



*House of Assembly
Newfoundland & Labrador*

Public Accounts Committee

50th General Assembly – Report 1

Report to the House of Assembly

May 2022

This report is privileged until tabled in the House of Assembly.



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Committee Members

Public Accounts Committee Members:

Tony Wakeham, Member for Stephenville - Port au Port (Chair)
Sherry Gambin-Walsh, Member for Placentia - St. Mary's (Vice-chair)
Brian Warr, Member for Baie Verte - Green Bay
Jordan Brown, Member for Labrador West
Lucy Stoyles, Member for Mount Pearl North
Scott Reid, Member for St. George's - Humber
Lloyd Parrott, Member for Terra Nova

Appointed by motion June 1, 2021



Transmittal

Speaker,

Speaker, I am pleased to present the first report of the Public Accounts Committee for the 50th General Assembly. I thank Members of the Committee for their diligence as the Committee carried out important work in the fulfillment of its mandate.

Respectfully submitted,

Tony Wakeham, MHA
Stephenville - Port au Port
Chair



Mandate & Order of Reference

The Standing Committee on Public Accounts traditionally reviews the annual reports of the Auditor General, selecting matters from the report on which to hold hearings. The Committee also reviews the audited accounts of the House and the Clerk's role as accounting officer. It also inquires into other matters it may determine relating to the Public Accounts of the Province. The Committee may also request special reports from the Auditor General on issues that it deems to be of concern.

The Committee is dedicated to improving public administration, including how government delivers services to its citizens, by overseeing the implementation and effectiveness of government programs and operations in accordance with intentions of the Legislature. It uses powers vested in it by the Legislature to ensure recommendations of the Auditor General are implemented.



Statement of Values

The Standing Committee on Public Accounts is dedicated to improving public administration in partnership with the Auditor General. The Committee examines the administration of government policy, not the merits of it. The Committee strives to achieve consensus in its decisions, whenever possible, and Members take a non-partisan approach to their work on this Committee.



Summary of Work

To date in the 50th General Assembly, the Public Accounts Committee has met 13 times, on the following dates:

- July 27, 2021
- September 29, 2021
- October 19, 2021;
- November 4, 2021;
- December 2, 2021;
- December 13, 2021;
- January 18, 2022;
- February 3, 2022;
- February 15, 2022;
- March 21, 2022;
- March 22, 2022;
- April 6, 2022; and
- May 17, 2022.

Special Reports & Public Hearings

The Committee received two special reports from the Auditor General as a result of matters referred by the Committee:

- [MV Veteran and Legionnaire](#), received in August 2021, which was the result of a request to undertake a review of the process used to purchase the two vessels and the number of concerns related to mechanical issues since they came into service; and
- [Physical Mitigation of Muskrat Falls Reservoir Wetlands](#), received in December 2021, which was the result of the following request:

“That the Auditor General investigate and report on the breakdown of communication that resulted in the flooding of the Muskrat Falls reservoir in violation of an agreement between the Government of Newfoundland and Labrador and the Innu Nation, the Nunatsiavut Government, and the NunatuKavut Community Council to abide by the recommendations of the Independent Expert



Advisory Committee, which directed that wetland capping must precede any such flooding.”

The PAC’s role with respect to these reports is to conduct a thorough examination on behalf of the Legislature, holding entities accountable by ensuring deficiencies are corrected. The Committee’s role is not to create policy, but to assess the effectiveness of programs and services in achieving intended outcomes.

The Committee conducted a public hearing to follow up on matters contained in the [MV Veteran and MV Legionnaire](#) report on March 21 and 22, 2022. The public hearing followed up with current and former officials of the Department of Transportation and Infrastructure, a list of which is provided in [Appendix A](#). The Committee noted a number of key themes that emerged throughout the hearing deliberations, including project management, duty to document, human resources and industrial benefits agreements. The Committee’s work on this matter continues and will be the subject of a separate report to the House of Assembly.

Hansard transcripts and audio recordings of the public hearing can be found on the House of Assembly website at:

<https://www.assembly.nl.ca/Committees/StandingCommittees/PublicAccounts/ga50session1/>

Follow-up on Outstanding Recommendations of Auditor General

In October 2021 and January 2022, the Public Accounts Committee was briefed by the Auditor General and officials on outstanding recommendations from previous reports issued by the Auditor General. The Committee has initiated written follow-up with all entities that have outstanding recommendations, requesting an update on implementation status. Responses were requested by early June 2022. The Committee will review the responses over the coming months to determine whether further follow-up is required.

Workshops

The Committee also participated in three workshops facilitated by the Canadian Audit and Accountability Foundation, an organization dedicated to advancing public sector performance audit, oversight and accountability in Canada and abroad.



The sessions included:

- “Foundations of an Effective PAC: A workshop for the Standing Committee on the Public Accounts, House of Assembly Newfoundland and Labrador”;
- “Reading the Public Accounts”; and
- “Asking Effective Questions.”

These workshops provided the Committee with valuable information pertaining to best practices for public accounts committees, effective review of the province’s Public Accounts and strategies respecting the development of questions for public hearings. The Auditor General, Comptroller General and officials also participated in some of these sessions.

2021 CCPAC/CCOLA Conference

Legislators and staff from federal, provincial and territorial public accounts committees across Canada meet each year simultaneously with the Canadian Council of Legislative Auditors to discuss matters relating to financial accountability. The annual CCPAC and CCOLA conferences also permit the delegates to participate in a joint session to discuss subjects of mutual interest to elected officials and legislative auditors.

The Vice-chair and Clerk of the Committee participated in the 2021 conference, which was hosted virtually by the Legislative Assembly of Alberta.



Acknowledgments

The Public Accounts Committee wishes to acknowledge Auditor General Denise Hanrahan and employees of the Office of the Auditor General for their support to the Committee and looks forward to working collaboratively with that office in fulfillment of our mandate to ensure public accountability on behalf of the Legislature.

The Public Accounts Committee also wishes to thank Carol Bellringer, Dr. Lesley Burns and John Reed of the Canadian Audit and Accountability Foundation for sharing their knowledge with the Committee.

Finally, the Committee would like to acknowledge the Committee's support team in the House of Assembly Service.



Appendix A

Witnesses (officials) who appeared at each meeting:

March 21, 2022

Department of Transportation and Infrastructure:

Robert Smart, Deputy Minister (2009-2011)

Brent Meade, Deputy Minister (2014-2015)

Tracy King, Deputy Minister (2017-2020)

Paul Alexander, Assistant Deputy Minister (2007-2011)

Weldon Moores, Assistant Deputy Minister (2011-2013)

Max Harvey, Assistant Deputy Minister (2013-2016) – by videoconference

March 22, 2022

Department of Transportation and Infrastructure:

Lori Anne Companion, Deputy Minister (2015-2017)

Cory Grandy, Deputy Minister

John Baker, Assistant Deputy Minister, Air and Marine Services