

Third Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Public Accounts

Chairperson
Mr. Leonard Derkach
Constituency of Russell

Vol. LXI No. 1 - 7 p.m., Monday, March 16, 2009

ISSN 0713-9462

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MARCELINO, Flor	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PEDERSEN, Blaine	Carman	P.C.
REID, Daryl	Transcona	N.D.P.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SARAN, Mohinder	The Maples	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELBY, Erin	Southdale	N.D.P.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew, Hon.	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.
<i>Vacant</i>	Elmwood	
<i>Vacant</i>	The Pas	

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

Monday, March 16, 2009

TIME – 7 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Leonard Derkach (Russell)

VICE-CHAIRPERSON – Ms. Jennifer Howard (Fort Rouge)

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Mr. Selinger

Mr. Borotsik, Ms. Braun, Mr. Derkach, Ms. Howard, Messrs. Jha, Lamoureux, Maguire, Martindale, Ms. Selby, Mrs. Stefanson

APPEARING:

Ms. Carol Bellringer, Auditor General of Manitoba

MATTERS UNDER CONSIDERATION:

Auditor General's Report – Audit of the Public Accounts, for the year ending March 31, 2007

Auditor General's Report – Operations of the Office, for the year ending March 31, 2006

Auditor General's Report – Operations of the Office, for the year ending March 31, 2007

Auditor General's Report – Operations of the Office, for the year ending March 31, 2008

* * *

Mr. Chairperson: Committee come to order, please. Thank you.

Good evening, everybody. Tonight the Standing Committee on Public Accounts will consider two reports: the first, the Auditor General's report, Audit of the Public Accounts, for the year ended March 31, 2007, and the Auditor General's reports on the Operations of the Office for the years ending March 31, 2006, 2007 and 2008.

Before we get started, I would like to recommend to the committee that this committee sit no longer than 9 o'clock this evening. Is that agreed? *[Agreed]* Thank you.

Are there any suggestions as to the order in which we should consider these reports?

* (19:10)

Mr. Rick Borotsik (Brandon West): If I could, and if I could have leave of the committee, if we could deal with the Auditor General's Operations of the Office of the Auditor General for the three: 2006, 2007, 2008 first, and then deal with the financials.

Mr. Chairperson: We want them to go home first, is that it?

Mr. Borotsik, if I may, I appreciate your suggestion. But if we could deal, and, of course, this is at the discretion of the committee, but if we could deal with the Audit of the Public Accounts for the year ending March 31, 2007, I'm sure there are some staff here who have important things to do this evening and could probably use the rest of the evening to do them in.

Mr. Borotsik: All right, agreed, Mr. Chairperson, agreed. I apologize for keeping them here later than they should be.

Mr. Chairperson: You can thank the Auditor for that.

Mr. Borotsik: I will. I wish they can thank the Auditor for that.

Mr. Chairperson: Thank you. That having been established, does the honourable minister wish to make an opening statement? No?

Hon. Greg Selinger (Minister of Finance): No.

Mr. Chairperson: We thank the minister.

Does the critic of the official opposition have an opening statement?

Mr. Borotsik: No, I'll follow the lead of the minister.

Mr. Chairperson: We thank you, Mr. Borotsik.

Does the Auditor General wish to make an opening statement?

Ms. Carol Bellringer (Auditor General of Manitoba): Not on this report.

Mr. Chairperson: Thank you very much. The floor is now open for questions.

Mr. Borotsik: We won't, believe me, keep the staff here longer than is necessary. There are other reports that I have a number of questions to deal with.

As the committee is aware, this particular report is the Public Accounts audit of March 31, 2007. There has been some discussion that we do have in front of this committee right now, although not tabled in the House, the Audit of the Public Accounts in the year ending March 31, 2008, which, in my opinion, is certainly a much more valid document, Mr. Chairperson, that I would like to deal with.

As to the 2007, there are some recommendations. I would just simply ask the Auditor General, and she is also familiar with the 2008 year-end report, are there any of the recommendations that the Auditor General would like to specifically deal with that aren't in the future report that we'll be dealing with? Any recommendations that she would like to expand upon in the 2007 report? On page—

Mr. Chairperson: Have you finished your question, Mr. Borotsik?

Mr. Borotsik: Yes, it's just that there are some recommendations in the 2007 report that they're here. Are there any recommendations that the Auditor General would like to simply expand upon, or is she completely comfortable in the fact that we'll be dealing with these recommendations in the 2008 report, that that would be sufficient? Is there anything she'd like to expand upon in the 2007 report?

Ms. Bellringer: I'm saying it's a pretty open-ended question, so I wasn't sure. Do I want to expand on any of them? Certainly, we, in the '08 report, do provide status updates on each of them.

I would group it into two areas. Some were financial reporting areas and the others were information technology related. I'm admittedly looking at the '08 report so that I can see, even though I know we're not talking about it, the recommendations remain the same. Having said that, it would be a logical question as we go through any of these reports to ask the department where it's at. So, in effect, we've already done that to the end of '08.

It's also difficult to avoid that. Several of them have been implemented since '07. In particular,

there's been change—just the whole financial statement discussion and analysis. We were saying it should more closely reflect the PSAB statements of recommended practice. That's been implemented, and the changes to the balanced budget legislation, which everyone is well aware of—and those were significant recommendations and the implementation of them will completely change the kind of information that we'll be providing in this report in the future.

The information technology related area, they're at a much more detailed level, and so, as individual recommend—I can't make a kind of a general comment about them, but they're significant. Each of them is significant in their own right in strengthening the whole information technology area. So I would just suggest that if you want to get into some of those in more detail, it would be worthwhile to know that they're being addressed.

Mr. Borotsik: Mr. Chairman, the reason for [*inaudible*] to have the confusion is because I, too, have both statements in front of me right now, and we're dealing with the 2007 year-end statements, the Auditor General's audit of Public Accounts, and, quite frankly, this document really isn't the one that we should be discussing. It should be this further one that we've had access to. So I have to say that it is a little confusing right now. I can't ask, really, too many questions on the 2007 because I've already got the answers in front of me at this time. I'm doing this for a specific reason, because I do believe it's necessary that we try to rectify this particular issue so that we can deal with the topical issues of the day, the topical statements.

So this 2007, in my opinion, should be passed, Mr. Chairman. We let it go at this time, and we deal with the 2008s at a not too far future date once this document has been tabled in the House.

Mr. Chairperson: Thank you, Mr. Borotsik. You don't have, in a sense, a question there. Was there—

Mr. Borotsik: No. That was a statement. I think that we should pass this 2007 document.

Mr. Chairperson: Thank you, Mr. Borotsik.

Mr. Kevin Lamoureux (Inkster): I just want to go to page 5 of the report, recommendation No. 2, where it makes reference to amending the balanced budget legislation.

I guess I would ask the question of the Auditor. The Province moved towards GAAP, and that's

something which the Auditor has been calling for, for a number of years. Are there any concerns from the Auditor's office at all in regard to the manner in which it came into being?

Ms. Bellringer: Could I just ask for clarification on the question, the concerns about—

Mr. Lamoureux: For a number of years the Auditor's office has been requesting the Province to follow GAAP in terms of reporting its budget. The government last year brought in some changes, including the balanced budget legislation, which was as a result of being in compliance with what the Auditor's request was.

I'm wondering if you could comment in terms of whether or not, in your opinion, that resolves the issue in its entirety, or are there any other concerns that come out of the way in which the government brought it into being.

Ms. Bellringer: Thanks for the clarification.

The recommendation is completely resolved. The request was, in any discussion around balanced budgets or the financial results, that they be relating to something that was prepared in accordance with generally accepted accounting principles, GAAP, and that is the case.

* (19:20)

One thing that we're quite careful to say is that there's a significant difference between policy decisions and the accounting for and recording of what the plan is and what the results are. Our recommendation is only related to that recording and reporting role. We're not suggesting in terms of there were a number of policy sections of the balanced budget legislation. We make no comment on those, for example, whether it should or should not balance isn't what we're suggesting. What we're saying is when you're describing what the results were, they should be based on GAAP so that you can compare them across the country, you can compare them not only amongst jurisdictions but from year to year within your own jurisdiction so that there's a commonly understood basis upon which those numbers are being produced.

So, when you have the discussion as to whether or not it should balance, you're talking apples and apples when you're comparing the federal budget, for example, to the Manitoba budget. They're both prepared in accordance with the same accounting principles, being GAAP.

So that's what we were recommending. That's what's been introduced, both through changes to The Financial Administration Act as well as through the balanced budget legislation and so that has completely been addressed.

Mr. Lamoureux: On this particular report is in regard to—when the Ministry of Finance puts forward a budget and they give an accumulated debt, is it, from an accounting, procedurally, is it, in terms of level of difficulty, possible to provide a spreadsheet dealing with core departments versus all the outside organizations in terms of where they are at in regard to expenditures versus revenue? Is that something that's fairly easily done?

Ms. Bellringer: My opinion on it is probably not shared by anybody else at the table. My view is that—first of all, no, it's not easy. Second, old habits die hard is probably the best phrase to—you know, there are a lot of practices that we're used to and we're trying to take the current GAAP structure and try to make it look like it used to look, and I do have some difficulty with when you try to go back to the departmental column. I'm not saying you can't do it, and I'm not saying there isn't some benefit to knowing that information, but there are a lot of cautions around seeing that because it gets to the whole reason why we were recommending the shift to GAAP in the first place to go to the summary financial statements and go to GAAP. Now you may choose to look at certain sections of that information. You may choose to look at the Crown operation results or not look at the Crown operation results, but you've got them included in that GAAP statement already.

The problem with departmental operations is it's never included a full accrual for the pension liabilities. That's one of the most significant things. So, if you're employing people in various departments along the way, the money you're going to have to put out in the future to pay for the pensions that they're earning today wasn't traditionally fully reflected in the departmental operations. There was a one line in the statements that showed the impact of pension costs, but it wasn't distributed amongst the various departments.

It's a limitation we've accepted in the way it was presented in the operating fund for a number of years, but right away that's one issue. You have to deal with accounting policies that are established for summary financial statements don't easily lend

themselves to department operations, for example, grants that you might give to an organization for capital. So that organization, you may vote the grant through one of the department lines, but at the end of the day that organization is going to repay you through a future grant that you're going to give them. So you're lending the money; is it a grant or is it a loan?

So, you know, there are all kinds of accounting issues that we've dealt with when you're trying to do the two sets of statements. So, at a department level it's, in effect, a grant. That's what we were doing when we were doing the operating fund. We were making it go through as a grant, but when you consolidate it and you're looking at it all in the big picture, it's not a grant anymore because the organization's been consolidated.

And yet I'm not expecting to go through each of the various differences, but there are significant limitations to trying to reconcile back to a department statement that this was trying to overcome. The intention may still be to try to do that because there is definitely a desire. We're hearing it from both the community, as well as by—from a non-partisan perspective, I can say we've had plenty of feedback saying that it will be not a good thing to have that disappear, as long as when you're using that information, you appreciate that there are issues around it and limitations to it and that you're not seeing it as a complete picture.

Mr. Larry Maguire (Arthur-Virden): Just a question in reference to the mandatory legislative reviews. Looking at exhibit A, there've been three statutes, 41 regulations in the different departments. I believe the preamble to that indicates that it's 11 of 16 departments.

It's correct that your Auditor General's office has done a review of each of those 41 regulations affecting all those departments and the three statutes?

Ms. Bellringer: Yes, we did. The conclusion on the audit is on page 79.

What we found was all the statutes that had that mandatory review clause did undergo the required review. With the regulations, it was more than half but not all of them had actually gone through the same kind of rigorous review. It also doesn't mean to say they didn't do something. It just wasn't what we would have considered to be complete.

Mr. Maguire: Just a technicality in that: Is there any of the ones that are outstanding—were there any

others, other than the 41, or any of these that you might have—all of the recommendations that you would have made on these 41 were contained in their reports? And [*inaudible*] outstanding up to October 31 of '06?

Ms. Bellringer: I'm not sure I'm understanding the question, but there were 23 out of those 41 that had been reviewed and the remainder had not.

Mr. Maguire: Okay.

Just to follow up, I know my colleague may have had the '08 report; I have the '07 one in front of me. I trust that there are more of these mandatory reviews then, that will have been reported in the '08 report as well.

Ms. Bellringer: Actually, no, that wasn't part of our Public Accounts work. We did that as a special value-for-money audit. So we wouldn't actually be following up any of the recommendations for another—it's three years after the issuance of the report that we go back and see where things are at. I mean, the department may have an update, but we don't.

Mr. Doug Martindale (Burrows): I have a couple of questions for the Auditor General based on the diagram on page 47. Could the Auditor General tell me if, under not-for-profit GAAP, PCHs would be included?

Ms. Bellringer: Yes, that's correct.

Mr. Martindale: A number of PCHs in Winnipeg are concerned that they are included in the government reporting entity. Their concern seems to be that, if I understand it correctly, they are considered government assets—which is perhaps why they're a government reporting entity—and they're saying, no, we own our own assets. And I think their concern is really a long-term one that if the government ever wanted to take them over, it would be easy to do because, first of all, they're part of the GRE and their assets are considered government according to them. They would say, well no, because our constitution says that if we wind up, our property goes to such and such, a parent organization.

Could the Auditor General clarify for me what the implications are for these organizations of being part of the GRE and if she thinks that their concerns are, what shall we say, illegitimate or unfounded or—I don't want to put words in the Auditor General's mouth—but perhaps you could clarify for me and for

them how they are included as a GRE and how that affects them.

* (19:30)

Ms. Bellringer: I'd be happy to. When the summary financial statements are produced, any organization that's controlled by the government, from a definition that is that of the accounting world—so it's a GAAP requirement—those that are controlled, according to that definition, are included in the summary financial statements. They're part of the government reporting entity.

The word "control," I think, just in terms of day-to-day language, does seem to really cause concern to lots of people. Nobody wants to be controlled and so it does often turn the accounting discussion into something that becomes legal. It becomes, in fact, in some cases, quite emotional. What this is trying to do is produce a set of financial statements so that the public, members of the Legislature, can see what were the results of operations for all of those organizations that the government had enough control over to direct how public policy was going to be delivered, what were the results and what were the underlying assets and liabilities associated with that. That's the purpose of doing it.

It's not to determine how the relationship between that organization and the government is completely structured. The definition gets into whether or not the government has control of the financial and operating policies. So you then have to break that down to, well, what does that mean. In the context of the personal care homes, we've looked at it in a great deal of detail. I'll tell you right now, there are very few organizations that meet every single potential criteria that would contribute to whether or not their financial and operating policies are controlled.

So you end up having to look at the significant ones. Some of it is around whether or not their assets can be sold; how they can use those assets; whether or not they can hire people within their own rules or whether they have to follow certain constraints that are imposed by government. There are standards of delivery that have to also be met to the point where it is in our opinion with the PCHs, we've concurred with the government's position that they—and this is the way they've been consolidated into the statements for a number of years—that that control does exist because of the assessment of all of those various factors.

It doesn't mean to say there aren't some other factors that are clearly within the control of those organizations. There are certain things, of course, they can do on a day-to-day basis, but overall we don't believe that to be the case. It doesn't mean to say there isn't a discussion that shouldn't have taken place and in fact has, because it does have to take into account professional opinions as to where you draw that line.

Mr. Martindale: So if we didn't have the word "control" or we could take out the word "control," they probably wouldn't have a problem because I don't think they have a problem with reporting or being part of the government reporting entity. The word "control" seems to be the trigger factor for them.

I'm actually on the board of a foundation of one of these PCHs and I attend their annual meeting. They seem to be fairly independent from government. They're totally dependent on government for money or almost totally except for what little bit we give them from the foundation. They hire their own staff. I don't think there's any interference there. As far as I know, they control their assets and standards of delivery. I presume those standards are set by Winnipeg Regional Health Authority.

I'm not sure I have another question other than is there any way of redefining control for PCHs that might be different than other parts of the GRE?

Ms. Bellringer: We can't change the accounting policies or the GAAP without it going through a—it's a standard setting process. It's national. All of the stakeholders involved with it contribute to the establishment of those policies. It's not something that's unique to Manitoba. It's Canadian. It goes through due diligence.

There are differences of opinion when standards are set, and then where they land is what becomes generally accepted, so that process is not likely. I don't know the specifics of the organization you're referring to. Those are questions probably that could be provided by the—even within the organization, there's probably some of that detail, when we started looking into it, wasn't as straightforward as you might imagine. We had to dig into all kinds of agreements to figure out what the various components were, and it may not be apparent on the surface. They may have to get the information at a more detailed level to the board.

Mr. Chairperson: Thank you.

Seeing no other questions, the Auditor General's report, Audit of the Public Accounts, for the year ending March 31, 2007–pass.

Now we move on to the Auditor General's reports on the Operations of the Office for the years ended March 31, 2006, 2007, 2008.

The floor is now open for questions. Pardon me, before we get to the questions, I am going to ask whether the minister has an opening statement.

Mr. Selinger: I do not have an opening statement.

Mr. Chairperson: Thank you.

Does the Auditor General have an opening statement? Pardon me, does the member of the official opposition have an opening statement?

Mr. Borotsik: No, just a number of questions, Mr. Chairperson. We'll get to the questions later.

Mr. Chairperson: Thank you.

Does the Auditor General have an opening statement?

Ms. Bellringer: Just a short one. We actually had the chance to discuss the report in some detail in a closed session prior to this, and so I look forward to some of the detailed questions that the members might have. One of the areas of the report that we did talk about was there's a discussion in the role and purpose section on the Public Accounts Committee itself.

I just wanted to say publicly thank you to all the members, in particular to the Chair and the Vice-Chair of the committee and to the Clerk's office and others within our office who contributed to getting a schedule put in place with an agenda for the entire year that, in effect, will clear out any backlog of old reports from our office that need to be discussed at the committee. I congratulate you for moving practice forward, and just the atmosphere and the openness that's being shared around the table to really contribute to better public administration for Manitobans is to be commended. Thank you.

Mr. Chairperson: Thank you, Madam Auditor General.

The floor is now open for questions.

Mr. Borotsik: I'm going to jump to the 2008 Operations of the Office of the Auditor General to deal with that report. The first question on page 8,

where the Auditor General in her report deals with risk management and independence, the issue was raised, as is indicated in this report back in 2006-07, in their Operations report. With respect to independence of the Auditor General, I think it's important that the office of the Auditor General be totally independent of government. She has identified a couple of areas here where, in fact, the office is not seen to be totally independent.

I wonder if she might just wish to comment, based specifically on the requirement of working with other government departments such as the Civil Service Commission as well as MIT, and just sort of give us a better understanding as to how, perhaps, the independence may be questioned of the Auditor General's department and how she sees this could be corrected, if, in fact, there is a correction.

Ms. Bellringer: Thank you for the question. One thing that we point out in the report—and I'd just like to emphasize this—is there hasn't been any specific problem in terms of the working relationships between those organizations in our office. It's a structural issue, as you point out, around—just as strengthening the independence and perceived independence of the office, so that we are not seen to be controlled by government.

* (19:40)

In particular, in those two, the largest spending areas of our office being our accommodations and our people, that the final approvals on a number of areas are, technically, made by government. What that includes is—the accommodations is a matter of any of our leases, that are signed in the lease negotiations, as well as any renovations are controlled by the department of government who have the expertise. So there is a benefit to having that process in place, but some of those final approvals could go through a legislative committee, for example, through LAMC, the Legislative Assembly Management committee, which also approves our budget overall, anyway, as a matter of course every year.

On the salary side, LAMC does approve our budget in terms of total dollars and, as well, in terms of the total number of approved positions that we have. Where we then have to deal with the commission and Treasury Board is for the allocation of those funds. So what the positions are classified at when we go through recruitment processes, a number of employees of the office are members of the union. I'm not sure which. Those are really the main aspects

of it. So, for example, if we were to have, currently, 14 auditor positions that were vacant and we wanted to fill them, the commission would be involved in actually filling those positions. We might decide, well, we don't need 14 auditors, we need one communications person and a lawyer. We wouldn't have the flexibility to make that kind of decision ourselves, nor would it have to go a legislative committee. It would have to be approved by Treasury Board.

So we would see that we need to explore, and we have been exploring, some of the options that might be available to strengthen that so that we can make that proposal to you.

Mr. Borotsik: We would hope your department would never need a lawyer, but that's just another opinion of mine.

It says also, in part, that you will continue to explore the options to minimize this risk of loss of independence. What are you going to explore? What types of options? Are there other jurisdictional options that you might have in other areas, and how are you going to explore them, and how can PAC assist your department in, perhaps, not only exploring but implementing some of those different options that you might come up with?

Ms. Bellringer: In terms of how PAC can help, your support of the concept has a great deal of value to us. In terms of what we're exploring, we do have some information of what the practice is in other jurisdictions in Canada, and we'll provide that information to you so that we can have some further discussions.

Once we have that information and we're having those discussions, we can break down the different issues and see how it might be dealt with elsewhere.

Mr. Borotsik: Page 11 in your report, audit activities and outputs, I find a dramatic change in the shift, if you will, of the audits that have been presented by your department. If you'll notice the value-for-money audits in 2006-2007, it was 34 percent of your time allocation, and it's now gone down to 18 percent. It does say, and I do appreciate that the final statement does say, staff vacancies in our value-for-money audit team was a part of the problem. I personally see value-for-money audits as being very important in your department.

Can you tell me just whether you see that this percentage breakdown is going to continue in further audit years, or do you see

returning to value-for-money audits and more of a 50-50 split between the financial statements and value-for-money?

Ms. Bellringer: There is one part of it that we can fix quite easily, and that was that we had vacancies and we're now filling them. So there will be more audit time in the value-for-money audit area going forward, and that did cause the greatest contribution to the drop.

The other area that isn't as easy to fix is that it's not 50 percent or 52 percent or 68 percent of the people who work in the financial statement audit area and then the remainder working in VFM. There's also a whole work distribution issue that has to be dealt with, so you end up with 50 auditors who, for different periods of the year, have to work on financial statement audits. Then there are no more financial statement audits to work on, so they're available. But they're only available for a couple of months, because then they have to get back to doing the next batch of financial statement audits. So the biggest problem with a value-for-money audit is that it extends far longer than a three-month period. Even the most simple of value-for-money audits take between 12 and 18 months, and so they start and stop. It has caused a number of problems with that it's not the best use of time if you just do it without thinking up some creative ways to get around that.

So that what we're trying to do in restructuring is to not only fill the vacancies, but figure out how to best use their time to get—

Audio system failure

Mr. Chairperson: We'll ask members of the committee to reconvene.

I think, Madam Auditor General, were you finished your last answer? I'm hoping that perhaps we can—

Ms. Bellringer: Maybe I could ask the member if he has a follow-up question to it so I can remember what the question was.

Mr. Borotsik: That's fine, Mr. Chairman.

The Auditor General did, in fact, explain the rationale for the reduction of the money-for-value audits. I'm happy with the answer. Thank you.

Ms. Jennifer Howard (Fort Rouge): I just wanted to take us back to page 8 and the question about independence of the office. I just wanted to ensure, as you're looking at other options, that we also are

considering the need for accountability for any office that's funded by public funds. I know this is an issue that extends to other independent offices of the Legislature as well, that their budgets are set by LAMC. They also have a need to come back for different authorities on spending because they are funded by public money.

So, I think when you come back with the information, we need to be able to, of course, protect the independence of those offices but also know that there are some accountability measures for the spending of public dollars. So I just wanted to request that as you're doing your work.

Ms. Bellringer: We most certainly ensure that.

Mrs. Heather Stefanson (Tuxedo): My question for the Auditor General, just if we look on the appendix B, pages 56 and 57 and 58, 59, I'm just looking at the roles of—there are some audits that your office conducts. There are some that are conducted under your office under an agency agreement with private sector accounting firms. There are some that have overviews, audits that are conducted by private sector accounting firms with overviews by your office.

I'm just wondering if you could just explain for this committee what the difference is in terms of the role of your office with respect to those three different categories.

Ms. Bellringer: Yes, one thing that's sort of overriding is we do the audit of the Public Accounts, including the consolidation of all of those various entities. So we have responsibilities in the context of putting an opinion on the consolidated statements, which means that we, regardless of how each of those individual audit firms are appointed, whether it's our own audit, some where we're using an agent or an external firm that's appointed directly by the organization, for each and every one of those organizations, we look at the audit plan, we look at the financial statements before they're issued.

We're aware of any of the issues that might arise that would have an impact on the Public Accounts, and we actually will go out and review the working paper files for some of the auditors on a cyclical basis.

So there are a number of things that we do to provide ourselves with assurance [*inaudible*] rely on the work of those auditors for purposes of signing off on the Public Accounts. Notwithstanding the fact that our act actually gives us the authority to rely on

them, we still have professional standards that we follow to get that assurance.

In terms of the practical day-to-day, what's the difference between each of these? Where we're the auditor of the organization, our team goes out and they do the audit plan and they conduct the field work and they have all kinds of documentation that we retain in working papers that support our opinion on whether or not the financial statements present the information fairly. Then that audit opinion is signed either by myself or by the office, one of the principals in our office on behalf of the office.

For the organizations where we appoint a private sector auditor as our agent, part of that is because we don't have enough audit staff to conduct all of the financial statement audits. So for some organizations where we feel comfortable to not see everything on a day-to-day basis ourselves while the audit's being conducted, we will contract with an external firm who will do that planning and the field work and so on and who will have discussions with us along the way if there are issues, but we're not actually seeing things.

To me the biggest difference between the two is there's an actual value to being out in the field. You just see what's going on. You're more aware of what's happening in other areas that don't impact the financial statements necessarily, but they alert us to things we might want to look at from a broader perspective and conduct an effective value-for-money audit at another date. Or it may draw our attention to matters that would result in a management letter that we would give recommendations for improvement in whatever came to our attention. We'd give that information to the audit committee, and they'd ensure that management went forward and made improvements.

* (20:00)

So it doesn't mean to say there aren't times where it's appropriate for an external firm to do that work, but in large delivery of public services, it's important we get a close look. We're careful as to which organizations we audit ourselves and which ones we contract with a firm. We will move those around and not have a firm do them all the time. Sometimes we'll take them back in so that we get that look ourselves.

As far as where an external firm is appointed directly by the organization, that's something they have the authority to do in their legislation. So it's up

to the organization to decide who will do their audits, and that's been determined through the Legislature when a particular act was established. We really don't make any comment on that because that's been a policy decision.

Mrs. Stefanson: Thank you for that and for the clarification. Just for further clarification on that, how often would it be reviewed? Is it on a regular basis? If, for example, you decide that Brandon University, just as an example, you would like to move it into the category of conducting that yourself. How often do you review that and at what point would that sort of move over into—what would you be looking for in terms of the criteria where you feel that it's necessary for your office to go over and to do this review yourself?

Ms. Bellringer: When we contract with an external firm of auditors, we do so usually on, I think, it's a three-year contract that we'll engage them for. We tender out each of those engagements so it would be at the end of that contract. Most of them have been for three years with a one-year renewal, so at the end of the three years, we'll take a look and see how things are going and decide whether or not to renew or whether to—there was a situation with one where we chose at the end of the three to take *[inaudible]* and do it ourselves.

Mrs. Stefanson: Just on the ones that are conducted under the private sector accounting firms—and those are, obviously, they decide themselves—and that's under other legislation where they can conduct their own audits, et cetera. Are there any circumstances under which, and what would be the proper process if we wanted your office to conduct a review on those, or is the only option for those ones specifically to have the agency or the government themselves ask for an audit?

Ms. Bellringer: The only thing that the organization has the authority to appoint an auditor to do is the audit of the financial statements. Now having said that, they can contract with them to do other work if they request it, but it doesn't prohibit us from going in and looking at any other aspect of their operation to do either a value for money or a special audit, anything that's covered by our act for government organizations or agencies.

So we still have the access from that broader perspective. The piece of it that we're talking about in the context of this list is only the financial statement audit, which is an annual audit, that is,

every year the financial statements are produced and every year those same financial statements are audited.

Just one other thing to add to the last question you were asking as to when we decide whether or not to do it ourselves. When we're going through that, at the end of the three years or at whatever point in time where we were making the decision—and we would be every year looking at the ones where we're auditing them ourselves and seeing whether or not we can contract those out—it's depending very much on the risk to the summary financial statements, or if there is another aspect of the operation that's just concerning us for some reason, then we would decide to do it ourselves.

Mrs. Stefanson: Just to go to the list of audit entities that are done, conducted by private sector accounting firms—and, again, this is only for the financials, and I recognize that—I guess there are some that you do the overviews of these as well. Are you looking beyond financials in terms of the overviews, and when you talked about the value for money and those types of things, are those things that will come up as a result of your overview of financials or typically for value for money? Is that done externally? Where would you sort of get your ideas to conduct various audits of—like the value-for-money audits with those organizations?

Ms. Bellringer: In terms of what an overview is, it's strictly related to the work that we conduct to put the opinion on the financial statement for the Public Accounts.

In terms of how do we determine which value for money audits to do each year, it's actually something—we're often asked by departments or agencies why they were selected for audit, and I wish it was a more defined set of criteria so that I could answer that easily. It's a combination of many things. It's not quite like just grabbing something out of the sky, but it's definitely—one thing we did this year was had all of the senior, the executive team, put together what they considered to be the highest risk areas and we compared notes. At one point when we were doing that, you know, we were challenging ourselves to say this isn't exactly the most pragmatic way to go about doing it and then when we added up the number of years' experience in the room we realized it probably wasn't a bad way to do it at all. We then take those results and we compare them to things like have we covered one department more than another one and was that justified, where the dollar is spent,

where are the high risk areas in terms of impact and other program areas.

When I mentioned to you that we issue management letters to the audit committee so that they can make recommendations, we'll also look for patterns in the management letters that might indicate that there are concerns we'd like to learn more about. We're at each of those audit committee meetings to have some knowledge of what's going on there so that we can be aware of those things.

We're not able to look at every organization every year. We're not even able to look at every organization over a few number of years given our staff resources. So it's very much risk-based.

Mr. Borotsik: You had made a comment which I found rather interesting where you suggested there's some risk to the summary financial statement and some of the business entities. By comment, in the 2008 financials there was almost \$1 billion, \$946 million actually, that was identified in revenue from the net income from government business enterprises. A billion dollars, yet your department doesn't audit any of those government business enterprises, and I have mentioned Manitoba Hydro, the Liquor Control Commission, Lotteries Corporation. There's a billion dollars that's been identified on the financial, the summary financial, yet the risk of that obviously isn't dealt with your department because you simply sign off on those audits, I assume, and show a billion dollars on the summary financial statement.

Is that risk aversion just placing those kinds of dollars on a summary statement without having the ability to audit those corporations?

Ms. Bellringer: Just to make sure you didn't think I was saying I didn't think that there was a high risk there, I also mentioned that everything where the legislation provides the organization with the option to choose their own auditors was a legislated policy decision, and I don't enter into the discussion. There's lots of factors that would contribute to having a private sector firm audit those government enterprises. I'd say one of those is, first of all, we wouldn't even come close to having the staffing available to do any of the large ones let alone all of them.

The other thing is that they're all following private sector GAAP and we do specialize and concentrate on public sector GAAP, not to say that we aren't aware of the private sector. In fact, the staff

are very much aware of it, but they do have that specialty in the private sector to do those audits more efficiently, I would suggest, than we do from that financial statement audit perspective.

* (20:10)

Mr. Borotsik: I take it from that comment that you're very comfortable in simply adding that component into the summary financial statements, or approving of that component being included in the summary financial statements of almost \$1 billion revenue. I appreciate the fact that there are private sector GAAP auditors that are very competent, but, in my opinion, that's still a risk in accepting those numbers without having any other opportunity to corroborate those numbers.

And I hear you, you can't do the audits regardless. It's just simply a matter of, I guess, accepting the fact that those statements are going to be acceptable under the current public or private sector GAAP, and you accept them as being the proper number, is that it?

Ms. Bellringer: We do more than just accept the numbers because when we do these overviews we're doing quite a lot of work to get the reliance on the external auditors and we do, as I say, on a cyclical basis, review even the working paper files. So we're not conducting the work, but we do more than just accept it.

Having said that—and I don't want to dismiss the notion that there isn't something to explore here—there are other ways that some of the Crowns are audited in other jurisdictions. I believe Québec, and federally, for example, they do joint audits, where the auditors from the legislative office actually attend, in conjunction with the private sector auditor, to complete the financial statement audit. So there are other ways to change the tradition that this is something that—it's been this way for, well, longer than I remember.

Mr. Borotsik: Thank you for those comments. I do appreciate them.

As of 2011, there is going to be a wonderful thing called the IFRS, and you've mentioned in your report, under professional standards, the international financial reporting standards which is going to be, as I understand, required for—includes the government business enterprise. How is that going to affect your department?

Now, I appreciate that the audits are going to be completed by private sector, but is that going to affect your department at all with the Crown corporations?

Ms. Bellringer: The quick answer is it might and it might not. Now, it will to the extent that the financial statements of those various organizations, even though we're not doing the audit ourselves, they will—the government enterprises—it's highly likely that they will have to follow IFRS as GAAP and we will then be doing those overviews to make sure that that's been applied appropriately, so we have to understand it.

In terms of actually—of the organizations within the government reporting entity that we audit directly who might have to follow IFRS, the standard setters are revisiting that decision and they haven't yet concluded as to whether or not government business-type organizations—that includes SOAs, the special operating agencies; and Manitoba Housing Renewal Corporation would be another one that we're auditing—they may or may not have to follow IFRS in order to get a clean opinion in accordance with GAAP.

Mr. Borotsik: Just a couple of other questions. It's a fascinating report and I do think it's well written and I do thank the Auditor General for it.

On page 14, on Allegations, and I rather enjoy that term. During the period of 2007-2008, the department, your department, received 22 allegations. I assume, when you say allegations, there were comments made about specific departments or there were allegations made about specific departments and, without being too specific, where did most of these allegations come from? I notice that you do an initial review of those allegations. How do you make the decision as to whether to take those allegations further to forensic audit or even to a special audit?

Ms. Bellringer: Most of them have come from members of the public, and we guarantee each of those individuals that we will look at the allegation that they've brought forward, but that anything we choose to do we have to do within the context of our act, and therefore it will ultimately, one day, end up in a report that will come to the Legislature if we look into it. So we never get back to them to tell them whether or not we've actually looked into it. We don't believe we have a mechanism to do that. We're not dealing with them, but we do take the allegations seriously.

Almost all of them, not all of them, but almost all of them are matters which we think are best dealt with by the Ombudsman. It's very frequently somebody who's got a personal issue, something that's impacting them personally, not a systemic issue or something that's indicating that there's a problem in a department, but rather that they've not been treated fairly with respect to something very specific. So, in those situations, we direct them to the Ombudsman, and we'll assist them if they need some help in explaining what the problem is.

Where it's systemic, we either start an audit immediately because we think it's something that's of the utmost public importance for that to be done, and there were [*inaudible*] those in that year, or we'll put it on the list and we track it so that when each year we're deciding which audits to do, we'll consider whether or not it's higher risk than anything else we've come up with.

Mr. Borotsik: Thank you. Again, not getting into policy, I guess one of the comments I might have about the allegations or the process with respect to whistle-blowers, should an individual come forward with some allegations of misappropriations in a certain department, would you see that as being your responsibility and the responsibility of your department to take that further with respect to a whistle-blower, somebody coming forward with some serious allegations of misappropriation of a financial nature?

Ms. Bellringer: Anytime an allegation coming forward would fit into the whistle-blower legislation category, we alert them to that, and all of the allegations in the whistle-blower category have to go through the Ombudsman's office, even though there's a role for our office to play where it's more appropriate, that it's of the nature or something that we have the subject matter expertise to follow-up. It still has to be referred to us by the Ombudsman in order for the protection in the act to be in place.

So we do have that discussion with anybody coming to us with something. If they choose not to go under whistle-blower, the fact that they've brought the information to our attention, if we think it's important to look into, we'll do it regardless, and we'll guarantee them anonymity because we're looking at it from a systemic issue, not from something that might have impacted them.

Mr. Borotsik: A couple of very quick questions and quick answers.

You talk about the timing of your reports, particularly value-for-money auditing and reporting process, and it's a very detailed reporting process that's required by legislation, where you provide copies of the minister and then it's 14 days notice, yada yada yada.

Quarterly financials, just your opinion, and I know I don't want policy on this. I just want an opinion of an Auditor General. The financials on a quarterly basis, currently we have before the House right now the second-quarter financials that were ending September 30. I know that the third quarter went out. We received those quarterly reports a day before Christmas, the September quarterly report.

In your opinion, could we or should we be getting quarterly reports perhaps in a more timely nature, timely basis, so that we can deal with them at a legislative level, perhaps even at this table? Again, I don't want to get you involved in policy, but as an accounting procedure, should the quarterlies or could the quarterlies become available on a more timely basis than what they have been?

Mr. Chairperson: Madam Auditor General, I think we just have to be careful about questions of this nature.

Mr. Borotsik: I understand, and I said not policy-wise, just more of an accountant's answer.

Ms. Bellringer: Even from an administrative perspective, I'm not actually in a position to give you an answer on that one. I've not looked at it. I don't know what the current practice is. I don't know what the exact timing is. I don't know what the process is to say whether or not it could be done in a different way.

Mr. Selinger: I just wanted to say that was totally a political question as it relates to timing. I don't think to characterize it in any other way. I mean, we follow the procedures that have been in place for quite a long time.

* (20:20)

We are looking at improvements to the content of quarterly reports, and we've made a commitment to the Auditor General's office in that regard, because they need to be modernized to be in better synchronization with full summary budgeting. So that's one thing we have committed to do. *[interjection]* Thanks. I was trying to be low key.

Mr. Chairperson: Mr. Minister, I appreciate your comment. I allowed the question to be asked because

I saw this question that could go two ways. I think I indicated to Mr. Borotsik that it was one that was sort of on the margin, but it has two components to it. So I allowed it.

Mr. Borotsik: Mr. Chairman, my last question.

The Auditor General has indicated the fact that they do have a number of audits performed by privately owned firms. I notice that their own statement is audited by a chartered accountant, Frostiak & Leslie. You also mentioned that most audits or most agreements that you make are of a three-year term, with a one-year extension perhaps.

Is your own audit tendered? Do you tender the audit for your own department?

Ms. Bellringer: Yes, we do, and I believe it was in '07 that the contract was renewed.

Mr. Lamoureux: I just have a few questions.

Just to pick up, if we go to appendix B of the report on page 57, is it safe to assume that all the entities in which the Auditor's office is entitled to look into are listed in appendix B?

Ms. Bellringer: Yes, that's correct. This lists all of the organizations that are included in the government reporting entity.

Mr. Lamoureux: Just to confirm, there are no other entities in which then the provincial Auditor has authority to look into? Correct?

Ms. Bellringer: Sorry, I'm going to backtrack on that answer because this is only the list of financial statement audits. It also lists a couple of financial statement audits that we conducted that are not included in the government reporting entity but that we have the authority—not just the authority, the requirement—to conduct, including the super-annuation fund, for example, the pension fund for the civil service.

We have access to conduct an audit. Now, the word "audit" isn't actually defined in our acts, strangely enough. So, when we're talking about an audit, it can be going into looking at one transaction, or it can be going into looking at a whole program area. We have access to look into all government organizations, all recipients of public money; all of that is defined in our act. In fact, it's even broader than that.

The act itself is included in appendix A. So there are different sections of the act that give us those authorities; 14 and 15 are the key ones for us. They

talk about the audit of operations, so that captures all the government operations; and 15 is the recipient of public monies, which takes us all back to the definition "recipient of public money" on page 46 of this report. It's part 1 of our act. It's an extensive list and, in effect, it gives us the authority to follow the dollar. We can follow the money all the way through from the government, anything that's voted all the way through to whoever has received those monies.

Mr. Lamoureux: So appendix B, in essence, covers the many different entities or at least 95 percent of the entities, minus, let's say, the general recipient of a public dollar? Is that a fair assessment?

Ms. Bellringer: It includes all government organizations only.

Mr. Lamoureux: So, if there is in the Public Accounts books or any individual in the province of Manitoba or business that receives a dollar, you have the legislative ability to be able to investigate and report back to this committee then? Correct?

Ms. Bellringer: They have to have received that directly or indirectly, and I am reading out of the act: ". . . a grant, loan or advance from the government or government organizations." So, for example, we can't audit a supplier because we bought a box of pencils from them. I mean, just in terms of the—really, what that is doing is making a distinction between a grant which the organization can spend on a certain thing that it's a—it becomes a public service as opposed to just a product that the government has bought for its own use.

Mr. Lamoureux: So if we could go back then to the different entities, in particular, I'd say the Crown corporations, whether it's Lotteries or Hydro, all these organizations—in fact, I'm not even sure, but I suspect that most if not all the entities, they would have independent audits that would be done whether you were involved or not. Is that correct?

Ms. Bellringer: On their financial statements, that's correct.

Mr. Lamoureux: Again, and I want to be careful whenever I use the words "generally speaking," but, generally speaking, with these agencies that we have listed in B, is it safe to assume, then, that your office will, at the very least, go through all of those audited statements? Safe assumption?

Ms. Bellringer: Yes. And not generally. Definitely.

Mr. Lamoureux: So, and then if you decide to do an audit, you'll take it upon the resources that you have

in your office to do a second audit of a set of books. So there would be a duplication of an audit. Is that my correct understanding?

Ms. Bellringer: No, when we're looking at where the audit's already been conducted by somebody else, we review components of it. Like, we don't redo any of the work. We're looking at it to make sure that—we actually do some of it at a fairly general level to make sure that it's being done in a professional manner in accordance with the standards, that kind of thing. Then we might look at, if there's a particular area that looks odd to us, we'll ask some questions to understand how did it go, and, you know, what exact work did you do to verify this, and they'll explain it to us, but we don't duplicate.

Mr. Lamoureux: So, then, if we go to the special audits that your department will conduct, in particular, like if we go to page 15 of the report, there was the image campaign for the province. That's a report, I believe, has actually been tabled, correct?

Ms. Bellringer: Yes, it has.

Mr. Lamoureux: As it's written here, you conducted that report because you requested to from the standing committee, and that's the sole reason why it would've been conducted, correct?

Ms. Bellringer: Yes, that's correct. There's a section, and it's section 16 of the act that talks about special audits, and those may be requested of our office by the Minister of Finance, Lieutenant-Governor-in-Council, or the Public Accounts Committee, and in the cases where we're requested to do those audits, my interpretation of the act is that the only time we can decline that request is if it interferes with the normal operations of the office. Now, there's obviously some interpretation as to what interferes with the normal operations of the office, but it's not as though I have complete—I would feel that I have a responsibility to fulfil that request unless it meant I couldn't do the other legislated work.

Mr. Lamoureux: So you'll conduct an audit if the committee requests it, generally speaking. What about individual MLAs? Where would they be placed in terms of, if you get approached by an individual MLA saying, look, I'm concerned about this?

Ms. Bellringer: Obviously, it's placed very highly. Unfortunately, the act doesn't apply any authority to it. So we just take it into account as we would with

any other request, but we're not required to do those audits.

* (20:30)

Mr. Lamoureux: How often would your department get requests from individual MLAs?

Ms. Bellringer: We don't often get formal requests for audits, but we do get contacted by MLAs with questions. More often, they're asking us to explain something to them that is already public information. But they may draw our attention to something, which we also ask the MLA if it's being brought to us in confidence, as we do with individuals that come to us from the public, or whether they [*inaudible*] just pick up the phone and ask for the information on their behalf, which we also sometimes do. It may just be, I don't understand where this comes from; how do I find out? So we may assist them just in getting that information but, probably, two or three times a year where it's bigger than that.

Mr. Lamoureux: I guess, just finally, in regard to MLAs that then would put in a specific request, is it fair to say that the requests, at the very least, would be dealt with in some fashion even if it's saying, no, we don't feel it would be our—you know, it's within our mandate to do it? Is there something that would draw it to a conclusion so that, if an MLA felt that it is an issue that the Auditor's office should be doing something on that, they could raise it at Public Accounts? How does that kind of wind up, or how do you envision it winding up for a request from an MLA?

Ms. Bellringer: They're all quite unique, I have to say. I don't know that I can generalize. Just out of courtesy, we try not to have MLAs bringing information to us and then wondering what we're doing with it. So we certainly try to keep the communications open.

We take the act very seriously in terms of [*inaudible*] we're allowed to do and what we're required to do versus what we're actually not allowed to do. There's a lot more strength behind the request coming through the Public Accounts Committee because the act allows us and, in fact, requires us to look into it. Then it's by agreement of the members that it's something that's of interest to the members. So, you know, certainly, that's a route that I would encourage be used more often.

Mr. Chairperson: Madam Auditor General, I have a question. If, in fact, members of the committee request that an audit be done on a particular section

or on a particular department or an issue, but the committee does not have full agreement, is it the majority of the committee that the Auditor would abide by, or if there is a concern that is expressed, even though the committee does not have the majority, would it stimulate enough interest in the Auditor's department to at least look at the matter?

Ms. Bellringer: Am I allowed to rule on that being a political question?

It's not really an answer to the question, but it's a bit of a follow-up to the independence issue—the one thing that we are always able to do is initiate an audit because we think it's important to do. So it would very much depend on what the subject matter was.

Mr. Chairperson: Thank you very much.

Mr. Maguire: Go ahead, Mr. Chair, if you—[*interjection*] Thank you. I didn't want to cut the Chairperson off there in regard to questions he might have.

I know that we're dealing with all three reports here. I just wanted to acknowledge that, in my stash of these, we also were looking at the March 31, 2006. I want to commend the Auditor General that's with us tonight for the work that she's done in regard to the '07-08 and, of course, the overseeing of some of these other areas as well, but just like to acknowledge that the '06 report was the last one done by our previous Auditor General, Mr. Singleton, and acknowledge the work that he and his staff had put into it over the previous 10 years, I guess. You know, obviously, you can look at the report. Half the Manitobans feel that the reports are very helpful in maintaining credence as to how public monies are used in the province of Manitoba. I think it's just important to acknowledge that from time to time.

I'd just like to be on the record as indicating sort of a congratulatory comment, I guess, to Mr. Singleton for the work that he did over those years. Thank you.

Mr. Chairperson: Thank you, Mr. Maguire. I did not sense a question there, unless the minister wanted to respond to that.

Mr. Selinger: Given the comments, I'd be happy to move the passage of the report.

Mr. Chairperson: Auditor General's report, Operations of the Office, for the year ending March 31, 2006—pass.

Auditor General's report, Operations of the Office, for the year ending March 31, 2007—pass.

Auditor General's report, Operations of the Office, for the year ending March 31, 2008—pass.

I would just like to note that this evening the report dealing with the Audit of Public Accounts for the year ending March 31, 2007, was passed, and

also the reports that we have just mentioned have been passed. So I thank the committee.

The hour being 8:35 p.m., what is the will of the committee?

An Honourable Member: Committee rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 8:35 p.m.

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>