



Legislative Assembly of Manitoba

STANDING COMMITTEE

ON

PUBLIC ACCOUNTS

Chairman

**Mr. D. James Walding
Constituency of St. Vital**



Thursday, June 8, 1978 10:00 a.m.

**Hearing Of The Standing Committee
On
Public Accounts
Thursday, June 8, 1978**

Time: 10:00 a.m.

CHAIRMAN: Mr. D. James Walding (St. Vital).

MR. CHAIRMAN: Order please. We have a quorum gentlemen, the committee will come to order.

If you recall at the last meeting we completed our consideration of the main Public Accounts Book. If you turn now to the supplement, if there are any questions on Pages 1 to 147, would you raise them now, if not we'll continue from Page 148. Are there no questions? Mr. Wilson.

MR. WILSON: I think it's a good idea to — those are basically something that you could take up during the Minister's Estimates — however, I did note with interest that since the last meeting we have received a sort of a bit of information from the Auditor regarding what happens in other provinces and because we're in sort of the last phase of dealing with the cash payment, it would seem to me that we possibly on this committee — what they do in other provinces — may be having to change our direction because under the former government it would seem that they delighted in putting the public accounts through after the auditor's report. They seemed to deal with public accounts in a very low-priority area.

I note with interest that the province of Ontario for instance would invite Ministers and invite people before the committee to answer all questions, frankly, openly and honestly, and I'm quoting. They also dealt with a number of areas from agricultural to food and culture to recreation, and a lot of problems seemed to be the type of problems that the taxpayers of the province might be wanting us to look at on their behalf. I notice with interest here, the province of Saskatchewan met for 10 meetings, and I believe the province of Ontario, and I stand to be corrected, met for something like 40 meetings. I've been on Public Accounts in the past under the NDP regime, and they seem to only have one meeting, or maybe one or two meetings, and I think this is the first year that we've had five or six meetings on this particular committee and I would hope that before the committee disperses that possibly we may be able to ask the auditor about looking at Hansards from other provinces to see the type of investigation, the type of questions that some of us newer members would be familiar with what is happening across the country so that those people spending money, in this case it's the past Estimates of the year before, that if they are spending money in sort of an unchecked manner that the committee could raise questions that would cause the government to change their policy.

I note with interest that the travel policy, the Premier was pounded for about four years in the House and finally it was horror story that \$10.4 million had been spent by the government in travel and I think the government now is going to have a serious look at this. The Ministers have to now sign these vouchers, that civil servants are no longer on a massive on-the-job training trip around the world, and it would seem to me that \$4 or \$5 million may be saved in this area. So I would hope that before we get into the cash payments, that this committee could discuss the minutes of the Standing Committee on Public Accounts from Alberta, Saskatchewan and Ontario that the auditor was good enough to supply us with, and I wondered if the Minister had any comments?

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Well, my one comment that I was going to bring up at some point in time, towards the end the course of our examination here was, the question as to whether or not we should change the limits as to what's entered into the public accounts books here, either the supplements which would cover salaries or the other accounts. We do change these periodically, and I think it's probably as I recall, six or seven years ago, where we did change the limits to the current limits which show all salaries that are in excess of \$7,000 and all vendor expenses that are in excess of \$2,000.00.

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I was going to suggest that if the committee wanted to give its consideration, that we maybe should move those limits up in order to reduce the volume of the public accounts. The next lowest I guess, for instance, what I would suggest is that we might look at something like \$12,000 on salary, \$5,000 on vendor, which would put us the same as Saskatchewan. Most of the other provinces have somewhat higher limits.

The only reason for suggesting it is that it cuts down the volume of the amount of entry work that has to be done in the account books and as inflation puts up the salaries, I guess they would have doubled, it would put it to about the same as it was in the last time we changed it.

You might want to give that some thought, I haven't suggested it earlier, but maybe before we are finished dealing with the accounts, maybe we could bring it back again after you've given it some consideration to ask you whether or not the committee would be in agreement that we should change those limits. That would change it about in line with the amount of inflation we've had since the last time it was changed, that's about all. That doesn't answer your question, Mr. Wilson, all it does is indicate for a start that we'd like to . . .

MR. WILSON: I think my point, Mr. Chairman, to the Minister was that I would go along with raising these limits in conjunction with Saskatchewan providing this committee began, in my opinion, to adopt the procedures of other public accounts committees across Canada for a more thorough examination of expenditures of the government because out of this examination comes amazing interesting things that would help the Cabinet change policy, whether its purchasing practices or any type of thing along those lines, and it just seems to me that in reading the brief memo, which I really haven't had that much time to absorb, we just received it yesterday, it indicates that there are more members on public accounts committees in other provinces in many instances. There seems to also be a lot of technical people involved, whether they're all there at the same time or not and there seems to be, the Public Accounts Committee seems to deal with specific subjects and have the people at sort of the end of the table which a committee probably would do to answer questions. I haven't had a chance to peruse this new information that's been given to me, but again I had asked certain questions, and if the answers weren't in here that I wanted, I would want that particular X-Minister or the senior civil servant in that department to explain to myself why something is done a certain way and out of that would come the type of examination which probably could cause government to change their policy.

I notice that a lot of things are done without coming to this committee such as the new examination of the government air services that was being used so frequently by the former government and the selling of some assets and these types of things that might come forward out of an examination similar to other provinces. So that's all I'm basically concerned about is if we are going to raise the limits in conjunction with what Saskatchewan does then possibly we might want to look at our sister provinces, some type of a guideline as to how they conduct their meetings and how thorough an examination they do of government expenditures. I notice with interest that the province of Ontario has about 10 or 12 politicians on the committee and they held 20 meetings, and three of them were in camera.

Now possibly the Minister or Mr. Ziprick, could give me an example of why this committee would be holding something in camera. Can you give me an example of the type of thing that might cause a public accounts committee to go in camera?

MR. CRAIK: Well, just before we switch over from your previous question, perhaps it would have been more meaningful to indicate that we would plan from here on in to have the Public Accounts act as a standing committee of the Legislature can act which is to be able to meet in between the Sessions, and we hope to have the public accounts out much earlier than has been the practice in the past. The unaudited year-end statement will normally be out by July and the audited statement which is with the accounts will be out earlier in the fall of the year so that the intention here is that we would call the accounts on the year just finished which is March 31, 1978 — would probably be available for examination in October or November as opposed to what we are doing now, which is to examine accounts which are now in excess of a year old. I think that, for a start, will make a fair difference in that you are dealing with information that isn't quite so outdated, and also that it will allow the time for the members to go at the accounts apart from during the period when the Legislature is sitting, which will give you a little more time for examination and allow you to carry on in an afternoon as well as a morning so that you can have a little more intensive go at it rather than having to spread it out over a period of time when you have other conflicts during the Session itself.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Well, yes, I'm very pleased to hear that from the Minister, because this is something

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that I've been sort of advocating for some time that the former government really did not treat public accounts in the priority that I feel it should be given and I welcome the news that we are possibly going to meet between Sessions to have a more thorough examination of government expenditures.

MR. CHAIRMAN: Any further discussion on the information that came from the auditor yesterday or any of the papers that have been distributed this morning? Mr. Wilson.

MR. WILSON: The one question possibly the auditor could answer is, in this information given to us, it refers to Ontario having these meetings, and then it says that they have an examination of the lotteries records and stuff like this; "Examination of Lottery records, the Minister of Consumer and Commercial Relations is called before the Committee and out of that the Public Accounts Committee found that 20 percent of the receipts were going towards expenditures of running the Lottery and the Public Accounts Committee recommended that the lottery people put their house in order and work on a 15 percent overhead."

I don't see this committee doing anything similar to that, and this is one of the things that sort of bothers me. In our particular set-up would this be something that the Minister in charge of lotteries would be doing, in other words, an in-House examination, or is there going to be another body other than the Minister in charge of lotteries examining the lottery concept, that's what I'm trying to get in my own mind.

MR. CRAIK: You are going to have to direct it really to the Minister.

MR. WILSON: All right. What I'm trying to say again is that I will have to after this, sometime go to the auditor and look at — I believe you have the actual Hansard minutes of Public Accounts Committee meetings from other provinces, is that correct?

MR. ZIPRICK: Yes, I have the minutes for Saskatchewan and I have the minutes for Alberta. I don't have the detailed minutes for Ontario. This report came to me in conjunction with another matter, so I couldn't photostat them and submit them as I indicated in my memo. The transcripts of the meetings of Saskatchewan is a book, 380 pages in size, so that in no way could we reproduce it. Now, I don't know how many they print and as to how many could be made available from them, but I have one in my office and anybody that's interested in taking a look or even in taking it for a few days, I'd be pleased to make it available.

MR. WILSON: Well, this is why I say — what I'm trying to put this committee is in the future, to be more meaningful, because under the former government it didn't seem to receive any type of priority.

I note with interest on page 5 of the material in the preamble, it says that the committee Chairman wrote to all the Ministers and Deputy Minister is pointing out that the committee was sometimes dissatisfied with the inability or the refusal of people appearing before the Public Accounts Committee to respond to the remarks not only in the Auditor's Report but to questions. My observation is that this committee has not brought any former Minister before it nor has it brought anybody before it to answer questions. What we do is raise questions in the committee and some time in the future we will receive an answer. Now, you know, that answer is similar to the concerns expressed by the chairman of the Ontario Public Accounts Committee. That answer may be disappointing to the particular member that raised it and he may have further questions. It seems that you are simply raising the questions on this committee and some point in the future you are getting the answers which, I think, is a step forward. I somehow get the feeling that the Ontario and Saskatchewan committees have a different structure in the way they conduct their meetings than we are doing here today and I'm just looking for some information as to what does the Minister or the Auditor foresee as changes that may take place in this Public Accounts Committee?

Minister or the Auditor foresee as changes that may take place in this Public Accounts Committee?

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Well, this material was supplied as an elaboration to what Mr. Cherniack had asked at one of the meetings. For a number of years I've been indicating in my report about the different methods that the other Public Accounts Committees carried out. They seemed to be much more effective and for that reason I was bringing it to the attention of this committee for consideration. I made this material available purely as a sample of how they go about it and not that we'd be concerned with their problems.

So, I think that it's a matter that should be considered and reviewed and some system established whereby under what conditions will this committee be operating. The other committees that I'm aware

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of, for instance, Saskatchewan, Alberta, Ontario, Canada, they operate on a substantially different system in that they do get people to come forward when their expenditures are being considered, they get explanations from them and they consider the expenditures in much more depth than it is done over here.

MR. WILSON: Well, I think the Auditor has answered my questions. I think he sort of shares some of my concerns and those of the Member for St. Johns that even though during the past eight years the former government chose to do nothing about the examination of their expenditures, that we are going to — and willing to — look at the possibility of bringing this committee into a particular responsibility of inviting people forward that may have entertained some questionable expenditures or adopted something that may not quite be the policy as you imagined it to be and would, for clarification purposes, appear before the committee. So I'll just leave it there if you wanted to get on to the cash payment section.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairman, you know, the Member for Wolseley would like to change the operations of the Legislature and its Committees and I think he can raise some of these points in committees. I would hope that he would take up some of these points as well with the House Leader and possibly we could get some changes. You know, we ask questions in the Legislature, in the House itself, and we don't always get answers. We ask questions in the House and we always aren't satisfied with the answers. I don't know if people are then saying, "We're going to change the rules of the House in order to satisfy ourselves with respect to the inability of the government to answer questions exactly when we want them answered."

Now the Member for Wolseley has come here to this committee and I think that he is trying to build himself virtually into a Cabinet position through Public Accounts Committee. He doesn't refer to himself as the Member for Wolseley anymore; he refers to himself as the Member of the Public Accounts Committee. Well, you know, I think maybe we should ask the government to consider some ways of giving some tid-bit to him to salve his ego because I think the poor fellow really does feel sad. Here he is, he's sat in Opposition for some time and —(Interjection)— No, I'm not at all. I've not called myself the Member of Public Accounts but I've heard the other person call himself the Member from Public Accounts and I think that some of the questions that he's raising, in fact, do merit consideration. That's why I'd like to have the Minister of Finance indicate whether he will bring staff forward— which he can do. We've talked about this before and the Minister of Finance has given us answers and the answers seemed quite reasonable. If he now, in the light of the comments of the Member for Wolseley, feels inclined to change his position with respect to bringing staff forward, bringing Deputy Ministers forward, I'd like to hear his answers on that.

Secondly, I'd like to know if the Auditor can tell us whether in fact the review of Estimates in other provinces is similar to ours because it strikes me that some of the things that the Member for Wolseley wants the Public Accounts Committee to do are, in fact, being done in Estimates. We do have an unlimited time period for Estimates. Staff are there. You ask questions about this year; you ask questions about last year; you have that opportunity. I've found that in the Estimates procedure you can ask virtually all the questions you want and the Minister isn't necessarily obliged to give you an answer right then but all Ministers have been trying to provide answers and they've indicated that if they can't provide an answer that day, they'll come back in a couple of days with the specific answer. Generally, with respect to questions of fact, they've provided the factual documentation. Sometimes when one has asked questions which would back up a particular policy direction, sometimes the Minister hasn't been able to provide, in my estimation, substantial documentation or sufficient documentation to back up that general policy direction but policies are based in part on values and in part on facts so that I don't think that that is necessarily a bad reflection on the Minister. Perhaps the Ministers haven't — what can I say? — developed a coherent rational argument for backing up their particular value system when they reflect their value system in a particular policy. But I find that the Estimates procedure generally is working quite well. I find that the committee procedure is working quite well in Law Amendments Committee. I find that we have gone through this in sufficient detail to satisfy most of the people sitting on this committee from both parties, or all three parties, and I'm just wondering whether in fact we're not trying to build up Public Accounts into something that possibly it isn't and possibly usurp the Estimates process and that's my concern. I think that we have a valid Estimates process and I think that Ministers and Deputies going through that Estimates process are subject to the types of questions that they could be subject to if someone tried to bring them forward.

So, I would like to ask the Minister of Finance if he concurs with the position of the Member for Wolseley and also I would like to ask the Auditor if he is aware of what takes place in other

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provinces with respect to their Estimates process.

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Well, the practice in Public Accounts has been to provide all the information as far as possible that's ever been requested by members and the staff comes back with the information as has been done in this case. We don't always space them out with the distance available that the information can be first prepared. In this particular case, it has been possible; it's not always possible to get the information back before you have your second meeting. But the information, as far as I know, has always been brought together and either forwarded to the member who has asked the question or provided at the next meeting. In this particular case, it was provided at the meeting because there was a fair volume in the request.

As far as bringing in people is concerned, from the departments, I think that if the committee decided that there is a potential abuse there, I suppose the committee could then decide on an individual case whether that was possible or not, with the concurrence after they have heard the Auditor's side of the story in a particular case. But as a general rule, I don't think you would want to follow procedure, having all your staff people on call during examination of Public Accounts. By staff people, I mean staff in all the departments. As you know, there are about six Finance Department people here now for this meeting and there are two from the Auditor's. I think there were three or four from the Auditor's the last day we were here, so that there are a fairly sizeable number of people that can carry out the investigations that may be requested. It is, after all, auditing financial type of information that you are interested in. It would have to be a very very particular case, I would think, that would have the support of, first of all, of the Public Accounts Committee, before, I think, asking or in effect subpoenaing somebody to come before the committee for personal cross-examination.

The Public Accounts Committee, if you go back far enough, when I was first in the Legislature, which was some time back now, it was a half-day operation for the entire accounts. We usually did the entire accounts in a matter of three hours. It has become a more extended operation in recent years and I'm not suggesting that either one is right. I expect that you find variations all over Canada with regard to the procedures they use but normally to go into the individual departments, the place to do that is in the Estimates procedure and not in Public Accounts, because it's after the fact. All you can identify in Public Accounts is verify a concern or dispell a concern that you may have for a particular account.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Well, in commenting on this, as far as I know, the Estimates procedure, by and large in most of the other provinces in Canada, follow the same kind of system that is over here. What I think is essentially needed is some definition as to what the role really is, and I would go back to the last meeting when we were going through the Public Accounts and the departmental expenditures. Members were raising questions as to why there were some \$80,000 worth of travelling expenditures under a particular program or activity, and is it an increase from last year, and what is this all about. Well, there is no way that either the Department of Finance or the Provincial Auditor's office can give an explanation as to why a program needs \$80,000 travelling expenses. The only people that can really provide that is the department. Besides, in considering, for instance, the Estimates, there is no consideration of the total of the travelling expenses as such. The whole program is talked about. So, when we're trying to, during the course of an audit, make comparisons and see whether \$80,000 — I am using it as an example — of travelling expenses for that particular program is what has been agreed to, is it reasonable or unreasonable, there is no way to determine it. To make comparisons between the other years, well, we can do that but seeing that there are no systematic evaluations and explanations provided, the work that we would have to undertake to get anywhere would just be out of the question. It would be such that we just couldn't devote that kind of time. So if there's going to be a systematic evaluation as to whether an \$80,000 expenditure for travelling for that program is reasonable, that was what was agreed to in the Estimates and now we're looking on an after-the-fact basis, and that's exactly the amount that was expended. I don't know, but I think that these are pretty vital questions.

So, as far as I can see, it's a matter of determining what is it that you are trying to evaluate in this Committee and then proceeding on that basis. But as far as I am concerned, the good part of the last meeting, as we went through these departmental expenditures, and the kinds of questions that were raised, were of a kind as to what level of expenditures for a particular program is reasonable or unreasonable, and that's not something that the Auditor could deal with, unless there has been a standard set. So that, in effect, for instance, the travelling expenditures, we know that they are supported by vouchers and some members would have liked to have seen the vouchers. Well, the

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vouchers wouldn't say very much, other than they would indicate what people that travelled, but the details on the vouchers . . . I know that the amounts, for instance, as I had indicated at that time, for the lodging and whatever other types of expenditures are on there, are completely consistent with what has been laid down by Management Committee and a reasonable kind of expenditures.

Then the question arises, should this trip be taken or not, and should that amount of travelling expenditures, is it reasonable for that program or isn't it.

Now, if this committee wants to really get behind these kind of explanations, then, as far as I am concerned, the only people that can really provide it are the departments.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairman, I think that the comments of the Auditor do, in fact, raise the pertinent question regarding the function of this committee and I guess we're talking about the systematic evaluation of what, by whom, and I think that's where the difficulty lies. Committees are usually stronger in a congressional system of government. They aren't as strong in a parliamentary Cabinet system of government. So that when we look at the examination of expenditures, we have to determine whether, in fact, it's being done. I think it's being done by the Executive. —(Interjection)— I thought we would have to charge this to the Minister of Public Accounts. I think the Executive does perform this function.

I don't know whether, in fact, the Auditor does sit in on the executive meetings when this is being done. I know that there was some concern raised about you being the — what is it? — Acting Clerk of the Cabinet, just for certain purposes of determining in fact the regulation was properly drafted or not. I know that you don't sit in on Cabinet meetings. But when Cabinet reviews the Estimates, or when any of its committees review Estimates, they do so in a fairly long exhaustive manner and questions of travel costs, and the proportion of travel costs to the overall costs of the program are raised; figures or documentation is provided; the staff provide explanations. When Cabinet meets to discuss Estimates, at least in the first rounds — and I don't think I'm breaking any secrets in this respect — there are staff all around who are providing answers to all those questions that the Executive is asking.

So the Executive is going to ask a very fine level of questions, ask a number of specific a questions, they will do that in Cabinet. P erior to that happening every Minister will, in fact, do that as well with his or her department and go through that process of bringing forward all the staff, asking them questions, and receiving answers in this a . . . process and it takes quite a bit of time.

Now I think the Legislature has to determine whether in fact the Executive is doing a reasonable job or not. So then we have to ask, what level of questions should the Legislature ask of the Executive; and we have people who provide assistance to us in this respect and the Auditor is one of them. So we get material which indicates that money first isn't spent illegally — and I think that used to be the concern in Legislatures many years back — and I think we've developed a procedure of checks and balances so that generally money isn't spent illegally. The public funds are in trust and spent well, according to that trust.

But I don't know whether in fact the Legislature then can set up a system of doing the job the Minister did, in establishing the Estimates for this year, which was done in part by looking at what happened last year, or what happened in years back. I don't know whether in fact a Committee of the Legislature can sit down and do the job that Cabinet did for probably five, six, seven weeks in coming up with the Estimates package that was brought forward to the Legislature.

So I think that the job is being done, Mr. Chairman, and I think that the major responsibility for doing this job rests with the Executive. I think that we have a job here in the Legislature, and as a legislative committee in a sense reviewing the performance of the Executive with respect to expenditures that were really made, what? Two years ago, which creates some difficulty as well.

So I think that attempts to speed up the process of providing Public Accounts say for the year ending March 31, 1978, so that we could look at them now, would probably be the best step that we could undertake because we would be dealing with expenditures that are pretty fresh and have dovetailed into this year's expenditures, and therefore I think have more relevance, than if we're dealing with Estimates or expenditures that are two years old.

So I think that the points that had been made in the past, if they had been made in the past by an opposition, whether it was a Conservative opposition or what, with respect to speeding up the process of bringing forward the statement of accounts, are valid. I think that's the best way in which we might improve the procedures and the effectiveness of the Public Accounts Committee.

But you know when we look at other Legislatures, I know that some of the Legislatures have a greater role for their legislative committees. These are ones that tend to sit, in a sense, year round,

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these are in the larger provinces and if the Legislature is sitting year round then maybe you might devise more work for the legislative members. This holds true in Ontario; it holds true in Quebec and obviously in Ottawa the use of committees is much more intensive than it is here.

I know that some legislative committees do have access to legal counsel. I know that the Committee of the Legislature, which is exploring food prices in Ontario right now, does have legal counsel and legal counsel is examining witnesses on behalf of the committee, in filing reports and doing analysis of that nature for the committee members. That entails some expense.

I'm not sure whether in fact we want to take those types of steps here in Manitoba and I'm not sure whether in fact we would want to get any more assistance to, say, the Public Accounts Committee than we have right now. I've found that these answers are useful. Where I agree with the Minister of Finance that we may have a bit of an interruption, is when we have the last meeting for this Session, that we might ask some questions and the Minister of Finance — or whoever will undertake to provide answers — and those answers will come forward, they might be sent out, or they might be brought forward at the next meeting of the Public Accounts Committee which could be next fall or it could be next year.

So I do think we have sufficient flexibility in the committee that we have operating right now, and I think generally it's doing a satisfactory job. I look at private sector annual meetings, when people go over the annual reports, and I notice that the Hudson's Bay Company had an annual meeting — and annual board meeting — they provided their report of the auditor. There was some very large questions involved there, and the meeting took 47 minutes — the entire board meeting took 47 minutes — I don't think that's enough.

But these meetings, they're longer, and we've gone through these statements in some depth. I don't know if any question asked by any member in this committee, hasn't been answered. The point is, if the questions weren't answered, then I think we would have some cause for concern that these questions are in fact answered.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Well, yes, I'm not making the point as to the role of this committee. What I think is deficient is that the role is not defined in any way and questions are being asked of the kind, as to the level of expenditures and the means right now are not available to provide the explanation. So I think that if what Mr. Parasiuk is saying, that that's all that the role of this committee should be, well then when we get to the departmental expenditures, there is no point in even asking about the level of expenditures because that information is just not available. So if that's as far as the committee wants to go in enquiring into the expenditures, that's fine, that will be the decision of the committee. But if some people expect to get answers to these questions, they will not get them from the Auditor or even the Department of Finance.

So it's a question of understanding as to what is really wanted and the points that I've been making is just to get some idea as to what's needed.

MR. PARASIUKE: Would you comment on whether in fact you intend to bring forward audited statements for the year ending 1978 at this sitting of the Legislature?

MR. ZIPRICK: Well, no, the audited statements would not be available until some time in about September. That would be the earliest that you could expect them, because the accounts have just been closed, not very long ago. If we carry out any kind of post audit on the closed accounts, that takes a little time. Then the statements have to be made up, the printing has to be done, and they are quite substantial books, so that takes some time. Now, unaudited statements, as Mr. Craik said, will probably be out in, probably some time in July, and the unaudited statements are just the statements in abbreviated form.

Now, the books have been closed and when the unaudited statements come out in July, I have a feeling that there will probably be very little, if any, changes to the financial statements when the audited ones come out, so that would be a very good indication of what the position is. But for the finalized statements to be in this kind of form, unless they were in some abridged form, but to be in this kind of form and to be fully finalized much sooner than some time in September or very early October would not be a practical means of carrying it out.

MR. PARASIUKE: Well, maybe there would be some utility there in having the Public Accounts Committee meet in September or October and review the statements for the year ending March 31st, 1978 while they are still somewhat fresh in people's minds and before they have been superseded, in a sense, by another set of Estimates. And in that respect they may, in fact, have some influence on the Estimates that are being developed right at that time, within departments, on the next fiscal year.

MR. CRAIK: That's what I was indicating earlier; that was the intention, and hopefully, if the system works the way it theoretically should, . . . it could have some influence on the Estimates process for the following year. But the Auditor's report, if it's — if the Auditor has his examination completed in late September or October, it's probably November 1 by the time we get the accounts printed. So you'd want to have the accounts to go with his report and it probably would be possible to call this Committee by about November 1.

MR. PARASIUK: If I could, I'd like to ask the Minister, since he's vice-chairman of Management Committee now, whether in fact Management Committee and its staff aren't performing a number of the functions that the Member for Wolseley indicates might be usefully performed here by the Legislative Committee. I think that audit reviews are being done; the staff recalled Management auditors; they have particular departments that they look at; they do analyses and they provide reports to the Ministers. Now, that's the way it used to be; I assume that that process is still continuing. Is that correct?

MR. CRAIK: There have been more changes being made in strengthening the role of the Department of Finance in this connection along the lines of the recommendations of the Provincial Auditor in earlier reports. The Management Committee does have some overlapping responsibility in that regard, but the areas that have been moved on so far really is to fill the vacancies in the audit capacity of the Department of Finance that were referred to — I think in the Auditor's report — and certainly that I mentioned here last day as we have filled three of the empty spots with chartered accountants to help now carry on a more extensive . . .

MR. PARASIUK: This is in the Auditor's office?

MR. CRAIK: No, this is in the Department of Finance.

MR. PARASIUK: Oh. Thanks.

MR. CRAIK: In the Accounting analysts.

MR. PARASIUK: Yes, okay.

MR. WALDING: Any further discussion before we move on to the supplement? Mr. Ziprick.

MR. ZIPRICK: I would just add this to what Mr. Parasiuk was saying, that I'm not questioning the work that's being done internally by Management. We did make observations in the report that it could be much more systematized and much more effective even there, and the controls and evaluations are not of the kind that we would consider satisfactory for this kind of level of expenditure. But the question rises, to what extent is the public going to be exposed to what's going on inside? And if it's not this Committee, what other committee is a Provincial Auditor to write a report on all these matters, and write a very lengthy, extensive report? I don't know how useful that would be. Then, the question — again, I would be questioned on matters in the report; I have said over and over again, for a number of years, that the way things are organized now, we cannot bring to bear any kind of analytical evaluation and determine as to whether the objectives are accomplished, because there's no measurement techniques, and until there are some kind of measurement guidelines and techniques we won't be able to do any of that. So, I couldn't be of too much help anyway. So, it's a question of how much of this kind of information is going to be exposed to the public, to give the public an indication that in fact there are effective controls over public expenditure.

MR. PARASIUK: My position on that is that you are electing an executive — you know, you elect a government to undertake that responsibility and the Legislature will be providing confidence or lack of confidence in the executive to carry out that function, and there are opportunities of asking questions.

I think in one respect one difficulty is that you don't have the same opportunity throughout the year to ask the questions; Estimates come and they're debated for say, two or three consecutive days, and then the Estimates are approved; a lot of questions are asked and answered. But then it may be a month and a half later that one finds out some information that gives cause for concern and we then have the opportunity in the Legislature of asking questions — and our question period is pretty good compared to other provinces; it's much better, I think, than many other provinces in that respect — so we do have some opportunity in question period, although frankly, in question

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period you don't have the same opportunity for getting into the depth that you can in Estimates. And also, the Minister doesn't necessarily have to respond to you in the Legislature, when you are asking questions in question period. Or, if the Minister takes them under advisement, the Minister may not come back for months, as the Minister of Tourism didn't with respect to the Jarmoc report, for example. We had to wait until he provided it. I have asked him further questions, as has the Member for Rupertsland, regarding that whole situation, and we have been told that we will get answers, and we haven't been getting answers, so that can be somewhat frustrating. When you're in Estimates you have an opportunity of pressing the case more solemnly and getting a commitment for an answer, because the Minister wants to pass his Estimates, so they will bring the answers forward on that day or the following day. But once that review of Estimates is passed, you don't have the same opportunity.

So, that can be somewhat frustrating, and maybe we could look at ways in which that can be corrected, or that can be improved upon. But as to the actual operations of this particular Committee, I think it's operating quite well, and I think maybe the Auditor or somebody should take a look at the context within which we operate to determine whether in fact we're getting the information quickly enough; what types of information go out to the public, not only through this publication, but what comes out on an ongoing basis. And some of the information, even these reports that are coming out, I've got some questions later on as to why some were audited and some were unaudited, but I think that those things are useful. I'm not saying that they aren't useful, I think that they are useful, but I think that we have to try and improve the overall process of the effectiveness of the Legislature rather than trying to in fact, say that this committee isn't operating well because I think it's operating well enough.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Well, I think I share some of the thoughts of the Member for Transcona except that I'd like to put the thoughts in my own overview of what I think. We get this Provincial Auditor's Report which is the type of thing that the general public by and large wouldn't read, and I think that the public elects us to sort of be a window into the observations that are made here and some of the provincial auditor's responsibilities are spelled out, and it says that he should examine the accounts and all moneys relating to Consolidated Fund and it says, ". . . shall ascertain whether in his opinion the accounts have been faithfully and properly kept, that all public moneys have been accounted for and there's a sufficient system of collection and proper allocation of the revenues and essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public property." So, there's the auditor going to town and doing his job.

Then you have the Management Committee which again consists of a number of professionals who give their particular opinion and I think that a third view, another view has to be less professional, sort of more grassroots, more political. In other words, there has to be some political input and the questions asked are something that the guy might ask at the grocery store, "Why was it done, was it practical?" I think the public needs a window into the expenditures of government.

There is ample opportunity I agree under the Estimates to ask certain questions, but unfortunately sometimes two committees are meeting at once. So my observation of this committee is I see it playing a very valuable role.

We've asked certain questions in our past meetings. One that I looked at and asked questions on, we'll get to it on page 233, was the Selkirk Linen Services. When I got hold of reports from the Misericordia Hospital, I got hold of reports from all the hospitals as to why this political laundry in Selkirk was built and why we're trucking all the laundry out to Selkirk, and I asked the questions, "Why and what is the cost difference? Does it cost more to take the laundry to Selkirk? Why was it built in the first place? Why are we dismantling all the laundries in the other communities which create jobs?" In my own particular area staff layoffs, a taking away of the economy at one particular . . . —(Interjection)—

MR. CHAIRMAN: Order please. I wonder if you might ask those questions when we get to that page.

MR. WILSON: Well, yes, I'll get into more detail on that page, but I think that the questions asked by this committee are extremely important because they do give the public a window into what is going on. You know you raise certain questions and it causes the Cabinet and Management Committee to possibly suggest changes in policy because maybe the auditor's role isn't to deal with any way shape or form what the politicians are doing pertaining to policy as to whether it was right or wrong. It's just did we get value for our money.

I think through a third examination by committee similar to the examination that goes on in Ontario does bring forward many interesting things — people ask questions, was it practical, was in it

and is a review necessary or a change in government direction or policy? So, I see a great deal of value in this committee meeting between sessions. I think the very fact that you could bring the Minister before the committee, I think the very fact that you could bring a senior civil servant before the committee — this report that I got from Mr. Edwards is a whitewash as far as I'm concerned. It would please me nothing more than to have all my reports in front of me and challenge him with the information that he's supplied, so that's my comment. I feel this committee does play a valuable role and will cause government to change or look at policies and gives it a different approach than what the auditor gives, because I don't think the public is going to be generally scrutinizing this blue book that comes out when the fiscal year-end is reported and I think there's a lot of valuable information in there and it's too bad that they don't choose to read it.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Yes, I'd like to just indicate to the Member for Wolseley that the Management Committee actually consists of politicians. I think that they are all politicians, I don't know if there are any civil servants on the committee as such. They are served by civil servants just as this committee is served by civil servants, but . . .

MR. WILSON: No, I was imagining it in the days when you were there.

MR. PARASIUK: No, not at all.

MR. WILSON: But we are looking at last year's spending.

MR. PARASIUK: Not at all, the Management Committee has always been the same and I think that maybe the member should check into the administrative manual of the government to determine who sits on Management Committee, and they always have been politicians.

I'd like to ask the member, because we are discussing the general role here, whether in fact he would limit what Public Accounts Committee does or reviews to the Auditor's Report. We tend to look at page 7 or page 20 and then ask questions arising from that page, maybe we should come in and say, "Look, I'd like to talk about why this building was built. Was it good value for money, we've had a chance now to reflect, it's been almost 50 years now, was this building good value for money? It was an incredible scandal when it was built, but was it good value for money, now, having had the opportunity to view it from a 50 year perspective now." People might say, "Well, that's crazy," but maybe that's a better way of doing it than looking at something that was done two years ago, or last year, or maybe we should look at what was done three years ago because I think the Member for Wolseley is raising something that I think occurred when I'm not sure . . . six years ago, seven years ago?

MR. WILSON: You mean the building of the at Selkirk? laundry

MR. PARASIUK: Yes, yes. Well, we could ask that, we could ask about the Portage Diversion, was that good value for money? You see, I think that —(Interjection)— Duff's ditch. The point is I'm not sure of what the terms of reference are any more, and that's the problem. I think that although we can gain a lot by looking at the past, I think the more important function of the Legislature is to look at today and to look at tomorrow. Now that doesn't mean that we shouldn't be looking at the past. I think we are looking at it, but if we want to concentrate 95 percent of our efforts and our staff resources on looking at what was done in the past, then I think we will have some mistakes in terms of looking at the future and also in terms of how much staff time are we going to allocate to this whole process. You know, I look around and I see a number of staff here on-call. I know that staff probably have to try and rearrange their time or plan it so that they may in fact be here. I think that is quite ineffective but I'm not sure. Again, you see we've always come back to who will define what it is and is it the committee's role to try and define what its function will be. Can we decide that we want to meet, say in September or meet in November or is that going to be done by the House Leader discussing this in the Caucus of the Conservative Party and then issue an invitation.

MR. CRAIK: Well, it's a standing committee, it can meet anytime.

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Well just on that question, Mr. Chairman, it's a standing committee, it can be called anytime.

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MR. PARASIUK: Who did the calling of it when we met before the session was called?

MR. C CRAIK: Well, the government calls it and advises the hairman — the Chairman was selected I guess after in that case but normally the government would decide on it and advise the Chairman of the calling of it. The Clerk would send out the notices.

MR. PARASIUK: So when would we be informed if we would meet in November?

MR. CRAIK: You would be informed the usual amount of time in advance of it, a week or two ahead. That 's the usual procedure for any standing committee, when the government is ready with its information which basically are these reports then they would ask the Clerk to advise the committee of a date upon which the committee would meet.

MR. PARASIUK: Okay.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: By way of clarification, I couldn't agree with the Member for Transcona more, but I think he's sort of exaggerating the situation. I appreciate if we use the Selkirk Laundry as an example, or this building or whatever, that it was built in 1975. But when you get to page 233, there is an expenditure there and out of that amount of money when you ask questions, you then find out hhat — you know is \$1.788 million not a large amount of money? Then you start to examine the situation and say why are these costs going up every year and then you seek a report and it doesn't necessarily mean that even though the laundry was built in 1975 that somebody on this committee could possibly put the brakes on a right or wrong direction. If it's a right direction then information that comes forward will indicate it's a right direction, if it's a wrong direction and a new government is in power then in my particular case possibly they could look at what would make this facility more efficient. And all these would come out of a question that was asked at Public Accounts because somebody was concerned about an expenditure on page 233.

So, I think that out of these questions that we get from cash payments will come as to whether the past policy of the former government was not a wasteful and inefficient method. Whether you're dealing with the amount of welfare recipients that are moving, whether you're dealing with the cost of moving companies, cost of taxi's, cost of ambulances, all of these things come out of questions that are asked by members of this committee, so I think there is a value and I don't think you're really going back. I think that out of the questions you may have to go back as to why are we going this way, and then of course, out of that a senior civil servant will give you the answer and his interpretation as to why we're going this direction and then maybe you can go, if you're on the government side you can go to your colleagues and say I don't think this is right. Possibly even an examination by the media would indicate that it isn't right, so that's what I'm trying to get at.

MR. CHAIRMAN: Are there any questions on pages 1 to 147. If not page 148, Mr. Wilson.

MR. WILSON: I would like to put on the record a question that again will be dealing with expenditures and this because it was indicated that the members of this committee were not to examine vouchers and what have you without going through the Minister or making a request in writing. I will probably be asking questions of some expenditures and not necessarily in all cases looking at the vouchers but rather why are we doing this in this particular situation. By that I mean, for instance, why are we spending so much money on cartage and transfer companies. For instance I refer to Al Golden's company here Academy Cartage and Transfer, \$27, 000.00. You go through the book and you add up all the cartage that the government is involved in, I might ask the Minister, would this be a lot of work to find out how much money in 1976-77 that the government spent on cartage companies and under what circumstances does the government use cartage companies? For instance, I understand the former Minister of Public Works had a number of vehicles purchased, we've got quite a sizable fleet — is this tendering out or is it on a certain revolving system? How do we arrive at using Academy Transfer vis-a-vis Security Storage or others? Is it a tendering system, is it a revolving system that certain cartage companies are put on the government's list that those are the ones we shall use, or is this up to the individual department head as to what cartage company he uses.

In other words, what I'm getting back, it seems that throughout the cash payments observations there seems to be in many cases, a lack of tendering. It seems to be somebody is making decisions to use an individual company and I have no thoughts on that at this time except I was led to believe

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when I was not in political life that the provincial government tendered everything. So maybe I have to get in and study the fine print of The Purchasing Act to find out under what circumstances — I know there is one called “Emergency” — that department heads can use certain firms without tendering out.\$\$

MR. CHAIRN: Mr. Craik.

MR. CRAIK: I don't think there's probably one answer. I think you have to take them one by one, Mr. Wilson. All Public Accounts Committee can do is when you see an item, you can ask for a breakdown on it and as far as possible, the Finance people will put together a breakdown of the information such as what has been done in the information that was tabled with you. But if you want an analysis of all the processes by which haulage on behalf of the government is undertaken, then the Public Accounts Committee can't do that for you. You might word it up into some sort of an Order for Return for a statement by the government as to how it is undertaken but all the Public Accounts Committee can do is actually give you a breakdown of the information if there's inadequate or insufficient information for which you can satisfy yourself that the after-the-fact payments are legitimate.

The other alternative is, that if you, as an MLA, have a concern that there is an abuse of public funds by a lack of tendering in a particular case that is current, perhaps even an after-the-fact case, but usually in a current case, it is your full right as an MLA to go to the Auditor and ask the Auditor to inquire on behalf of the public interest into a particular case to see if the procedures being followed are in accordance with accepted government practice.

But this committee is not going to be able to answer wide-ranging questions such as, what is the government's policy with regard to haulage? Because, first of all, I'm sure that you would find that there are both types. If it is large undertakings, there would probably be tendering; if it's small and if it's Pink Lady, you're not going to tender for it. You're probably going to call and have the letter delivered. But what Mr. Golden happens to haul I don't know. If it's a short order, short-term type of thing, it could well be that there are no tenders on that sort of thing.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Well, what I'm saying is that if this is left to the individual politician, an MLA, to compile all this information, he certainly is going to have to spend part of his indemnity to hire research people to work with him. Because what I'm saying is, for instance, in the area of the San Clara Taxi for \$14,146.20, the year before the news media had printed that taxi fares were \$450,000, and in the year 1975, as best I could gather, they were \$271,000. So my question is to the concerns expressed and criticism of the former government by the media for their allowing all this taxi movement. I would think if a member of this committee drew forward the fact that why is it that Associated Taxis gets \$82,000 worth of business and why wouldn't it be better for somebody — rather than having to file an Order for Return which appears critical in nature, by asking questions and getting the answers, it would be one more of information being supplied. In other words, I would like to know, what did the government spend on moving and cartage expenses last year? It would be unfair of me, it would look like it was a court of inquisition for me to pick Al Golden's company out and say, I want a breakdown of his costs. You know, what I'm trying to say is that I don't want to single out Academy Transfer or Soo-Security or whatever. I'd like to know how much in 1976-77 that the government spent on cartage. I may ask the question: how much did the government spend on taxis because surely, when we were dealing with the Auditor's Report, we dealt with the fact that the former government and the civil servants had spent about \$10 million in travel. Out of that shocking revelation came the fact that the Cabinet sat down and made certain changes which will plug a lot of the questionable travel. So maybe out of my question might come the re-examination or the tightening up of taxi vouchers and/or why would we sent a three-ton truck with a little box in it? Maybe we could use the Pink Lady. Maybe there is an examination of the . . . What is our fleet doing? Is it sitting idly by while we're tendering all this out.

So what I'm saying is, I can ask the Minister, the individual Minister, those questions, but I could much better ask them if I had the answer to the question: How much did the government spend on cartage and transfer in the year 1976-77? Because then, not only will I be able to be' from my point of view — I have no love for the socialists opposite — I would be able to criticize them for the . . . Why did do they use this particular excessive use of these type of things? Why are they allowing excessive use of taxis and cartage companies?

I think to just ask for a breakdown, if I could, if I just pick on this one because he happens to be under the letter “A”, I think it would be unfair if it became public that we were zeroing in on this firm. I mean, people might read into it that we were picking on this particular firm, where really this member is after the overall idea as to whether or not the government is going hog-wild

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in their cartage and transfer of goods around the city and/or the province and whether or not, under taxis, whether they have reduced the travelling by taxis from . . . Well, last year's news media report was \$450,000 spent on taxis. The Minister, Saul Miller, was agonizing over this and promised cutbacks. So what I'm saying is, if I could find out how much the government spent on taxis and it was \$420,000 then I think Mr. Miller should be given a boquet for agonizing over the situation last year and actually reducing the amount of taxis that people take.

So, those are the two comments that I have under the two items under (a) which is the taxi from San Clara and the Academy Cartage; that's Page 148, but it's the type of thing that I want some guidance on. Do I have to file Orders for Return to get this information or . . . ?

MR. CHAIRN: Mr. Craik.

MR. CRAIK: Mr. Wilson, the thing is that you have to first of all ask the question. What is the question? So far, you're generalizing. Do you want the total amount of money spent by the government on cartage?

MR. WILSON: Yes, my question would be . . .

MR. CRAIK: But if you then want it broken down, the next breakdown, which is: Which ones were tendered, which ones were not tendered? Then you have to go right back into the departments and ferret out all that information. This stuff is not on computer . . .

MR. WILSON: No.

MR. CRAIK: . . . It has to be done by hand. First of all, in order to answer your question, we have to know what the question is.

MR. WILSON: All right. Mr. Minister, the question is that I would like to know what the government in these cash payments, 1976-77, spent on cartage and transfer companies, hauling companies, in that particular year? In other words, go through these cash payment things and come up with a figure that will indicate. I'll also ask the question on similar Page 148, could the government give me the cost of taxis for the year 1976-77 spent by the government? Also, it would be available by computing or compiling them out of cash payments.

So if those two questions are answered, then I'll be able to see if Mr. Miller lived up to his promise and I'll also be able to see if there has been a review and a reduction by government as to, in one case taxis, taxi travel . . . And I agree that when I get that information, I will then direct individual letters to, whether it's the Health Department as to say, could you please explain the procedure as to the voucher system? Does a taxi pull up with a load of people to the Health Sciences Centre and they run in and a girl at the desk signs . . .

MR. CRAIK: Bob, before you go further, I still want to know what your question is. I think I've got it straight. You want to total amount spent on cartage and haulage in that given year, you want the total amount spent on taxis?

MR. WILSON: Correct.

MR. CRAIK: We can get that for you. We can get those two things.

MR. WILSON: All right.

MR. CHAIRMAN: Mr. Parasiuk. Mr. Craik.

MR. CRAIK: I think that's what accounts are when we get down into the books, that is what accounts are about. If you want to then say, "Fine, I can check with the staff," you have to realize or recognize that in some cases it's virtually impossible, or it's very easy to get the information because it will be coded and you can break it out fairly easily. In some cases, your coding may not break down far enough, in which case that means a tremendous amount of labour to then dig it out and then you're in a diminishing return type of an operation. So, as far as possible though, when we get into detailed accounts for members, if you can specify exactly what it is you want so that we can tell whether it is physically possible to dig it out, we can give you an answer. In those two cases, we can.

MR. WILSON: Yes, this is exactly what I was getting at and one of the reasons that I had started

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on my own initially some months ago was that I didn't feel that I should take up the time of senior civil servants and staff examining vouchers and what have you So I think that en I get the information pertaining to taxis and to the separate one would be cartage and hauling, then I can turn around, I feel, if I look at . . . I want to just give you an example if I may.

On City Council, I was looking at the special welfare purchases and I asked for a breakdown of them. I got a long list of them and it turned out that one company was getting all the business. So, out of that, I was able to establish that there wasn't a fair and equitable distribution of the voucher system for the purchases of special appliances. So I think that by, just as a member of the committee asking how much for taxis, then when I turn around and look at the overall picture, then I think it is my responsibility as an individual MLA to get into the minute detail which could cause staff a lot of work if I were to ask it at this committee.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairman, we've had a Task Force spend quite a bit of time reviewing government efficiency and economy and it had a number of volunteers who were picked to serve on this Task Force and there were eight review teams or ten review teams and they did, what we were told, was a great deal of work in reviewing of massive areas and we were told by the Minister responsible for the Task Force that they would be continuing on with a number of tasks. So I would like to move that the committee recommend to the Premier that the Member for Wolseley be added to the Task Force, either replacing the Minister responsible for the Task Force or just as a member of the Task Force. I assume that he would agree to serve on it in a voluntary capacity but if the Premier decided that he should be compensated for this, I think we should use that mechanism. Because, you know, there is a mechanism that exists for that, so I would like to make that motion. I think we could do that as a committee and make that recommendation to the Premier.

MR. WILSON: I think the motion is out of order.

A MEMBER: I'll second it.

MR. PARASIUK: Can't we make those types of motions?

MR. CHAIRMAN: If you'll read the motion again on what is it you're moving and . . .

MR. PARASIUK: No, the point that I want to raise, Mr. Chairman, is that I think you can do these things and I think that the Minister is being fair when he says, "We'll look and we'll break out cartage costs and we'll bring you that type of information." One could then start asking, "Could we get a breakdown of all the engineering consultants that were used by the Province of Manitoba and could we get that as a breakdown? Could we get bonding costs? There are costs associated with raising money. What are the bonding costs? What are all the legal costs in the Government of Manitoba? What are all the outside accounting costs? We do have accountants and we do have auditors but yet we use outside people from time to time. Could we get a breakdown of all that? Could we get a breakdown of cartage; could we get a breakdown of taxi cab companies; can we get a breakdown of charter air flights as opposed to government air services?"

The point is that I'm wondering whether, in fact, the Minister isn't establishing a precedence when maybe it might not be better to talk to the Auditor and see if we might do some breakouts like that of categories. The difficulty is it depends on where you're looking for them whether in fact you would establish that as a breakout. I would have not thought of establishing cartage as a particular breakout. That's my point.

MR. CRAIK: It's coded notes. If it's coded in the accounting system and computerized, it's not that difficult to pull it out but if you get down into any of the departments as to how many Pink Ladies or how many other letter delivery systems were tendered and how many were . . . this sort of thing, then it's almost impossible. .

MR. PARASIUK: What are the codes and who determines them? Did we get a list of all the codes at one time? I guess we did; I'll have to check them out.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: The given you today, for instance, the Province of Alberta has an expenditure analysis by object code which shows quite a variety of different expenditures and I think that a a statement like that is quite useful because it shows, without any questions being asked, the expenditures of

the province by object code.

MR. PARASIUK: Will you be breaking these out that way? Do you break them out this way? Say, professional fees, architects.

MR. ZIPRICK: Well, they are already in the Public Accounts. They are code and already in the Public Accounts.

MR. PARASIUK: Maybe I'm not reading it correctly then.

MR. ZIPRICK: But we don't have totals. We don't have summaries. That's the difficulty.

MR. PARASIUK: Where is the coding on it?

MR. ZIPRICK: Turn in the Public Accounts to any department you want, and you will see . . .

MR. PARASIUK: I'm looking at Cash Payments, say, Page 138, Construction, Erickson.

MR. ZIPRICK: No, you are in the Supplement, but if you would go to the other book and let's say, turn to Page 100, and you will see a breakdown by object code under that particular section, of a variety of expenses. Now, all those are not totaled. They are not summarized. Now, if there was a summary for the whole government, then you could have a total expenditure under these various codes.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Looking at the information that the Auditor supplied us, for instance, the information that we have is for 1976-77. This is the Province of Alberta. I think what the Member for Transcona is saying is that if he chose to ask for all those things. What he was trying to do was — again I shouldn't try to read into his thoughts but I took sort of a mild offence to them in that by exaggerating that he was going to ask for 10 or 15 certain items and breakdowns, that he was going to pass a little bit of ridicule onto myself for asking for cartage and taxis. And if he wants to ask that information, I think that it would be very useful to the committee because it would be his government that spent the money, and then we could do a historical comparison from 1974 and we could possibly ask some questions.

I am trying to avoid a lot of work for civil servants and if this is just a computer punch-out to give me how much money was spent on taxis, then I think that is all I am looking for at this point in time. But if something raises doubts or questions in my mind, I am going to, hopefully, be able to ask for a breakdown. And I think some of the questions that we asked in prior meetings caused a few eyebrows to be raised. I know that I have received a number of calls from . . .

MR. CHAIRMAN: Mr. Craik, on a point of order.

MR. CRAIK: On a point of order, I think we have already accepted the fact that we're going to give a breakout of both of those items. You know, what the member wants to do with them, or what any member might want to do with them, is his own pure and democratic right to do it, whether he wants to call it to public attention to make the public aware that there is an abuse is fine. That's what the process is all about, but we have already accepted those two breakouts and will supply that information.

MR. CHAIRMAN: Anything further on Page 148, Mr. Wilson?

MR. WILSON: No, except that the Member for Transcona, I hope his question . . . Or I stand to be corrected, maybe he could clarify it. Was he asking for the breakout for all the costs for bonding and for travel and all that. Was he asking that or was he just sort of generalizing to try to . . . ? Maybe he could answer that question.

MR. PARASIUK: Mr. Chairman, I didn't realize that we had the expenditure object code. I just was wondering how one determines what category one would get a breakout for. I see from this code, if I wanted to get consulting engineers I could get it, because it's a code number 213. I won't ask for it now, but if I wanted to at some stage, I could.

I'd like to ask one point of clarification in this respect. Do we have to wait until Public Accounts Committee meets before we ask any questions for a breakout? You, yourself, sent us a letter this

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year on February 14th saying that there have been requests by MLAs for information concerning items in Public Accounts. So that conceivably if we don't meet in November, but if we get the Public Accounts and they are published and we have some questions arising from it, we can then contact you.

MR. CRAIK: The practice is to get it through Public Accounts. If there is a case where you feel that there is something to be questioned, the usual procedure would be to come and ask about it. If you think it's a matter of serious public interest, then the Auditor should be notified of it.

MR. PARASIUK: We might be interested in something and we might want to do a bit of homework on it, so if we came to you and asked you for a breakout on that, we could get it and have done some homework on it, so that when we came to Public Accounts we would be in a position to comment more knowledgeably on it. I'm not trying to ridicule the member. That is left up to him to do, whether in fact he does it advertently or inadvertently.

But the point that I'm raising is that he has done his homework on it, and I think it's sometimes difficult doing homework on something like this. When you get it, you look at it, and then we go through Public Accounts. We are not in a position to really digest what we have been given that morning. So all I'm checking on is there is this object code and we have it now, and I won't ask for a breakout on any of these right now, but I may want to ask for a breakout sometime later this year or when the Public Accounts for the year ending March 31st, 1978, come out. And now I know what type of breakouts are reasonable breakouts to ask for. That's all I was asking.

MR. CHAIRMAN: Page 148—pass; Page 149 — Mr. Orchard.

MR. ORCHARD: Thank you, Mr. Chairman. I have a question on an item in the first column, the Ad Hoc Committee for the Better Understanding of Culture through Music, Winnipeg.

I'd like to find out whose department this \$3,000 was funded through. I'd like to know who the individual or individuals are who make up this ad hoc committee.

The third question: I'd like to find out if there was any follow-up as to the report on the Ad Hoc Committee's findings, whether the government was ever presented with a report on the findings of whether there is better understanding of culture through music.

MR. CRAIK: Well, here is, I suppose, an example where we get into some difficulty, because you don't have all the ministries lined up. I presume it comes through Tourism and Cultural Affairs. It's one, I would think, of many grants that go to cultural organizations now, as the result of the availability of the lotteries money. I may not be accurate in that, but the difficulty is — just to point it out — that there is going to be many of these things where, without taking it back and actually finding out, we are not going to know exactly. Some of it might be direct government grants; some of it might be distribution from the lotteries money. But when you get one like that, you'll just have to ask for it, and we will take it as notice and provide the information back.

MR. ORCHARD: Right. I would like that information, please.

MR. CHAIRMAN: Page 149—pass; Page 150 — Mr. Wilson.

MR. WILSON: Again, I guess this ties into my question pertaining to the . . .

MR. CRAIK: The Archers and Bow Hunters Association.

MR. WILSON: Well, again, I guess probably I could ask this question. But it just seemed like a lot of money and from the explanation — but as you point out without the Minister here, the Amaranth Work Activity Project, for \$370,000, I just wanted an explanation as to what that was, but I guess I could write a letter on that.

MR. CRAIK: On which one?

MR. WILSON: The Amaranth Work Activity Project in Amaranth. It was obviously a make-work project or something that took place.

MR. CRAIK: Mr. Chairman, if there is a question like that, certainly just ask it. Say I would like a breakout of that and Finance will put together the breakout for you.

MR. WILSON: All right.

MR. CRAIK: You don't have to supply an Order For Return to get information on what a listing is, here. That will be provided back to you.

MR. WILSON: Fine.

MR. CRAIK: But all I asking you, again, is to ask the question in such a manner that we can determine whether we can answer it.

MR. CHAIRMAN: Mr. Adam.

MR. ADAM: I just wanted, perhaps, to offer some information to the member on that program because it is in the constituency of Ste. Rose. It was a training program undertaken cost-shared with the Federal and Provincial Government Departments of Health, out in the Portage la Prairie district. The rationale for the program was to try and give training and skills to unemployed employables who lacked the necessary skills to be able to find work and be productive. This is one of the programs that has been very successful. It has been extended into the Dauphin Health District, into the Alonsa area, the EbbandFlow area. It has been extremely successful. I believe there are well over 200 projects that they have done.

Basically, the work consisted of carpentry — training people to learn carpentry — and they worked in conjunction with the Department of Agriculture and many other departments.

Unfortunately, I did ask a question of the Minister of Health yesterday during the question period, if the member was there he would have heard. I was informed that the project is being phased out as of September. I asked the Minister that question yesterday and he informed me, the answer that he gave me was that the program was not being phased out, but rather the headquarters were being transferred from Amaranth to Portage la Prairie. But the information I had is that the program is being phased out and that the board . . . There is an Advisory Board who make recommendations to the Department of Health on this activity and they had written to the Minister to extend the program to March of 1979 in order to complete the projects that the Activity Program had undertaken for 1978. The Minister was quite surprised. This information was not to his understanding and he has undertaken to try and determine what is really happening because he feels that it is a very good program and he was surprised that the information that I had was that it had been phased out. But it's a joint program.

As a result of this program, there have been participants who have even ended up going to university through it. And there are many now who are self-supporting and off the welfare rolls because the entire area from Langruth north along Lake Manitoba is a high welfare area and the idea behind it is to take these people off welfare and give them the work ethic. Give them the sense of having to punch in every morning and earn a cheque, and, at the same time, learn a skill and make them self-supporting.

MR. WILSON: Thank you.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I'll pass.

MR. CHAIRMAN: Page 150—pass; Page 151 — Mr. Wilson.

MR. WILSON: I have two questions under this page, and I use it because they're under the Section A, but the first one is: Could I have a breakout and the reasoning why we spent \$8,351.60 on flags, under the Annin Flag Company of Toronto?

MR. CRAIK: Mr. Chairman, again just to get the procedure straight, we can give you a breakout but we can't give you the reason. If you now want to arm yourself with the financial information, and question the Minister on it, that's great.

MR. WILSON: Yes, all right, then. What I'll ask is, under the Expenditure object codes, is there anything where I could ask, where the amount of money that is spent on these items — I call them promotional items, or whatever — my concern is that there is a lot of companies in Manitoba do this type of work, make promotional brochures, badges, flags, and what have you, and I would like, by obtaining this information, to maybe some day in the future, ask the question, why aren't we doing this business in Manitoba? I'm not questioning the criticism of the government buying \$10,000

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or \$8,000 or \$20,000 worth of flags, I'm merely asking, by getting flags and brochures and bumper stickers, I feel that they could be manufactured and produced in Manitoba. That was my first question, just to give me a breakout of that particular item, and through that I may be able to ask further questions when they get the answer.

The second one under Appleby and Chappell, which is legal fees, I wondered if under Code 214 I might be able to have the cost to the government in 1976-77 for lawyers in the province. It would seem to me that it entails a lot of work and when you have 214, I wondered if included in that, I think there's another one called, Fees and Services paid on behalf of citizens, No. 731. So I think if I could combine 731 with 214, I would be able to tell the legal cost to the taxpayers of Manitoba, that this government in that particular period 1976-77 paid to obtain advice on different related matters pertaining to government.

MR. CRAIK: We can give you the total out of each. I understand that we can break out the totals in each case.

MR. PARASIUK: I would like to get that same information as well and I'll ask for 213, which is Consulting Engineers.

MR. CRAIK: Okay.

MR. CHAIRMAN: Any further questions on Page 151? 151—pass. Page 152 — Mr. Orchard.

MR. ORCHARD: Mr. Chairman, I would like to ask for a breakout on an item in the first column. The Association of People Working Together on Concerns in Winnipeg. Whose department it was funded through; the individual or individuals as the main members of that association and as to whether there was any follow-up report presented to government as a result of government's input in funding.

MR. CHAIRMAN: Any further questions on Page 152? Mr. Wilson.

MR. WILSON: I'll ask the Minister's advice first before I ask for a specific question. Under Avenue Meat Market Limited, \$32,180, is the particular code breakout for all the money that the government spent feeding employees, feeding staff or work sites, and people on social assistance, does it come under a particular code, would it be called food costs? I know we spend a lot of money on food for, in some instances, half-way houses, the food for the Youth Centre and so on and so forth. I wondered if that would be a lot of trouble or would it be quite easy to say, in 1976-77 we spent X number of dollars on food.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: We're just having a look to see what categories are available in that. Yes, there is a category under Subsistence, Code 76 — 76(1) Food, citizens; 76(2) Food, employees while not travelling.

MR. CHAIRMAN: Mr. Parasiuk. Mr. Wilson.

MR. WILSON: Well, I think I'll leave that for the time being. But it does show me that I could get that information of the future, if I did have a concern. So I'll leave it at that.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairman, I'd like to ask the Minister if they have a code for fishing; because if we could give the code number for fishing to the Member for Wolseley we'd probably be able to shorten the length of the committee hearings. Do we have a code number for fishing?

MR. CRAIK: Not as such.

MR. CHAIRMAN: Page 152 — Mr. Orchard.

MR. ORCHARD: Mr. Chairman, just a general question. Where we see individuals mentioned in this particular section who we know are either MLAs or civil servants and there is a reimbursement figure to them, is that for expenses incurred? An expense account reimbursement, primarily?

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MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Well, yes, in most cases. I would think that . . . Maybe I'll have to ask here too. Are the living expenses during the Session, for non-urban members, would they be included in the totals under this? I think they would. For instance, the daily living allowance for anyone who's . . .

MR. BLAKE: They're shown under the members' indemnity on the back page.

MR. CRAIK: It will probably be shown again here as well.

MR. BLAKE: Mine is in here, \$3,928.00.

MR. WILSON: There on Page 149, Pete Adam is here.

MR. CHAIRMAN: Gentlemen, one speaker at a time, please, otherwise we'll get too confused. Mr. Craik.

MR. CRAIK: I think one of the questions was with regard to MLAs' expenses. They're shown in the breakout here under this. They're shown again under here.

MR. ORCHARD: Yes, okay.

MR. CHAIRMAN: Any further questions on Page 152? 152—pass. Page 153 — Mr. Blake. Use the microphone, please.

MR. BLAKE: The Bank of British Columbia, \$78 million, that's all in connection with the bond issue, there was no share purchase or anything?

MR. CRAIK: No . . .

MR. BLAKE: Fine, I thought that's what it was.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: As a member of the committee, when one gets to Page 153 they look at payments being made to an individual with a similar name in London, England, and Downsview, Ontario.

I'm just trying to establish, what would that money be for, and it's just one of general information? I'm not on any particular research project. It just seems that there must be a logical reason why we would be sending a cheque over to London, England or Downsview, Ontario — the Bain matter, the I. Bain in London, England, \$14,104.80? —(Interjection)— Well, I guess in order to find out the question, I'd better ask that question, in order to satisfy my curiosity.

MR. CRAIK: Do you want I. Bain, Putney, London, England, what the nature of the expenditure was? What department?

MR. WILSON: Yes, that's correct.

MR. CRAIK: Okay.

MR. CHAIRMAN: Page 153—pass; Page 154—pass; Page 155 — Mr. Wilson.

MR. WILSON: Is there any breakdown under Gifts? I notice that when I looked up this Patrick Beel, \$3,749.29, I found it was a Gift Shop. So would I have to ask what the Patrick Beel item was or is there an item that has honorariums or gifts under the object code situation? Is there something where the civil servants and Ministers give out gifts or purchase gifts for whatever reason?

MR. CRAIK: Which item are you referring to? Patrick J. Beel.

MR. WILSON: Well, then what I'll do is ask for a breakdown of that and ask what the expenditure was for, and maybe later on I could then get into the object code at another meeting or . . .

MR. CRAIK: There is nothing in the object code under that category. But if you want a breakout

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on that particular item and find out what it is, we can do that.

MR. CHAIRMAN: Page 155 — Mr. Wilson.

MR. CRAIK: When I stated that we'll do that I refer then to Beel, Patrick J.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: I attempted, during the last several years, to find out the cost to the taxpayers of operating the group homes in my area, and I notice the Ben Martens group homes at \$21,999.00. Is there a section that breaks down the cost to the taxpayers of the new phenomena, or the lately phenomena, of the group home movement in the — I guess the whole province rather than just Wolseley?

MR. CRAIK: No, there's no a breakdown according to that description.

MR. WILSON: So would it be more appropriate for me to ask the Minister of Health for the per diem rate and then after that is established, to look at the individual group homes and what cash payments the government made to them. In other words it would probably be better to be done through the Minister first, the Health Minister.

MR. CHAIRMAN: Page 155—pass; Page 156—pass; Page 157 — Mr. Orchard.

MR. ORCHARD: Mr. Chairman, in the second column there is an item, Bow Helicopters Limited, in Calgary, for almost \$169,000.00. Would the Minister have any indication as to the nature of services provided and where?

MR. CRAIK: No. Bow Helicopters is a very large organization. But the question as to how you want to phrase your question, as to whether we can find out the . . . What would be readily on file?

A MEMBER: I'd check with Hydro.

MR. CRAIK: Well, this wouldn't be Hydro. —(Interjection)—

A MEMBER: Did they buy a helicopter?

MR. CRAIK: We can get you a breakout.

MR. ORCHARD: By department, Mr. Minister?

MR. CRAIK: Yes.

MR. WILSON: Fine.

MR. CHAIRMAN: Page 157—pass; Page 158 — Mr. Wilson.

MR. WILSON: I'd like a breakout of the Brathwaites Ltd expenditure. I wonder if it is coded under — I was concerned about by-passing the tendering system of medical supplies and I wondered if you could tell me, does it have an object code for medical supply purchases by the province last year? What I am concerned about is the by-passing of the tendering system under the guise of emergency requisitions. So would I be able, by getting a breakdown, to determine whether these were emergency purchases or whether they were tendered? I think the Minister alluded this would be very difficult, it wouldn't show up.

MR. CRAIK: 44 under the breakout is 44(1), first, when there's institutional service and supplies; (2) is surgical supplies; (3) is drug supplies; (4) is other medical supplies.

MR. WILSON: Well, then, what I'll ask for is a breakout of the Brathwaites Ltd situation; and I would like — and this is one of the few times I'll put the civil servants in the Audit Department to work — but I would like a breakdown as to what was tendered and what was not tendered under this particular item. You see, rather than ask for 44, the complete 44(1), 44(2), 44(3) and 44(4). . .

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MR. CRAIK: I leave it in the hands of the committee. There's no limits to where we can go here. It's just a matter, sort of, of common sense judgment of the committee.

Now, in this one, this is not a case of taking computer records. This is a case of digging out vouchers and going through. This is a research project.

What your problem is is that I'm going to come back and ask for more staff next year, and it's going to be a case of having to justify it for the needs and requirements of the committee.

Again, it's a case of trying to phrase it. If you say a break-out, if you can list simply the dates and amounts and then finally the total, that's one break-out. If you then break out what's tendered, how much of it goes north to the 53rd parallel, how much of it is south, this sort of thing, that can get into something that requires a complete research project.

MR. WILSON: Out of the some-odd hundred pages of cash payments to corporations, it is only — unless I can lay at the doorstep of the Cabinet that it has been suggested to me that there is a great deal of abuse of the tendering system and to the purchases of medical supplies, and that they were all purchased by a guise on the purchasing act of emergency requisition, and I would like to suggest that if somebody is buying a showcase in which to display some products at a hospital or a cabinet to house drugs or something, that these could possibly be the type of thing that could be tendered. I don't think that everything in the hospital should be purchased. What I'm trying to arrive at is, it's been suggested to me that the percentage of medical supplies purchased in the Province of Manitoba under the former government, and maybe continuing today, they've bypassed the tendering system, because it's a well-known fact that when doctors are not paying for them themselves, they get the best, and one could hardly blame them; they get the Cadillac of any particulare piece of equipment that they're buying. Now, if they can buy it under the guise of emergency requisition, then it draws some thoughts to myself that, are we getting the best value for our money? So while there is 100 pages of cash payments to corporations and individuals, I think really — and I hope it doesn't present too much of a problem — but I really think that I have to ask, at least on one or two occasions, for a breakdown in order to establish whether these suggestions made to me by some nurses and by some other people at hospital staff, that, how are we going to be able to control hospital expenditures at 2.9 percent when we can't control the purchasing system? We should be able to tender, and that way there, the marketplace will ensure that the government gets the best value for the dollar. Unless we're prepared to recognize that these suggestions are not valid, that in fact the doctors are not using the emergency requisition clause of the The Purchasing Act, that in fact they are tendering the largest percentage — 90 or 92 percent — then fine. But if they are only tendering 40 percent or 50 percent, then maybe the suggestions made to myself and my request for this breakdown — it has nothing to do with the individual's name. It could be, it happens to be his initial starts with "B" — it could be later on under some of the others — but I think that if I do it on this one, mainly because he comes first, then I will be able to establish whether I should continue my investigation into this alleged abuse of the tendering system when it comes to the purchase of medical supplies.

MR. ZIPRICK: I would just like to point out as a matter of explanation here. I think that Mr. Wilson was referring to hospitals. Now, the hospitals are entities that are not operating within the Consolidated Fund and they do not come under The Purchasing Act, so they are purchasing under directions as laid out by the specific Boards. The medical purchasing items by the government are just for institutions that are funded directly, specifically through the appropriations in the government proper, and this would be, the mental hospitals would fall into that category, plus a few others. So that the tendering, or the requirements of The Purchasing Act do not apply to the hospitals that are funded through the Manitoba Health Services Commission.

With regard to tendering in Manitoba and The Purchasing Act, I would just like to point out that there was some concern about the purchasing with regard to emergency purchasing under The Purchasing Act. The whole procedure is being reviewed by a committee, and I guess there will be some new recommendations coming forward that will tighten up some of these areas. I don't know if the member is aware of it, but there is an inquiry or a review now being carried out within the Province of Manitoba with regard to purchasing. So that you might be able to get some help by inquiring in that area.

MR. WILSON: Well, I'm very pleased that the Auditor has indicated that there is an inquiry and review taking place, because hospitals are funded by taxpayers' money, and I'm quite prepared to let somebody else do the work, but in the meantime, I started out on this thing on my own and I could have possibly saved that time for other purposes if I'd have known there was an inquiry and a review taking place, but I guess that's probably my fault for not asking. But I do think there's some merit if I can show that the government has some problems in the tendering and emergency clauses of The Purchasing Act; then it

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would almost, in my opinion, have to be assumed that the Manitoba Hospital Services Commission I a like problem. So for that reason I think that I must, in this particular case, to ensure that the inquiry and the review is speeded up, because I think the Conservative government is in a period of restraint and has promised practical government, and just because the former government allowed this to go is no reason for us to continue, and I think that I'll continue with my own personal investigation, and may be they know that I'm doing that, the inquiry and review will speed up its findings.

MR. BLAKE: Well, Mr. Chairman. I don't know whether it would be possible, I was just wondering, in the interests of expediting the Committee, if Mr. Wilson may be able, with the consent of the Minister, to list the items that he wanted to question in letter form and have the information provided to him at a later date rather than stopping at each page on probably a very similar item that he wanted to question. But I don't know whether that would be feasible or not; I was just interested in moving.

MR. CRAIK: Mr. Chairman, we want to be as helpful as possible here. The only problem is to be able to know exactly what the question is before we get involved in it. The only reason that there would be any hesitancy is the amount of manpower required to undertake something that we can't deliver; that's the only problem. If it's something that requires a complete full-scale examination then we have to be careful that we don't undertake what amounts to that, but can't deliver on it. So, we'll give you as much as possible, but that's why I'm trying to, in most cases, get the questions framed so that we can decide what it is that is expected of staff people to deliver.

MR. ADAM: Yes, well, it's just on the point that the Member for Wolseley raised with regard to tendering, and I have no objection to him asking questions on tendering practices as far as Braithwaite's Ltd. are concerned, but I wish the member would be consistent, because just a while ago he was complaining that there was an item for flags, or to a flag company in Ontario, and he was complaining that those purchases should be made in Manitoba. So he's excluding a source of supply in other areas, as far as tendering is concerned, and the two statements that he makes don't seem to be consistent, that's all I would remind him; that you can't have it both ways. Either you tender right across Canada to get the lowest prices available, or else you don't.

MR. WILSON: Well, it's a general practice of the — when I was on the City of Winnipeg, that you tender out and if there is a very small difference in the tender system and one happens to be a Manitoba company and the other happens to be an American company or a Quebec company, that the local consideration is taken in, in consideration of the time frame, and also the benefits that accrue from it. I certainly wouldn't want us to shut out the rest of Canada when it came to our tendering system, because certainly in major items, and especially medical supplies, it's very important that we tap the entire North American market to get the best price possible.

Again, I really think that, even though somebody tells me there's an inquiry and review taking place, if it would help the Committee I will defer my request to a later date, but I think that the time to examine and criticize the former government is now, while we've got all of these huge expenditures before us. And if they had no control over the Manitoba Hospital Services Commission and didn't offer suggestions to them, and let them go about their merry way not using the tendering system, even though they're funded by taxpayers' dollars, then I would be interested in the findings of this inquiry and review, and maybe Mr. Ziprick could tell me: Would it help if I deferred my request? When would the results of this inquiry and review be made public or be available to members of this Committee?

MR. ZIPRICK: The review that's being carried on is purely for the Province of Manitoba internally and would not take in the hospitals, purchasing by the hospitals. I understand that this review is well on, and probably if not completed, pretty close to being completed.

MR. WILSON: Well, under those circumstances I will waive my request, but the review committee, if they read Hansard, will note that I may, if the finding and review and the results are too long in coming, I may reactivate my interest in this tendering system and what appears to be a loophole being used under the emergency clause of The Purchasing Act, and I would hope that the findings are as has been suggested to me, so that this government can make the necessary changes to save the taxpayers money.

I would want to say to my colleague and the Member for Minnedosa that the Province of Ontario held 20 meetings, and I don't think this Committee wants to hold 20 meetings, but I think that these individual requests, we will be able to move along fairly rapidly because there is an area after we finish this Cash Payment section under which we would want to be able to study the answers given to us by the Auditor and staff of the government containing the questions that have been asked

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in prior meetings. And after we have had time to look those over, we would then want to be able to ask for further clarification. So I think we will be — What I'm saying is that most of my markings on Pages 159 through are dealing with things such as taxis and that, so there would be a repetitive thing, so I won't be asking those questions. So what I'm saying is that if the Member for Minnedosa is concerned about the markings in my book, a lot of them are duplications.

MR. CHAIRMAN: Page 158—pass; Page 159—pass; Page 160—pass; Page 161—pass; Page 162 — Mr. Wilson.

MR. WILSON: I'd like to back up to 161. I had the Canadian Broadcasting Corporation underlined. Is there a coding for the amount of money that the province spends on television and radio broadcasting? Is there a coding for that? Oh, I'm sorry. Since the gentleman has gone . . .

MR. MINAKER: Mr. Chairman, I've been advised that it might be a fairly difficult one to pinpoint exactly and to say radio broadcasting and advertising or whatever, but possibly if you've got your code book, it would come under page 10, Section 61 where they indicate advertising and production charges, payments to advertising and so forth . . .

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Well since it is, Mr. Chairman, under the object code system, I could get this information at any time. Another one I'd like a breakdown of, if I could, is the Canadian Bar Association in Ottawa for \$10,550.00. As you know, I raised questions prior to that under grants to the Law Society and it seems to me that throughout this book we constantly seem to be giving money to the legal profession in this province and the Law Society and now the Canadian Bar Association, and yet other professional groups are ignored and in many cases under community club grants, they're ignored and so I think I have to satisfy myself that the most affluent members of our society are not dipping into the taxpayers' trough for money that they shouldn't be entitled to. I just can't see how we would be funding the Canadian Bar Association, unless it's for dues or memberships by the Attorney-General's Department. So I would like a break-out of that particular item and when we get to the end of the cash payments, I want to ask some further questions and to my previous question which Mr. Cherniack helped me out with in finding out, as I told him, that there is a particular agreement exists that the lawyers of this province get a fee of 25 percent to perform a duty by law they're supposed to do and I don't know of anyone else that gets paid for doing something that by law they're required to do, so I just leave those comments on the record. I'll be dealing with it in more detail later on. So if I can have a breakdown of the Canadian Bar expenditure item, \$10,550.00?

MR. CHAIRMAN: Mr. Minaker.

MR. MINAKER: Mr. Chairman, we can get that information for Mr. Wilson.

MR. CHAIRMAN: Pages 162 to 165—pass; Page 166 — Mr. Orchard.

MR. ORCHARD: Top of the page in the first column there's a number of items involving Citibank, is that in reference to bond issue, expenses involved in bond issues?

MR. MINAKER: Mr. Chairman, Mr. Curtis advised that there was a loan with Switzerland, it was worked through that particular bank so this probably applies to that particular issue . . .

MR. ORCHARD: A finder's fee or whatever you might want to call it, providing it will be . . .

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: This would be with respect to an issue handled through their bank and this would be a payment with respect to either interest or expenses relating to the issue.

MR. CHAIRMAN: Page 166, Mr. Orchard.

MR. ORCHARD: A second question, Mr. Chairman. I note a payment to the City of Neche, North Dakota for \$78,000.00. Would it be possible to get a breakdown as to the nature of the payment and from whose department?

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MR. MINAKER: Mr. Chairman, we can get that information for Mr. Orchard. As Mr. Curtis indicated we'll have to draw the vendor's voucher and find out what that information is all about.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Yes, I wonder, Mr. Chairman, is there some particular yardstick, or who determines in the government — Is it based on a rating system who uses what radio station or television station and to how much each year they derive in revenues from the government? I notice with interest that CKND TV would be \$47,741.50 and yet the radio section seems to be quite low. Is this a ministerial or Cabinet decision as to the thrust towards TV against vis-a-vis radio? What particular Minister or section would this come under that I could ask this question, rather than ask for a break-out of this I'd rather know where I could go in the government to ask that question?

MR. MINAKER: Mr. Chairman, not being part of the Cabinet, I can't reply to the question, but I understand it's under the Minister of Corporate and Consumer Affairs and that it is handled by the Advertising Audit Office. I would suggest possibly that Mr. Wilson could contact Mr. McGill or that.

MR. CHAIRMAN: Page 166, Mr. Adam.

MR. ADAM: I just want to say that that's the question I was going to raise, as to why the CKND TV would be getting \$47,000 and the CBC would only get \$34,000.00. You know, there's quite a difference there, it seems to be channeling all the advertising into one area. I was going to raise the same point that the member raised and I'm glad you raised it anyway.

MR. MINAKER: Mr. Chairman, I presume that our answer is satisfactory, that if Mr. Adam wants to approach the Minister I am sure he will.

MR. CHAIRMAN: Page 166—pass; page 167—pass. On Page 167, Mr. Wilson.

MR. WILSON: No, just to finish up 166, I had a question which I'm not going to ask for a break-out but would anyone, Mr. Chairman, through you to Mr. Ziprick. Could you explain to me under what circumstances the government would need to use Blackwood Beverages and Coca Cola and other such like soft-drink people, is it for supplies for our restaurant? Under what circumstances would we be purchasing soft-drinks?

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Well, I'd have to . . . Any specific item you'd have to inquire and look into. Generally they are like the mental hospitals — I guess there would be purchasing of this kind of material and other places of a similar nature.

MR. MINAKER: Mr. Chairman, it could come under Homes or Buildings.

MR. CHAIRMAN: Page 168—pass — Mr. Wilson.

MR. WILSON: Under 168, I'd like to put on the record that some sort of, again it's a small item, but it sort of bothers me how the taxpayers of Manitoba could end up paying for the Cory Coffee Service Plan, \$3,000.00, it would seem to me that these people put these coffee machines throughout the different government buildings hoping that somebody will buy their supplies and it's of interest to me and I wonder what type of controls there are? In the private sector when one wants to purchase supplies for coffee and what-have-you, they purchase it out of a staff fund or what-have-you, and this is paid for by the staff themselves. So I'll just leave those thoughts on the record that I expressed some concern.

You know, the Member for Transcona seems to think that this is a minute item, but the point of it is, that if I as a member don't look at these small items, you know, it doesn't take too many \$3,000 items before they become \$300,000 and the soft-drink question and the coffee question are ones that raised some concerns with me. I don't need the breakdown of this particular item because I already have it.

MR. MINAKER: I wonder if Mr. Wilson would like to contribute a dime towards the coffee we had today.

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MR. WILSON: I'm just simply saying that there should be some tightening up, that part of the MGEA agreement is not free coffee and I would suggest to the Member for Transcona that I'll be watching these expenditures. These are expenditures under the former government. Now why wasn't the Member for Transcona concerned about this? . Now all of a sudden he's jumping to his feet and concerned and I'll listen to his answers. But these are the type of things that concern me because they're not just . . .

First of all, I guess I would have to ask somebody, probably the Minister of Public Works, who allowed all these machines in the government offices in the first place because only under certain circumstances there is a union agreement where they get a coffee break and they go down to use the different cafeterias and what-have-you and I might suggest for health reasons that it's been suggested to me that maybe a reduction of the amount of coffee being drunk is one that's a plus in the health area as well, so I just put those comments on the record.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Yes, Mr. Chairman, I really apologize for laughing, I didn't mean to laugh and break up the concentration of the Member for Wolseley because he undoubtedly he was making some point, I still have not gotten it. I was reminded of the movie "Elmer Gantry" when a person would get up and make nice pious statements which indeed turned out to be somewhat hypocritical and I was going to make that comment when the Legislative Assistant to the Finance Minister pointed it out for us all when he asked the member to contribute 10 cents for the coffee. The point is, and I don't want to necessarily end up defending procedures like this, but I think that one of the difficulties in the committee is that the questions are asked in such a way with a lot of innuendo attached to them and that's a problem. That is a problem with Public Accounts Committee when people make statements like that that, "Well Amaranth Project was another make-work project for some \$300,000 plus," and the implication is that that was a rotten project. The statement is that \$3,000 was spent on coffee, that this is lazy civil servants who are drinking all the coffee. —(Interjection)— I see people drinking coffee here and they're politicians. I see people attending meetings where it might be quite expensive to say to these people, "Okay folks, we're going to break up, we're going to have a 15 minute coffee break now and we're going to have 20 staff go downstairs, get their coffee and come back upstairs. So sometimes it's better to have coffee available, as we have it available right here because this is an ongoing meeting. Now' we could break up for coffee or we could go off by ourselves and do that or someone could take a collection which would take up more time than the coffee's actually worth. So when you look at the entire civil service expenditures I think one has to have some perspective. Now, it's \$3,000 . . . —(Interjection)— There may in fact be a point here and I think that when you infer that somehow civil servants are getting a free ride, which is the inference that I got from the member's statements, then I think someone has to get up and say, "Well that's not fair." That's the only point, I think you should be fair and don't mind you asking questions, but I think you should be fair. Finally I'd like to ask where you got that break-out on coffee expenditures? Did you get it through the Minister of Finance, can I ask the Finance Department whether the Member for Wolseley got break-outs through the Minister of Finance or officially and legally through the Department of Finance, or did he get it through the Auditor? Did the Auditor provide those break-outs? —(Interjection)— I've asked the Minister specifically, or I've asked the Auditor specifically, could I get an answer to that?

MR. WILSON: Mr. Chairman, I would like to clarify the . . . Before the Minister answers, basically when I was first appointed to this Committee I took it upon myself in a very aggressive and a very interesting way to look at certain items under cash payments and it was drawn to the Minister's attention that I was examining micro-film and all the rest of it, and I agreed with the directive that was sent out that any requests that I had should go through the Minister of Finance.

I felt at the time and I've not changed my position, that should be able to go at my time if it's relating to a government matter and obtain information. Other's saw fit not to agree with that position, so from now on I must go through the Minister of Finance. But in order to back up what the Member for Transcona and saying at the same time shooting down some of his thoughts, I did write to the individual departments because it does give a breakdown of departments, and I asked for an explanation. And under the Tourism Department, the Minister simply explained that they had Tourism booths as you come into the province. But his was only a small item, about \$300 or \$400, and this would probably cover the summer months. But when we got to Northern Affairs and some of the others, they didn't have an explanation. And when I went into the particular office, I found all the civil servants drinking coffee, and I said, "Where did you get that?" "Well, we got a coffee machine." So, my findings did vindicate my suggestion that the taxpayers of this province, under some kind of policy of the former government, were drinking free coffee at taxpayers' expense.

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So I want the Cabinet and those who make the decisions to be aware that what turns out to be a very good policy sometimes gets carried out of hand unless somebody draws it to the attention and I think through Public Accounts, this is an ideal way, and I don't care if you want to call it nitpicking; the point is that these small items are not negotiated by the MGEA and so therefore they are not entitled to them. In the private sector, when the manager of a department comes in — I lived as a single person with an efficiency expert from Eaton's, and he saved Eaton's over \$60,000 one year by having the people be sitting at their desks at 9:05, not walking in at 9:10 and hanging up their coat and chatting in the cloakroom. It was proven that by saying, "Your job starts from 9:00 to 5:00," that that's when the particular — So that's what an efficiency expert is; he's one that looks at expenditures and brings them in to the agreement that was made. I've had part of this explained to me, but I draw it and put it on the record because while it's a small item, it's one that concerns us.

-1020-30 **MR. MINAKER:** Mr. Chairman, in answer to Mr. Parasiuk's question with regard to the breakout, the information was given to Mr. Wilson from the departments. Following that, there was a letter, as I am sure Mr. Parasiuk knows, came out from the Minister advising the method to follow for information of that nature. If the member would like to see a copy of that I can show him a copy right now of the information that was received.

MR. CHAIRMAN: Gentlemen, the normal time of adjournment has arrived. Do you feel that we could complete this work by remaining for a few minutes?

MEMBERS: Committee rise.