

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, September 12, 2018

Legislative Chamber

Committee Business

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Public Accounts Committee

Mr. Allan MacMaster (Chairman)
Mr. Gordon Wilson (Vice-Chairman)
Mr. Ben Jessome
Ms. Suzanne Lohnes-Croft
Mr. Brendan Maguire
Mr. Hugh MacKay
Hon. Christopher d'Entremont
Hon. David Wilson
Ms. Lisa Roberts

In Attendance:

Ms. Kim Langille
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

Ms. Nicole Arsenault,
Assistant Clerk - Office of the Speaker

Mr. Michael Pickup,
Auditor General



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, SEPTEMBER 12, 2018

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIRMAN

Mr. Allan MacMaster

VICE-CHAIRMAN

Mr. Gordon Wilson

MR. CHAIRMAN: Order. I call this meeting of the Public Accounts Committee to order. We will begin by reminding everyone to place their phones on silence, so we do not have interruptions today.

We are in a unique position with the prorogation of the House. We had an agenda scheduled for a number of meetings leading into the Fall, but that has been wiped clean. We will start today with introductions beginning with Mr. MacKay.

[The members introduced themselves.]

MR. CHAIRMAN: As I mentioned, we are in a unique situation. We had an opportunity to keep the meeting schedule as we had. As you will recall, our clerk sent out an email to all members to poll to see whether members wanted to continue with the agenda that we had agreed upon for the Fall. As soon as we received notice of the prorogation of the House, we did start to receive calls from departments saying that they understood that based on the prorogation that they would not have to appear, that the slate was wiped clean. Of course, that is the case.

As a result of the polling, and the fact that the committee was not in unanimous agreement that we should continue with the meetings, the slate has been wiped clean. Now we are forced to do a number of things with the prorogation. The first order of business, which we will do now, is create a new subcommittee.

Mr. Gordon Wilson.

MR. GORDON WILSON: So we have to create new people that are going to be on the subcommittee?

MR. CHAIRMAN: That is correct. According to the legal interpretation of what happens when there is a prorogation, the full committee is formed as we have it, but we do have to create the subcommittee. We can create the exact same subcommittee as had existed before, but it is up to the committee.

Typically, it is the chairman, the vice-chairman and a member of the Third Party that forms the committee. A number of years ago when I was appointed chairman, it was requested that there be a member from each caucus. I am comfortable with proceeding with that, and unless there is an interest to do something different, which is certainly up to the committee, I would ask that someone put forward a motion for myself as chairman. I am the chairman of the committee, but for the subcommittee to be compromised of myself, along with a member from each caucus. Would somebody like to make that motion? Mr. Gordon Wilson.

MR. GORDON WILSON: I make the motion that we continue as we did in the past with the subcommittee.

MR. CHAIRMAN: Perhaps for the record you could state the names of the subcommittee.

MR. GORDON WILSON: I would suggest that would be the chairman, Allan MacMaster and the vice-chairman Gordon Wilson; the House Leader of the Third Party, David Wilson or Lisa Roberts; and the Official House Leader for the Progressive Conservative Party, Chris d'Entremont.

MR. CHAIRMAN: For clarification, there was an 'or' between two members. I'll let you state that again.

MR. GORDON WILSON: I'll rephrase that to Lisa Roberts for the NDP.

MR. CHAIRMAN: This will go to a vote. For members' clarification, Mr. Wilson has proposed a motion that I as chairman, he representing the Liberal caucus, Chris d'Entremont representing the PC caucus, and Lisa Roberts representing the NDP caucus comprise the subcommittee.

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

The motion is carried.

Thank you for that. The first meeting that I will call of the subcommittee - Mr. Gordon Wilson.

MR. GORDON WILSON: Before we get into the calling of the meeting of the subcommittee, I know it's jumping ahead in the topics here, but there has been some correspondence from the Auditor General, not only to the subcommittee members that we've just recently had a chance to see - not really digest - amongst all of my colleagues, and also I believe a letter went to the House Leaders.

I would like to make a motion that we ask the Auditor General to come forward next week at our Public Accounts Committee for an in-camera to have a fulsome discussion on his participation in the committee.

MR. CHAIRMAN: A motion has been put forth to the committee. Would all those in favour please say Aye. Contrary minded, Nay.

The motion is carried.

For September 19th, the committee has chosen to have the Auditor General in an in-camera meeting to discuss the correspondence he provided us a few days ago. Everyone has a copy of that, but we will discuss that in camera next week. Thank you.

We do have the business, of course, of choosing topics, because our agenda has been wiped clean. Do people wish to have the sub-committee after the in-camera meeting next week?

Mr. Gordon Wilson.

MR. GORDON WILSON: Could we put that discussion off until next week when we see what the Auditor General brings forward?

MR. CHAIRMAN: I think it's up to the committee and however the committee decides. My own suggestion would be, if our intent is to continue with these meetings in a timely fashion, we might want to have a subcommittee meeting next week. It could be after the meeting with the Auditor General to select meetings for the upcoming weeks, because of course we had all these meetings scheduled and now they're no longer on the agenda. So it is up to members.

Mr. Gordon Wilson.

MR. GORDON WILSON: I can understand it would be nice to start getting agenda items filled. I believe we have a Fall report coming up in October from the Auditor General. Could we plug that one in for, say, October 2nd? I think that's the earliest possible that he had said.

MR. CHAIRMAN: The previous committee did agree upon that and it does not have to go through the sub-committee. The full committee could agree upon it right now. That was scheduled for October 3rd.

Is it the wish of the committee to have the Auditor General appear with his report on October 3rd?

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

The motion is carried.

The clerk will make note of that. We're jumping right through the agenda here, even before I get to it, so that's good.

Mr. David Wilson.

HON. DAVID WILSON: I would ask that we do have the subcommittee meet after our meeting with the Auditor General next week. I think during the meeting we'll be able to work out some of the concerns or issues or the approach the Auditor General would like us to take. If we don't, then we waste September 26th as a possible meeting date. We're a little later than normal now. Normally at the start of September we're right into meetings.

I would suggest that we do have the subcommittee so that we could possibly have a witness on the 26th. I know it will be short notice for the witness, but some who may have been scheduled could potentially be on that list.

I don't know if it needs to be a motion to have the subcommittee meet next week after our meeting with the Auditor General to see if we can get our agenda finalized?

MR. CHAIRMAN: Just for clarification, I may actually have this power without even needing the approval of the committee. I'm going to confer. (Interruption)

I do have the power, but you have the power to override me. So I would propose, in agreement with Mr. David Wilson, that an agenda-setting meeting be held by the subcommittee after the in camera meeting with the Auditor General next week.

Mr. Gordon Wilson.

MR. GORDON WILSON: I wasn't opposed to having one subsequent to the Auditor General's, but in all fairness, as of yesterday some of my colleagues hadn't even had a chance to see the letter that the Auditor General had sent out, with a lot of interesting points.

I'm suggesting also that the meeting that was proposed by the House Leaders be held actually as part of that Public Accounts Committee meeting that we're going to have next week in camera.

In all fairness, I'm not sure what we're going to hear or what's going to come out of that, but I think it would be a little premature to try to think that we're going to be able to establish a subcommittee agenda setting immediately after what he has to say next week, without even a chance to digest it.

This is an opportunity I think that has rarely been seen in the Public Accounts Committee to actually have a very fulsome discussion with the Auditor General. Again, I'm not saying that we couldn't, but I'd be very interested in actually just hearing what the Auditor General has to say next week, and then continue from that point. Whether that means we would have a subcommittee meeting immediately following, I don't think so. I think we need to digest what he has to say. I would suggest that the 26th would potentially even be the earliest.

MR. CHAIRMAN: In all fairness, Mr. Wilson, the members who are sitting on this committee have been sitting on this committee for many, many meetings. We had meetings set up, departments were ready to visit, they were ready to appear as witnesses. Because the members of your caucus chose not to give unanimous support to continue those meetings, we don't have those meetings.

The purpose of this committee is to examine the public accounts, to examine departments, initiatives they're taking and how they're spending public funds. That is a function of the Legislature. We are in a position now where our proceedings have been delayed because of that lack of unanimous support to continue those meetings. We had departments immediately calling our clerk after the prorogation saying, we understand that we don't have to appear now. Clearly, they did not want to appear.

I don't want to be passive on this. If I am going to be passive on this, to me I'm not doing my job as a legislator. I sit on this committee because I believe departments should be confident to appear and should be willing to appear to answer to the public through yourselves. You're the elected members.

So personally, I would cast my vote in a manner that would suggest that we should get on with business, that we should have a subcommittee. Members have the correspondence from the Auditor General. It's quite straightforward. It talks about chapters that have already been forward in past reports. Everybody knows those chapters. Members should be more than ready next week to appear, to make a decision on meetings going forward, and to get these meetings rolling again.

Are there any other comments? Mr. Gordon Wilson.

MR. GORDON WILSON: I certainly wouldn't question our chairman and his passion to move forward and what we've done and what have done in the past. That's not what this is about. I see this as a unique opportunity right now that doesn't happen very often. Simply for that reason, that conversation I think is one that I would encourage that we have, and not rush through that conversation.

One more week, I don't think - what if we looked at the 26th? I don't know if that's too soon for the Auditor General to report. If the whole thing is about filling that slot on the 26th, can we move the Auditor General up to the 26th? The chairman is shaking his head no.

MR. CHAIRMAN: Just for clarification, his report is going to be released on October 2nd, so then we would meet on the 3rd.

MR. GORDON WILSON: We can't release it on the 25th and have that meeting on the 26th, no. I'm the same as you - I'd like to see us beginning to move forward. The prorogation was unfortunate as far as that's the rules, but that's the way the rules work.

Again, I would like to see us have a fulsome discussion and then decide how we set our agendas, if there is in fact a question which has been the basis of those letters from the Auditor General, that he feels that witnesses are not coming forward that are a result of his reports. I think in all fairness we need to digest that and know how that means and what that might mean for better agenda setting. That's the whole premise of what he wanted to meet with the House Leaders about.

MR. CHAIRMAN: I have comments from Ms. Roberts and Mr. d'Entremont.

[9:15 a.m.]

MS. LISA ROBERTS: I am certainly keen to have us start with some of the substantial meetings and opportunities to question departments about different subjects that were on the agenda that had been agreed to by essentially this same committee before prorogation. I think it would be reasonable. There's no obligation on the subcommittee to set the next four months of meetings. We could simply agree, for example, to have each caucus select one of the topics that we have on our list to try to schedule.

Realistically, for our clerks to try to get a couple of topics and sets of witnesses teed up and in place for starting September 26th, ideally, and then through October - that requires work and scheduling and clarifying who is available. So I think to allow our clerks to do the work, so that we're not showing the citizens of Nova Scotia that we've put things on hold unnecessarily, would be the best course of action.

Also, I look forward to that full conversation with the Auditor General with the changes that we made last year, such that when there are performance audits, we are

effectively able to deal with those audits in a more timely fashion because we're not having a full in-camera session followed by a public session with the Auditor General. I think we should be experiencing, in the course of the year, some more flexibility to get topics on.

So I don't think that scheduling the topics - each caucus, one topic - that we had already agreed to would be hampering the work of the committee moving forward, even if we want to adjust our course following that full discussion with the Auditor General.

MR. CHAIRMAN: Thank you. Mr. d'Entremont.

HON. CHRISTOPHER D'ENTREMONT: I do agree with Ms. Roberts. We should be nimble enough to make adjustments to our meeting schedule to be able to get a couple pieces in until we hear a full report from the Auditor General. We can take into consideration the letter we got over a week ago - almost two weeks ago - the letter that we received as House Leaders as well.

We do want to hear from the Auditor General and what his thoughts are on how we should proceed on some of these things, but there is a function of this committee that each one of these caucuses has things that interest them and things that we do want to have come forward. I think we can be nimble enough to make those adjustments.

I'll make the quick political comment here. I don't know why the government feels that they need to sort of rag the puck here, or what they're avoiding. This is going to be a very short session of the House of Assembly, and I don't know why they're trying to push the topics beyond the sitting of the House. I'm just going to question that. That's my political comment for this morning.

We should have a meeting on the 19th and set a couple of quick topics that we know people were already ready to present. I don't think it will be a surprise to them that we call them again and say, "Can you come on Wednesday for your presentation and for cross-examination?"

I hear what the member is saying, but we're in the House of Assembly right now - we've got lots of time to read our mail and we've got lots of time to prepare for things. We should be able to be nimble enough to get going.

MR. SPEAKER: Mr. Gordon Wilson.

MR. GORDON WILSON: Just to reply to his comments - there is no intention to rag things down. This is simply, again as I noted, a rare opportunity that we have to engage the Auditor General in a fulsome discussion. It's not a hill I'm going to die on. If you suggest that we have an agenda setting for next week, I don't think my colleagues are going to - it's not our intent to push things down the road.

Again, it's an opportunity - and I hope that nobody is presupposing what they're going to hear next week and make a decision immediately that day. That's my only concern. After that conversation we have next Wednesday, I would rather - we can still set an agenda-setting meeting for the 26th, for that day. I just don't want to presuppose what we're going to hear and make a quick decision immediately on the 19th, that's all.

MR. CHAIRMAN: Thank you for that. The correspondence that the Auditor General has sent to us is all historic. It's all about past reports. It's about reports that were never, departments were never called in. At the end of the day, it's the committee members who decides the agenda, not the Auditor General. You have that information now.

What is also going to possibly cause delay is after the subcommittee chooses topics, they have to be agreed upon by the full committee, so that can push it out to another week. It's really up to the committee and it's the committee that votes on this.

I would propose next week - there has been agreement to have the Auditor General in an in-camera meeting from 9:00 a.m. to 11:00 a.m. or however much time is needed. If it finishes before 11:00 a.m., I would suggest that we carry on with our business, move to the subcommittee to select topics, even for the next two or three weeks. Then we would have to bring the full committee back into the room to agree to those topics. That way on the 19th, our clerk could proceed with contacting departments who, as we know, aren't always available at the drop of a hat.

It's possible that we would not have another meeting on the 26th. The 3rd would be the first meeting that we would have with the Auditor General with his report. (Interruption)

The clerk has suggested we could have the subcommittee before the in-camera meeting with the Auditor General. I guess whether we have it before or after, at the end of the day, we still need to have the full committee meet after the subcommittee. (Interruption) Yes, that's true. Then we wouldn't have to bring them back in.

It is up to the committee, but so that we are not going in all different directions, I'm going to propose a motion before the committee. If people wish to vote it down and propose a different motion, that's fine. I would only ask that you make it clear, if you do propose another motion, exactly what you would like to see.

I would propose that we meet at 9:00 a.m. next week with the Auditor General in-camera to discuss the correspondence that he has provided recently. I would then propose when the discussion is complete, it may be before 11:00 a.m. If it is, then the full committee would leave the room, except for the subcommittee; that the subcommittee would then have a meeting to discuss what meetings they would like to propose to the full committee. After agreement on that, we would bring the full committee back into the room to vote on the subjects that have been approved by the sub-committee.

If there is agreement, then the clerk on the 19th could proceed with asking departments to make themselves available as witnesses. Mr. Gordon Wilson.

MR. GORDON WILSON: I'm a stickler for protocol. Wouldn't it be better if that motion came from us and not the chairman?

MR. CHAIRMAN: Yes. Mr. d'Entremont.

MR. D'ENTREMONT: I'll move exactly that, thank you.

MR. CHAIRMAN: My apologies. Understanding that I had the ability to call the sub-committee, I guess I went a little over my bounds. (Laughter) Mr. d'Entremont has moved that motion.

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

The motion is passed.

The clerk will make note of that. We had other business on the agenda that we have actually already reached and agreed upon.

Our next meeting will be next week on the 19th. Is there any further business to come before the committee?

Hearing none, this meeting is adjourned.

[The committee adjourned at 9:24 a.m.]