side or the left side, depending upon the position of the Speaker's Chair. That might bring some debate, but we are definitely looking at trying to bring everybody together. Having attended my first PAC conference, I have always looked down this line over there and I never knew who was speaking from Ontario. I could see a number of people over there.

I think that allows a change in the type of seating arrangement and may allow for, I think, the interaction between provinces, between the groups that represent those provinces. We are looking at doing that kind of a change.

I don't think we can copy the great evening of last night, the lobster fest. Saskatchewan does not serve lobsters very well. One of my colleagues suggested that maybe prairie oysters might be on the menu, but some of you may not appreciate that too much. (Laughter) That was meant as a joke, folks, please don't take that one back.

We are looking at learning from this conference, of seeing as to the kinds of things that have gone very well. We have also been made aware of the comment about seating, prior to the comment from Ontario this morning.

Now, I guess I will change to the committee comment. In Saskatchewan, when we look at our Public Accounts Committee, we meet at different times in the year. There is no restriction to having the committee sit only during the time that the session is on. In fact, because our committee contains 10 members and some have a travelling distance of four or five hours to get to Regina, we are planning to book and block times in October, November and December, probably three or four days' continuous meeting times, to enable us, when we meet, to save on expenses. That is the only cost that the members actually receive, the reimbursement of expenses.

We are looking at being able to accomplish a lot more by bringing people in for three or four days continuous, to allow the committee to do its work. That is the kind of procedure that has worked in Saskatchewan and we will continue to follow that. We will meet outside of the House as the business that is before us confronts us.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Are there any other comments in response to John's question? I would like to recognize Bernard Fournier from Canada.

MR. BERNARD FOURNIER (Canada): I can talk about the experience in Ottawa. I know, at least since 1978, the Standing Orders provided for committees to sit at any time they so wish. In my experience of 26 years, I have had one meeting that was not on a sitting day. It was probably the Constitution Committee of 1982, where we had to report on a Monday so we sat on a Saturday. That is how popular sitting when the House is not sitting, mostly, probably, because the House does sit 39 weeks a year, or so. There are 39 weeks used for committee sitting, except for Question Periods. The committee can meet pretty well any time of day, including now, particularly, when the House sits too. When the House stops sitting at night, the committees also stop sitting at night.

When the House started sitting three weeks a month, with one week off, one of the suggestions from the Whips was to use that week for committee business. In the six years that has been implemented, I don't know of any committee that has used those weeks to sit, except, maybe, travelling committees. The Whips very much appreciate

if the committees use that time that the House is not sitting, for travel, so it doesn't disrupt the work in the Chamber. That is all I can say.

It is probably because of distance involved, members will definitely not want to come to Ottawa for a few committee meetings. There has never been any compensation for extra committee work. That's it. As much as people think that they are prevented from sitting and I know all the jurisdictions think that they should be able to sit when the House sits and when the House doesn't sit, the Ottawa experience reveals that they don't sit when the House is not sitting.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, Bernard. Craig James from British Columbia.

MR. CRAIG JAMES (British Columbia): Yes. I just had to step out there momentarily. In case this hasn't been covered, the compensation in British Columbia is as follows: there used to be salaries of \$100 per day, taxable, for each member, for each committee meeting that those members attended. That was discarded a few years ago in favour of a system which saw the chairman of each parliamentary committee receive a taxable allowance of \$6,000 and every deputy chairman, \$3,000 per year, essentially.

We have also instituted a new system, whereby, for instance, the Public Accounts Committee and the Crown Corporations Committee have chairmen from the Opposition bench and deputy chairmen from the government bench, while other parliamentary committees have chairmen from the government side and deputy chairmen from the Opposition side, which seems to work out quite well.

In relation to the format of this conference, I have been involved with this conference since 1984 and, traditionally, depending upon the size of the Legislature itself, the conference tends to occur in the Chamber which is much more conducive, as you know, to debate and so on.

In relation to the conference in Saskatchewan, when I was a Clerk there in 1986, it was at a time when the Canadian Council of Public Accounts Committees started with a reception on Sunday night; had meetings Monday, Tuesday and Wednesday; and Wednesday afternoon took off on a bit of a tour near the area that they happened to be in. For instance, in Saskatchewan, we went down to the Big Muddy and had a wonderful time down there for the day -- a huge barbeque on a ranch -- and then we drove back late at night, having had a terrific time. Everybody left, I think, on Thursday morning.

Over the years, of course, the nature of the beast has changed because costs have become somewhat prohibitive. I see a trend whereby this council has, in fact, reduced the number of days that they have been meeting from, roughly, three down to essentially two full days.

Maybe there should be, at some point, a review of the extent to which the council meets, bearing in mind that, of course, the Conference of Legislative Auditors meeting next door, though quite independent from us and quite separate, has traditionally, really, since the late 1970's or the 1980's, been meeting in tandem with the Canadian Council of Public Accounts Committees, and has reduced the costs by means of sharing the social events and some of the other events, holding a joint session which, I think, has generally been quite productive and worked quite well.

In British Columbia, when we held this conference in 1996, we developed a theme for the conference. I brought in people from Washington, D.C., from the general accounting office. I had another person from Portland, on Oregon benchmarks. We had a theme. I think it was called Accounting for Performance. It was quite an informative series of sessions that we had over two and one-half days in British Columbia. We held our meetings in the Chamber because, naturally, it was large enough to accommodate everybody. We also transcribed the proceedings.

You will notice, too, on the council's home page, the transcripts for the past number of years, conference proceedings, along with a number of other things that we have been doing over the course of the past year as well. That's really about it.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Okay. Thank you, Craig. Would anybody else like to respond to John's question? Any other provinces or jurisdictions?

John Holm, from Nova Scotia.

MR. JOHN HOLM (Nova Scotia): Just very briefly, in terms of when the committees meet, except for the Law Amendments Committee and the Private and Local Bills Committee, no actual committee sits while the House is actually in session. However, they can meet at other times during the day when the House isn't sitting and, of course, they can meet year-round. In fact, most committees meet either weekly or biweekly, or many of them, certainly, meet weekly or biweekly.

In terms of substitution of members, that is just by right. If a member for any particular caucus is unable to attend a meeting, it is just their responsibility to make sure that somebody else goes in their stead, and they just indicate to the chairman of

the committee that they are representing so and so on that particular day. That has been adopted by the House and that right granted.

In terms of remunerations the most committee chairmen get is the grand total of \$500 a year for their service, which is taxable. No committee pays for anybody who attends. The Chairman of Public Accounts Committee gets \$1,000; Russell and I each made \$500 this year for chairing Public Accounts because we split that. The Law Amendments Committee gets \$1,500. That is the remuneration for the various committees.

In terms of the seating arrangement, I must admit I share some of the concerns that have been raised. I thought for a while it was my bifocals and that I needed to get another prescription, but I agree that this is less than desirable, in terms of our seating arrangements, in order to have open discussions. I come, originally, out of a classroom as a teacher and I sort of like to have everybody around where you can actually see somebody you are talking to. So when we come back here in 12 years, we won't have a Legislature that is big enough to accommodate everybody but, certainly, the comments raised about the seating are duly noted and appreciated.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, John. Jim Smith from Nova Scotia.

DR. JAMES SMITH (Nova Scotia): Yes, thanks, Mr. Chairman. I may have missed it. Where you speak in terms of politicization of the Public Accounts Committee, I was wondering, when the reports are prepared for the Legislature, if the press is often present during those times, and is the Public Accounts Committee always public? I know, some vary. I think, yesterday, I heard someone say that a certain percentage was public and others were closed.

At a time of coming to a consensus in a multi-Party committee now, we in Nova Scotia, I will just say that the press is always present, or, I'm sorry, mostly, but certainly, if there are witnesses, the press is there. Then we have a few strategy sessions, but most of them are open to the press. I think ours, in all fairness -- and I am in Opposition, obviously -- but it is fairly politicized, and we would have to work on that to get a good consensus that would be a meaningful report to go back to the Legislature. I wonder if someone could just give us a brief on that.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): John Gerretsen from Ontario, please.

MR. JOHN GERRETSEN (Ontario): In our case, all of our hearings are in the public and, quite often, they may be televised if it just works out that way, if we are in

the right committee room and the Legislature isn't sitting or isn't being televised at that point in time, or isn't actually in session at that time. But when we are writing the report, that is done in camera. The report is confidential, or various drafts of it are confidential until it is actually tabled in the House. So far -- and I can only speak from my experience this past year -- that has been adhered to by all members.

So the writing of the report is done at an in camera session and usually what happens is that once the hearings are completed the researcher will draft a report and when we are reviewing that draft, the Auditor is there, the researcher is there, the clerk is there and all of the committee members are there and it sometimes can get quite hot and heavy as to what kind of wording is to be used when describing particular sections or what have you and the same thing with recommendations. It may take a couple of sessions to actually complete a report or it may go back for a re-draft and then we might see it back, let's say a couple of weeks later. Once it is completed and once it is tabled it becomes public, not before it is tabled in the House.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, John. Is there anyone else who would like to comment on Jim's observations?

Mr. Bernard Fournier, Canada.

MR. BERNARD FOURNIER (Canada): Again, our procedure is identical to Ontario's, except I will add two observations. All our meetings are with witnesses, are public and we would like to have the press there but they are rarely there, the members would like to have more press coverage. All meetings considering future business or draft reports are in camera. I think that is essential if you are going to seek some consensual reports. I think most members want a consensual report and they realize that a unanimous report has a lot more weight than the standing report.

Depoliticize? In 26 years I have had over 10 committees, I have had the Public Accounts Committee for the last eight years. It is the most non-political identity that I have ever had to work with at the House of Commons. I attribute that to two things: to the committee sticking to the Office of the Auditor General -- who has gone out of his way to avoid politics and policy questions -- if the committee sticks to the area covered by the Auditor General it will avoid getting into policy areas; the other thing is members sometimes suggest inviting a minister to appear before a committee and that is judged non-acceptable in all cases for the Public Accounts Committee to have a minister appear. As soon as you have a minister there, you will go beyond the administrative and financial questions. So if you want to stay out of politics, don't have the minister appear before the committee.

In the last eight years we have had one minister appear and that was only to justify the reason why some official did not want to release what they considered privileged information. To my great surprise as a procedural clerk, I was quite surprised to have a minister acknowledge before a public meeting that there are no limits to what a committee can insist on receiving. However, he came to persuade the committee that they should not insist in this case and through the clarity and convincing arguments he presented to the committee, he was supported by the majority of the members of the committee that belonged to the same Party, of course. (Laughter) But if you want to avoid politics you have to keep the minister out of the room, I suggest, and try to get your reports considered in camera.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, Bernard. Are there any other comments?

Mr. Craig James from British Columbia.

MR. CRAIG JAMES (British Columbia): In British Columbia the Public Accounts Committee has -- against my better advice, I think -- been considering their reports as most parliamentary committees tend to do, in public, which has created enormous problems on occasion but they continue to pursue that. The Public Accounts Committee examines all kinds of witnesses and there have been occasions where they would like to have a Minister of the Crown appear before the committee, but that has never really transpired.

The Public Accounts Committee has rarely, if ever, conducted any of its meetings, hearings in camera. There is a Steering Committee, per se, which really consists of the chairman, deputy chairman, myself and Kelly and we get together on a fairly regular basis, just to work through the issues and draft agendas, which are then presented to the committee in a schedule of meetings which tend to prompt the committee into considering these matters and to meeting on a more regular basis.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, Craig.

Ms. Sue Olsen from Alberta.

MS. SUE OLSEN (Alberta): On the committee meetings, we meet for one and one-half hours each Wednesday when the House sits. Every session is attended by a minister who gives a ministerial review and who answers questions. The questions, in fact, are directed through the chairman to the minister. If the minister doesn't know the answer or isn't familiar with something we have asked, he may ask a deputy. So it seems to me that we run a little bit differently than other committees.

We don't meet out of session at all so we have between 13 and 15 meetings a year because we sit about 13 to 15 weeks a year. We don't deal with any reports, we use the Auditor General's Report and the Annual General Report of the Ministry, those are the tools we have available to us. We don't scrutinize any other reports by the Auditor General, we don't bring in witnesses or subpoena witnesses and because we meet during session, we don't have any extra pay but I think our chairman gets \$350 a month, or something. As for the members, it is 8:30 a.m. to 10:00 a.m. each Wednesday morning and every one of our sessions is public and every one is recorded in Hansard. We do not debate draft reports or anything so there is no need to meet in camera.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Mr. Anthony Fletcher from Australia.

MR. ANTHONY FLETCHER (Australia): I would like some further advice with regard to the majority versus the consensus report, it has been mentioned a couple of times this morning. We have a Public Accounts Committee which has three Independents, two Government and one Opposition in membership and we have consensual reports. We work very hard to get those reports with everybody in agreement. Sometimes it means taking a softer line which is not always a bad thing. I wonder if any delegates present have a view with regard to the minority report and whether it is better to have the flexibility of a minority report, if it is required, you might go with a majority report that is more biting and reflects the view of the majority but doesn't shut out the minority report?

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Thank you, Tony.

Mr. John Hastings from Ontario.

MR. JOHN HASTINGS (Ontario): As a suggestion to maybe improve our productivity or see the dynamics of how other Public Accounts Committees meet across Canada, I would like to know how many have videotaped through their broadcast channel, at anytime in the last couple of years, whatever the issue might be? Maybe whoever the steering committee is for the next conference in Regina, that we could have a look at some of those videotapes if they can be made available about whatever the item was that was under consideration. That way we can actually see, visually, the dynamics of how different committees function and the way in which their rules operate. That would be an interesting thing if we had some part of the program devoted to that element.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): So John, I think what you are saying is, if we can get some actual footage from public sessions and that would be

worked through Craig James and Ken? Craig would you get involved in that or would that fall to the host province?

MR. CRAIG JAMES (British Columbia): I would be delighted to help out but I think it would naturally fall on the shoulders of the host province but I think it is a great idea. We don't film at all or record anything other than the spoken word in our parliamentary committee meetings, including the Public Accounts Committee. I was just mentioning to Kelly that maybe what we could do is a demonstration video at one of our upcoming meetings, particularly one that we think may be very controversial and that might provoke some lively discussion at the meeting in Saskatchewan.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): So, Ken, do you choose to accept this mission?

MR. KEN KRAWETZ (Saskatchewan): The suggestion is a good suggestion. We will take it back to our planning committee to see if we can work it in and maybe in conjunction with British Columbia we can work something out. That will go back to our committee, no question, as his suggestion.

MR. JOHN GERRETSEN (Ontario): Ontario does have tape available, at least two in the last three or four years, I think.

MR. CHAIRMAN (Mr. David Morse): Are there any comments?

Mr. Bernard Fournier, Canada.

MR. BERNARD FOURNIER (Canada): I will offer a few comments on the question of dissenting or minority reports. In Ottawa, there has always been a rule that there is no such thing as minority reports. There is one report, it is a committee report and anything that was deliberated in camera remains confidential and is privileged information that cannot be released. Nothing could be released that was not in a majority report.

The members continue to argue for decades, well ever since I started, that they should have the right to dissenting opinions and that was the key word that was used in the Standing Orders. The Standing Orders permit members to append to a report dissenting opinions or supplementary comments, not necessarily dissenting but supplementary comments. It is rarely used but there are Speaker's decisions that say it should be very brief and still, the Standing Orders don't specify anything about format or length, so we had some dissenting opinions that were longer than the report. There are fewer dissenting opinions in the five Party Parliament, in fact, than there were in a three Party Parliament and I don't quite understand why. They are always seeking a

consensual report but if a member disagrees with one particular aspect of the report, he will attach a very brief explanation as to why he or she does not agree with that particular part but it is clearly attached.

Another problem was the government did not necessarily want to respond to these dissenting opinions. There was a ruling saying that dissenting opinions are appendix and the Standing Order was changed to ensure that they were, in fact, appended after the signature of the chairman. Any government response did not have to take into account dissenting opinions. That is the experience in Ottawa.

MR. CHAIRMAN (Mr. David Morse, Nova Scotia): Are there any further comments on that subject? Just before we move on to a potential new topic, I would also like to respond to constructive critique on the format here, the United Nations format.

We did consider the possibility of using the Legislature, however, we have been much blessed by a marvellous attendance and our Legislature is a relatively small one and therefore it became problematic but the point is well taken. I am sure that Ken will carry that forward next year.

Are there any other topics that any of the participants would like to bring up? I am not seeing any hands going up. I must say this has been a very interesting session this morning. We will now adjourn until 1:15 p.m. at which time my colleague, Dr. Jim Smith, former Minister of Health for Nova Scotia, will chair a session on health care. Like yesterday, we will proceed upstairs to Windows restaurant for lunch.

[11:34 a.m. The session recessed.]

[1:18 p.m. The session reconvened.]

SESSION SIX

Mr. Ken Krawetz, MLA
Chairman Saskatchewan Public Accounts Committee

Mr. Andrew Thomson, MLA
Member Saskatchewan Crown Corporations Committee

Mr. John Gerretsen, MPP
Chairman Ontario Public Accounts Committee

MR. JOHN HOLM (Nova Scotia): Delegates, if you haven't already, could you please make your way to a seat because we are about to begin. This afternoon's session is going to be chaired by Dr. Jim Smith, a member of the Nova Scotia Public Accounts Committee. Without saying any more I will turn the floor over to Jim.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Good afternoon, ladies and gentlemen. This afternoon's session, Session 6, is labelled, The Challenges in Determining and Evaluating the Value of Money in Health Care. We have a panel of three who will make brief opening remarks or a presentation. They have prepared papers for this and we will present a synopsis of them, following which we will have a question and answer session.

On my immediate right is Mr. Ken Krawetz, MLA, Chairman of Saskatchewan Public Accounts Committee; next to him is Mr. Andrew Thompson, MLA, Member of Crown Corporations Committee, Saskatchewan; and on my far right is Mr. John Gerretsen, MPP, Chairman of Ontario Public Accounts Committee. If you see people heading for the door, it is no reflection on the panel. Mora has asked me to announce that a Committee Clerk session will be a break-out session so as soon as we get underway, they will be leaving us.

Mora, before you leave -- and I have a pleasant duty -- I would like to call you over and on behalf of the staff who have worked with you, the Public Accounts Committee and the whole group from this conference, we want to make a small presentation to you, Mora for your hard work and energy that has really driven this conference. From those who have worked with you and from those you have worked for, I would like to present this small gift and say thank you. (Applause)

Mr. Ken Krawetz, Saskatchewan.

MR. KEN KRAWETZ (Saskatchewan): Good afternoon everyone. My goal this afternoon is going to be to try to keep all of you here so we don't see any more people leaving and number two, hopefully, we will keep you in a state of attentiveness so that you don't nod off. I am going to make a few comments from the position that I, as an Opposition member in Saskatchewan, see health reform in Saskatchewan, which has been underway for a number of years. I am going to try to give you some examples and ideas about what has happened in Saskatchewan and where we, as the Saskatchewan Party Official Opposition, see some things that are necessary to be done.

I would like to tell you a little bit about myself first of all. I represent the constituency of Canora-Pelly in Saskatchewan which is a rural constituency, with my largest community being a town of 2,100 and everything less than that. In that constituency,

of course, we have had health reform and I think health care, and the delivery of health care services, is the number one issue when I talk to constituents in that area of the province. I was elected in 1995, after health reform had been underway and I was re-elected again last fall in 1999. A little bit has transpired that I would like to share with you and I hope that I don't bore you by telling you a little bit about myself and my history. I am not Health Critic for our political Party, I am not a doctor, I am not involved in the medical profession, I come from an education background. I want to tell you a little bit about my health history to give you an idea of why I am so concerned about health reform and health care.

I have suffered from heart disease since 1989, when I had my first angioplasty. I have had four angioplasties in my lifetime so I am a big user of the health care system. This past spring I underwent a triple heart by-pass on April 12th. I would like to share that with you just to tell you a little about how health reform, health waiting lists, and health care delivery, affects the individual and I can tell you that from a very personal point of view.

I underwent my last angioplasty in January of this year and three weeks later was told that it was not successful. On February 20th, after undergoing an angiogram I was told that that was it, there would be no more angioplasties and triple heart by-pass was the order of the day.

The surgeon at the time told me the waiting list was going to be three to five weeks so I went home, suffering with angina and living with my bottle of nitro-glycerine spray. I was phoned a couple of weeks later by the surgeon's office and I was told that the waiting list was now six to eight weeks and that was probably the most difficult day in my life. When my wife returned from teaching that afternoon, I had to tell her that in my opinion, I wasn't going to make the eight weeks, my condition was worsening and I just felt that I was not going to make it. I had the ability though to have a very good cardiovascular doctor who phoned me directly at my house and said, after studying your report, I want you to be aware of what you have to do, don't be a martyr, don't wait to die at home. So what happened, I was fortunate enough to suffer such severe angina pain that I actually went through emergency. I was taken from my home to Regina on April 8th and had surgery on April 12th. So, that just tells you a little bit about what can happen to an individual.

When we look at health reform and start to look at the kinds of things that we have had in Saskatchewan, I want to share a little bit about what has taken place in Saskatchewan since 1992. We have seen the closure of 52 hospitals in communities throughout our province. Three of those hospitals were in my constituency, they are no longer hospitals, they are now called health care centres. We have seen the closure of a 300-bed hospital in Regina, the Plains Hospital. We have seen the cutbacks in

nurses, the number of beds and services in every area of our province, we see doctors leaving and of course, we have had a nurses' strike in the Province of Saskatchewan.

We continue to see emergency services moving further away from rural people and we also see waiting lists growing dramatically. Saskatchewan now has the longest medical waiting lists in the entire country, according to a recent independent study. Another point I want to make is that almost half of Saskatchewan's people expect the health system to deteriorate further over the next 10 years, according to the government's own polling. When we look at things like that we have to very seriously take a look at some of the comments.

I want to share a quotation from the speech of Health Minister Allan Rock on March 10, 2000 and he says: let me start by saying it is clear that the status quo for our health care system is not acceptable. Canadians are rightly worried about timely access to quality care in Canada. I think what we see is that the current trend has been to keep pumping more money into public health care budgets. This has proven to be ineffective. Studies, research and methodology point to the lack of effect this has on waiting times. In fact, statistics are all over the place when it comes to dollars spent on health care and the value that is received.

A quotation from a gentleman by the name of Stephen Milder in the Fraser Report of this past spring as well, is this, current discussions of how to improve Canadian health care often revolve around money, with the received wisdom being that a crucial ingredient for repairing the system is increased government spending. This received wisdom, unfortunately, is wrong. Whether you agree with that or not, that is the perception of that writer. In order to preserve the publicly-funded health care system, a clear, concise and complete picture is needed, one that encompasses and looks at all aspects. Each aspect should be considered as a single entity and as part of its contribution to the entire system. There has been an unwillingness to look at possible solutions. Millions of dollars are spent annually on health care and yet we lag behind in some very key and crucial areas. In this age of technological and medical advances, why do we still have the longest waiting lists in the country? Access has become a main sticking point for many provinces.

There has to be a willingness to think outside the box, to come up with solutions that are not only effective and efficient, but are long term. A value for money audit would point out inefficiencies, over-spending or underfunding. Crucial health dollars can then be redirected to those areas where they would be best utilized. Overall, we would hope for a health care system to be put in place that would deliver the best possible outcome. It is our belief that a value for money audit would provide the means of identifying opportunities for equal or superior service for less money. It is even more important now that the federal government has made a commitment to increased

health funding. The provinces should not use this money to buy time so that no changes are made and we remain in the exact same position, back where we were before the money was pumped in.

[1:30 p.m.]

With those comments, I want to share with you a Party policy platform that we developed back in November 1998. We released that Party platform on that day. All of this is predicated on this objective. The objective is that all Saskatchewan residents deserve access to high quality health services. With that in mind, we proposed that the Provincial Auditor be directed to launch a comprehensive value-for-money audit of the health care system. This audit will identify where the health system is failing and make recommendations to address the problems. The Provincial Auditor will have the authority to consult with health care specialists and economists as required. That policy was released in November 1998 and I think it is as valid today as it was back then. Thank you very much for your attention.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you very much, Ken. We will move along with the other presenters and then, later, you can address your questions, either specifically or in general, to any member of the panel, or the panel itself.

Andrew, we would ask for your presentation. Thank you.

MR. ANDREW THOMSON (Saskatchewan): Thank you very much. I appreciate the opportunity to follow Ken in this panel discussion. Ken and I were both elected in 1995, obviously for different Parties, and we sit on different sides of the Assembly. I think it is also fair to say that we have somewhat different views on the impact of health reform, the necessity for health reform and how we now move forward towards the same objective of providing better quality of care and higher access to health services for, in our case, Saskatchewan people.

One of the things that all of us, I believe, around the table know is that it is very hard nowadays to turn on the radio, watch a news report, pick up a newspaper, without seeing some comment on the so-called crisis in Medicare. Now, whether that is a fair assessment or fair comment that there is a crisis in Medicare, it is something that I know each of us deals with, as legislators, as we go back to our home constituencies.

We face many of the same problems as provinces across the country. We all have issues about waiting lists. There is, certainly, high competition among the provinces for health care professionals. There is increased demand among our population for high cost, new drug therapies.

One place where I will agree with my friend Ken, is that we agree that funding alone will not necessarily solve the problems facing health care. Saskatchewan is, I think, a very good example of this. A recent study by the Canadian Institute for Health Information points out that Saskatchewan is second only to Manitoba in per capita health care funding. Yet, as Ken identifies, there are many concerns in the population about access, waiting times and about the level of service that people are receiving.

One of the ways we have decided to address this in Saskatchewan is to create a new Commission on Medicare. This commission is a broad-reaching commission of one, headed up by Mr. Ken Fyke, who, as you know, is head of the Canadian Blood Services and a former deputy minister in Saskatchewan. The objective is to take a look at health care as a whole, not simply the financial statements but as a whole, to find out how we can move forward to develop a blueprint to preserve and enhance publicly-funded, publicly-administered health care in Canada.

Many of these discussions are going to focus on sitting down with the stakeholders and the experts in the industries to talk about how we move forward. I think, though, that we need to move beyond that. One of the things that I believe the public really wants and needs to know is where their health funding is going, what type of results are being achieved and what kind of value they are getting for their tax dollar.

Clearly, Public Accounts Committees play an important role in this. But to determine value for money, I think we have to look at more than just a provincial auditor-driven approach. Saskatchewan already uses value-for-money audits in health care. We look at different processes and practices in our health care system and we know that it is important to have independent confirmation that taxpayers are receiving value for their dollar. Where there are problems, we know we need to make corrections. This is an ongoing process and has been for many years in the province.

I want to be clear that from government's perspective, value-for-money audits are extremely useful in ensuring that there are strong systems and practices for allocating funding. We have used them to monitor our activities of district health boards and, among other things, the audits have helped determine whether districts have adequate processes in place to determine health needs and to make sure that these things are reported in their annual reports.

In the health sector, strong systems and strong practices alone do not guarantee value for money. The best processes in the world are not good enough to ensure good outcomes. This is one of the things that I believe that we, as legislators, need to start focusing more on, that is, the outcomes. Frankly, I think we run into problems if we ask auditors to evaluate outcomes. Why? Simply because evaluating an outcome requires a value judgment. How do we decide whether spending a dollar on hospital

equipment is better than spending a dollar on prevention? How do we ask auditors to measure whether we have the right balance in our spending priorities?

Let me give you an example of this. Last Christmas, many hospitals throughout the country were hit with a rather significant flu epidemic which caused a great backlog in emergency rooms. Saskatchewan, like many other provinces, started to go into the Christmas shutdown, closed many surgical theatres and cut back on the number of staff in our emergency rooms, knowing that we were likely to face a flu epidemic. Rather than committing the money to go into the emergency rooms, what we provided was better access to flu shots and better accommodation for seniors living in long-term care who we knew were high at risk at this time for flu. The result was, while many emergency rooms across the country were being backed up, Saskatchewan's Christmas period went relatively smoothly, despite the fact that we were, technically, in a flu epidemic.

This is one of these areas where I think we need to take a look at the examples and ask, what is the outcome and where are we best allocating the money? A value-for-money audit may not have shown that it was wise for us to cut back or to allow us a slowdown in the emergency rooms at that point. Yet, the outcome showed more effective uses of our money.

The fact is, I guess what I am trying to illustrate is, that in Saskatchewan, we believe that health initiatives overlap into many different areas. There are many different things which impact on health care outside of the acute care hospital system. We know education and justice are important players, we know social services is, we know that Indian Affairs is, and we need to work together to ensure that each of these different groups has input and that these groups are all part of a solution to our health care situation.

We have to ask ourselves, as legislators, whether Public Auditors should be trying to second-guess the decisions which, in a sense, reflect the values of our society. I also wonder whether it is realistic to expect one auditor or one audit office to have all the necessary health-related expertise to extend the scope of the reviews beyond systems and practices. When balancing health care funding, there is often no right answer. I think any of us who have spent time in the Legislature will know that for every expert, there is a different solution.

I believe that when social policy decisions are required, it is up to elected officials -- those of us around this table today -- to shoulder the burden. It is about making choices; it is about making the best decisions based on the wishes of our electorate and recognizing that there are many different solutions to the same problem which can arrive at the same set of improved outcomes.

One of the big questions we have to ask -- and this is particularly so if we are going to move down the road towards value-for-money audits -- is, what is value? Is it keeping more people alive? Is it mortality, morbidity? Is it putting a higher priority on drugs? Is it putting a higher priority on prevention? Is it better home care or is it focused on administration? These are questions, frankly, that can only be answered by the politicians as we sit down and listen to our electorate and make the choices as we allocate our spending.

In Saskatchewan, one of the areas that we make great use of is a group that we call the Health Services Utilization and Research Commission, HSURC. This group of medical people conducts a number of research projects into the merit of certain programs and practices. While the commission's work does not involve an accounting approach, it could be considered a type of performance audit. It certainly provides us with another perspective on the way to do things.

A recent study, for instance, by HSURC showed that 77 per cent of the cases that go through our emergency rooms are not emergencies, that what we are, in fact, dealing with is people who do not know how to otherwise access the system, going into the emergency rooms and making use of the services that are available there. The obvious result is that we end up with additional usage and higher backlog. By knowing this, we have been better able to allocate funds into other things like ambulatory care and better inner-city clinics to try to deal with these problems.

Whatever our approach is, whether it is a value-for-money audit undertaken by Provincial Auditors, whether it is an HSURC-style approach, I think we need to be careful not to create a nightmare for individual health care workers. We need to make sure that our overall aim is to build a practical, efficient, sustainable, publicly-administered health care system in this country.

We recognize in Saskatchewan, on the government side, that value-for-money audits are a worthwhile concept and they are part of the solution. But we also believe that there has to be a complementary approach between auditors, health care professionals and, yes, legislators in setting the standards and the benchmarks for the outcomes we want to achieve.

In many regards, I agree with what Ken has outlined in his Party's platform on the merits of a value-for-money audit done by Provincial Auditors. But I believe that we need to take a much broader scope and a much broader approach to making sure that we are asking the right questions and then, as a result, getting the right answers which focus on not simply value-for-money, but on better health care outcomes.

With that, I simply say, thank you and I will look forward to your questions after.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you very much, Andrew. I will ask John if he would be the third panel member to offer comments.

MR. JOHN GERRETSEN: Thank you very much. Being the last scheduled speaker today I will make it short and, hopefully, sweet. There is no question that, in my opinion, health care remains the outstanding issue in the country and in the various provinces. All provincial budgets spend more on health care, probably, than any other individual item.

The Government of Ontario started some time ago to come up with business plans for its ministries. The business plan for the Ministry of Health and Long-Term Care set out some key performance measures. The plan established specific goals, measures, targets and standards for community, professional, institutional services and policy planning.

The indicators quantify system components such as the percentage of people rating their health as excellent, life expectancy at birth, number of long-term care community services used, the number of beds available in long-term care facilities and the number of primary care physicians joining the reform process. I think that all of us agree that measures of this have to be taken in order to get a better handle on how the funding in health care is being spent.

We also report on a variety of indicators covering the health status and the health outcome, the quality of service and patient satisfaction through the following instruments. I will just list these to give you an idea as to what we are involved with. In Ontario, we started a partnership with the University of Toronto, a consortium of leading research organizations and the Ontario Hospital Association to develop comprehensive report cards on hospital care and performance. I will speak about that a little bit later.

The Ontario health survey report on published health of Ontarians includes indicators on life expectancy, mortality, incidents of mental health, immunization coverage, TB, emerging infections, incidents of smoking, drinking patterns and injury rates. The Chief Medical Officer of Health Reports provides an in-depth assessment of key aspects of the state of provincial health and publicly-set recommendations for system improvement.

The Ontario Ministry of Health plan annually contains a wide-range of indicators, including Ontarians' self-assessment of health status, life expectancy at birth, rate of low birth weight, potential years of life lost to cancer, infant mortality and a range of other specific health status measures.

The report of the Joint Working Group on Stroke prepared a comprehensive assessment of stroke care, patient outcomes and changes needed. The Diabetes Index, which is published biannually, tracks the rate of diabetes to complications and the health services used. The Cardiac Care Network reports on a range of indicators, including waiting times for cardiac surgery.

Cancer Care Ontario reports on service standards, including diagnostics and waiting times. Just as an aside, our Provincial Auditor, in his last report, was very critical of Cancer Care Ontario, in that it is determined that only 32 per cent of the patients get treatments started within the four week prescribed period of time for radiation treatment.

The Ontario Ministry of Health annually contains indicators on the number of Ontarians having access to primary care services 24 hours a day, 7 days a week and satisfaction regarding the accessibility and quality of care they receive from publicly-funded health services. It also reports on performance in relation to service goals, spending allocations and trends. The Ontario Hip and Knee Replacement Registry includes the rates of hip and knee replacements and its waiting times.

In the province, it is my understanding that we will introduce a comprehensive patient bill of rights which will outline the core principles of care that every individual has the right to expect from publicly-funded services.

The Institute for Clinical and Evaluative Sciences reports on cardiac care, arthritis care, levels of specialist services, rates of utilization of key services and barriers to improving health status.

My reason for pointing out all of these issues is simply to indicate that there is an attempt to get a much better handle as to what is happening in each one of these health care areas.

When you consider that, in our system, we spend well over \$20 billion per year, it is my opinion that there are three other areas that we should be looking at in a very structured way, that the Provincial Auditor and the Committee on Public Accounts could look into.

The first area would be the hospitals. We spend over \$7 billion per year in hospitals. Until recently, hospital funding was primarily based on an incremental system which I think is wrong and which the government also believes is wrong. It believes that it should be based on performance and service levels, and the capacity of the institution. That is what the funding should be based on.

Secondly, within the Ontario Hospital Insurance Plan, over \$6.5 billion is paid out annually to health care professionals. One of the key issues there is the verifications of our health card systems. Over 12 million cards in Ontario are currently outstanding and we have a population of slightly over 11 million. So there is always this concern about, well, how many extra cards are out there, how many Americans have cards right across the border and things along those lines. This is a major concern and I feel that it deserves an investigation by the Provincial Auditor and, perhaps, other individuals involved as well.

The other area is the whole area of drugs. We spend \$1.4 billion per year on drugs. The issue there, in my opinion, deals with the whole drug formulary, what should be included and is it up to date. We want to make sure that drugs that are prescribed are necessary and appropriate. It gets us into a whole issue of using generic drugs versus brand name drugs.

We want to be assured that all billings by pharmacists are legitimate. It is my understanding that, currently, we only have four inspectors in that area to actually determine whether that is so. Of course, we could say exactly the same thing with the billings for doctors, as well.

One of the encouraging signs that I saw out of the funding situation that was announced the other day between the federal governments besides the fact that more money will be coming into the system, which I think we all applaud, to at least bring us back to the same level of federal funding as to where it was four or five years ago. Who is going to audit that?

There was an article just recently in The Globe and Mail whereby the Premier of the province states that the whole administering of the report cards -- and I think the notion of report cards is a good idea and should be done by provincial auditors. As a matter of fact, Mr. Harris stated that we have suggested the Provincial Auditors and the federal auditor for direct federal programs. I think that is good for the auditors and it is good for our committees because presumably we will have much greater access to that and a much more direct way to deal with these issues.

There is no question in my mind that value-for-money auditing is necessary. Although sometimes it may appear that the system is so large, cumbersome and almost uncontrollable that it is difficult for any one individual or an office of individuals such as the Provincial Auditor to try to get a complete hold of the situation. I think the steps taken by the Government of Ontario -- and I am an Opposition member -- to use the indicators I have talked about earlier in the various programs in which measurements are being taken in the 20-some examples that I gave earlier, are at least a start in the right direction. So we have a better knowledge as to whether or not the money being

expended into certain areas is utilized wisely but I think it also goes beyond that. I think we do have to get the auditors much more involved in the other three areas, with the whole question of hospital funding, the drug situation and the OHIP situation.

One of the issues that we have before us in Ontario deals with whether or not the Provincial Auditor has the right to follow the money to transfer agencies. When you consider that about 60 per cent to 65 per cent of our total budget is, in effect, being transferred to hospitals, to universities, to colleges, the question has arisen, does the auditor have the right to follow that money and to audit it within those institutions? This is a debate we are still having, there has been no conclusion to that, quite frankly. As a matter of fact there was a Private Member's Bill introduced by a government member back some two or three years ago that suggested the auditor have greater power so he could follow transfer monies as well. Thank you very much, that is all I have to say at this time.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): I personally have enjoyed your presentation but I would add that -- and I don't want to hog any time here as chairman, I know they have been very brief -- I have had the opportunity in my lifetime to practise family medicine for 30 years, eventually was an Opposition member, then government member and now back in Opposition. During my time I have had Social Services, Housing, Municipal Affairs, Justice, Attorney General and Health portfolios and that was how I ended my government career, so I followed the presentations with interest.

Ken, I want to thank you for your personal note because at the end of the day when you talk about health care, you end up on a personal note, it is either you or your family. Everyone else is okay, stay with that waiting room or that emergency department but when you are in need and your family is sick, I will tell you, it is very personal. I went to the hospital last week with my son and we got out of there at 4:00 a.m. He received excellent care but as a physician I was really concerned about him.

As a politician and as a physician it concerns me the misinformation that flows through the media. We have very few people capable of writing in Canada on health care of any substance, that gives proper information and we are talking about a system. One day I asked a friend of mine who did a lot of work here in prenatal care in the province, Mike, how are things going? He said, things are pretty good but the problem is you get something all worked out and the people come along and frig it all up again. The idea is, we are in the people business here. So those are my brief comments as we move into a question period. I would ask you to share your experiences, if you wish, ask questions of the panel who have put a lot of work and thought into their presentations.

Andrew, I want to thank you. You were very comprehensive, in my opinion, as we look at measuring outcomes. It is not easy and don't let anybody tell you that this is a simple matter. The health care system is a very complex issue, in this country particularly. Obviously, I think we have the best system in the world.

John, your presentation on report cards was very comprehensive and I think you have given us some idea of things that can be done to measure outcomes. I think we have to work on that. To me, that is one of the biggest challenges, that we are going to at least be accountable for getting value for money. So, with those few words I will open to the floor.

The honourable Ron MacKinley from Prince Edward Island.

MR. RON MACKINLEY (Prince Edward Island): I would like to say that we brought auditors into the University of P.E.I. and I used to sit in the House and you would see us arguing probably for an hour or two over \$350,000 going into a certain department, maybe it would be Agriculture or Highways and it may have been a half-day's argument. Yet, with a stroke of the pen we authorize \$28 million to \$30 million to go to the University of P.E.I. and after three years we finally did get it and it worked out real good. I think the university is very happy also.

I am in business myself, I am a farmer and about every three years I get a consultant or a private person to come in to look over my own operations to see what we are doing wrong. There is nothing wrong with that, it improves efficiency and if you are in a business or you are in politics or one issue too long, you kind of get tunnel vision, so you have to watch that.

Now going back to Ken, I know what you are talking about, you darn near have to be dead in order to get into the hospital and have an operation and that is the same situation in P.E.I. If you look at it in P.E.I., I get telephone calls from one lady who is 38 years old and has breast cancer and she needed chemotherapy. They kept putting her off for the treatment because they said she wasn't an emergency. So that tells you that there is a problem getting people through the system.

If you look at the United States, I believe they spent about 14 per cent of the GDP on health care and in Canada, we are probably spending 9 per cent or less. It is not only money, we know what kind of system they have in the U.S., we have to get the auditors into the health system. I know I spent the day with a doctor in the Province of Prince Edward Island and what I noticed was -- and I relate back to my own business - - that people with expertise were doing work that other people who didn't have expertise could be doing. I believe in the Queen Elizabeth Hospital in Charlottetown we had one orderly for five floors in a major hospital. What was taking place was that

either LNAs or nurses were moving people around or whatever. I think what we have to look at is the whole health system, we have to excel these people to higher levels and let them do more of what they are trained to do.

If you look at a nurse today, they have a degree, where at one time they needed only their high school diploma to go in to train and they did hands-on jobs and everything. Today, we have to be able to move the system into better organization. If we could screen more people, Outpatients is the same thing, the same as other areas are, it doesn't matter where you go. For instance, if you go down to Cuba, they are a Third World country but they have one doctor down there for every 400 people. If you go to P.E.I., you have one doctor for about 2,200 people. So you can go to a Third World country and see the results they are getting down there.

I think we have to get into more nurse practitioners and I think we have the knowledge and the ability, we just have to better manage it. I agree with Ken, that anytime the auditor goes in, it seems to make people more alert. Andrew, even though you are a member of government, I don't think it is going to work. We have been listening to our constituencies for a number of years about the problems. We, as MLAs try to correct the problems but sometimes you have to use a fly swatter to get the people off their ass and get them going. Thank you.

[2:00 p.m.]

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you, Ron, for that little nudge to the people in the health care system.

Jim Maloway from Manitoba.

MR. JIM MALOWAY (Manitoba): Mr. Chairman, I would like to thank the presenters for their presentations and I think it was Ken or Andrew who pointed out rightly that Manitoba, I believe, spends the largest per capita on health care at this period of time, which is about \$2 billion out of our \$6 billion budget and that shows no sign of abating. Clearly, something has to be done to curtail the costs and get better value for the money. I think one huge area that you have to look at is the area of technology.

In Manitoba -- I believe we are the first in Canada -- we have all of our 10,000 computers in the government centrally hooked up and running on a common platform and Ontario is following, they have 90 per cent of their desktops being hooked up right now. We are now in the position to follow through with that plan in our hospitals. Right now you have hospitals operating simply on their own and eating up enormous amounts of money and do not really have technology that works well in an

integrated fashion. That is why I am very pleased with the federal government coming up with some funding that is being actually tied to technology.

I toured a software company a couple of months ago and one of the fellows there was happily explaining how he had developed a program for a certain part of the hospital. I asked him whether he was planning to sell the program and he said, yes, when he had time he was going to be visiting all the hospitals. So, when you think about this the taxpayer gets the privilege of paying, what, 18 times for this one program.

As provinces, we have to get together -- and we do have a formula set up whereby Alberta can trade programs with Manitoba and Manitoba can trade programs with Ontario. What is so difficult with the concept, from a technology point of view, of mocking up the software for one hospital say in Alberta, and sharing that across the country? Why do we hit the taxpayers with developing this system over and over again?

I think there are a lot of efficiencies that we can get in the health care system on the technological side. I see some indications that provinces are starting to come to grips with this and are starting to develop these applications. Ontario is looking at smart cards now. These are the wave of the future and web-enabled applications are things you have to look at right now. You can actually bring in the technology today, probably better technology, and for less than you could just one year ago and the signs are pointing in the right direction.

I am actually hopeful that we may be able to put a cap on this but I think if you look at it in the sense of just throwing more money at the problem and paying the doctors and nurses more, hoping that will solve your problems with waiting lists and other things, I think that is being recognized now that that is not going to happen. No amount of money -- we could spend our entire \$6 billion on the health care system and probably not see that much of an improvement over what we have right now. I think our spending has to be a little smarter than it has been in the past. Thank you.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): I would ask the panel if they would like to briefly comment on your presentation, and maybe on Ron's too, I realize I didn't ask for a reaction after his.

MR. KEN KRAWETZ (Saskatchewan): I would like to share an example maybe if I can that will help illustrate what you are saying in terms of doing something beyond the boundaries and I mentioned in my remarks, thinking beyond the box. I am very quickly going to share an example that illustrates this. We had a gentleman last fall who came to the government and to the Opposition with this proposal. He has a rare blood disease and I don't know the name of it, T-cell lymphoma, I think it is, and his

treatment is not available in Saskatchewan. He goes to Rochester once a month and he has done that for about two years now. As of last fall, Saskatchewan Health had picked up the cost and each trip to Rochester cost the Saskatchewan taxpayer \$15,000 Canadian, about \$11,000 U.S. They have paid in excess of \$300,000 for this gentleman to travel to Rochester to use the machine that is there.

A proposal came out of the University of Saskatchewan Hospital, the Royal University, through the head of medicine there that said to Saskatchewan Health, why don't we consider buying the machine? Why don't we use the physicians' money that has been allocated to pay those physicians in the United States and use that to purchase the machine. The machine is \$57,000 Canadian. The response that came back from Saskatchewan Health and I am quoting directly from a letter that said this, Thank you for your letter about the above topic. You are quite right when you suggest that the service could be supplied at a more reasonable rate in Saskatchewan than in Rochester. Your proposal that the funds paid to the physicians for the service in Minnesota be transferred to buy equipment in Saskatoon, would also seem to make sense on the face of it. Regrettably, that is not how things work in real life. There is no way that the money assigned to physicians' fees can be used to buy equipment.

So you see we have this tunnel vision and we have it within the bureaucrats that exist in the Department of Health in Saskatchewan that say, we have done this for so long, we have done this year after year, we can't rely on the expertise in Alberta because what do they know? All of a sudden we are spending \$300,000 to send this gentleman month after month, the cost of the machine is \$57,000 Canadian and each time it is used it is \$607 for the kit that is used. The staff at the University of Saskatchewan has said, we can do it within our existing staff but it is not within the guidelines that we are working under and it can't be done. We have to break that tunnel vision and get out of it and I support what you say about using other provinces. Thank you.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Andrew, would you like to comment?

MR. ANDREW THOMSON (Saskatchewan): Well, I feel I should. I don't want to address specifically what Ken has just outlined, except to say that it is always refreshing when our bureaucrats are so frank and blunt -- definitely blunt in this case - with their answers. Let me say this, though, that what we need to remember is when we introduce changes in the health care system, there is always trauma associated with it. We may sit around here and talk about how it is important that we move the money to where it is best needed but my friend, Ken, opened his remarks by saying, Saskatchewan shut down 52 hospitals. We shut down 52 hospitals because they weren't functioning really as acute care facilities. We moved the money over into health care and moved it to other facilities. This was under what we called, needs

based funding, the idea being wherever the patient went the money should go with him. If the patient isn't staying in Wadena to get their gall bladder surgery, the money should go to Saskatoon where they are going to get it done.

I can tell you that while this makes all measure of sense from an accounting perspective, from a utilization perspective, that it provides the Opposition with no end of cases that they can walk into the Legislature with, parading peoples' misery in front of us, legitimate misery, and make good politics out of it. Politics is local and we need to understand that when we make these changes, no matter how smart they may be in terms of moving it around, that the politics are often unmanageable or have a different result when we come out of it. While we may sit and agree that it is better value for money to put the money to use where it is best utilized and where it is going to have the greatest impact, we need to understand as politicians and often that puts us offside.

I say to the example from P.E.I., the discussion as to how our medical system works internally, this is something we have just done in terms of the nurses situation. We have just changed the way our ends deal with what we call, licensed practical nurses, these LPNs, so they can do such simple things as administering needles, which up to now has only been the domain of a registered nurse. This was opposed by the Official Opposition and by the Nurses' Union and yet, of course, I think that most of us as we sit around and who sat back, I think if the Parties were reversed in terms of who is in government, we would likely have the same legislation because it is good legislation.

The only point I try to make here is that these are all good things for us to do, but unless we can come to an agreement that what we are really focused on are the outcomes, the political pain that we will go through as politicians, particularly when you have to wear the mantle of government, can often lead you to building stagnation into the system, rather than moving forward with real reform and real change.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thanks, Andrew. I know John has a comment.

MR. JOHN GERRETSEN (Ontario): Not with respect to the particular situation in Saskatchewan. (Interruptions) The only comment that I want to make is simply this, and the nurse practitioner situation is a perfect example, that a lot of that is just about one thing and that is turf protection. We see it everywhere, I am a lawyer and the Law Society of Upper Canada is well known for that. We don't want any paralegals in the system and you can just go on and on and it is exactly the same way here. It is going to take the political will of whoever is in government at some point in time to say, look, nurse practitioners are a good thing and if they can deal with 50 per cent of what the doctors are dealing with at a much lower cost in the economy, well, so be it, that makes sense. That is only one example, there are many other areas as well.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you, John. I want to thank Jim for bringing that issue of information technology up. In The National Post a week or so ago there was an editorial on one of the back pages to do with that, I think it was the vice-president of Royal Bank or someone like that. I thought it was quite a good article, I clipped it out and it had to do with how far our health care system is behind in information technology, relative to banks and other institutions. I feel very strongly and am really concerned with the numbers of people losing their lives just from lost tests in this country and I think that is also an important issue.

John Hastings.

MR. JOHN HASTINGS (Ontario): Mr. Chairman, one of the things I find intriguing about this debate is that Ken says we should think outside the box, Andrew says we need outcome-based approaches to health care system, and yet we are boxed in our very own thinking to a great extent, in terms of where we start as to what is the premise of health care in this country? Right now the fundamental premise of it is that it is to look after people when they get sick, when they have a disease, when they have an accident, any of those tragic circumstances. But there doesn't seem to be in any official organization, aside from Health and Wellness Alberta that I can see, where there is much of a thrust to start with what you, as an individual, are responsible for, in terms of preserving your own health and how we, as governments, should reward or recognize wellness preservation, so that you do not have to anticipate just continuing consumptions of your budgets, whatever the amounts -- \$6 billion in Manitoba, \$20 billion to \$22 billion in Ontario.

Literally, at the rate we are going with ageing demographics, we will pretty well eat up 80 cents of every dollar, if not more, on health care of a whole budget of a province or a country within the next three to five years, it is coming that quickly. So I would like to hear from the panellists as to what specifics they have in mind for initiating a better premise for the development of a better quality health care system that is based on how well you, as an individual do, to preserve your health. You can't prevent all diseases from occurring, granted, but there should be some recognition of that and I don't know what Health and Wellness Alberta does to actually incorporate that into their public policy.

My second point that concerns me relates to how you get common benchmarks across the country, in terms of what outcomes you are trying to measure. In Manitoba, or Saskatchewan, or Alberta, you have different standards to start with. You also seem to have a number of competing organizations; we have the Clinical Evaluation Centre at Sunnybrook in Toronto and yet the feds have started the Canadian Institutes of Health Information. So there is the duplication already occurring, just in the collection of raw data before you even decide what benchmarks you are going to utilize to measure

what outcomes you are trying to attain with the dollars you have set aside for a specific function. That to me would be where the auditors could certainly bring some sophisticated analysis, in my estimation, to have some common start points as to how you are going to evaluate the dollars you are putting into any given function.

Finally, I see on the news that the World Trade Organization has ruled against Canada on the 17 year intellectual property protection of new drug discoveries. That means that Ottawa, whoever is there, is going to have to go back and extend the years of protection from 17 to 20 years for all drugs discovered prior to October 1, 1989, or pay a pretty hefty compensation fee to those pharmaceuticals that weren't given that protection as accorded by the WTO, even if we win on an appeal at the WTO. That brings up the whole point of how do you budget outwards for these kinds of external factors that you don't really think about until they are right in front of you, in addition to all the new viruses that are occurring, that we already probably have in Ontario, that West Nile virus that has suddenly arisen.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you, John. You have made three great points, the issue of wellness, the common benchmarks across the country, and your recent response to the announcement at the international level on drug protection. Maybe I will go to the other side of the panel, John, would you mind responding? Perhaps we could work our way back through the other side.

MR. JOHN GERRETSEN (Ontario): On the issue of wellness, I suppose all you have to look at is how much each Ministry of Health in the various provinces and federally spend currently on health education programs, that is where it has to start. They are not spending very much so we are not going to change the public perception about the need for health wellness until the people are really convinced that that is an integral part of their being, as it were. Dealing with the whole issue as to whether or not you are responsible for your own health, I suppose, is there a government anywhere in Canada that is prepared to outlaw cigarettes and tobacco products? Surely, if anything, nobody needs further proof that tobacco products harm your health and yet, I doubt if there is a government anywhere prepared to take that step.

MR. ANDREW THOMSON (Saskatchewan): Thank you for your observations. I want to make a couple of comments about what we have done. When we introduced wellness/health care reform in 1991-92, we had done so largely on the idea that there was too much money -- it was based on the same premise -- a lot of money going into acute care that might be better utilized moved over into more community-based care or more prevention. We went about doing this, we undertook several different programs to try to move more money over to community-based health care, innovative things. For instance, we know that health care is dictated in large part by

socio-economic factors. We understand that ethnicity plays a role in terms of health care.

What we tried to do was look at areas where we knew there were problems or were likely to result in problems. Let me give you an example. In our inner cities we have significant health concerns, particularly as it affects children. What we decided to embark on was a model, in cooperation with education, social services and health, to develop a community schools program. These programs are aimed at simple things, like whether kids had a meal that day, to more complex things, like making sure that they have some access to medical care, particularly things like dental, for example. In our poorest areas, our lowest socio-economic classes, we have implemented these community schools programs with the idea being that health care money, when partnered with other programs, can lead to a better health care outcome. That doesn't necessarily address what you are talking about for the ordinary citizen.

One of the things being advanced now by the folks at the Fraser Institute, of course, are these medical savings accounts. This is the topic du jour for those who are on the right wing of the political spectrum. The idea is that we look at the health care budget, say it is x thousands of dollars per capita -- in Manitoba or Saskatchewan it would be about \$2,000 per capita -- what you should do is take the money, invest it in a comprehensive insurance program for catastrophic events, use the rest of it to dangle a carrot in front of people and say, if you don't use this money on health care you will get a financial reward at the end. I think this is a dangerous and a bad way of looking at how we should deal with wellness and health care.

The fact is that affluent, middle-class, white people, do not have the same health risks as those in other parts of our Canadian community. I think we need to be very careful that when we start to divide up health care dollars that we make sure the money goes to those people most at risk. That is one of the basic principles of why we did Medicare to start with.

Finally, let me just say in terms of the outcomes issue, I believe the question of outcomes within our health care really has to be determined by us, as politicians. I am reluctant for us to simply view the outcomes issue as a Maclean's Magazine-style of evaluation of how the different districts are across the country. As you know, Maclean's put out a big report this spring evaluating the 47 or 48 different health centres across the country. Depending on the indicator, frankly what we found out is that most Canadians live to about the same age, most Canadians have roughly the same health status but what we do not take into account are things like, for instance -- I will use Saskatchewan as an example -- Saskatoon and Regina have very significant differences in the birth weights on the children. This was a concern to me and I asked the minister's department why this is. In part it has to do with the demographic and

with the ethnic background of the make-up of the kids. This is one of the things we don't get in a Maclean's-style study.

What I think we need to be cognizant of is that this is a complicated area and that we, as politicians, have to sit down and decide what are the real indicators and what are the real outcomes we want to be achieving. Not simply today, not simply 20 or 30 years from now, but throughout that continuum what is it? That is something that frankly, the auditors cannot determine, I think we have to do that ourselves. Thank you.

MR. KEN KRAWETZ (Saskatchewan): I agree with your point on having the use of the auditor and one of the questions that has developed in Saskatchewan is whether or not the administration levels have grown far more than the front-line caregivers. I don't have the answer to that, maybe people in the professional areas know what that answer is. I think an audit and use of a provincial audit is much more than just finding out where the numbers were spent, but we are not suggesting that. We are suggesting that we have an in-depth study of whether or not the money that is being spent in the various areas is being spent wisely.

I agree with Andrew on a lot of the things that have developed. Coming from an education background, I think it is critical that we start to look at the wellness model and put the dollars at that level where it is most useful, and that is at the youth level. One of the things I mentioned yesterday was that in Saskatchewan we now have a Tobacco Control Committee that has been going around the province and is making resolutions and recommendations that will be put forward, dealing with the whole question of use of tobacco products in youths and how we can get better at it because we are failing in that respect, no question.

When we also look at the premise that access to quality health care is the same for everyone in Saskatchewan, I think we hear the response from many people saying, what is the standard of care that I can expect if I live in Regina, if I live in Yorktown, or if I live in a little community where I come from, Invermay? Can I expect the same standard of care no matter where I live and will I receive that? I think people are starting to look at that and say, no I am not. It depends on where I live and it depends on what Andrew said, what socio-economic background I come from and whether or not the standard of care that I will receive is the same as the standard of care that someone else in the province will receive. I think it is time to take a good hard look at that and develop maybe a charter that each individual can say yes, I will receive this type of care in the Province of Saskatchewan. Will it be different in some of the other provinces? That it may.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you. Time is moving on but we could entertain one or two brief questions or comments if you wish.

MS. MARY O'NEILL (Alberta): I would just like to remind folks that my health region was the number one in Maclean's so, quite frankly, we think it is a wonderful study. (Laughter) All teasing aside and I promised myself I would not comment this afternoon because I didn't want to extend the time, however, I do want to make a couple of comments and I can't resist the microphone.

Andrew, despite the fact that you are an NDP Government and we are a PC Government in our neighbouring provinces, the intent with which we have undertaken how to address health care and the delivery of it has a number of similarities. However, I do feel -- because I don't accept simplistic statements -- I will not accept your statement that making the best decisions that we have to make as government people, based on what our constituents want. I would suggest you had better change that to what our constituents need, because our constituents want the world. They want government to look after them from beginning to end and if we are going to sustain our health care system, then we have to be able to make some decisions.

I would ask you to recall what happened in 1964, in Saskatchewan when the then, Premier Lloyd, faced demonstrations by 20,000 people saying, we are against Medicare. The government of the time decided to go for Medicare, which I think was based on what ultimately, the people of Canada need, not necessarily what they wanted then. I know I am twisting it but what I am saying is we have to be very careful that we take upon ourselves the mantle of responsibility to make decisions which we have discerned to be the best ones for the people whom we are here to serve.

I would also like to make the comment that the greatest burden we have right now is to find a way in which we can keep our health care system in Canada sustainable. I will go back to Tommy Douglas -- I am not prone to quoting him but given the topic I will refer to him again here. He said, and he started Medicare based again on the premise, the word that was used earlier, that no family, no household will go bankrupt because of having to pay for the medical needs or expenses that the family or the individual incurred. So if we are going to do that we are going to have to apply some very broad strokes of concern, get deep into our discernment of how we are going to make this health care system sustainable for the future generations.

As for the role of the Auditor General or for those who are assisting us, as legislators, in our understanding of how we will financially sustain this system in our respective provinces, I think the Auditor General does have a role to do an audit. We have to ask ourselves, are we asking them to do a forensic audit? Are we asking them to do a

needs-based audit? Are we asking them to do what they do best and that is to give us a picture of how we are expending our money, what we have in the future and can legitimately determine is the money that we will and we hope to have, or we can generate and then how we then have to take the responsibility of trusting those in the health care field to say, as partners with us will you help us spend this health care dollar, 100 cents of that dollar, in the best way we possibly can, and that is the big issue. Sorry, I didn't keep my promise, I should be quiet.

MR. SHIRAZ SHARIFF (Alberta): I just wanted to comment on the very interesting feedback we got in a survey that was done in Alberta. It said that 77 per cent of respondents wanted more funding for health care. When they were asked who was willing to pay for it, only 17 per cent were willing to pay more. So that is a balance we have to find in how we fund health care and I thought that would just kind of add to the points that were just made. Thanks.

[2:30 p.m.]

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you very much. I would ask the panel for a response.

MR. ANDREW THOMSON (Saskatchewan): Well, I felt a small rumbling which I thought may have been Tommy rolling over, as my Conservative friend from Alberta was quoting him. But I think that this is very much true.

Actually, Alberta and Saskatchewan, for as different as our political stripes are in our governments, have embarked on many of the same initiatives for managing expectations within the health care system. I think that this is an important point that you make, without getting into the semantics about needs versus wants and what those words may mean.

I think that something that we share as government members is the responsibility for managing the expectations. There is always a debate between what is good public policy and what is good politics within government. I certainly want to emphasize that I think, as government members, we have to focus on what is good public policy. Those of us who have an interest in being re-elected also need to focus on what is good politics. That is all I try to say.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you, Andrew. Anyone else? John.

MR. JOHN GERRETSEN (Ontario): Well, just a very quick comment, whereas, maybe Andrew overstated that, maybe Mary did as well, because I don't think that all

people, necessarily, want everything. Some people want everything but I think you stated that all did and I don't think that that is correct at all.

MS. MARY O'NEILL (Alberta): I apologize for the sweeping generality of it but, quite frankly, the expectations are high out there for the delivery of health care. We have just been through an incredible discussion, in the springtime, on our Health Care Protection Act and I can tell you that the expectations of the delivery of health care are enormous.

MR. ANDREW THOMSON (Saskatchewan): Again, if I could just add, I think that it is fair to comment that there is a great disconnect between people looking at health care as patients or consumers of the health care system and in their dual role as taxpayers funding it. I am not sure how we try to marry those two pieces back together.

People understand that when we talk about a publicly-funded Medicare, we are not talking about free medical care, we are talking about publicly-funded medical care. That money has to come from somewhere, i.e. the taxpayer. This is one of the other issues that I think all provinces share some need to deal with.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thank you, Andrew. We have some very significant provinces that we have not heard from. I always look for Quebec because they always seem to have unique approaches. You have done great jobs in the clinic areas, I know, when I used to go to either medical meetings or as Health Minister, whatever. I would just invite others, if they would like, to make a comment before we shut it down.

MR. GEOFFREY KELLY (Quebec): Well, I guess the one thing that, perhaps, is most innovative was going ahead with the drug plan two or three years ago. It just shows what a challenge it is to try to keep things under control.

The government opted for a system that complemented private insurance so if you were excluded from a private insurance plan, you went on to a government plan. Basically, the three groups that are covered would be young families that did not have private coverage through work, people on welfare, and the elderly.

It has ended up being a very expensive program that the government was forced to double the premium this year from \$175 to \$350. The costs are growing astronomically, about 15 per cent a year. How to keep that under control is proving to be a great difficulty.

What strikes me is that the Canada Health Act was designed at an era when we focused on doctors in hospitals. As home care pharmaceutical treatments replace hospitals and we try to move people out of the hospital and out of the doctor's care as quickly as possible, we expose families to great costs again. To get back to Mary's statement about Tommy Douglas, we have a problem because, through our CLSCs, we try to do some home care in Quebec but the availability is very difficult. The people may get a visit a day or a couple of visits a week, depending on the nature of their needs. Even providing that is very expensive and the new money from the federal government, I know -- the Minister of Health has indicated she is going to make home care a priority.

These costs and trying to figure out how -- you know, our own Auditor General helps us but it is always bit by bit. He will do a chapter that may focus on medical laboratories, he may do a chapter that focuses on ambulances. The challenge of trying to do this global audit of the whole thing is a huge job. We now have a committee that will be travelling Quebec for the next six months, trying to come to grips with the financing of the system. Michel Clair, a former Cabinet Minister, will be heading that up.

I don't know. It is a problem that is just so daunting by its size but those are some of the things that Quebec has done in the last few years to try to come to grips with where the costs are coming from, and the new challenges of 21st Century Medicare.

MR. CHAIRMAN: Thank you very much. David Morse, from Nova Scotia.

MR. DAVID MORSE (Nova Scotia): Geoff, we were talking about this just before we started the session, privately. I've got two questions. Three hundred and fifty dollars per person?

MR. GEOFFREY KELLY (Quebec): Per person, 18 years of age and over. If you are on welfare, there is a reduction. It is a sliding cost, it is means tested. I don't have the exact figures in my mind but if you are working poor on welfare, it is less than \$350.

The big change from the system before -- seniors paid \$2.00 per prescription up to a maximum of \$100. My one little partisan cheap shot, the PQ accused the Liberals of being Draconian at the time for doing that and it was terrible to charge seniors \$100 for prescription drugs. Now they are up to \$350 but somehow that is okay now. I will close my little partisan bracket there.

The problems, I think, looking at it is that the public system ends up -- going back to Andrew's point -- insuring the people probably at greatest risk. You are going to

consume most of your drugs towards the end of your life so people over 65, people who come from poor backgrounds, as a general rule, on the public system, which may explain why its costs are rising, and with this hybrid system that we have, as a general rule, private sector is insuring young working families with a relatively good income and it is part of their benefits package at work.

It may explain, in part, why the costs are rising so dramatically in the public system but even at a \$350 premium -- it will run a deficit again. There will require, from general revenues, a transfer of many hundreds of millions of dollars to balance off the insurance program at the end of the year.

MR. DAVID MORSE (Nova Scotia): Which leads into my next question. Would I presume, just on the premium, that there might be some breaks for children under 18, families, somewhat of a reduction?

MR. GEOFFREY KELLY (Quebec): Yes. Children are free so it is adults. If you're 18 and over, you pay, but children do not pay into the system. Then there is a co-insurance, so I think your maximum costs are about \$1100 a year. If you are a heavy consumer of medication you pay 20 per cent of the costs, up to -- I think it is \$750 a year. Your maximum total per prescription drug bill is conceivably \$1100 a year.

MR. DAVID MORSE (Nova Scotia): So for the publicly insured portion of the population, what is the cost recovery going to be on this program from the premiums and the co-pays? In other words, what is the subsidy from general revenues? Is it 20 per cent, or . . .

MR. GEOFFREY KELLY (Quebec): I could mail it to you because the costs for people on welfare are not covered by the insurance premiums. So they pay into the pot but the costs for that section of society, if I remember correctly, come out of general revenues and it is very expensive. What the exact percentage is, I can send that to you.

MR. DAVID MORSE (Nova Scotia): Thank you.

MR. CHAIRMAN (Dr. James Smith, Nova Scotia): Thanks, David, and thanks, Geoff. Well, I think we have come to the conclusion. As Chairman of your panel, it is interesting how we get off into specific issues all the time in health care. I apologize for not being able to direct better but I think there was a great sharing of information here.

I think if you look at the responsibilities of the Public Accounts Committee and what one might do -- I think Mary mentioned, what sort of audits, what would you be

measuring, outcomes and all these issues. But I think it is good that we have had the airing of these.

The first thing, we will be talking about each other's ingrown toenails and that sort of thing. I find health care tends to get -- like I said earlier -- and Ken, you started it with your own sharing and I appreciate that, sharing your own personal experience, but these are very personal matters that affect ourselves, our families and our constituents.

I would like to thank all of you very much for participating and sharing, for the panel particularly, and for your frankness and your openness. I will pass it, briefly, over to our Chairman, John Holm.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Thank you very much, Jim. (Applause) That was, indeed, a very interesting, informative panel. I want to turn the mike and the Chair over briefly to Craig James. We have some council business that has to be dealt with and I think, Craig, you are the CCPAC -- I hate going through letters -- Executive Director. There is some council business that we need to address, so if I could turn it over to you.

MR. CRAIG JAMES (British Columbia): Okay. There are, actually, two items that the council should address. One is, of course, the election of their officers for the next year. As well, there is this thing that has been circulating called, The Purple Zone Project, by the Institute of Public Administration of Canada. It is a project which they are proposing to undertake, essentially, with or without the cooperation of the council.

I think it would be helpful, since in the past, the Canadian Council of Public Accounts Committees, has, through the years, been involved with various kinds of research activity, primarily between itself and the Conference of Legislative Auditors. Over the past few years, in any event, we have sort of fallen behind in actually doing anything during this period between the conferences.

It does not really require an endorsement by the council but I think it wouldn't hurt for the council to say they like the idea and for IPAC, the Institute of Public Administration of Canada, to proceed with their proposal. If that is the case, then maybe what I can do is liaise with the organization over the course of the next year and keep the council up to date on what is happening with the project.

Maybe for the conference in Saskatchewan, this could be one of the items that could be considered, a report from the Institute of Public Administration of Canada on where they are with their project and, essentially, the results of it and what impact it might have on the role of our council, and the nature of the relationship between Public Accounts Committee members, the Auditor General, civil servants and others

throughout the country. I think it has, certainly, some merits. I just toss that out, number one.

Number two, of course, the election of the officers . . .

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Do you wish to make that as a motion?

MR. CRAIG JAMES (British Columbia): Sure, yes.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Okay. We have a motion on the floor. Do people here understand what the motion was? Is there any discussion on the motion? Hearing none, would all those in favour of the motion, please say Aye. Contrary minded, Nay.

The motion is carried.

You will be doing the liaising. Thank you very much.

MR. CRAIG JAMES (British Columbia): Okay. Of course, the other issue is the election of the officers for the next year and what tends to happen there is, every two years the Executive Director position is looked at. I am quite willing to continue in that role, if members are amenable, number one.

Number two, it would be the election of the President who is normally then the host Chair of the following year's conference, also the Vice-President for the following year's conference. The Secretary -- I think we call it Secretary -- which generally tends to be the Clerk to the committee in the host jurisdiction for the following year.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): The President, then, you're saying would be the Chairman of the Public Accounts Committee, you are suggesting, from Saskatchewan, is the normal procedure?

MR. CRAIG JAMES (British Columbia): Ken Krawetz.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Ken. The Secretary would be the Clerk.

MR. CRAIG JAMES (British Columbia): Yes.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): The past President would be the Vice-President.

MR. CRAIG JAMES (British Columbia): Then the Vice-President is the Chairman and the host for the conference two years hence.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Okay. Now, do we know who is host for the conference two years hence before we elect him to that position?

MR. CRAIG JAMES (British Columbia): I believe it is Newfoundland.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Seeing nobody here to object to that, I think that that is most appropriate. (Laughter)

MR. CRAIG JAMES (British Columbia): We'll elect them, yes. (Laughter)

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): We have a motion on the floor for our next executive. Everybody in agreement with the motion put forward? Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

MR. CRAIG JAMES (British Columbia): That is all, essentially, for council business at this time.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Okay, well, that concludes the council business. I don't know if there is anybody else who has anything that they wish to bring up before the conference is brought to an official close. Yes?

MR. GEOFFREY KELLY (Quebec): Thank you very much to Nova Scotia, to Halifax, to all the staff that have worked so hard. It was a great stay here in Halifax. We enjoyed it very much. (Applause) Congratulations to all of you.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Well, thank you. If I can be so presumptuous as to speak on behalf of the ever cooperative members of the Public Accounts Committee in Nova Scotia, and, certainly, on behalf of the staff, it has been very enjoyable. We have enjoyed the cooperation and very much appreciated the cooperation that we have received from other sections, in terms of both suggesting topics that should be brought forward to this year's conference and, certainly, to all those who have agreed to be presenters.

I think we have been very fortunate to have such great cooperation. We hope that you will be coming back. We are pleased that you enjoyed your stay and hope that you can extend it for a few days. If you can't, please come back as soon as possible. The

weather, always, in Nova Scotia is at least as good as it has been over the last few days. When you come back, you know you can be guaranteed fine weather.

MR. ANTHONY FLETCHER (Australia): Mr. Chairman, as the visitor from over the big water, I should take the opportunity to extend my personal thanks and also on behalf of Margaret, for the hospitality that has been shown us during this period of time. We have benefited from being here, socially and intellectually. As a practising Member of Parliament and a practising member of the Public Accounts Committee. I have benefited from the exchange of ideas that I have heard here over the last two days.

I do say, very deeply, that it has been a great time. We appreciate it. We do look forward to coming back and, similarly, we hope to reciprocate the hospitality; if any of you are ever in Australia, feel welcome.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Thank you very much. I know that our Public Accounts Committee members have already been talking about what we have heard over the last couple of days. A number of items and suggestions are going to make their way on to our agenda to see if we can't do certain things to beef up and improve our own Public Accounts process here in the province. We, too, have learned a great deal.

So unless somebody else has something else that they would like to add -- I have a motion. Yes?

MR. CRAIG JAMES (British Columbia): One final comment. That is, our friend from Australia is probably quite aware of the fact that there is the Austral-Asian Council of Public Accounts Committees which meets every second year. The year 2001, I believe, is the next year that it will be meeting.

It met not too long ago in Perth, Western Australia about four years ago, I think, in Sydney, New South Wales. I was privileged enough to attend one of their meetings and found it enormously helpful and useful. So I just want to say that there is a parallel organization elsewhere in the Commonwealth that we should be looking at.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): Send an invitation. (Laughter) Okay. Yes. We have a motion, as well, from Lance White.

MR. LANCE WHITE (Alberta): Motion for adjournment.

MR. CHAIRMAN (Mr. John Holm, Nova Scotia): We have a motion for adjournment. It is non-debatable. Would all those in favour of the motion please say Aye. Contrary minded, Nay.

Thank you all again very much for your attendance, cooperation and kind words.

We are adjourned. (Applause)

[The session adjourned at 2:50 p.m.]