



SECOND REPORT
OF THE
STANDING COMMITTEE ON CROWN CORPORATIONS

First Session
Fifty-seventh Legislative Assembly
of the
Province of New Brunswick

June 8, 2011

MEMBERS OF THE COMMITTEE

Mr. Jack Carr, Chair
Mr. Wetmore, Vice-Chair
Mr. Steeves
Ms. Wilson
Mr. Malloch

Mr. Bonenfant
Ms. Lynch
Mr. Haché
Mr. Kenny
Mr. Collins

June 8, 2011

To The Honourable
The Legislative Assembly of
The Province of New Brunswick

Mr. Speaker:

Your Standing Committee on Crown Corporations begs leave to submit this, their Second Report.

On February 1, 2011, the Committee met in a joint session with the Standing Committee on Public Accounts to receive and review the *2010 Report of the Auditor General of New Brunswick Volumes 1 and 2*. The Auditor General outlined the contents and findings of the Report and briefed Members on the nature of the work undertaken by the Office during the year. Following the joint session, the Committee met to review the activities of the Research and Productivity Council for the fiscal years 2008-2009 and 2009-2010.

On February 2, 2011, the Committee met in the Legislative Council Chamber to review the activities and financial statements of the New Brunswick Insurance Board for the years 2008 and 2009.

On February 3, 2011, the Committee held an *in camera* orientation session with staff of the Office of the Auditor General. The Auditor General, Kim MacPherson, and senior staff briefed Members on various topics related to the Committee's mandate, including: the essential role of the Crown Corporations Committee; attributes of an effective Crown Corporations Committee; the role of the Office of the Auditor General; and Crown agency governance. Following the *in camera* session, the Committee met with officials of WorkSafe NB to review the activities of the organization for the years 2008 and 2009.

The Committee met in the Legislative Council Chamber on February 4, 8, 9, 10, 11, 22, 23, 24, 25 and March 1 and 2, 2011, to review the activities and financial statements of various Crown corporations and agencies for the fiscal years 2008-2009 and 2009-2010. Officials of the following organizations appeared before the Committee:

- New Brunswick Securities Commission
- New Brunswick Health Council
- FacilicorpNB
- Ambulance New Brunswick

- Service New Brunswick
- Horizon Health Network
- Vitalité Health Network
- New Brunswick Liquor Corporation
- Recycle NB (2008 & 2009)
- Regional Development Corporation
- New Brunswick Energy and Utilities Board
- Atlantic Lottery Corporation
- New Brunswick Investment Management Corporation
- NB Power
- New Brunswick System Operator

On March 1, 2011, during the meeting with officials of NB Power, the Committee passed the following motion, moved by Mr. Wetmore:

That the Standing Committee on Crown Corporations recommend that the government require NB Power to disclose detailed and itemized financial information to this Committee related to the sale of NB Power to Hydro-Quebec including but not limited to: the detailed cost of legal advice including the names of lawyers and law firms used; the cost of public relations advice and the names of firms used; the costs of wages both regular and overtime paid to employees as a result of the deal; the costs of all expert advice and opinions; the costs of all travel related to the sale; and costs related to the cancelling of the deal including legal fees and penalties paid to Hydro Quebec if they exist.

Your Committee wishes to thank the officials of the various Crown corporations and agencies who appeared before the Committee. Your Committee also wishes to thank the Auditor General and her staff for their input.

And your Committee begs leave to make a further report.

Jack Carr, MLA
Chairperson