
CHAPTER SEVEN

The Standing Committee on Public Accounts

APPOINTMENT AND COMPOSITION OF THE COMMITTEE

The Standing Orders of the Legislature provide for the appointment of an all-party Standing Committee on Public Accounts. The Committee is appointed for the duration of the Parliament (that is, the period from the opening of the first session immediately following a general election to the end of a government's term and the calling of another election).

The membership of the Committee reflects proportionately the representation of parties in the Legislature. All members except for the Chair are entitled to vote on motions; the Chair's vote is restricted to the breaking of a tie.

In accordance with the Standing Orders, a Standing Committee on Public Accounts was appointed on December 2, 2003, for the duration of the 38th Parliament. The membership of the Committee at September 30, 2004 was as follows:

Norm Sterling, Chair, Progressive Conservative
Julia Munro, Vice-chair, Progressive Conservative
Laurel Broten, Liberal
Jim Flaherty, Progressive Conservative
Shelley Martel, New Democrat
Bill Mauro, Liberal
Richard Patten, Liberal
Liz Sandals, Liberal
David Zimmer, Liberal

ROLE OF THE COMMITTEE

The Committee examines, assesses, and reports to the Legislature on a number of issues, including the economy and efficiency of government operations; the effectiveness of programs in achieving their objectives; controls over assets, expenditures, and the

assessment and collection of revenues; and the reliability and appropriateness of information in the Public Accounts.

In fulfilling this role, pursuant to its terms of reference in the Standing Orders of the Assembly, the Committee reviews the Provincial Auditor's Annual Report and the Public Accounts and reports to the Legislature its observations, opinions, and recommendations. Under the Standing Orders, the documents are deemed to have been permanently referred to the Committee as they become available.

As well, pursuant to sections 16 and 17 of the *Audit Act*, the Committee may request the Provincial Auditor to undertake a special assignment in an area of interest to the Committee.

PROVINCIAL AUDITOR'S ROLE WITH THE COMMITTEE

In accordance with section 16 of the *Audit Act*, the Provincial Auditor and senior staff attend committee meetings at which the Committee reviews the Provincial Auditor's Annual Report and the Public Accounts and assist the Committee in planning its agenda.

COMMITTEE PROCEDURES AND OPERATIONS

GENERAL

The Committee meets weekly when the Legislature is sitting. At times, the Committee also meets during the summer and winter when the Legislature is not sitting. All meetings are open to the public with the exception of those dealing with the setting of the Committee's agenda and the preparation of committee reports. All public committee proceedings are recorded in Hansard (the official verbatim report of debates in the House, speeches, other proceedings in the Legislature, and all open-session sittings of standing and select committees).

The Committee selects matters from the Provincial Auditor's Annual Report and the Public Accounts for hearings. The Committee's researcher, along with the Provincial Auditor, briefs the Committee on these matters, and the Committee then requests senior ministry and agency officials to appear and respond to questions at the hearings. Since the Provincial Auditor's Annual Report and the Public Accounts deal with administrative and financial rather than policy matters, ministers rarely attend. Once the hearings are completed, the Committee reports its comments and recommendations to the Legislature.

The Committee also follows up on when and how those ministries and Crown agencies not selected for detailed review will address the concerns raised in the Provincial Auditor's Annual Report. This process enables each auditee to update the Committee on activities undertaken since the completion of the audit, particularly any initiatives taken to address the Provincial Auditor's recommendations.

MEETINGS HELD

The Committee met regularly on Thursday mornings when the Legislature was sitting as well as during the winter recess primarily to consider the *2003 Annual Report* of the Provincial Auditor. The Committee was very active and met 23 times during this period to review the following items from the Provincial Auditor's *2003 Annual Report* and to write reports thereon:

- Ministry of the Attorney General—Court Services;
- Ministry of Community, Family and Children's Services—Children's Mental Health Services and Family Responsibility Office;
- Ministry of Consumer and Business Services—Policy and Consumer Protection Services Division;
- Ministry of Education—Curriculum Development and Implementation;
- Ministry of Enterprise, Opportunity and Innovation—Science and Technology;
- Ministry of the Environment—Environet; and
- the following follow-ups of recommendations contained in the *2001 Annual Report*:
 - Ministry of Finance—Gasoline, Fuel, and Tobacco Taxes; and
 - Ministry of Health and Long-Term Care—Drug Programs Activity.

REQUEST FOR SPECIAL AUDIT

On April 8, 2004, the Standing Committee on Public Accounts directed the Provincial Auditor to examine the government's Intensive Early Intervention Program for Children with Autism, including addressing three specific issues raised in the motion, and to report his findings and recommendations to the Committee.

The report on this motion was submitted to the Committee in early November 2004.

REPORTS OF THE COMMITTEE

GENERAL

The Committee issues its reports to the Legislature. These reports summarize the information reviewed by the Committee during its meetings, together with comments and recommendations.

All committee reports are available through the Clerk of the Committee, thus providing the public full access to the findings and recommendations of the Committee.

After the Committee tables its report in the Legislative Assembly, it requests that ministries or agencies respond to each recommendation either within 120 days or within a time frame stipulated by the Committee.

During the period from October 2003 to September 2004, the Committee submitted the following reports to the Legislative Assembly:

- *Court Services;*
- *Children's Mental Health Services;*
- *Family Responsibility Office;*
- *Policy and Consumer Protection Services Division;* and
- *Drug Programs Activity.*

FOLLOW-UP OF RECOMMENDATIONS MADE BY THE COMMITTEE

The Clerk of the Committee is responsible for following up on the actions taken on the Committee's recommendations by ministries or agencies. The Office of the Provincial Auditor reviews responses from ministries and agencies and, in subsequent audits, follows up on reported actions taken.

OTHER COMMITTEE ACTIVITIES

Canadian Council of Public Accounts Committees

The Canadian Council of Public Accounts Committees (CCPAC) consists of delegates from federal, provincial, and territorial public accounts committees from across Canada. CCPAC meets at the same time and place as the Canadian Council of Legislative Auditors (CCOLA) to provide an opportunity to discuss issues of mutual interest. The 25th annual meeting of CCPAC was held in Fredericton, New Brunswick from August 29 to 31, 2004.

The 2004 joint session with CCOLA was on the subject of “Parliamentary Oversight and Public Accounts Committees—Leadership, Capacity and Effectiveness.” It explored public accounts committees’ best practices internationally and in Canada and interrelationships among such committees, legislative auditors, and other stakeholders.