

8:09 a.m.

[Mr. Langevin in the chair]

THE CHAIRMAN: Good morning. We have a tight schedule because we have the four officers coming in one after the other today, so we want to keep up with our schedule. We're a few minutes late.

We have a few members missing today. Gary Dickson is still coming. He should be here any minute, and that will be it. We'll be five members out of nine. The others are unable to be here today, so we'll have to proceed with five members.

You've all looked at the agenda, I hope. I'd like to ask for the approval of the agenda. Can I have a motion? Sue made the motion. All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: The motion is carried.

Now the minutes of the last meeting: they're in your binders under tab 3. That was the September 21 meeting. Are there any errors or omissions in the minutes? If not, I'd like to have a motion to approve the minutes as circulated.

MR. FRIEDEL: So moved.

THE CHAIRMAN: Moved by Gary that we approve the minutes as circulated. All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: The motion is carried.

Now we're going to go straight to the presentation of the office of the Auditor General for their budget estimates for 2000-2001. So, Peter, I'll ask you to proceed with your presentation, and I'm sure we're going to have some questions after.

MR. FRIEDEL: Before you get into this, I know I've mentioned to you but I should mention to the other members that I have to go to cabinet for my SPC report at 9 o'clock. I'm going to be gone for about half an hour. I don't know what that's going to do to presentations or how you want to handle voting and decisions.

THE CHAIRMAN: Well, I should have mentioned that at the opening. Because you're going to be gone and we're few in numbers today, I think we should wait. We should take all the presentations as they come, and at the end of the meeting we should have a discussion on each one and decide on the vote at that time.

MR. FRIEDEL: Okay. That'll work, because I'll be back probably within half an hour of the time I leave.

THE CHAIRMAN: Okay. We're going to do that. We'll vote at the end of the meeting.

Yes, Peter.

MR. VALENTINE: Good morning, Mr. Chairman. You've met my colleagues. The newest member of our staff is Monica Norminton, and she will replace Kelly when Kelly retires in the year 2000, which is just around the corner here. It's only about 15 or 16 days away.

We've prepared a little slide presentation, and I'll speak to the slides. If you'll change to the next one, Monica. Last year our

budget focused on the cost of permanent and temporary staff, and we talked about the experience that we've had with turnover and how it affected the office budget. We'd like to point out to you that we've had some success in dealing with it. We've reduced our turnover from a high of 22.61 percent in November 1998 – that's the spike on the chart – to just short of 14 percent in November of this year, which represents a 38 percent decrease in the turnover statistics that we have been experiencing. We like to think that we've gone some way towards dealing with the problem. I don't think it's gone away entirely, but it shows you some of the success we've had.

Our staffing costs are increasing, and I suspect that the trend will continue somewhat. The yellow columns in this chart are our salary and wage costs, and the brown columns include temporary staff and staff training and the other attendant costs of the first four lines of the detailed budget. You'll see that there was a dip in the budget for 2000 to the forecast for 2000. In other words, we haven't spent in the current year that we're in.

It doesn't look like we're going to spend the budget entirely. There are modest savings there of 2 percent in total, but we see an increase coming in 2001 through 2003. That's primarily due to a continuing heavy demand in the private sector for chartered accountants and CMAs. That demand has not diminished in spite of the fact that we went through a dip in the oil price and then came back up again. With prices where they are today, the demand for financially experienced people is back to its highs. I can tell you also that the output of the universities in student numbers is not increasing. In fact, it's decreasing, and it's of some concern to the business schools in Calgary and in Edmonton.

In 2001, which is the year we're looking at, we think it would be appropriate to increase our staff complement by three principals to bring us to a total of 126 permanent staff, and then modest increases following that. The primary reason for that is that we are experiencing more and more demand for senior personnel to be doing the kind of work that is necessary given how the government is conducting its business. The additional audits in children's services and persons with developmental disabilities are examples of that.

We also think that we'll experience an increase in salary levels of about 6 percent. That doesn't require any range changes for us. We're still within the PAO ranges, but we expect that that's what the competition is going to drive, so we've built that into the 2001 budget. In the subsequent years it's 2 percent, which is a number that we had some assistance from PAO on. The efficiency that we can gain is to try to reduce the temporary staff, because the cost of temporary staff is so much higher than the cost of permanent staff was to be expected.

Maybe we'll go to the next slide, Monica, and we'll look at the increased cost of supplies and services that we have. The colours that are blue are our travel costs. The rust colour is professional services, which translates to legal fees. The green colour is materials, and the light blue colour is computer services, which includes the charges that we get for Imagis and the charges that we get from Payment Systems Corporation and infrastructure. Travel is expected to increase. That's been in the papers lately; I don't have to tell you the story of the airline business. We expect that the costs associated with our travel throughout the province in airlines and rental vehicles and accommodations will experience an increase.

Professional services. I don't think that we'll see much reduction in those. I continue to be involved in a substantial legal case in the province, which you're familiar with, and it's an expensive process. That's about all I can say, although I can say, too, that to date we haven't had to produce any files, and I'm hopeful that that will be the case through the piece.

Materials: there's a general increase. Costs of paper supplies,

printing, and small assets, items under \$2,500, in our office bring those kinds of increases.

Leasing is another story. What we're going to experience as time moves on in the near future is an increased cost of occupancy driven by the much improved real estate market not only in Edmonton but also in Calgary. We are fortunate that when I started in this job, we renegotiated a lease in 1994-95, and we got a lease in Edmonton here for the existing space that we had that started at a negative \$1.50 per square foot triple net; that is, no rent and up-costs minus \$1.50. Today we're looking at a renewal rate of about \$11.50 a square foot, so that's a change of 13 bucks a square foot right there, and up-costs have gone up. So that's the new scene in Edmonton, and the same thing goes in Calgary, but the space costs on a per square foot basis are larger in Calgary than they are in Edmonton. That's a well-known thing. We continue to occupy space that is class B space. It's conducive to and close to our clients and facilitates the way we conduct our business.

Gary, did you have a question?

8:19

MR. FRIEDEL: That major spike in 2002 in Calgary, is that strictly the cost increase, or would that involve expanded space?

MR. VALENTINE: No. That's a new lease.

MR. FRIEDEL: So 300 percent is reflective of the rates in Calgary?

MR. VALENTINE: Well, I should say that there's a small addition of about 500 square feet because we've moved in the building.

MR. FRIEDEL: So the expanded space is insignificant compared to the rate increase.

MR. VALENTINE: Yeah. And if you just look at the building that's gone on in Calgary and the consumption of class A space and then the fill-in behind it in the B space, it's been quite remarkable. You know, you've got Bankers Hall about to top off, you've got TransCanada Pipelines that's just almost at topping off, you've got the Millennium Building in the Eau Claire centre, and there are three large class A buildings coming onstream right away. I clipped out an article – I don't know whether I brought it this morning – that was in last Saturday's *Herald*, where they say that all of this space is just going to get sucked up into the system and keep on going.

Now, as long as the oil price – we all know this – is 27 bucks, you know what happens to real estate. If the oil price goes to \$18, I can tell you a different story. The key is to hit it at the right moment.

In Calgary we are also now in a shared facility with the Ethics Commissioner, the Information and Privacy Commissioner, and the Chief Electoral Officer, so they have use of our space there, and they also have their name on the door.

THE CHAIRMAN: Excuse me, Peter. The cost of the space is from your budget?

MR. VALENTINE: The cost at the moment is from our budget, and when we get relocated on the 13th floor of the Energy/Utilities Building, then we're going to be charging them a little rent. We haven't worked it out yet, but we're gentlemen, and we think we'd be able to work it out.

Let me just go to the synopsis, then, of what's happened from last year's budget to this year's budget, albeit I really think we should be comparing last year's actual to next year's budget. You'll see the budget last year for the year 2000: \$11 million. Then there are really five changes that you should have a look at. There are the increased attest audits, and they are principally the 17 children's services authorities and seven PDD authorities, persons with developmental

disabilities. Last year was the first operating year of the PDDs, and it was very summary, indeed. There was one children's authority running; that was the Calgary one.

The next line is the increased work that we believe is appropriate for us to be doing given that there's been this large devolution of government services out to a variety of community organizations, not-for-profit, sport-governed institutions, and that kind of accountability needs to be examined. So we think it's appropriate to increase the systems audit work we're doing.

The salary change I spoke about earlier at 6 percent: of course, that's a budget, and if we don't experience those kinds of circumstances, then we won't be using that money. Increase in three positions of staff and the overhead. The overhead: we've talked about pieces of it. I'll give you some of the high points in it. Travel is about \$100,000. We anticipate that's basically air travel, the Calgary/Edmonton type of stuff. Leases will be about \$71,000; computer services – that's services provided to us by Imagis and Infrastructure and Payment Systems Corporation – about \$26,000; professional services, legal fees, \$90,000. That takes you up to about \$300,000 of the \$400,000 there.

Our change in audit fee revenue is modest, an increase of \$55,000, \$56,000. The reason that doesn't go up is that as the government moves more and more to getting rid of being in the business of being in business, there are fewer organizations that we do audits of that are not dependent on the general revenue fund for their revenues. So in fact our opportunities to recover fees are diminishing rather than increasing. We have increased the audit fees quite substantially in the one big moneymaker at the moment, which is the Alberta Treasury Branches.

That's about all I wanted to say at this point. We'd be happy to entertain some questions. Maybe we could go along to the time of Mr. Friedel's departure, and then that would be great.

THE CHAIRMAN: Thank you, Peter, for your comments so far.

Are there any questions?

MR. JACQUES: Just a clarification, Peter. You mentioned a 6 percent salary increase and then some guidelines we're using in the next two out-years.

MR. VALENTINE: It's 2 percent.

MR. JACQUES: It's 2 percent per year?

MR. VALENTINE: I'd like to have better figures, Wayne, but I haven't got them, even though last year we implemented the PAO salary structure into our office and we now are fully in tune with the whole of the personnel administration office program. So our salaries are in the right categories. We know where everybody is in the salary bands, and we're quite comfortable in there. It was a major piece of work, which Merwan was primarily responsible for.

THE CHAIRMAN: Anything else, Wayne?

MR. JACQUES: No, not right now; thanks.

THE CHAIRMAN: Gary, you had a question?

MR. DICKSON: Thanks, Mr. Chairman, I do. I hadn't realized you had already started auditing, for example, the Calgary PDD board and the provincial PDD board. I guess I'm interested in sort of the kind of work that's been done to date partly because we've had this review undertaken by the Associate Minister of Health and Wellness. Much of the focus of that has to do with where the money has gone. There seems to be lots of confusion around the funding that's gone to the provincial PDD board and then what's been

available to the Calgary PDD board. There may be some of those problems with the other ones; the Calgary one I'm most familiar with.

Could you particularize to some extent what you've been able to do to date, what sort of audit work you've been able to do? I took a comment from you that it's not been hugely in depth yet, that you're at the front end of that process. Can you give us some information in terms of what you've been able to do around auditing the work of the local PDD boards?

MR. VALENTINE: I can. It's really a question for Public Accounts, I think, but let me make a couple of comments. Firstly, we've been quite explicit in the annual report last year about the circumstances that we found. It started off involving the shared services organizations, such that the financial services would be delivered to the children's services authorities and the PDD boards by the shared service facility. When it came right down to it at the end, there was difficulty in establishing the financial records for the new authorities. Those records really were coming from the previous department, so the financial statements of the seven PDD boards and the one children's services board for the year ended March 31, 1999, were really cooped up in a postactivity manner. At the same time, there were difficulties experienced in having chief financial officers up to speed and on stream, ready to go, to manage the financial aspects of these authorities. Quite frankly, Gary, they barely made it, and there are some extensive comments in our annual report this year that speak to the shortcomings.

We expect to see a huge improvement in the coming year, and if we don't see it, then you would expect to see something more from us. We're into the planning, and we've figured out how we're going to do these 17 authority audits, which is a substantial number of audits to add to the March 31 list.

I hope I've answered your question.

8:29

MR. DICKSON: You were responsive; thank you very much. I've never aspired to be on the Public Accounts Committee, but I was interested in terms of what our expectation is, then, for next year.

MR. VALENTINE: We'll send over to you some annotated pages from the report so that you've got fresh information.

MR. DICKSON: Excellent; thank you very much.

MS OLSEN: I just have a couple of questions. In terms of the auditing process, are you auditing delegated authorities, organizations such as . . .

MR. VALENTINE: If they're a provincial organization, the answer is yes; if they're not, then the answer is no because it would be inappropriate for me to do it. So if we take the delegated authorities – for example, I was thinking about the housing corporation.

MR. SAHER: The management bodies.

MR. VALENTINE: The management bodies that manage the social housing facilities: we do not do the audit of the management bodies. They are owned by the service provider. But we do explore the accountability that exists between the management body and the Social Housing Corporation. We review financial statements that get filed with the housing corporation, and we see how that accountability process is working to ensure that there is accountability for the moneys that are transferred over to the management body and handled by the management body, collected by them from the occupants of the social housing.

So if it meets the definition of either an entity that fits under the Auditor General Act or under the Financial Administration Act, then we would be the auditor. If it doesn't meet that definition, then we wouldn't be the auditor. All the PDD boards, of course, and all the children's services authorities are Crown agencies, and we're the auditors of those.

MS OLSEN: I'm concerned because we have a number of DAOs that are obviously doing government work and there have been some gaps in the past. To prevent issues in the future . . .

MR. VALENTINE: You need to ask me those questions in the Public Accounts Committee, and I'd be delighted to answer them.

MS OLSEN: I have aspired to be on the Public Accounts Committee.

I have just one more question. Given that the Auditor General's office is an independent office of the Legislature, I am concerned – and I know there are statutory requirements placed upon the Auditor and his department – when reports that are requested or commissioned go to the government first, before they go to the Assembly. I'm just wondering how to keep that particular role visible so that at least when we get into some dicier situations, the Auditor's office is seen to be reporting back to the Legislature and not to the government. That's a concern for me. I would suggest that the issue I'm talking about to date is the latest report on the hon. Treasurer regarding activities of the government with West Edmonton Mall, those kinds of things.

MR. VALENTINE: Well, the West Edmonton Mall issue was a request of Executive Council under the appropriate section, and Merwan will tell you what the number is.

MS OLSEN: Section 17 something.

MR. VALENTINE: The reporting back was done in accordance with that section. The report was in the hands of the Premier for, I think, 24 hours in advance. The other thing I can tell you is that it was at the printer's 24 hours before that, so there was no change opportunity. The report was the report.

Now, whether or not the section of the legislation is as appropriate as it might be in the year 2000, that's another question and it's a question I'm hoping to be able to discuss with you as we get into the early days of the year 2000. It's well known that Merv Leitch was the Provincial Treasurer when this act was brought forth in 1978. I think the fact that it's lasted until the year 2000 without major amendment is a credit to the kind of legislation that Merv set up for us. I still think and believe strongly that it's the best piece of legislation in Canada. I've now had a chance to work with it for five years, and I do spend some time discussing these sorts of things with my colleagues across the country.

So here we are in the year 2000. As a result of the work that we did in the last year or so, we found a few things that we think could be improved, and we'd like to see about bringing those forward next year.

MS OLSEN: That would be great.

One of the things that I did learn as a result of attending that public accounts conference was the whole issue of the types of information that the Auditor General reviews and that other standing committees do review, so I think it would be worth while to have a look at that legislation.

MR. VALENTINE: I might also tell you that I think the mandate in

Alberta is the best mandate in the country too. I feel I have more independence. I have a broad mandate to go where it's appropriate that I go and report as I should from a professional point of view, and that fits with the act. So it's very important that the kind of principles that come forth from my professional body are mirrored in the legislation.

THE CHAIRMAN: Any further questions?

MR. DICKSON: In note 9 to your report, having to do with Y2K – I have been thinking of the chief information officer being the one stewing principally about Y2K compliance of the bodies you audit, and initially when I saw the note, I assumed you were simply talking about your own computer systems. But I note on page 6 of the report, note 9, entitled Uncertainty Due to the Year 2000 . . .

MR. VALENTINE: These are the notes to our own financial statements?

MR. DICKSON: Yes. I guess what I'm trying to be clear on is where you reference – it's about the sixth line from the bottom:

If not addressed, the effect on operations and financial reporting may range from minor errors to significant systems failure that could affect an entity's ability to conduct normal operations.

Can you just clarify for me what responsibility your office takes with respect to Y2K compliance by the software systems in the agencies that you audit, as I say, as opposed to the chief information officer, who has some responsibility in that respect?

8:39

MR. VALENTINE: Well, we've done two things. As we did each audit engagement, we did perform those audit functions that were appropriate to the risk of Y2K in the particular entity. Some entities are system dependent on other organizations, and some entities really aren't system dependent on anybody except whatever they've got internally. So there's a wide variety of requirements.

We also monitored the work of the chief information officer and his reporting. I think that report went to the Deputy Minister of Executive Council at the end of the day. We used those reports to determine, mostly by a method of inquiry and observation, where the variety of entities within the government group were in their Y2K compliance.

I happened to flip through the report for September 30 just the other day, and it's all green. There is no red. These are standard colours. In everybody's Y2K reporting red is danger or failure to be compliant, yellow is not complete or some minor risk, and green is acceptable. Every Y2K report you read in North America will be done in those colours. They're all green at the end of September.

Now, that doesn't say that we'll go past December 31 without some hitches. There will be some situations where there'll be a hitch. What we've paid our attention to and tried to emphasize in the last year is not so much getting the systems Y2K compliant but, rather, being sure that you have emergency backup systems to facilitate the recovery from some sort of disaster that might present itself on the 1st of January. So we've been interested in plans, such as at a university, of how they're going to heat the buildings, how they're going to ensure that there is some electricity around for the vital things that are required in a regional health authority. We're quite enthusiastic about the kind of planning that we've seen done in the emergency measures area, which is really all that one can do now. You can't rewrite a million lines of code starting tomorrow morning. It won't work.

MR. DICKSON: Mr. Chairman, if I can. You've had a chance, then, as I understand it, to review in some detail the work that's been done by the chief information officer around Y2K readiness.

MR. VALENTINE: Yes. But we didn't take his work. We took his work as a resource, and then we focused it as we did our audits so that we were dealing with management of the entities to find out exactly where they were.

MR. SAHER: Peter, could I maybe supplement that answer?

MR. VALENTINE: Go ahead. Yes.

MR. SAHER: Mr. Dickson, your question was, I think, asking what the audit officer's responsibility was. I think we've made it quite clear over the years that it's most definitely management's responsibility to prepare an organization to be ready for the change in the year.

To the extent that the Auditor General was able to formulate a view, I can refer you to the last annual report, where the Auditor General said that he was

satisfied that government managers are aware of the potential risks related to the Year 2000 problem and have generally acted appropriately to mitigate the risks.

I think that's sort of an appropriate comment from an auditor, trying to be useful in sending a message that the management of organizations have performed but also sending the message that it is their responsibility.

MR. DICKSON: Yeah. Thanks for the clarification.

THE CHAIRMAN: I have a question on the capital investment, and maybe you covered it in the initial presentation and I missed it. You have \$556,000 and then you have "less amount paid by others," \$125,000. That's on page 4. I'm wondering about this \$125,000. How does that come into play? Who is charged or who is paying back?

MR. VALENTINE: Infrastructure pays that. In Edmonton they're rewiring the building. The whole electric service of that building is being redone, and we have to rebuild some space on our floor to accommodate that going through. As you might expect, the tenant pays all the charges in the end. I think there's \$50,000 in there to allow that new power delivery system going into that building. That's in the Infrastructure budget. The other \$100,000 is recovers that we'll get on our leasehold improvements from Infrastructure.

THE CHAIRMAN: Thank you.

Are there any further questions?

MR. DICKSON: Let me just say at the outset that I came in from Calgary this morning and I'm looking at this for the first time. I appreciate the business plan you put in front of us. In going through it in terms of key performance indicators – this was a business plan you'd prepared in April 1999 – I just ask for your confirmation that you're still satisfied that the key performance indicators you'd identified then are still an accurate means of determining whether you're bang on or the extent to which you've missed your strategic objectives.

The reason I ask that. It's been interesting watching government departments. When we look at the so-called three-year business plans and the goals and targets that have been set, we've seen a lot of change, some of that in response to criticism that some of those performance measures and targets really weren't directly linked to measuring the kinds of key objectives. It's a general question, but I'm just curious whether you've experienced a need to rejig or change some of your key performance indicators.

MR. VALENTINE: I wouldn't say so. No. We've got an additional

process going on. At the moment we're doing a staff survey to find out the satisfaction in the workplace. These indicators here are, in part, ones that you'd expect to find in a legislative audit office, such as the implementation of recommendations. On the other hand, the kinds of figures that enter the tracking of average hourly costs or agent fees or student pass rates are statistics you'd find in a private-sector audit office. So I think we've got the right mix of them. It's very important that we do use these numbers to manage the business with. The best test of a performance indicator is whether or not you use it to manage your business.

By the way, we had 5 out of 5 on the CA exams a week or two ago.

MR. DICKSON: Congratulations.

The note on page 6 of your business plan, where you're talking about:

We are currently developing measures to track operating information to help us monitor progress throughout the year. As we assess the usefulness of new performance measures, we will consider them for inclusion in our financial statements.

I'm just wondering, since we're some eight months or so past the time the report was written, whether in fact what's happened with those measures that were going to be developed through what I took to be the balance of . . .

MR. VALENTINE: We've got a variety of measures under way at the moment, and I think we're in about the second month of using them. I wouldn't say that we're ready to be public until we've maybe had about six months of using them and we can talk about them more. We're looking at chargeable time. We're looking at controllable time. We're looking at what people do with noncontrollable time, what levels it should be. Again, the same kinds of things that go on in a private-sector CA firm.

MR. DICKSON: So would the expectation be that in your next formal report the decision be addressed?

8:49

MR. VALENTINE: Well, no. I think some performance measures are those measures you use internally, and some performance measures are those measures you use externally. I think we'll always, as would any organization, have some internal measures we would use and some we would use for public consumption.

I don't know whether you heard my little view of life and performance measures, but if you want to figure out what performance measures you should be using, I have a very simple formula. You tell me the five things you need to know to run your business and the five things that keep you awake at night, and I'll tell you the 10 measures that you should be using. That's a very simple way. I think measures should be kept simple and remain simple and understandable so that people can work with them and use them in an effective manner.

MR. SAHER: May I add something?

MR. VALENTINE: Go ahead.

MR. SAHER: Mr. Dickson, you were in the office's financial statements a few minutes ago when you referenced the uncertainty of Y2K. Following those notes in the financial statements are some schedules which represent information on what we think to be the key performance measures; namely, the rate of acceptance of the recommendations the office makes but perhaps more importantly the rate at which they are implemented and also the average cost of an audit hour in the office, which we're able to compare with the costs of that work being done by agents.

I think in terms of importance those are certainly the key measures that we've placed right into the financial statements that are in fact subject to the Auditor's report on our office. I think the one that is the most interesting from our perspective internally to watch the development of is the one with respect to the implementation rate of recommendations. Whereas we were able to report in our last financial statements that we were meeting the target, I think the next annual report will perhaps indicate that we have not in fact been able to meet our target, and that will in fact focus our efforts in terms of the systems audit work that we do to see why that's the case and to perhaps amend the recommendation if necessary but presumably to present it in the most persuasive way that we can to aid with its implementation.

MR. DICKSON: I appreciate the explanation.

You appreciate one of the challenges that members of this committee have. You have a large office. You have a myriad of tasks and lots of responsibilities, and the challenge is always, without sort of micromanaging, how we can sort of intelligently and thoughtfully review what's happened in the last year in terms of performance of the office and determine the extent to which your own targets and objectives are being met and if not why not and that sort of thing. So that's why I ask. I guess these performance measurements are particularly useful to me from that sort of perspective.

MR. VALENTINE: Very good questions.

MR. SAHER: We supplement our financial statements with a management discussion and analysis. Within the government sector that's referred to as results analysis. I think that coupled with the financial statements provides the committee with that sort of raw material that you seek.

MR. DICKSON: Thank you.

MR. FRIEDEL: Just one more question here. We only received this information yesterday, so it's been a little difficult to really do any analyzing. I noticed both from your slide presentation and from a mental calculation of the numbers here that the computer costs are a little bit disproportionately higher increase than most other things, except possibly that major blip in your office accommodation, the Calgary thing.

A couple of years ago we went through – or maybe it's a little bit more than that – a very major change in computer systems not just in your office but I think rather universally.

MR. VALENTINE: Imagis.

MR. FRIEDEL: I was sort of wondering if that is going to level off or if it is going to be an ongoing phenomenon, that maintaining state-of-the-art computer equipment is going to be more expensive than the average increase and the rest of operating costs.

MR. VALENTINE: Two points I would make. The first one is that computer services in the operating statement are primarily made up of the service charges that we get for the government's management information system called Imagis, and we don't have a lot of control, as you know, over the charges that come from infrastructure for Imagis. Included also in there are the charges that we get from the Payment Systems Corporation to handle our payables. Everybody gets those. I think you'll find that Imagis, while it's been relatively successful in its implementation, is a very expensive system.

I think you were referring to what kind of costs you might expect to see in our own internal computer systems and in our laptops and

desktops and all that we use to run the audit practice, which of course is not the Imagis system at all. That has experienced some increases as we move to more efficient audit software. Now, the trade-off should be that you can do things more efficiently and with less manpower in the long run. I wish I could tell that technology advances will stand still for a while, but I can't tell you that because the computer that you bought yesterday is already out of date. We use a three-year system of replacing our field audit hardware. The software, I would say, probably gets replaced in a little longer than that but not much. We've just gone live with Office 2000 in the last 10 days, and there's an example of it.

MR. FRIEDEL: I fully appreciate the change in technology. It's hard to imagine let alone keep up with the changes. You made an interesting comment, though, and one hears it a lot, that with better equipment this should offset possibly manpower costs. Is there any way of measuring whether that in fact happens? Or is it a little bit of a temptation that because the information and the technology are there, you do more with what you get and in fact may increase manpower costs, that because you have access to that much more, it needs more manpower to analyze and practically do something with it?

MR. VALENTINE: Well, I can't say that we have a sophisticated system that would give you the trade-off. We don't. We do know that our intake numbers are lower. We do know that the output of the universities is lower for people going to pursue an accounting designation. We do know that the approach to the audit process has changed substantially over the last five to seven years to a high risk-based audit process.

We, as you know, use a fair number of agents, I think 14 different firms, to assist us in doing our work, so we see 14 different audit philosophies, some not so different from others, but we do see it, so we're in a good position to understand the approaches to audit to achieve the best efficiency about doing an audit engagement. I happen to think we're very lucky, because we can see the methodology used in a variety of large- and medium-sized firms. The thing for us to do is to keep applying that.

MR. FRIEDEL: One last question along this same line. When you go into any office, is it possible to simply take the equipment and the programs that you have and take the data banks from the client and superimpose it into your system, or does there have to be a lot of translation, in other words, translation manpower time involved?

MR. VALENTINE: I'll let Merwan, the technical guru in the office, talk to you about that.

MR. SAHER: I think the translation time is minimal. We in fact have ordered software, that was originally developed in the office back in the early '80s, that has the name Probe. It's now much more user friendly than it used to be. Essentially, any one of our audit professionals is able to take client data and effectively move that data from the client's system to our own systems to allow us to manipulate it for audit purposes. Essentially, we can take client data and reorganize it in a way that will assist us with identifying risks of misstatement. So I would say in answer to your question that the translation process is incredibly efficient.

8:59

THE CHAIRMAN: Mr. Dickson.

MR. DICKSON: Yeah. Peter, just going back through your April '99 business plan again, I note that the business plan is replete with reference to your "clients." You identify, particularly in your first

strategy: "We will have an unwavering focus on our clients." I note the second bullet at the bottom of page 3: "increasing our involvement in client working groups/steering committees." It seems to me that the most powerful aspect of your office is your perceived independence from government. With respect, it seems to me that your real clients are the 3 million people who live in the province and less the agencies that you audit. I guess I just want to ask how you plan on increasing your involvement with client working groups or steering committees and that sort of thing without compromising the most vital asset your office has, and that's your independence.

Everybody understands what an auditor's report is, everybody understands what your annual report does, which is identify if there is a weakness and so on. How do you avoid an appearance of compromising your independence as you get more and more involved in working with a particular board, with groups within a department in terms of design? I don't know exactly what these "client working groups/steering committees" are, but I have a suspicion that it's dealing with some of the operation of those offices. I'm asking the question awkwardly but I'm asking: how do you maintain your independence and achieve this strategy?

MR. VALENTINE: It's an excellent question. Let me start by saying that the most effective audit that one can do is a situation where you understand and know your client well. So you have to understand the client's systems, and you have to understand the client's business risks. You have to know where your efforts in audit are most efficiently placed to make the greatest contribution to the process. When we get involved with some sort of steering group, we are not voting members. We go there in an ex officio position. You will remember that some people wanted me to be involved in the review of the Calgary public school board. Because, one, they wanted to choose a particular member of my staff for that purpose and, two, they would not accept an ex officio position, I declined, because my independence wasn't there.

I see every situation where we involve ourselves with a client activity, and I make myself satisfied that we are not in any way compromising our independence. My conscience is sitting on the other side of the table, which is the role I used to do in Peat Marwick, so I have a lot of practice in how to do that.

To give you a good example. There was quite a study group that worked on the consolidation last year because we were in the first year of the Imagis consolidation. We sat on that and watched the pain and trouble happen as it happened, and then we were able to focus our audit activities in the areas where the risks were. We don't get involved in the management decisions, we have no voting rights or privileges at all, and we always reserve the right to leave it. If we think that the thing's getting into a management role – we don't belong there – we just withdraw. At the end of the day I don't have any trouble being critical of what activities we saw in the process.

Very clearly, the more you know about your client, the better the audit is going to be.

MR. SAHER: There's one good example in the sense that we're very much involved with some of Treasury's steering committees which relate to accounting matters. There is a body called the SFO Council, where the senior financial officers of the ministries come together and discuss accounting issues. We're very much involved with that in the sense that we sit at those meetings and listen to the debate, and we'll even provide our view on an accounting issue. I would just cite, for example, regrettably, but it is a fact, that the Auditor General has found it necessary to reserve his opinion on a number of financial statements. In fact, that involvement helps us in a sense work to resolve those differences. I just cite that as an example of the fact that the involvement does not result in a lack of objectivity.

MR. DICKSON: Thank you.

MR. VALENTINE: Independence is a state of mind.

THE CHAIRMAN: Sue, you had one last question?

MS OLSEN: Yeah, I did. I just want to go back to follow up on Gary's question in terms of the computers and the Imagis issue. You said that there's \$26,000 that is split between the billing agency and Imagis . . .

MR. VALENTINE: No. The increase this year is . . .

MS OLSEN: I guess that's what I'm wanting to know. At some point we have to recognize that Imagis has cost more than anticipated originally, and I'm wondering now if the service costs and the work that's being billed back to, say, your department is increasing. Is it leveling off, decreasing in terms of the cost to your department? At some point I'd like to see that level off across all of the users.

MR. VALENTINE: Let me just say that a review of Imagis is on our list of to-dos.

MS OLSEN: I'll look forward to that.

MR. VALENTINE: I don't have a ready handle on it. I know we're experiencing increased costs. To do some in-depth work on that is probably appropriate.

MS OLSEN: Okay. Great.

MR. ALDRIDGE: Peter, if I could just add something here. We're concerned about the costs from our operating point of view, as well, but we have an extra benefit by using it, and that is that we can gain a better understanding of it as a user and know more about it. We could go to an alternative approach and probably save some money, but we prefer not to for that reason. We want to stay involved with it and know it, because in the larger scheme of things the amount of extra cost for us is not great.

THE CHAIRMAN: Well, Mr. Auditor and staff, I'd like to thank you all for coming this morning to defend your budget and to answer questions from many members. At the end of the meeting today we're going to rediscuss the budgets and decide on the motions. So thank you, all.

MR. VALENTINE: Thank you very much.

THE CHAIRMAN: Our next presentation is from the office of the Ombudsman, so we're going to take a five-minute break so that they have a chance to come in and get ready.

[The committee adjourned from 9:07 a.m. to 9:15 a.m.]

THE CHAIRMAN: Okay. We're going to get the meeting started. We have Scott Sutton for his presentation on the budget, and Dixie Watson is with him today. What we're going to do is have you give us a presentation, and then we'll open it up for discussion or questions.

MR. SUTTON: Okay. Thank you very much, Mr. Chairman. Good morning, committee members. I'm going to attempt to keep my remarks to you this morning as brief as possible. You have before you the budget proposals for the forthcoming fiscal year, and

included with those proposals are our proposed business plans as well as interim reporting on current business plans.

Last year I appeared before this committee advising that I had to prepare for the unexpected as new legislation was pending which would have a significant impact on the workload of the office of the Ombudsman. As proclamation dates were unknown, I advised the committee that in order to prepare, it would be prudent to increase funding for the employment of additional staff. At that time I committed to this committee that if the demand for additional resources was not realized during the course of the year, then the funding allocated to personnel increases would be returned. As you're all aware, although there has been some significant progress with the proposed legislation, these proposals have yet to be proclaimed. In addition, amendments to the Ombudsman Act have yet to be implemented. As a result, I'm expecting to turn back to Treasury this year approximately \$167,000 in uncommitted funds.

During the forthcoming year I'm confident that these long-awaited changes will in fact take place. The Health Professions Act has received third reading, and I've been advised that upwards of 17 schedules are ready for tabling this spring. In addition, Bill 41, the Regulated Accounting Profession Act, has received second reading, and it too includes provisions for the Ombudsman to be included in the complaints review process. The Regulated Forestry Profession Act, Bill 27, is also proceeding through the House, and it contains provisions for the ability of anyone to complain to the Ombudsman about activities of the professional regulatory organization.

Amendments to the Ombudsman Act will be brought before the standing policy committee early in the year, and included in those amendments is the authority to have the Ombudsman included in the complaints resolution process of regional health authorities. In addition, other amendments will realize the significant increase in responsibilities.

For the fiscal year 2000-2001 I've asked that my budget continue from last year with a marginal increase. Again, with proposed changes facing the office, there is little historical data to guide and suggest the needed resources. However, with the current funding and a marginal operating increase I anticipate that I'll be able to maintain the services expected of the office during the forthcoming year.

During the course of the past year in-depth reviews were started on job descriptions, classifications of all employees within the office. All personnel within the office have been deployed in a manner that maximizes the greatest efficiencies while providing processes and platforms that can sustain additional growth both in volume of work and manpower. Complaint intake, complaint analysis, and complaint investigation have been more clearly defined with job descriptions and classification reflecting actual duties and responsibilities. In completing these reviews, it's becoming apparent that salary adjustments may be necessary, and this consideration has been factored into budget requests. Funding for an intake officer was approved during last year's fiscal year, and that position has been filled and is working well.

In making this presentation to you, I looked at my presentation from last year, and what I said to you then is not dissimilar to what I'm saying to you this year. When dealing with an ever changing and expanding mandate, such as is faced by this office, and when the timing of those changes is unknown, when the level of impact is unknown, it's necessary for this committee to have a level of confidence and trust that I'll plan accordingly and remain a good steward of funds entrusted to my care. During the past year I have managed the financial resources well and will continue to do so during the forthcoming year. I believe in accountability and welcome scrutiny as it pertains to the business of the Ombudsman vis-a-vis the funding required to do that business.

That, lady and gentlemen, concludes my remarks. I'd be happy to answer any questions you may have.

THE CHAIRMAN: Thank you, Mr. Sutton.

Any questions? Yes, Mr. Jacques.

MR. JACQUES: Thank you. Thanks, Scott. My question is concerning your budget page. Two questions, really, come to mind. One is what your manning complement will be or is projected to be or forecasted to be or is planned to be in terms of your three-year business plan. I noticed that, for example, the subtotal of your manpower, which is by far of course your greatest expense, is showing about a 36 percent increase in comparing the 2002-03 target with that of the '99-2000 comparable forecast, your forecast being your best estimate, as I understand it, at this point in time as to what your costs are going to be manpowerwise and otherwise in the current year. So the question I have with regard to the 36 percent increase is: how much is that represented by additional staff complement vis-a-vis anticipated increases?

MR. SUTTON: Again, I can tell you what has been factored in as far as people are concerned. Last year when I came before you in anticipation of pending legislation, I'd asked for four positions, and that's reflected in the '99-2000 budget. One of those positions has been filled, that being the intake officer. The other three are still vacant. If proclamation occurs, the way I feel it will, those could be utilized this year. In addition to that, following in 2001-2002 and 2002-2003 is one additional resource in each of those years.

MR. JACQUES: An additional person in each of those years?

MR. SUTTON: Yes. That, again, is a best-guess estimate.

MR. JACQUES: What about in terms of any salary increases in that period of time? Did you include it in your budget, and if so, how much percentage-wise?

MR. SUTTON: Salary increases have been extremely limited in the last 10 years. There's been a marginal increase in each year, but this year we've undertaken and are in the process of undertaking a complete review of all the positions and having a very close look at them. I could be coming back to this committee at a later date to discuss that further with you.

MR. JACQUES: Are there any increases built into each of the out-years?

MR. SUTTON: There is a small percentage built in to cover what I anticipate I might need from this committee, and I'll discuss that, of course, with the committee prior to anything happening.

MR. JACQUES: What would that percentage be that you've built in to this point?

MR. SUTTON: I think it's about 2 percent. Well, 2 percent has been factored in right off the top through instruction from PAO, and there's been an additional I think it's 1.49, 1.5 percent on top of that.

MR. JACQUES: So 2 percent in each year plus an additional amount in 2001 of . . .

MR. SUTTON: One point five percent.

MR. JACQUES: One point five percent. Thank you.

MS OLSEN: Mr. Sutton, on page 2 of your introductory letter to us you state that "amendments to the Ombudsman Act are to be presented to the Agenda and Priorities Committee and hopefully will be tabled in the spring of 2000." Later in your presentation you talk

about working with the chair of the Select Standing Committee on Legislative Offices to pursue amendments. I'm wondering at what stage you anticipate these amendments going to agenda and priorities as opposed to coming here. That is cabinet and cabinet members, and we are the representatives of the Legislative Assembly. You are an independent officer of the Legislative Assembly.

I guess I would wonder why you would not just steer those through here, have those amendments put forward by the chair of the committee as opposed to having those particular amendments go before agenda and priorities for any particular approval or otherwise. The committee is not reportable to cabinet. We're reportable to the Assembly itself. You don't report to cabinet. You report to the committee. So I'm confused. Maybe you can help clarify that issue for me as to why. That seems to me to erode at least the perception of independence of your office.

9:25

MR. SUTTON: I appreciate the question, and your confusion is not unwarranted. As you're aware, we've been working at this through this committee level for some time, and those amendments have been brought before this committee. Normally, to get amendments before the House, they have to be brought before the House, and the chair of this committee and myself have been working now to get them before the House. There is some confusion on just how to go about doing that. I feel that we have that sorted out now, and we are in the process of going ahead. It's been through this committee's involvement and brought through this committee.

MS OLSEN: Okay. Now maybe I can get some clarification from the chair. Was a subcommittee not tasked to deal with some of these amendments?

THE CHAIRMAN: Yes, it was. To start with, I'd like to clarify that as a committee we don't have the authority or the mandate to bring legislation into the House. It has to be carried by a minister or a member of the government. What happened in this case is that this act and the acts of the leg. officers fall under the Minister of Justice's responsibility to bring it to legislation. What we've been trying to work out is to find a proper process in order to get that to happen.

There was a committee that was struck here, at the September 21 meeting I believe. As soon as we get the whole thing sorted out on how it's going to proceed, we're going to call a meeting of the committee. The committee will have to sanction or approve and recommend to the bigger committee here in a formal motion the changes that we're proposing, but in the meantime, like Scott was saying, there was a lot unknown as to how we proceed. We've lost a lot of time trying to sort that out.

MS OLSEN: I'm concerned that what I'm hearing today is an erosion of his independence, and I want to make that very clear. I understand that there is a process and that the Justice minister may be the person to carry through the amendments, or yourself, which I think is more appropriate. As the chair of the standing committee, as you know, you are able to do that.

I'll ask this question then. If the process has been approved, where are those amendments? Have they been developed? Has the Ombudsman put them forward?

THE CHAIRMAN: Well, the amendments have not changed from the ones that Scott tabled with our committee. We all had a worksheet of what they were. We haven't approached agenda and priorities or the minister to change or modify the amendments. What the office has been asking for is the same as what we've

looked at. What we'll be working on is the process on how to get it through, and once we have this a hundred percent solved, I will call a meeting of the subcommittee. We're going to officially sanction or approve and recommend to the bigger committee that this proceed, and then it will go through the proper channels and be presented in the Legislature.

MR. DICKSON: I'm just going to make a submission. It's been an interesting discussion. It seems to me that the point Sue raises is hugely important. Justice is certainly entitled to offer their input and so on, but we have Legislative Counsel, who is a lawyer skilled in drafting legislation. They draft amendments all the time which are passed and become law. Why wouldn't Legislative Counsel work with this committee to take those amendments that are put forward and sought by the Ombudsman, which are approved by this all-party committee, and have the chair of the committee actually table the bill in the Legislative Assembly?

What it does, what I think makes it so powerful, then, is that it becomes not a government bill as such but in fact a bill of the Assembly. There's no confusion then. Once that bill comes forward as a government bill, there's a linkage there. I'm not suggesting that the Ombudsman is going to be making compromises with the Justice department. We may know that, but there are a lot of Albertans out there who would like to see . . .

MR. SUTTON: Well, I'm very encouraged by what you say. I'm very encouraged. We have these amendments, we have had people look at them, refine them, draftspeople, all the rest, and my frustration is getting them through and finding a process to do it. I'm to the point that any process to get these things through is better than no process.

MR. DICKSON: Well, we might agree to disagree that that end justifies any means. I think the independence of your office is so important, and there's a ready process available. We do have a lawyer who's available to this committee, could come to this committee, could take those amendments and draft them. We have a government majority in here which can reflect the concerns and wishes of that large 64-person caucus. So the distillate of that process is generated right here in this committee in an open process and then goes forward into the House. I understand the frustration. This has been talked about for a long time. You'd just like to see it become law, but I think it's at least equally important that we continue to invest your office with the independence that's made it as credible and as vital as it has been in the last 30 years.

MR. SUTTON: Well, I certainly appreciate those comments.

MR. DICKSON: Mr. Chairman, I don't know. You may have some observation on this, because you've been working with the detail of it longer than any of us.

THE CHAIRMAN: Just maybe a small correction. Parliamentary Counsel does not draft legislation for this committee or any other committee. It has to go to Leg. Counsel, and that is under Justice. They're the people who do the actual drafting of the legislation.

MR. DICKSON: Mr. Chairman, is that a matter of custom, of practice, or legal constraint? For example, what's the difference between Parliamentary Counsel, if I'm moving an amendment to a government bill, for example, two amendments that the opposition put forward, worked with Parliamentary Counsel, were accepted – they were voted. They became part of the law not to be subject to some further revision by the draftspeople in the Justice department. Those amendments were accepted as we'd written them with

Parliamentary Counsel. So here is a set of amendments. We're not talking about a brand-new 40-page ad. We're talking about – what? – three pages or whatever of different legislation. I understand that maybe historically it's not always worked that way, but I don't understand why it could not, what sort of constraint. There's nothing in Standing Orders, nothing in *Beauchesne's*, nothing in the act or the statutes themselves.

THE CHAIRMAN: Well, I don't know if there's a legal precedent to that or if it's just historical, like you say. We'd have to find these answers. I don't have them today, but we can certainly get these answers and find out what the process has been and what the reasons are.

MS OLSEN: I think it would be important, Mr. Chairman, to establish a process given that we do have a number of different acts that guide the officers of the Legislature. If every time we need to make an amendment we're going to be up against the wall in terms of how it's going to proceed, I would suggest that it would be more appropriate to use Parliamentary Counsel, given their independent role, given the independence of the officers of the Legislature, as opposed to the same process that the government would use as they pursue a review of their own bills and drafting. We have to have the perception and Albertans have to feel comfortable that independence means exactly that: independence. When we cloud it with an issue such as this, we put the Ombudsman in the unenviable position of having to defend how his particular legislation came forward and who approved it, and I think that's unfair to any of our officers.

9:35

Given that we have the ability of a very learned Parliamentary Counsel, I would in fact like to make a motion to this committee that we use Parliamentary Counsel to deal with amendments to existing legislation that governs our legislative officers and that's the process we use as opposed to the government agenda and priorities or the government legislative counsel review. That helps all of us in our comfort level in ensuring that the amendments are exactly what are needed for the act. So the wording I would like to put forward is that

the committee request Parliamentary Counsel to draft amendments to expand the jurisdiction of the Ombudsman, as previously agreed to by the committee.

THE CHAIRMAN: I would have difficulty supporting that at this time, because when Gary was speaking, what we said was that we don't know if there are some legal reasons why it has to be done the way we're going now or if it's just customary. So before I could support that, I'd have to find out if we can actually do that. That's one of the reasons I'd have a hard time supporting the motion.

MR. JACQUES: I don't want to get into a procedural debate as to whether the motion is in order or not. I think it's quite a legitimate question to ask. This discussion seems to be veering away from the realities that the acts that govern this office, in fact all of the officers of the Legislature, are established by the Legislative Assembly, and the reality is that every one of those acts that govern us, whether it's the Auditor General or the Ombudsman, et cetera, has in fact been put in as a government bill. I mean, you can't change the fact to change history. The reality is that those acts to be changed would be subject to a bill that would have to be introduced by the government and, indeed, would have to be done subject to debate within the full Legislature, and nobody is arguing that particular issue.

I can't see where the legitimacy or the authority level would be for this committee to take the position of direction with regard to who should be drafting the legislation. That's not really the issue. The issue is: what are the legislation requirements that this committee has agreed to or not agreed to? We haven't reached that point yet.

We're still going around in circles on this issue, but there's still a resolution, if you like, to come in terms of what is going to happen in that area.

So I think this particular step is way out front of the basic question: what are the changes to be, if any, that are supported and agreed to by this committee? The technicality, I think, following that perhaps is a moot point, because I think at that point in time we're looking at government legislation.

THE CHAIRMAN: Thanks, Wayne.

MR. DICKSON: An interesting discussion. Wayne, with respect, it seems to me that the motion that's forward is actually pretty innocuous. We've had some discussion in the past. We've had the benefit of meeting the Ombudsman and talking about – this has been something Alberta Health and Wellness, now Health and Wellness, has been talking about since I was health critic, so we're going back more than a year. I think the concept is, frankly, old news, and what seems to happen for whatever reason is that there seems to be just some inertia or delay in terms of getting the thing done.

I think that all this does is just instruct the lawyer who works for the Legislative Assembly to draft an amendment that reflects what the Ombudsman's office is asking for, what we have all supported in principle before, and what the Minister of Health and Wellness has said is going to happen. It still has to come back to this committee, and then there's what I see as the trickier issue: who actually introduces the bill? That's where I think you may get into the point you raised and Paul had alluded to before, that historically these have been done by a minister, the Minister of Justice or whoever coming and introducing the bill, and that may still happen. All we're saying at this point is: as a committee why wouldn't we sort of maintain a little ownership, if you will, or control of what the amendment looks like? There's nothing to stop Parliamentary Counsel from talking to Peter Pagano and the competent lawyers in the Justice department, you know, compare notes on some of the detail to make sure it's in appropriate form.

It just seems to me that this is an issue that's been talked about for a long time around this table at this committee, and I think all the motion really does is make sure we have a chunk of paper, and then, Wayne, we'd have the chance to discuss it and debate it further. We would have the views of Legislative Counsel in the Justice department, and we'd be able to deal with it. It helps to take it to the next step. It doesn't answer a lot of the other questions that the chairman has said we have to look into, and I agree. It means we go away from this with something other than this business of knowing whether more money is required in this key office or not, because we don't know what's going to happen in terms of the mandate. It at least would mean that we as a committee could do as much as we could to take it to the next step without precluding that decision about who actually introduces the amendments.

I don't know if I've answered the concerns that two of you raised, but it seems to me there's still lots of work to be done even if the motion passes.

MR. SUTTON: Mr. Chairman, could I just make a remark? I appreciate the comments that are being made, and I just want to go on record to say that we've been discussing this in this committee for a year and a half and really getting nowhere. We've worked hard with Legislative Counsel on these amendments and whatnot, and we've worked with this committee. I just wanted you to know my frustration in trying to get this very important legislation, eight amendments to our act, through.

THE CHAIRMAN: Any other discussion on the motion? If not, I'll call for the vote. Those in favour of the motion? Those opposed?

It's a tie. The motion is defeated.

MR. DICKSON: Mr. Chairman, just a process question. Are you entitled to vote other than in the case of a tie? I don't ever remember this happening before. As I say, normally the chairman votes in the event of a tie, otherwise to maintain the chairman's neutrality, the chairman doesn't vote in the first round. As I say, I don't recall ever having run into this before.

THE CHAIRMAN: I'm not familiar with that. I didn't know there were any restraints on the chairman voting, but that's another issue. I think the chairman has the right to vote on all motions.

MR. DICKSON: Clearly in the event of a tie you do. No question.

THE CHAIRMAN: Well, I believe so.

MR. DICKSON: Maybe it's something we can talk to Parliamentary Counsel about to get some clarification. I don't have my Standing Orders handy, and it may well be.

THE CHAIRMAN: We'll get some.

9:45

MR. DICKSON: I think it's under *Robert's Rules* that the chairman can only break in the case of a tie. If it's 2-1, then the chairman doesn't vote. I don't see anything in here.

THE CHAIRMAN: It's not in there?

MR. DICKSON: Well, not that I can find. Would it be worth while just to see if we can find Rob Reynolds by phone? He may have run into it before.

THE CHAIRMAN: Yeah. I don't think it's in here.

MR. DICKSON: Yeah. I don't see it.

THE CHAIRMAN: Okay. Are there . . .

MS OLSEN: I have other questions.

THE CHAIRMAN: Yeah. We're going to move on to some questions about the budget. Okay. Are there any questions on the budget itself? I see, Scott, that the numbers you're asking for are about a 3.6 percent increase over the actual amount.

MR. SUTTON: Overall, yes.

THE CHAIRMAN: Overall, yes. And you made a comment in your initial presentation that depending on legislation, when it's proclaimed, you may or may not have to use all of that.

MR. SUTTON: That is correct.

MR. JACQUES: Mr. Chairman.

THE CHAIRMAN: Yes.

MR. JACQUES: Two of us want to ask a question. I'll go first; mine's quick.

MS OLSEN: Okay. Go ahead.

MR. JACQUES: Yeah. Okay. Under goal 1 one of the strategies

you have in here is to “pursue the feasibility of a 1-800 access.” I assume that by “feasibility” you’re not referring to the technical. I mean, obviously you can get a 1-800. When you say “feasibility,” what’s it subject to or what are you trying to get a handle on in that particular connection?

MR. SUTTON: What I’m really trying to get a handle on – we have the RITE system in Alberta, which is working and functioning quite well. It functions as an alternative 1-800 number. I’m trying to determine: what are the advantages, what are the disadvantages of going to a 1-800 number?

MR. JACQUES: Oh, I see. So it’s kind of one system versus the other.

MR. SUTTON: That is correct.

THE CHAIRMAN: Sue?

MS OLSEN: Thank you. I have a couple of questions. You talk about exploring shared services on a Leg. Offices task force, and I guess I’m going to ask what services you are looking at sharing. Is it a manpower issue, looking at a full-blown shared services project such as the government is undertaking now with other departments or such as the city is undertaking? I’m interested in knowing what the actual scope of that exploration is.

I’m also looking just below that under the goal 2 results. You’ve “contracted with Alberta Treasury to provide ‘pay and benefits electronic service’”. I’m wondering if this is for PSC or if this is Imagis and what the cost is to your department by proceeding down this road.

MR. SUTTON: In answer to your first question, exploring options with other leg. offices with shared services was initially set up to explore administrative services, but I do believe that if there is something that we can progress even further on, I’d be interested in looking at that too. I think it’s a constant concern to explore options where you could do your job better, more efficiently, and that’s what we are trying to do.

I have also looked at – having an office of 19 people, I have contracted out to Treasury, and basically that is getting cheques issued, stuff like that, where it’s far more advantageous to do it in that manner. I think that costs \$3,000 a year to get that done.

MS OLSEN: Okay. So you’re not using Imagis?

MR. SUTTON: Yes, I am using Imagis also.

MS OLSEN: Okay. What’s the cost of Imagis to you? How long have you been using it, and have you noticed an increase, decrease, or leveling off of the cost back to you on that system?

MR. SUTTON: I didn’t know if we wanted to go down this road, but I will because I have some strong feelings about that. I think that when we first went on with Imagis, because we’re such a small office, the costs were absolutely outrageously high as far as my concerns are. We have been working with that diligently. Those costs have been coming down. We’re at \$13,000 per year now, and I’m hopeful to gain further on that. It is a very expensive proposition for a small office such as my own.

MS OLSEN: So \$13,000 for 19 employees.

MR. SUTTON: Yes.

THE CHAIRMAN: Yes, Gary.

MR. DICKSON: I was going to change direction unless anybody was going to be pursuing that area.

In the business plan that you’ve attached, you identify a number of key measures, you know, strategies and then key measures that correspond to the strategies. I didn’t think to look in the last while at your last annual. Are you currently addressing the key measures in your annual report? You talk here about “number of recommendations . . . accepted by Ministries” and “number of days to complete investigations” and “timeliness of responses to inquiries” and so on. Where is that information going to be accessible, Mr. Sutton? Where would an Albertan find it, never mind an MLA on the Leg. Offices Committee?

MR. SUTTON: That is a discussion that we have ongoing, whether or not we should include those in the annual report or they should be retained as particular business plans to this committee. In the annual report there’s a lot of general information that is given to the public in Alberta as to where the office is going and the mandate and what we want to fulfill and whatnot. When we’re dealing with specific issues – I have mixed feelings right now – with goals and measures for those goals and funds allotted to attain those goals, I’m not sure whether or not we want to go that far within the annual report at this point.

MR. DICKSON: Clearly, though, will you be prepared to share that with this committee, I mean, in terms of measures?

MR. SUTTON: Absolutely.

MR. DICKSON: We’re always looking for tools, how to measure the extent to which each of the legislative offices is meeting its targets and so on. It’s a tough thing to do without some sort of objective criteria. Since you’ve identified the criteria within your office, I assume that you’re comfortable being measured by those.

MR. SUTTON: Absolutely. I’ve told this committee before that I believe in accountability, and that’s one way that I can be accountable to this committee.

MR. DICKSON: Thank you.

THE CHAIRMAN: Any other questions? No questions? Sue?

MS OLSEN: No. Mr. Dickson covered mine.

THE CHAIRMAN: Well, I think we’re done with your presentation, and I’d like to thank you both for coming today and presenting your budget and answering questions of the committee.

MR. SUTTON: Thank you.

THE CHAIRMAN: What we’re going to do here at the end of the meeting is review all the budgets, and we’re going to decide on our motions. So thank you for coming.

We’ll take a few minutes’ break. The next presentation is from the Chief Electoral Officer.

[The committee adjourned from 9:55 a.m. to 10:08 a.m.]

THE CHAIRMAN: Okay. We’ll get back to our meeting.

Brian, I’d like to thank you for taking the time to come and meet with the committee today. What I’d like you to do is maybe introduce your staff for the record and then go into your presentation. After your presentation we’ll have some discussion

and questions, and hopefully within an hour we'll wrap this up.

MR. FJELDHEIM: All right. Thank you very much. Well, hello, and best of the season to everyone. It's really wintry outside. We've got snow coming over here. I don't know if it was snowing outside when you came in this morning.

Anyway, I'd like to thank the committee for the support we've enjoyed over the past year and the opportunities we've had to update you on the direction that our office is taking. I believe you all know Bill Sage, on my immediate right. He's the Deputy Chief Electoral Officer. I'd like to introduce you to Glen Resler. Glen is the new director of registrations and financial operations, and he comes to us from the Department of Municipal Affairs and, prior to that, the office of the Auditor General. Glen is a certified management accountant, and we're certainly pleased to have him join our office.

THE CHAIRMAN: When did Glen start with your office?

MR. RESLER: The beginning of September.

MR. FJELDHEIM: Beginning of September. So if *Hansard* recorded that, now you're in *Hansard*.

I'd just like to say a few words on what we're looking at in the future here. We're certainly going to strive for excellence in the service that we provide to Albertans. We've incorporated some new technologies to streamline the conduct of electoral events while, of course, keeping our focus on the clients that we have to serve.

This year we've completed a business plan. Well, it's actually a strategic plan. If any of you are interested, we'd certainly like to share that with you. It outlines where we are and where we're going.

THE CHAIRMAN: Do you have extra copies?

MR. FJELDHEIM: Yes. I brought three along, and certainly if I don't have enough, we'll get one to you right away.

I certainly believe that that's an important document for our office, and that will help guide us as we approach our new responsibilities.

A major activity in the next fiscal year will be the confirmation of the register of electors. Last year at this time I shared my concerns with respect to preparing a list of electors using data from a register that relies exclusively on electronic updates. As you'll recall, register data was compiled during the November '96 general enumeration. It was updated in the March '97 election and was matched to the Vital Statistics' file to remove decedents where data matches could be made for the March '99 distribution to political parties. It is my intention to confirm existing register data through direct door-to-door elector contact in order to prepare an accurate list of electors.

As an aside, it's interesting to note that electoral agencies that have moved to an ongoing register of electors system still use some form of direct contact with electors, whether by mail or in person. Our intent is to conduct the confirmation of the register of electors in the upcoming fiscal year in order to be election ready by the fall of 2000. We will then use available resources to keep the register updated until the writ of election is issued. Decedents' records are already available through Alberta Vital Statistics. Based on discussions with Alberta Registries, we anticipate that we may also be able to reach an agreement to access driver's licence information that is relevant to our legislation.

As we follow activities in other jurisdictions, it becomes more and more apparent that the issue of informed consent must be incorporated into the data collection process. We certainly plan to collaborate with the Information and Privacy Commissioner to ensure that this is done in a responsible way.

As we direct our attention to a permanent register, I'd like the committee to consider what needs to exist to ensure an effective, up-to-date register. Other electoral agencies that have permanent registers, such as British Columbia and Quebec, have legislation that allows them unfettered access to various databases for the purpose of obtaining updates. This ensures that sufficient data is obtained on the highest possible proportion of the electorate to facilitate the matching that is required to keep the register current and to provide access to electors as they meet the eligibility criteria: 18 years of age, six-month residency, and so on. The viability of the register begins to decline as people opt out of the process and as access to the database required to update the register is limited.

I bring this up as something to think about since the committee has raised the issue of using the register of electors as the sole source in compiling lists of electors. Increased economy has been, I believe, a major consideration. However, through the experiences of Elections Canada it is predicted that 10 to 12 additional staff would be required for our office to manage the register. Costs of hardware, software, and other infrastructure would be dependent on the type of operating platform chosen.

Other considerations would also be necessary. The election period, eligibility criteria, and so on would have to be examined and perhaps aligned with other jurisdictions where the register concept has been adopted. In the interim, though, I believe that the confirmation process, door-to-door, would be an effective and equitable method for securing Albertans' participation in the data collection process. Our upcoming confirmation process will give us an excellent opportunity to assess electors' willingness to voluntarily provide us with the type of additional information needed to make the register concept work. The statistics we collect will allow us to measure the level of support we will receive from electors and gauge the potential for elector acceptance in the future.

The Chief Electoral Officer of Canada has expressed an interest in obtaining our updated register data to refresh the national register of electors. We were able to reach a cost-sharing agreement for the collection of elector information during the November '96 general enumeration, and we will actively pursue a similar arrangement to help defray costs of the upcoming event. This is one of the areas in which we plan to work with our colleagues to share costs and avoid duplication of effort.

Other partnership opportunities are being pursued with a number of municipalities in the province. Our intent is to have urban municipalities which are conducting a civic census collect elector data on our behalf. Currently we have five municipalities who have agreed in principle to collect this data for us at a rate of 90 cents per name. They are St. Albert, Grande Prairie, Red Deer, Lloydminster, and Fort McMurray. Calgary is also interested in working with us. They had initially suggested a fee of \$1.10 per elector. After some negotiations they've come back to \$1 per elector, and they say that would be acceptable. We will continue to negotiate with Calgary with an eye to achieving an arrangement that is fair and equitable to all partners.

You will note that our budget request represents an increase over past electoral events. The increase is largely related to the proposed increases to the fees and expenses for election officials, which we discussed in September. Our budget presentation will break up the costs associated with all of these activities in greater detail.

Page A in your handout, the summary. Our budget is set out to show you an overview of the three elements that we have in our budget. First of all is the election office, which you can see on the left, and that includes salaries and general costs related to the administration of the legislation that we are responsible for. Secondly, we have elections; that element includes the costs of conducting general elections and by-elections as well as the costs

associated with our duties under the Election Finances and Contributions Disclosure Act. Thirdly, the register of electors: that includes the costs associated with preparing and maintaining the register of electors in order to be able to prepare a list of electors.

Across the top: the column entitled 1999-2000 budget is what this committee approved January 26 last year; the 1999-2000 forecasts are what we expect to spend of that budget; and, of course, the 2000-2001 estimates are what we are requesting for the next fiscal year.

10:18

As you can see, by subtracting our '99-2000 forecasts from our budget, we expect to turn back over \$450,000 at the end of this fiscal year. Those funds will be turned back to the province due to the absence of any by-elections, assuming we will not have any prior to March 31, 2000. We're not hiring a full-time systems person until we are certain what the requirements for that position will be. Finally, I'm not purchasing software and hardware for the register until, again, we are certain exactly what role we are going to play in that regard.

Our requested estimates include funds for conducting a confirmation of the register of electors and a general election before March 31, 2001. This estimate also includes the fee increase for election officials that was passed on September 21 by this committee. At this time there has not yet been an amendment to the regulation to increase those fees and expenses. Should the general election not occur, we would obviously not spend the funds and include a request for the appropriate funding to be included in the 2001-2002 fiscal year budget.

Does anyone have any questions so far on that overview?

MR. FRIEDEL: On the summary page, Brian, page A, the estimates for elections and the register of electors are \$5.7 million and \$4.42 million. Unfortunately, in a chart as you have here, we're comparing them to '99-2000 budgeted forecasts, and they have no relevance whatsoever. Do you have the numbers for the actual comparable in 1997 or the budget immediately prior to 1997, that would have some real comparable? In other words, apples to apples.

MR. FJELDHEIM: Yeah, if you would look under tab E.

MR. DICKSON: I don't have tab E. I have A, B, C, D.

MR. FRIEDEL: I don't have one.

MR. FJELDHEIM: We have a tab E. I thought I had that answer cold.

MR. SAGE: Is there a photocopier around somewhere?

THE CHAIRMAN: Okay. While Diane is getting the photocopying done, maybe there's another question.
Gary?

MR. DICKSON: Yeah, I've got a couple. I was also going to ask something similar to Gary. The real issue is the last time we were ready for an election, and sort of the last 12 months before that is, I think, what I wanted to look at.

If we can look specifically at the register of electors – and I guess I always thought it sounded too good to be true, to be able to do that onetime permanent voters list and not have to go back and do it. How will this projected \$4.4 million compare with the last time we did a regular enumeration? Is it half?

MR. FJELDHEIM: The last time we did it – and, again, this is tab

E, which you'll be getting shortly. In '97 the cost was \$3.5 million, so we're looking at an increase of approximately \$900,000. Again, the bulk of that is the fee increase, and as I mentioned when we met in September, that has not been changed since 1982. So the bulk of that would be the fee increase.

MR. DICKSON: The other thing I wanted to ask. I don't know how concerned we should be when you say you're not in agreement yet with the city of Calgary while you're dickering over the amount to be paid. You know, Calgary is the one city in this province that's added 70,000 new people in the last two years. Now, they may not all be electors, but if there is one community in this province where there's going to be some requirement to be looking at lists and making sure all of those new people are enfranchised, Calgary is going to be the city. Are you reasonably confident that you're going to be able to strike a deal with the city? Failing that, if you don't make a deal with the municipal corporation to have them gather that information for you, what's the fallback plan?

MR. FJELDHEIM: First of all, I'm confident that we could make a deal. The situation is that if we give one municipality 90 cents – I'll pick on, for example, Grande Prairie – and we give another municipality a dollar, the obvious questions: "How come they got a dollar and we only got 90 cents? We're doing the same thing." So if Calgary wants a dollar, we're looking at whether there is something that is value-added here. Then we can say: okay, they got a dollar because they did this extra work and so on. Yes, first of all, I'm confident we can make a deal with the city of Calgary.

Secondly, after saying that, if we can't make a deal with the city of Calgary, then the fallback is that we will conduct the confirmation of the register in the city of Calgary, as we are doing with all the other municipalities where we do not have an agreement in terms of them going out and doing a census. So I hope that answers the question.

MR. DICKSON: In terms of how long all this is going to take – it seems to me that you lose a measure of control, then, once you're relying on the municipalities to be doing some of the stuff that before you would just undertake under the auspices of your office. So in terms of timing, can you just sort of bring us up to speed on how long it's going to take to get those results from each of those municipalities, from St. Albert, Grande Prairie, and so on?

MR. FJELDHEIM: All of the municipalities are doing their census in the spring. We will also be doing our confirmation in the spring, so we will be completed by the summer of 2000, and that will give us a couple of months to prepare all of that data that we are collecting.

MR. DICKSON: So what's the earliest date – I'm sorry, Mr. Chairman; if I can just follow up – that you will have been able to receive and collate?

MR. FJELDHEIM: My understanding is that one municipality wants to do it in April, and that would be the first. The rest are in April or May.

MR. DICKSON: In terms of when you, your office, will be finished processing that data so that you have a voters list, when will that be?

MR. FJELDHEIM: We will have the data back from them by the end of June, and again, as I mentioned, we plan to be and will be election ready by the fall of 2000.

MR. DICKSON: So by September 1?

MR. FJELDHEIM: Well, I'm saying October 1, but it would be in that range, yes.

MR. DICKSON: Thank you very much.

MS OLSEN: I just want to ask a couple of questions in terms of contract services and contract employees. I note that in the past the Chief Electoral Officer used the Olsten staffing services out of Melville, New York – in fact, I have some data here – to the tune of \$542,000 in '96-97. I don't have the current information as to what was spent recently. Olsten has just recently settled a \$61 million suit. In fact, they were administrative and criminal fines for fraudulent billing of U.S. medicare and medical programs. The Canadian subsidiary is part of that corporation. My question to you is: what are the audit processes you use to ensure that Albertans are not getting defrauded and that Albertans are getting value for money in the services you use?

I'm a little concerned. You know, we don't know that the Canadian subsidiaries are involved in the same process, but \$61 million in fines is an awful lot of money. Those fines were related to billing for such things as credit card charges, personal country club memberships, golf outings, cooking and skiing lessons. What confidence do you have that the Canadian subsidiary has not been involved in the same kind of practices? How are you auditing the contractors you use to ensure that Albertans are getting value for money?

10:28

MR. FJELDHEIM: Okay. That Olsten contract in '96-97: that was the firm that was hired. I believe there were two or three firms that tendered on that. That was for the data entry for the list of electors prior to the last election. Our audit procedures would be the same as anyone else's: that we get value for dollars. When the bill comes in, we look and make sure that we did receive those services that were contracted for, and of course we're subject to audit by the Auditor General, the same as everyone else. I hadn't heard of that situation. That's the process we followed when they were hired, and once they completed that task, we have not employed them since.

THE CHAIRMAN: Mr. Jacques.

MR. JACQUES: Yeah. Just a couple of questions. In terms of the electoral, just looking at the cost end of it based on the information you've got in exhibit E versus exhibit A, if I'm reading this right, the cost of your 1997 general enumeration as shown on schedule E is \$3.5 million and your estimate for the next register of electors is \$4.4 million, which in round numbers is about a 25 percent increase. I'm just looking for a thumbnail outline as to where the major increases are, in terms of that cost being fairly significant.

MR. FJELDHEIM: The major increase on that is in the fees that are paid to the individuals that do the data collection. If you recall from our September 21 meeting, the increase there was approximately 20 percent. The bulk of it would be for that. Also, some of that would include the rental agreements that we make, the returning officers' rental, some of that. There is some advertising, and over the past four years there has been an increase in advertising rates as well. So that would be the bulk of that increase.

MR. JACQUES: Just back to an earlier question and an earlier comment you had made with regard to the cost in terms of contracting with municipalities. You mentioned the 90 cents and you mentioned the Calgary negotiations and, of course, the backup position being that if you don't get an agreement, then you go out

and do it yourself. My question is: what is the cost differential? In other words, you must have a point where you're saying: hey, if we go beyond this number, then forget about it. I assume that that 90-cent figure is probably on the threshold of that number, and probably the dollar might even be. I'm not looking for a specific number – I appreciate that you're negotiating, keeping certain cards to yourself at this point in time – but are we in the range there in terms of the 90 cents, a dollar, somewhere in there?

MR. FJELDHEIM: Yes, we are in the range. My negotiating style is: these are the facts; this is what it costs; if you say it costs more, then you tell us why it costs more. Yes, you're right. That 90 cents is a reasonable figure. That is almost what it cost us last time to do it.

Now, is there going to be a savings here? Well, we will not be hiring returning officers, but we want to have those returning officers involved in the quality control you were alluding to when you talked about Calgary. How do we know we're getting good stuff? So the 90 cents and the dollar, yeah, that is in the range.

MR. JACQUES: Okay. If I carry this through, let's say there are roughly 3 million people in the province, a lot of them not electors of course, and let's use a dollar per head, so we're looking at \$3 million. We're looking at \$4.4 million in terms of total costs. I'm having a little difficulty kind of relating the two of them.

MR. FJELDHEIM: Okay. Why are you spending another \$1.4 million? What are you getting?

MR. JACQUES: Yeah.

MR. FJELDHEIM: Well, again, there's the advertising that we're required to do by legislation. Also, in the rural areas we pay travel based on the Alberta regulation for travel. Now, in some of those subdivisions in I guess both of your areas and partly in yours as well, there's a lot of travel involved. What did that come out to last time, Bill? Do you remember?

MR. SAGE: It was \$150,000, and we projected an increase in that this time.

One of the things we should look at: the 90 cents we're talking about is only the cost of going to the door. That only represents something less than half of what we actually pay on a per name basis when we end up with the whole 2 million names that we've gathered. As Brian said, we have rental, processing fees, advertising, all of these other fees that we're likely still going to have to pick up some portion of. The 90 cents only represents the actual door-knocking cost, so you're only looking at half of it, if you want. There are other costs we're going to pick up on top of that. As you mentioned a minute ago, we're equating 3 million Albertans to about 2 million electors. It's about two-thirds.

MR. JACQUES: So in very round numbers, then, the cost to get them on the roll is a little over 2 bucks per registered voter, somewhere in that order, after you take everything into account: \$4.4 million divided by 2 million people, \$2.20.

MR. FJELDHEIM: If I may, in November of '96 the cost per elector was \$2.14, so you're correct.

MR. JACQUES: Yeah. Thank you.

THE CHAIRMAN: Mr. Friedel, now that you've got page E, do you have a further question to your original question, or does that answer what you were after?

MR. FRIEDEL: Well, the only anomaly I've picked out is that between '93 and '97 the cost of enumeration actually went down. There had to be something involved that was unusual, because it would be hard to believe that under normal circumstances in a four-year period there was a total reduction of costs. Then the forecast budget goes up, as Wayne said, 25 percent.

MR. SAGE: I think I can answer that question for you. In '93 we used two enumerators in all the urban areas. Calgary and Edmonton definitely required two enumerators, so you doubled your cost in Calgary and Edmonton. Between '93 and '97 the legislation was changed, where we went down to one enumerator and two with the approval of the Chief Electoral Officer. That was the biggest portion of the decrease. We turned around, and in '97 we went to this data entry that Ms Olsen asked about a few minutes ago. That was half a million dollars. So the money we saved by reducing the number of enumerators we used was offset by the data entry process. That in a nutshell is the difference between those two figures.

If we had just gone to one enumerator, the savings were about \$800,000. That was the biggest change between '93 and '97: the change to legislation that eliminated the need for two enumerators in the two big urban centres. In the rural areas a number of years ago they eliminated that. You only had one enumerator, again unless the returning officer for some issue, safety or something, appointed two enumerators. That was the big change between '93 and '97.

Does that answer it?

MR. FRIEDEL: Yeah, it answers that question.

Because of the shortage of time we've had this information – and I'm looking at page D, which sort of follows up on Wayne's question. It shows a breakdown, again comparing it, unfortunately, to '99-2000. It takes a little time to wrap one's head around this. I realize that another problem is that when you do this every four years, you're almost learning each time. It's not likely to flow smoothly from one year's operation to another. Using the numbers Wayne had, it does seem a tad expensive if we're using electronic media – and I'm not talking about news media. I mean the storage and accumulation type media. One would think that at some point there would start to be some benefit return on that. I know that's probably not a quantitative question, one that you can really answer with dollars, but do you see that at some point all this money we're investing in computers and storage data, in spite of the fact that we've kind of tossed out the idea of a perpetual voters list, some of that stuff should be starting to pay dividends?

10:38

MR. FJELDHEIM: That's a difficult question. I would like to just say that yes, there's no doubt about it. Again, with the status of this register and, in particular, with the movement and the growth in Alberta, the electronic updating and so on I believe is a ways down the road yet. As I mentioned in my little preamble, I think we would have to at a future time perhaps look at some legislative changes and so on to be able to accommodate that.

As far as the use of computers, yes, I think it will show a benefit. We plan to use an on-line system for data entry that is going to be more efficient, is going to be faster. By legislation now all parties get the data in disk format, and apparently if you have the right people working on that, it is very beneficial to the political parties to do searches and so on. So in that regard, yes, I believe that the technology is improving the product we have. I believe it is more efficient in that we can do corrections and so on, but again, when we're now looking at and estimating 2 million electors, we have to be very cautious in using electronic computers and data and so on, because if you make a mistake, you make a big mistake. It's not like

in times gone by. We will not go back there, but I must say that sometimes I do think about someone using the typewriter. If you made one mistake, you made one mistake on one name. If you make one mistake now, you can make a mistake on a thousand or 10,000 names.

So, Mr. Friedel, I probably haven't answered your question as specifically as you would have liked. I think we are getting better in terms of the costing. Again, a large portion of that increase, about 20 percent, is due to the fee increase, which I believe is due election officials since there has not been an increase since 1982. If you take away 20 percent of that 5.7, it would be pretty close to the '97 general election. So that's where the bulk of that is.

MR. FRIEDEL: I realized when I asked the question that it wasn't a quantitative question. Certainly even if you had the information, I didn't expect you'd have it at your fingertips. I think it's getting to the point – and I raised a similar question with the Auditor General – where we're spending a lot of money on electronic equipment. A few years ago the case was made that this needed to be done because we were improving efficiency and all these wonderful things that I'm not questioning are happening. We all use them in our offices, and we know how important they are. We also know how quickly they become obsolete.

Nevertheless, I think we at some point have to do an accountability test. Are they doing what they're supposed to in terms of saved time? Or are there maybe other less tangible benefits, some of which could be a lot of information that we may or may not always need? I think we've got other legislation that tells us how much we can actually use. I think we are probably at a point where we really have to sit down and look at: are they being used efficiently enough that they are making the savings that we promised ourselves a few years ago?

MR. FJELDHEIM: Yeah. We have not spent a lot on computer software for this register. As I mentioned, we got a lot of ideas from Manitoba. Right now – and Glen, you know specifically – it's about \$40,000.

MR. RESLER: Right.

MR. FJELDHEIM: The software for this confirmation of the register will be about \$40,000. Compared with some earlier numbers we had, we feel that is very reasonable for a system that will handle what we expect it to.

MS OLSEN: Just on the issue of updating the electors list. I have previously brought forward to you the issue of registries using the information. We know that registries are exempt from the FOIP Act. Remember, I asked the question: when you're being enumerated, can you leave certain information off, you're not required to give it? Some of that information is now contained within the registry's database. I'm just wondering if prior to using that as a means of updating your own database, you will be informing the public by way of a newspaper ad, by way of a radio ad that you will in fact be doing this. It's imperative, because of the differences in the way data is collected and what has to be provided for, one doesn't have to be provided for the other.

MR. FJELDHEIM: Yes, we will certainly do that, and we will not get any data from Motor Vehicles that we are not privy to by our Election Act. And, yes, people will have the opportunity of not participating in that and so on. As I mentioned earlier, we'll certainly be involved with the Information and Privacy Commissioner to make certain that we meet the requirements of informed consent so that people are aware that, yes, we're doing

this. Obviously, when people go in to get their driver's licences renewed, they're not going in to get on the list of electors, and we're well aware of that. If and when we get that data, we want to make sure that people who go in to get their driver's licences are aware that with their consent it will be used to update the register information.

THE CHAIRMAN: Mr. Jacques.

MR. JACQUES: Thanks, Mr. Chairman. Just a question regarding the enumeration again. In your reply to Mr. Dickson you indicated that your target date to have it complete is October 1. In terms of contingency planning, if the writ for an election was issued in May 2000, obviously for some time in June, what would the plan be at that point? I guess I'm asking the question from the point of view of: is your starting point what you finished the '97 election with in terms of a voters list from before the election and which reflected certain transactions, people registering, et cetera, and then you had a product at the end of that? Would that be your starting point for that election in June, and therefore to the extent that somebody was not on the list, they would simply then register at their appropriate polling facility? Is that basically how it will work?

MR. FJELDHEIM: Yes. Our fallback there would be – is it controlled panic? First of all, we would have to use that '99 list that we've got now. I call it the '99 list because we managed to take some of the deceased off, 23 percent. So, yes, that would be our starting point.

We have the maps now with the polling subdivisions on them, and we would use those. They were reviewed in '99, so we feel confident that the subdivisions, those small areas into which the electoral divisions are divided for the convenience of electors for voting – that's been changed since the last election. We've improved that. We've got the maps in place, and we've got subdivisions in place. So the returning officers would get the list.

Now, as Gary mentioned earlier, we've got Calgary and Grande Prairie growing like crazy and Peace River and those other communities. We tell these returning officers to do what we call target enumerations. We wouldn't have time to do the whole shebang, but we would do those areas where there is obvious real growth. We would go in and enumerate those. If that election is called all of a sudden and we just found out about it one day, we would have two weeks there to enumerate those target areas and prepare a list of electorates. We would also employ extra people in the polling stations that take swear-ins. People can get on the list during the revision period following the issue of the writ, and they may be sworn in at the polls. So we would put in extra supervisory deputy returning officers and extra polling places in those high volume areas, but that would not be our favourite way to do it.

10:48

MR. JACQUES: No. I'm not suggesting it would be. I just wanted to try and get a sense of what you're working with.

Thank you, Mr. Chairman.

THE CHAIRMAN: Any further questions?

Do you have a comment there?

MR. FJELDHEIM: Yes. I was just going to comment further to Gary's comment about when you do it once every four years, you kind of start over again. To a certain extent you're quite right. When we talk about prices increasing and so on, we try to get an estimate of the increase in the media charges for advertising. We have about 5,200 polling stations and about 3,000 polling places. Over the past four years we've had to try to think: "Did the

community halls increase their rent? Did the legion increase their rent for the use of their facility?" Now, we have specific amounts, but we still try to look at that sort of thing as well, and we try to estimate the increase in population as best we can.

MR. DICKSON: Mr. Chairman, just following up on Mr. Jacques' query. Would it be fair to say that if in fact there were an election in the spring of 2000, the risk in high-growth areas of a significant number of people effectively not getting on the list would be significant?

MR. FJELDHEIM: Again, we would target enumerate. We can cover quite an area in two weeks. It was in days gone by when that enumeration period was from September 15 to 30. In two weeks we can cover a large area, so I am confident that we would have those people on the list.

Now, again by legislation we're required to give to the parties, as soon as possible after the writ is issued, a list of electors. Your list would not contain the names of those people in that apartment building that was built last year because we're going to be out there knocking on those doors at that time. So the list that you receive for campaign purposes would be different than the list that we would be using on polling day for the administration of the election.

MR. DICKSON: Thank you.

THE CHAIRMAN: If there are no further questions, I want to thank you all for coming this morning and defending your budget and answering questions.

We have one more officer coming in, and then at the end of our meeting we're going to discuss the budgets and decide on our motions.

MR. FJELDHEIM: Okay. Thank you very much.

THE CHAIRMAN: Very good. We'll adjourn now until we have Mr. Clark in here.

[The committee adjourned from 10:51 a.m. to 11 a.m.]

THE CHAIRMAN: Okay. We're going to get back to our meeting. We have Bob Clark for his budget presentation. What we're going to do, Bob, is go right into the presentation. I'd like to ask you to introduce your staff for *Hansard* and make a presentation. Then we'll open it up for discussion and questions.

MR. CLARK: Thank you, Mr. Chairman. To my right is Frank Work. Frank is the assistant commissioner on the IPC side, and of course on the ethics side he's also counsel to the commissioner. Fiona Syvenky is filling in for Leanne Levy. Leanne is not able to be here today and Fiona works in the office on the budget side of things, so she's attending today.

Thank you for the opportunity to meet with you. I learned over the 11 years I was in the consulting business that you should never apologize at the start of a presentation, yet I find myself in a situation where I really have to do that, especially with the recent passing of the health information legislation. We've included money for that in the IPC budget. Yesterday afternoon at 3 o'clock I met with the deputy minister. She indicated some kind of a time line, perhaps in the middle part of next year, for when the act would be proclaimed, and if that's the case, then it's going to be a very sped-up and hectic time for our office. I simply say that at the outset, and obviously Frank and I will be open for any questions.

Just to recap briefly. You've all heard me say on several occasions that 90 percent of the FOIP requests are dealt with at the

local level and are resolved there. About 10 percent then get to my office as the commissioner. You'll see that we have six portfolio officers who are on staff, and one of their major responsibilities is attempting to negotiate settlements. Their success when negotiating issues which get to the office is about 90 percent. So as commissioner at the end of the day I end up hearing the ones which are left.

One of the things we've been successful in doing this year is cutting the time lag from the time that an inquiry is set until the order is out.

Another thing I'd point to this year is that last year I indicated to you that we wanted to put a real emphasis on a school program. We've been getting staff out across the province on a very regular basis, and also I've been getting out around the province a great deal. I try once a month to get out to some part of the province and talk about FOIP or ethics, sometimes both on occasions.

During this last year, on September 1, we had postsecondary education, the Learning people, come in under the FOIP legislation. Then in October the municipal governments came in, and we're at the stage now where we're starting to feel the impact of the three or four months after those groups are under the legislation.

I myself traveled considerably. I was in Hong Kong in September, had the opportunity of being there when a typhoon went through, the worst one they've had in 30 years, which is an experience I'd quite have been prepared to go without. Then I was in Providence, Rhode Island, at the COGEL conference that was just completed. Also, our web site is now up and operating and, I think, certainly serving Albertans well.

In 1998 I issued 21 orders. In 1999 it looks like we're going to be issuing in the vicinity of 42 orders.

One of the other highlights of this last year has been the FOIP amendments. Mr. Friedel chaired the committee. Staff from our office were actively involved in that.

One other striking part of the issues that we deal with is that some of the cases are much more complicated than previously. I'll give you two examples. One of the cases for access that we dealt with was 28 Alberta corporations dealing with the West Edmonton Mall issue. That's a very time-consuming experience, I can assure you. That case ended up going to inquiry. In another case we had 152 third parties, and that case ended up going to inquiry too. That was the one, you may recall, that dealt with hunting licences. I think it's fair to say that the cases getting to inquiry are more complicated.

I'm still able to hold likely eight to 10 public inquiries a year, and I'm still convinced that those inquiries serve a very good use to the public in better understanding the legislation and what we're all about.

Late this year, in fact in the last month, we've made a decision in the office to relook at our whole privacy impact assessment approach. We've started that process now, and you'll hear later in my comments why we're doing that.

As far as this year that's coming up, Mr. Chairman, I think we're looking at the real impact of postsecondary education and the municipalities. We presently have in the office close to 140 cases that are before the office, remembering that, hopefully, 90 percent of those will be resolved. We don't always meet that target, although most times we do. That's about a 40 percent increase from where we were last year as far as inquiries and cases before us, either set for inquiry or mediation, which the portfolio officers are dealing with.

My sense – and it's only a sense after looking at what happened in a number of the public bodies – is that the number will continue to go up likely until, I would say, next May or June or July. Then I think we'll see some kind of a leveling off as far as municipalities are concerned and as far as postsecondary education institutions are concerned. Now, I base that on what's really happened in the 1 to

12 system this year and what's happened in some aspects of the health area. That's only a guess, but in my experience it kind of comes like this: we get the brunt of it three to six months later, and then it tends to level off. That's the basis that we've made our projections on this year. We're estimating that next year likely between 50 and 60 orders will be issued; that's up from the low 40s this year. I now follow the legislation that allows me to delegate the hearing of inquiries. Frank has heard some, will be hearing more, and a couple of portfolio officers are also hearing some of the inquiries.

Health information legislation: we were involved a great deal at the various phases of the drafting of that legislation. It wasn't until yesterday, when I talked to the deputy minister, that she gave me some indication of what kind of time line they may be looking at as far as proclamation is concerned.

As far as this year we now have two Wellnet proposals before us for privacy impact assessments. We've been advised by Wellnet that we could end up having 30 or 40 of those come before us in the next two to two and a half years. So you can see why we have to reshape how we're doing the privacy impact assessments.

With the health information plus people on the original FOIP side this budget calls for close to a 30 percent increase in the size of the office. What that's going to mean is that we're going to have to have a significant look at some of the ways we do things and some rejigging – “rejjg” is not a good term but reassessment of the way we do things. Quite frankly, for a commissioner it will cause me to reassess my own priorities. It's going to be an interesting year coming up.

I guess with that I can move on, Mr. Chairman, if it's agreeable, to the budget which is before you. I should say that I'm never sure how one should feel about this, but I point out to you that it looks like we're going to have in the vicinity of maybe as much as \$200,000 unexpended at the end of this year. I know there are two views on that. Some people would say, “Well, you've budgeted improperly.” I don't believe that was the case. I think if some of the issues had developed that we had thought might develop, if we'd got involved in a major audit, which is \$60,000, \$70,000, \$80,000, or if we'd had a large number of Wellnet projects come forward and had to go out and hire outside consultants, a large portion of that money would've been eaten up.

11:10

The other thing, too, is on the health information legislation. By and large we chose to use two people in our office as the resource we used in the office rather than going and getting outside lawyers or outside experts in the health area. We did consult those people, obviously, and it would be unfair if I didn't say that Frank was actively involved in that area.

I'll ask him to make some comments here in a moment or two, but that's basically the year that we've had. I look forward to the next year with a lot of enthusiasm. I think it's going to be an exciting but a very challenging year.

What I'd like to do now, ladies and gentlemen, is to go through the estimates. If I could go to page 1, I'll try and give you the highlights there. This budget calls for a new senior portfolio officer – we'll have one person on the FOIP side and one on the health information side – two new portfolio officers, an additional lawyer, a health compliance specialist, another intake officer, an education officer, and a systems analyst. So basically those are the new parts of the budget on page 1.

I'm sure you'll want to look at other pages, but if I could slide over to page 4 because of the very significant . . .

MR. JACQUES: Just a clarification, Mr. Chairman. We were given two scenarios.

MR. CLARK: I'm using the one with the health information in it, Wayne. I apologize. The reason I sent the two over, Wayne: it wasn't till yesterday that I got a sense as to whether the health information . . .

MR. JACQUES: Thank you. No, that's fine. I just wanted to clarify those.

MRS. SHUMYLA: So if I can just say, then, that it's after the green cardboard tab I put in and after the blue tab that's at the end of the section. It's page 2 you're on; right?

MR. CLARK: Yes. I'm sorry. The first page has the breakdowns like this.

MR. JACQUES: That \$2.7 million total.

MR. CLARK: That's right. I wasn't trying to brush past that. Then going over to the page 1, Mr. Jacques, with the conditional people there, and then over to page 4, if I might, which deals with travel.

MR. DICKSON: Excuse me for just a second. I still have the different page numbers. Page 1 had the summary and page 2 had the breakdown in terms of salaries and earnings, and the page 4 I've got is allowances and benefits. Have I got a different . . .

MR. CLARK: I'm sorry. My copy is different from yours. Page 2 is this page here, with the new staff people.

MR. DICKSON: Salaries and earnings?

MR. CLARK: Yes, salaries and earnings, Gary.

MR. JACQUES: I don't think we have that one.

MR. DICKSON: It's our page 2.

MR. JACQUES: I was just glancing at Bob's. Bob's looks different.

MR. CLARK: Yes. It's because I've got the salary amounts on mine. It is different, Wayne.

So then we go over to travel, your page 5. I work on the theory that you point out the most obvious things first. The world data commissioners meet in Venice this year. I put that in. Twenty trips for federal/provincial meetings.

Bill C-6, I guess it is now, what's going to happen there: the last I've heard on that is that the Senate has sent it back to the House of Commons with an amendment asking the House of Commons to consider not proclaiming that portion dealing with health information for one more year. During that time there'd be negotiations between some of the health people and the federal government's sponsoring department. Also this national health information system is still very much up in front.

In the province we're finding that with the municipal governments coming onstream, we're trying to get out to their locations as much as we possibly can. One of us was up at Smoky Lake last week. Another one was down to Airdrie. Under the second item there, travel in province, we've increased that quite a bit this year.

The privacy commissioners of Canada are meeting in Winnipeg this year, and the COGEL conference that Mr. Langevin was at is in Florida this year. So that's what I've got there for you.

The next page, which would be page 6, really deals with basically the advertising for the new staff.

Slipping over rather quickly to page 12, I believe, on yours, this deals with contract services, also communications, privacy impact

work at \$100,000 there, \$60,000 for audits, \$2,600 for the web site maintenance.

MR. DICKSON: I'm sorry. Can you just go back over those numbers again, please? This is page 12 we're going through?

MR. CLARK: Yes, it's page 12 on yours, Gary.

MR. DICKSON: So \$2,600 for web site maintenance fees?

MR. CLARK: It's \$2,600. It's \$60,000 for audits, \$100,000 for privacy impact assessment work, and close to \$75,000 for communications: information brochures, the annual report, financial statements. It's \$50,000 for legal fees, \$25,000 for consultants for health information, \$50,000 for information on privacy issues, and one of our lawyers is on a contract.

Page 15 is really the materials and supplies needed to do what I'm proposing. You'll notice there's furniture in there for the Calgary office. That's the office we share with the Auditor General. That office space is changing somewhat, so there will be an office there for the Auditor General and also for myself. We were discussing it last night. It's not too mammoth an office; it's 15 by 15. It's not overly palatial, if I could put it that way.

Ladies and gentlemen, without trying to gloss over any portions of the budget, those are the areas that jump out, Mr. Chairman, and that are the big expenditure areas. I'd ask Frank for any additional comments he would want to make, and then, obviously, be open to any questions and comments. Frank?

MR. WORK: I don't know that I have much to add to that, maybe just to follow whatever line of questioning the committee has.

THE CHAIRMAN: I'd like you, Bob, to clarify something. The health information: when did you say they want it proclaimed?

MR. CLARK: My understanding from discussions I had just yesterday afternoon is that it would be in the middle part of this upcoming calendar year.

THE CHAIRMAN: The middle part of the calendar year.

11:20

MR. CLARK: So I would say that's from – what? – the last half of the year. That's the sense that I was given yesterday. I imposed upon a senior official in the department because I felt I needed some kind of an idea. Now, this obviously doesn't commit the government; I'm not in that business at all. But I wanted to have some sense myself so that we could plan accordingly.

THE CHAIRMAN: So is this budget here for increased staffing for half a year or for a full year?

MR. CLARK: Paul, it's my judgment that we'd have to start getting some people in place starting in April and getting office space if the thing takes place. Prior to the actual act being proclaimed, I anticipate there'll be a lot of work with the regulations. The minister has made a commitment that all stakeholders would be involved in that process, and certainly we'd want to be there. If we're going to bring in some new portfolio officers, we'll want to get them somewhat up to speed. We may move one of our existing portfolio officers over to be the senior person on the health side, but it's going to take that person some time to get up to speed. I just see this being a very short period of time. Six months or eight months or 10 months seems like a lot of time, but sometimes things move awfully slowly. So that's the target that I am working on.

MR. WORK: These numbers cover the full year then. They assume a certain start-up time. For example, obviously, we probably wouldn't have new people in place until March or April, so you're not paying salaries for the first quarter of the year, and then these numbers assume that we would be paying the new people's salaries for the remainder of the year.

THE CHAIRMAN: Thank you.

MR. DICKSON: I've got a couple of questions. Let me start off with a compliment. One of the concerns that I've had before, Mr. Commissioner, has been the annual report that you table in the Legislative Assembly. We've had some discussions around what's in that. I wanted to acknowledge and recognize that I think now the annual report that comes out from the Information and Privacy Commissioner's office is one of the more helpful ones. You have more statistical information and statistical information that I think people who are monitoring what your office is doing find very helpful. Excellent. I'm hopeful that the minister responsible for administration of the act uses your annual report as a model and puts some of that detail in his report.

MR. CLARK: I would suggest you talk to him.

MR. DICKSON: There are some specifics I can come back to. There's a major thing, and I guess it ties in with the prospect of 30 to 40 privacy impact assessments that Wellnet is lining up. You're spending a lot of money on communications. You know, there's a significant amount of money there. Can you just tell us how Albertans know, when you undertake a privacy impact assessment, what portions of that are accessible? What's on the web site? What's available for people if they call? How transparent is the work of your office around those important parts, the impact assessments?

MR. WORK: Mr. Dickson, everything. Well, I have to qualify that. As much as possible we put the entire privacy impact assessment on the web site. Certainly the commissioner's response to it goes on the web site. Some of the projects that are assessed are quite complicated, and you wind up getting binders and binders of background information on them, which of course is impossible to put on the web site. They're all fully available in the office. It's understood and it's made clear to the public bodies that anything they give us in a privacy impact assessment has to be available for public consumption unless they can make a case for a security risk or something like that, and then we'll consider severing the parts that might have a security risk.

Whenever we publicize that we've received a privacy impact assessment, I believe it's standard in all the press releases and I think it's clear on the web site that the entire document is available in the library in the office for anyone that wants to come and see it. As I say, we try to put them on the web site wherever possible, but sometimes, given the complexity of the thing, it's not possible to scan that amount of material in. The rule is that it's all accessible.

In terms of making the public aware of the fact that the things exist, that's a tougher question. I mean, we use the normal avenues and the web site. Of course, not everyone has a computer, and the media doesn't always pick up on a press release, as you know. We've actually talked about how we could address that with the communications person we hired this past year; research officer, we call it. Something that we're talking about is whether there is some way of putting out hard copy summaries of privacy impact assessments.

A lot of the projects that have been assessed to date have been very specific projects like the seniors' drug program, which is

limited to a couple of hospitals and to seniors being treated at those hospitals, you know, running a brochure for wide circulation on the question of how effective that would be. We have no idea what the Wellnet people have in mind for the coming year really. To the extent that they start doing programs that have very broad applications, obviously, there will be a need to find a way to either have them do a broader public information program, or I suppose, failing that, we would take that on. But we haven't had one of really broad application yet.

MR. DICKSON: If I can ask a follow-up question, Mr. Chairman, then I'll give my colleagues here a chance. One of the things that had been done by the office recently, the response to Bill 40 that the department published, the seven pages in that report that dealt with the needs of the health system, the management perspective I'm calling it – I'm afraid I don't have my copy here with me. It was seven pages that related specifically to the system needs. Can you help me relate that to what part of section 51 would be charging your office with the need to address not privacy issues but system management issues? That's something I've been wrestling with, and I'm wondering if you can direct me to what part of section 51 would authorize the commentary that was provided in the seven pages of the formal response to Bill 40 that dealt with health system management purposes.

MR. CLARK: I'll give you my initial reaction, and then Frank will follow up. Quite frankly, as commissioner I found myself in a situation where two or two and a half years ago I very much opposed the legislation. I said that the legislation shouldn't go ahead. I came to the view that I wasn't going to oppose the legislation. Part of the reason that I came to that view was because of my sense of what was happening in those seven pages, not only in Alberta but in the whole system management business. And rightly or wrongly, Gary, I thought it was important for people to understand how I came from where I was three years ago to where I am today or where I came out.

So it's a judgment thing, Gary. I know you and I have discussed it previously, and I appreciate your raising it, but that really was the basis of it. It seemed to me that there should be some indication of how I've come from here to there.

Frank, do you want to add anything?

11:30

MR. WORK: No.

MR. DICKSON: We've had that discussion, and I understand that you went through a change, but I'm trying to understand sort of what the limits are. Section 51 talks about you giving advice to government on things that have a privacy impact, the things that are going to relate to people's privacy from the perspective of protecting privacy. I guess I'm wondering two things: the perspective your office is going to take in privacy impact assessments, in other decisions you're going to be making dealing with all this body of health information, whether you see it as part of your statutory mandate to wrestle with system management issues independent of the part 2 privacy concerns of your office. A completely tortuous question, but if you understand where I'm going.

MR. CLARK: Yes, I do. I guess if I were sitting where you're sitting, I may feel that I had legitimized the government's case for the legislation, and that was not my intention. It would not be my intention to become involved in system issues to near that extent in the future, but I did find in this situation – I like to think that we'd been successful in getting a number of changes to the act, and I'd changed my position from saying, "No, it shouldn't" to "I take no

position; these are the good things; these are the things that I think still need to be looked at.”

I wouldn't see future documents that I would do including that kind of thing again, Gary, unless – who knows? Down the road, I may have to shift from one foot to the other foot again, but this shouldn't be seen as the standard format for privacy impact assessments, that we'll be spending a lot of time attempting to justify or rationalize what's happening around the world as far as technology and information is concerned.

MR. DICKSON: Mr. Chairman, I have just the one follow-up, and then others may have questions.

I take your point, and I guess my observation, just looking down the road in the future – I think you could have done exactly the same thing in terms of saying that there will be changes, that this is a much better bill than Bill 30 that we saw in the spring of 1997 without embarking on that seven-page analysis, which really doesn't speak to privacy but speaks to system management things. I think I'm suggesting that in the future – and I'm one member of the committee, and I'm not speaking for the committee or anything. I would feel a lot more comfortable if my expectation in the future was: your office is dealing with the privacy things and you can say whether you agree or you disagree or you take no position without embarking on that kind of what I regard as a fairly collateral kind of analysis. I wanted to make that observation in a general sense.

MR. CLARK: I'll certainly give it serious consideration, Gary. I appreciate your raising it.

THE CHAIRMAN: Mr. Friedel.

MR. FRIEDEL: Thanks, Paul. What I'm going to say isn't going to sound very scientific, but when you started your presentation here, Bob, you said that there were two philosophies on using a budget. You stated that yours was you use what you need and you're willing to turn back the amount that you didn't need. You didn't state the other side, but there is also the philosophy that you spend everything for fear that you won't get an equivalent budget the following year.

The work that I did on the review of the FOIP Act a year ago gave me a pretty tremendous insight into the act itself and a lot into how your office operates, the work that it's going to entail, particularly the changes with the incorporation of the MASH sector into the act and obviously now with the Health Information Act. I'm saying this intentionally for the record and how I'm looking at your budget, because I'm guessing that a lot of what you've got in here is a cross between a dart board and best guesstimates in some areas. We have to trust to a certain amount that these are as good as we can come up with. The fact that you're operating in a way that certainly doesn't look like empire building gives me a level of comfort that I can look at some of these numbers, and with the track record you've got, we can go along with this sort of thing.

I think I have a habit of being very skeptical normally. In this case I'm probably going to make a complete turnaround, but I wanted to say that purposely so you and your staff heard it. I appreciate that you did in fact turn back what will likely be a couple of hundred thousand dollars from last year's budget, because there was a certain element of uncertainty there too. When we did last year's budget, we didn't know where the Health Information Act was going, so we budgeted for it.

I guess that's sort of a way of saying thanks, and I'm kind of on your side on this one.

MR. CLARK: Thank you very much.

MR. WORK: Mr. Chairman, I appreciate that. Being general

counsel for the office, I wanted to point out that following from Mr. Friedel's remarks, I feel funny coming in here with the commissioner every year when we've got a fairly sizable amount of money allocated for legal fees. Being a lawyer, I guess I keep anticipating that sooner or later someone's going to have the commissioner's orders judicially reviewed more. Every year I've been disappointed in the sense that it hasn't happened and we haven't used the money but kind of elated that obviously, for whatever reason, the orders the commissioner puts out are either what lawyers call bulletproof or somehow otherwise sit well with the parties to the issue.

We just don't get the judicial reviews of a lot of other jurisdictions. B.C. and Ontario, for example, tend to be very busy in the courts, and we never have been. As Mr. Friedel pointed out, we do budget for it every year anyway just in case some year something happens, and then we've been lucky enough to be able to turn most of that back every year. So I appreciate the comment.

THE CHAIRMAN: Mr. Jacques.

MR. JACQUES: Thank you. Bob, the other reports that we've been dealing with and the budgets that we've been reviewing today have had a business plan component where it has outlined goals, speaks to performance measures, has three outlook years versus the one. Yours isn't here, and I was wondering: were you requested to do one, I guess, is probably the first question. It kind of sticks out, being different. That's my first question.

MR. CLARK: That's a very valid point. We engaged a firm in the early part of this year, some consultants to work along with us on that, and they simply did a lousy job. We're working on that now. We did have one two years ago if you look back, Wayne. We didn't update it this year. We frankly were waiting for this process, but Frank and I were involved along with the consultants. I can assure you that we will have something in place within five or six months, Wayne, but your observation is very valid. That's an area where we haven't met our own expectations, to be quite frank, and next year we will certainly have a three-year business plan with targets in it.

One of the things we worked on very hard this year, one of the things I told you a year ago, was that we'd get out across Alberta a great deal more, and we've certainly done that. Another thing we said was that we'd try and cut down the period of time from when inquiries were held until we got orders out, and we've certainly done that. Those are two things we really targeted this year, and I think we've been successful. But it isn't in a formal statement, and I apologize to the committee, Mr. Chairman, for that. We'll have that rectified next year, I can assure you.

11:40

MR. JACQUES: My second question involves the data that was submitted here under the two scenarios. In the one with regard to the health information component being included, you're showing just about a 53 percent increase in costs. The one that's projected without the health information component is also fairly significant. It was a little over 20 percent in one year. My questions there are twofold. Number one, you had two employees in the lower scenario in terms of staff additions, so obviously that makes up part of that 20 percent overall. Then in scenario 2, where you've got the Health Information Act being acted upon, you've got an increase of about eight employees, as I read it. Your base now appears to be about 12 employees, as I read the information in here.

MR. CLARK: Wayne, the base doesn't include some people we have on contract.

MR. JACQUES: I know. I was excluding the contracts. I was just working with what I assumed was the salaried numbers in there.

So the health information component is fairly significant, as I understand it. If I kind of extrapolate those numbers, it looks like six employees under your permanent staff would be added to meet the requirements of the Health Information Act.

MR. CLARK: That's right.

MR. JACQUES: You've got 12 right now, so it's a 50 percent increase in staff. I just want to make sure I understand that that's kind of the relationship that we're talking about here.

MR. CLARK: That's ballpark. I think that's fair.

MR. JACQUES: So that's fairly accurate then.

MR. WORK: Yeah. It's actually 14 permanent employees right now. Then as Bob said, we have some people who are on contract.

MR. JACQUES: Now, I just also want clarification in response to I think it was Gary's question and your comments and Frank's comments regarding the implementation of the health information component. My understanding is that you've got in that projected amount sufficient funding, albeit you're going to be ramping up pretty quickly in terms of your manpower, to be able to meet what you see as an acceleration time. I want to make sure I understand that.

MR. CLARK: Wayne, it's about \$700,000. That's my best guess at the end of that day that that's what it'll take us to get up and running and to be able to meet a target of the middle to the latter part of next year for implementation of the act. That would take us until the end of the fiscal year in 2001. That's my best guess.

MR. JACQUES: Okay. Now, carrying that through and talking about that ramping up and the significant increase in the number of employees, at this point in time it's a little hard to say exactly what the fallout is going to be once the regulations are known and once you get some experience. You've made a conscious decision to go with a significant increase in permanent staff or what you call permanent staff as opposed to, say, contract. Was there a particular reason for going that route, not knowing what the entire impact is going to be?

MR. CLARK: All our portfolio officers, Wayne – those are the people that do the negotiations, do the privacy investigations, and so on – are full-time staff. I think we're adding three people in that area. Another person is a systems person. Our systems guy, Boris, is now up to the point where he's spending close to 60 percent of his time, at least, just doing the things he has to do in the office. We've been trying to contract out to get people to come in and do that, and we just haven't been very successful, so we've chosen to bring another systems person on so Boris can really get on doing what we need him to be doing in this whole health information area and the privacy area.

The lawyer: we have some lawyers – haven't we, Frank? – on staff and some on contract, although most of our lawyers would be on contract.

The intake officer: that's a person who would really back up the present intake officer we have. I guess we could have looked at that on a contract basis; I'm easy there. It's something, frankly, I hadn't seriously considered, Wayne: the idea of more contracts there to see whether in the course of this first year or two we guessed reasonably well or whether we guessed too high and wouldn't be able to ratchet

down – I take it that's where you're going – to give you that flexibility.

MR. JACQUES: Yeah.

MR. WORK: Just to add to that, Mr. Chairman, we have two of our lawyers on employment contracts as opposed to being truly independent contractors, a four-day-a-week kind of arrangement. So there are savings there. Our personnel person is the person that helps us with our human resource matters. She's purely an independent contractor, and we have her a day and a half to two days a week as opposed to staffing that up completely. So we've realized the commensurate savings there.

As the commissioner mentioned, with systems it's really tough because of the way information technology is developing. This year we've been using outside people to troubleshoot and to back up our systems person as needed, but it hasn't been working particularly well just because the systems consultants are hard to get on short notice. You know, if something crashes or something goes wrong, it's hard to sort of phone up and get them over there right away. The other thing is that we've noticed some lags. These systems sort of build incrementally, and bringing in someone new every time you've got another systems issue, they have to play catch-up. It's not like buying a car, where the whole car is there and you can get any mechanic to look at the car. It's kind of a patchwork of additional things, and it's hard for outside systems people to come in and at a glance see what you've done and where you're at. So we've been having some difficulty there.

We have been using outside counsel when we have inquiries and employees are away. We had an employee away on maternity leave last year, and we did use outside counsel for that. It worked fairly well. I think we would do that again if the need arose.

MR. JACQUES: Thank you, Mr. Chairman.

THE CHAIRMAN: Very good.

MS OLSEN: I have a few questions. First of all, before I get going, I'm going to assume that anything on the blue side is inclusive of everything you want in your office; right? So then I look at the communications plan of \$75,000 on page 12. I want to ask the question: is the web site included in that? I see the fees of \$2,600 for maintenance are outside of that, but is that your web site part of a broader communications strategy?

MR. CLARK: Yes.

MS OLSEN: Okay. My question to you. As an office within the Legislative Assembly, you've used an outside organization, Strathcom Media, to produce your web site.

MR. CLARK: We asked for several proposals, and theirs we thought was the best, Sue.

MS OLSEN: Okay. I guess my question to you in that regard is: why not use the in-house services that are available through Bill Gano or that group, or are they available for this type of communication planning that you're doing in information and privacy? That would be one question.

Also, just noting that, I'm wondering if you're aware they have some back taxes. How did you come to tender these guys? You know, they haven't paid their taxes for '98-99, and we're doing business with them.

So just a couple of questions.

MR. CLARK: One, we called for proposals. These people came in, gave us what we thought was our best proposal. I did a very cursory check to see if I thought they had any deep political connections. I understood they didn't have, and I didn't go any further. I didn't want to be in a situation where there were, quite frankly, people on either side of the aisle who would be raising questions about it. I didn't go that far, Sue, and I don't generally.

11:50

MS OLSEN: I just put it on the table for your information.

MR. WORK: That's interesting. We don't necessarily do corporate searches or tax searches on any of the consultants we deal with.

With respect to the Legislative Assembly Office, our systems analyst used to work for the Legislative Assembly Office. My recollection is – I hope I'm right about this; I'm pretty sure I am – we did talk to the Leg. Assembly Office about housing our web site on their server and about having them even set up the web site. My recollection is that they were reluctant to do it because of the huge volume of space that we needed. We put all our orders and investigation reports and so on on there, our act is on there, plus we have a search engine on there so that people can sift through this huge amount of stuff. It just wasn't really feasible for them to take care of us. A good question, though. We did explore that with them.

MS OLSEN: Okay. Just another question I have in relation to how you're represented, given that this is an independent office. On the government's web site, Alberta Communications Network, you are the only office of the Legislative Assembly that is listed under the government's news releases, and I am a little concerned about that, because I'm concerned about, again, perception. All of the government's news releases are highlighted, and so are yours. I'm wondering if this is prudent, given the independence of your office. We have Learning, Municipal Affairs, your office, the office of the Information and Privacy Commissioner, then the office of the Premier, and then orders in council: those kinds of things. Your news releases are not government releases, as I understand it, given your independence. Why, then, would you have them highlighted on the web site of the government of Alberta home page?

MR. CLARK: That's a very good question. I'll ask the government why they're doing that.

MS OLSEN: I would like to see some conclusion to that, if I could put that forward to you.

MR. CLARK: Mr. Dickson raised a similar issue a couple of years ago, and I think members will recall that we went around on that. Sue, that's news to me, but I'll ask and see why that is.

MR. WORK: I suspect that they just listed them alphabetically. At the request of the press and the media, I might add, we've used the Alberta Communications Network to disseminate our stuff because there is a lot of it. Every time we issue an order, there is an order and a press release, and the media objected to our sending this stuff directly to the media outlets themselves. In fact, one reporter said to me: don't send it to the newspaper, because if my editor gets it, I'll never see it; give it to me over at the Leg. So by popular request we've continued to use that vehicle. I wasn't aware that they had listed us in that particular way either. To tell you the truth, I'd never even visited that part of the Communications Network web site.

MS OLSEN: I guess by definition, then, the NDs and the Liberals should be able to use the same resource. So I don't think the

government wants that. You know, we're all separate entities here.

MR. CLARK: If you give me a copy of that, I'll follow it up.

MS OLSEN: I can't give you this because I've written on it, but I will give you the web site, and you should be able to pull it off that.

I want to move then, just for clarification, to the issue of travel. You've highlighted some needs for travel. When we look at page 5 for the Information and Privacy Commissioner, that is identical to your travel under health information for the Information and Privacy Commissioner, so there's no duplication there. Is that correct?

MR. CLARK: Well, we did increase that as a result of the health thing, because a lot of the things we've already been doing, Sue, have been in the health area. The thing in Hong Kong: one of the important parts of that conference dealt with how Hawaii, Australia, New Zealand, the U.K. were handling health information. I recall that one of the charges your colleague Mr. Dickson gave to me early in the game of this job was that he wanted to see the office be outward looking. Now, maybe the case might be made that I have become too outward looking.

MS OLSEN: No. I have no problem with that. I actually believe as well that information and privacy don't just impact us here in Alberta, that the ramifications are huge. The European Union is a huge player in this whole issue, and I would not want to see your office not in tune with what's going on around the globe. I'm just asking if what's on page 5 in the blue section is on page 5 in the green section. These aren't duplications; are they?

MR. CLARK: No.

MS OLSEN: Okay. So these numbers are, then, cumulative.

My final question is on the Imagis system. I'm getting the same reaction from everybody that I ask about this. This seems to be the chain around the neck of the government. They're into the system now. Probably the more users, the better it is to offset the high costs of this particular system. I'm wondering what the charge-back cost to you is, if you've seen at least a leveling out or if there's still an increase in the cost to your office over the years. Have you looked at how that great, powerful system is impacting your office?

MR. CLARK: I don't know what it's costing us to be a part of the system. Frank, do you happen to have that?

MR. WORK: No, I don't have that number. I think that whether or not to use Imagis has been a dilemma for many. Well, it was for us when we made the initial decision. There are, obviously, other packages available, and on a cost-efficiency or a cost-benefit basis it was hard to know at the time whether it would have been more efficient to buy a separate package and run it or to connect up with Imagis. I suppose the decision to connect up with Imagis was made on the basis that it would be tailored to the needs of government-type offices and would be on-line and the support would be there, which would help us avoid the situation where we had to bring in our own support to learn and to troubleshoot our own internal system.

The uptake wasn't as smooth as one might have hoped. Imagis is, as you say, a complicated system. I think the support has been fairly good, but the learning curve in terms of our own people picking up Imagis has been a lot steeper than we anticipated.

MR. CLARK: I might make just two comments. We made that decision after one of our portfolio officers, Tom Thackeray, had been very much involved in assessing the privacy protection that was

included in Imagis, Sue. Tom spent a lot of time with the people in public works because of some concerns that members of the public service had expressed to us about what kind of protection was built into this Imagis system so that they could be sure their own personal information was being handled properly. So we had, I guess, that kind of sense.

The other thing I'd say – and I don't mean to step on anyone's toes here – is that I think the Imagis system works much better for a larger jurisdiction, if I could put it that way, than it does for a group that is a pretty small potato in the whole scheme of things. My sense, from talking to some other people, has been that the uptake has been quite a bit smoother if you're a larger organization. That may very well be just from the standpoint that people have a lot more experience dealing with things on a day-to-day basis as opposed to our situation, where you've got 20 people. Our financial people, our personnel people just don't develop the same kind of day-to-day skills. That's with no disrespect to our people.

12:00

MR. WORK: I don't believe we're paying more than a couple of hundred a month right now on Imagis, about \$200 a month.

MS OLSEN: That would be interesting, because we're seeing from other leg. offices \$26,000 and \$13,000, those kinds of things. It would be interesting to see what the difference is and why such a huge difference then.

MR. CLARK: We're pretty small compared to the Auditor General's office.

MS OLSEN: Yes, you are, but not in comparison to the Chief Electoral Officer's. I'm just interested in the historical data that would check the flow of the increases, because there have been huge cost overruns on this project.

MR. CLARK: I'll get what information I can to the chairman.

THE CHAIRMAN: Yeah. I'll distribute that to the members.

MS OLSEN: Sure.

MR. DICKSON: A couple of other questions. Firstly, it used to be just a couple of years ago that a good year was 20 orders that your office would issue. Now you're projecting 40, I think, for the current year.

MR. CLARK: It might be 55, 60 next year.

MR. DICKSON: I guess I'm trying to get a sense of what your anticipation is when you're running a full year with the Health Information Act, not just half a year. What volume of orders do you expect? I'm thinking it's easily going to double, but you tell me what your planning assumption is.

MR. CLARK: Gary, we've budgeted for a one-third increase this year in orders. Remember that if the health information legislation is proclaimed in, let's say, the latter part of this year, our experience has been that there's kind of a six-month, to use Wayne's term, ramp-up until those things start to hit our office. I guess I'm kind of a hopeful person. I was rather hoping, Gary, that as that ramp-up is coming up, there may be some leveling off or a leveling down of the stuff from the municipal side and the postsecondary education side. Let's say the legislation gets proclaimed in September. You're looking at October, November, December, and January likely before you'd have your first inquiry set. In all likelihood it would have a

small significance next year, Gary.

MR. DICKSON: Actually, in fact I'm looking beyond. I know we're here dealing with the budget for the next year, but we've always encouraged and we've also tried to have the legislative officers plan and give us the information so we can look down the road. I understand there are all kinds of things in terms of when it kicks in, when you're going to feel the effect, but I'm saying that once this thing is up and running – and that's certainly going to be within the next three years – do you seriously expect that this is not going to at least double the current workload you have in terms of numbers of orders and numbers of inquiries?

MR. CLARK: It is possible, Gary. One thing we found is that some of the inquiries we've held publicly and some of the written orders, too, have had a significant impact on the way in which public bodies have dealt with issues, so a significant number of potential inquiries have kind of evaporated once an order comes out. They say: okay; this is the way the commissioner's office is looking at it, so there's no sense in going to the well to really discuss very much the same issue all over again.

The second thing. If I could just go back for a minute, Mr. Chairman, to four years ago, when this all started. The people that used FOIP the most were the people who were on family and social services. Now it's human resources; isn't it? The first year half of all the requests that came in to that department were for people to see their own personal information. That's really leveled off a great deal now. My sense is – and it's just a best guess at this time – that in the first year of health information being in place, there's going to be a tremendous number of people who will want to go in to see their own personal health information.

There will be, like there was in human resources, a tremendous uptake in that first year. That's leveled off considerably. I don't think that in the last year and a half I have had an inquiry dealing with people wanting to check their own personal information with human resources and not being able to see it. My hope, Gary – and it may be an idle hope – is that the same history will take place as far as people seeing their own personal health information. That's where I think the first big uptake will be.

MR. DICKSON: But with respect, as I recall, I think you also underestimated initially. I remember that when we first talked to you, you told us that you hoped you wouldn't have to do more than, I think it was, 10 or 12 inquiries a year. Even though there's been a leveling off in the area of what used to be family and social services, you're now up to 40. You've doubled the number of inquiries.

MR. CLARK: But we have added the health authorities and we have added the 1 to 12 system, too, during that time.

MR. DICKSON: Right. For your planning purposes, like a year down the road, is there a number of inquiries you expect that you're going to be doing?

MR. CLARK: The figure I'm giving you today is in the vicinity of 50 to 60. That's my best guess. I can certainly be wrong. Yet to be painfully honest with the committee, I didn't expect the health information legislation to get through, so we're really flying by the seat of our pants somewhat here in the budget that we've put before you. Next year I may be back saying that I was totally wrong, but that's my best guess, Gary.

MR. DICKSON: I guess that then runs into page 12 and the idea of contract services. You're contracting out a lot of things, and there was maybe some talk before that you should be doing more

contracting out. I guess I'm coming at it from a very different perspective. Given the volume of inquiries you're doing and then the prospect of adding – I mean, if we're ramping up, as you describe it, 50 or 60 inquiries a year, doesn't that change the economics then? Doesn't it make more economical sense to have some of those people on staff and require less contracting out of legal services?

There's a parallel that Frank Work can tell you about, the idea of how legal aid is done. There's an argument. The Justice department will tell you that it's cheaper to have some staff lawyers doing it, develop a huge expertise in the area. They're there. They're working as employees in the office as opposed to contracting out. I'm trying to understand the planning decisions you're making around how much is going to be contracted out and at what point some of these things – legal assistance. How many lawyers do you have on staff now? Four?

MR. WORK: Four.

MR. CLARK: And Frank arranged to have a couple of people do part of their articling with the office. They're out in the sector now, and we've used those people. So they have some knowledge of the system.

MR. DICKSON: I guess what I'm getting at is, absent judicial review – and we thought there'd be a number. There's only still, I think, been the one judicial review and application, and maybe that's appropriate to contract out. It just seems that it would make more sense from a taxpayer's standpoint to ensure that there's the capability within your office to be able to do it. If you've got four lawyers, I'm starting to wonder why we're contracting out, because those lawyers should be able to develop the expertise and have the knowledge, frankly, to a stronger degree than people in the private sector.

MR. CLARK: Part of the reason for contracting with the lawyers initially is to see if it's a good fit. That's the way we've done that. One of the people now wants to come on full-time, and we want that person to come on full-time. We engaged a lawyer this year who was with the office a couple of months. Frank, is that right? He had a very strong health background, found out that it wasn't a good fit. We had that person on contract, and it worked out well.

12:10

MR. WORK: I think there's a lot of truth in what Mr. Dickson is saying. If you look at the salaries on the employee page, which is the page after the summary, page 2 – what we want to do with health is develop a core in-house capability which would consist of a senior portfolio officer for health, a lawyer. We've called it a health compliance specialist. That would be like health records or what they now call health infomatics. It's a new science. I gather there are some places even thinking of offering degrees in this. So we would have a health infomatics person, as the commissioner mentioned, an intake officer.

The way we're looking at it now, we would probably run health information on a separate basis from FOIP. We would still work out of the same office, but it would run on a different database. So if you made a request for review to the commissioner on FOIP, that would be over in this system, and if you made a request under health information, that would be in a parallel system. There are a lot of practical reasons for that.

So our permanent in-house core would be a senior portfolio officer, a regular portfolio officer of health information, if you will, a lawyer, a health infomatics person, an intake officer. For the reasons you've expressed, we wouldn't contract those out. I think

we need that in-house capability.

Where the contracting out would come in would be if we got a privacy impact assessment on a very complex system. I remember when we did the Alberta Registries' audit. One of the consultants we used was Systems House, and when we paid Systems House for the very good job they did, it suddenly made me regret having gone to law school and thinking maybe I should have gone into systems analysis instead.

You know, carrying that kind of really specialized expertise in-house at this point doesn't make sense for us, so we would build the health information around that core and contract out for the real experts, the more detailed experts.

I was going to add, in response to Ms Olsen's question earlier, that I misinformed her. We pay \$1,000 a month to Imagis, not \$200. I found it in here.

MR. DICKSON: Mr. Chairman, in terms of the \$100,000 for privacy impact assessments or Wellnet, I'm going to make an observation and then the question. I've been surprised. If you monitor the Wellnet web site, they have moved a whole bunch of things, from pilot projects to rolling out to cover all 17 regional health authorities and so on. As I see that happening and I see you talking about 30 or 40 – I think that was the number we used – potential privacy impact assessments, what does Alberta Health pay you for that?

MR. CLARK: Nothing.

MR. DICKSON: If not, why not? I mean, your office is there determining compliance.

MR. CLARK: I'd have some real trouble if Alberta Health were paying the office for doing privacy impact assessments. Then I think people in the privacy community could rightfully come along and say, "You know, you did the assessment, Mr. Clark, because your office was getting \$100,000" or \$50,000 or \$20,000. My view is that should come from the public purse and from the Legislature so that the office continues to be seen as being independent.

MR. DICKSON: The other question. I know one of the sources you hire from is public bodies, the very public bodies you're dealing with. I'm wondering if you've considered a cooling-off period. When somebody leaves a public body, particularly if they're in a senior position – they come right across and join your office – have you considered some cooling-off period, once again to protect the sense of independence of the office?

MR. CLARK: They take an oath when they join the office. It's made very clear to them that this is a privacy office and that if people working in our office can't handle that responsibility, they're likely in the wrong place. To date I don't think we've taken people from senior policy positions in government, Gary, and I haven't seen a need to say anything other than: "Understand that this is a privacy office. People are going to tell you all sorts of things, and there's an obligation under the act. If you breach that, there are very serious consequences."

MR. DICKSON: Finally, I note the 330 percent increase in advertising. I'm always astonished by the cost of a daily newspaper ad, but it seems to me that you know how many positions you need. It looks like you've got seven positions listed here. Presumably you can advertise for that at one time. Are we talking about a whole series of ads in the major daily newspapers?

MR. WORK: Yeah, we're talking about a series of ads, and it is more expensive than running eight at once. On the other hand, for

either or both Bob and myself to be involved in eight recruitments at one time – I think the office would stop functioning. It takes about three to four months to run a recruitment if it's publicly advertised, given the volume of applications you usually get. The office would virtually shut down for a period of time.

This was deliberate advice I gave the commissioner when I was asked about increasing the size of the office. Taking a small office and throwing six to eight new bodies in there can have a very divisive and chaotic effect. You lose your culture, you lose your sense of purpose, and suddenly all your staff are spending all of their time training the new people, and again the work of the office grinds to a halt.

THE CHAIRMAN: Mr. Friedel.

MR. FRIEDEL: Thanks, Paul. I want to take up on Sue's observation about leg. offices having links to the government web site. We had a similar discussion when we were dealing with, I believe, ACN, using Communications Network. I still believe strongly that the general public doesn't differentiate between the government of Alberta, the province of Alberta, and the Legislative Assembly, and if the general public is looking for information, I don't think there's anything wrong with having the best connections so they can tie into where they're heading. This is, after all, an index of some sort.

I think we have to be careful that we don't look at making it too complicated or too confusing. I think we have to be careful that we don't confuse using the vehicle with compromising integrity. I certainly respect Sue's opinion on it, but I think the committee has to be careful. If you are going to review these kinds of connections and if you find that there is a legitimate purpose in severing that connection, that's fair enough, but I don't think we should do it simply because somebody might look at that link and say that it's the wrong thing that we did. I mean, your cheque and the cheques of all the staff in your office come from the government of Alberta or the province of Alberta through the Legislative Assembly, but I don't think that compromises your ability to make decisions based on an impartial a status as you can take on.

I just wanted to put my point of view on that. If there is a possibility of having people get easier access or connecting better to the system through your office or any of the other four legislative offices, a link somewhere or other might even be something we should look at.

12:20

THE CHAIRMAN: Thanks for those comments.

Mr. Jacques.

MR. JACQUES: Thank you. I just wanted to follow up on Ms Olsen's questions earlier regarding the Imagis system. You're the fourth office at the Legislature this afternoon that this question has been posed to by Ms Olsen. I just want to make sure that I understand the background and what your commitment is in terms of the future. First of all, I'm making the assumption that when you made the decision to go with Imagis, it was based on a cost-benefit analysis and on the best information they provided at the time in terms of what the system objectives would be, time frames, turnarounds, costs, et cetera. My question is: have you any long-term contractual commitment to carrying on with Imagis, or are you effectively in a position that if it does not meet your requirements, you can give reasonable notice, back away, and do your own thing if you're so inclined? I'm not suggesting one way or the other. I just want to make sure that I understand that you have full, complete freedom in that area. Is that true?

MR. WORK: That's correct.

MR. CLARK: Yes, we do have, and at this time we've had no discussions on exiting from the Imagis project.

MR. WORK: I don't know if there's a notice period or not to terminate Imagis, but short of any contractual notice period we're free to go without penalty, I think.

MS OLSEN: I just want to follow up on that. We make the assumption or from a cost-benefit analysis we know that it's better to offset the cost of the overall program, and what I haven't seen or heard from any of the officers is whether or not there are any benchmarks to determine whether this is the best particular tool. I have some real concerns about this. This seems like an albatross, and this often happens when large computer systems are designed for specific purposes for specific groups and the cost just is ongoing. I'm wondering if you know what those ongoing costs may be or if there are going to be changes to the software package, how that impacts you as a user of it. If one change is made for one area, do you have to then absorb part of that cost? Really, what are the benchmarks that you use for determining whether or not this meets your needs?

MR. CLARK: Well, as I indicated, we went back right at the outset, and Mr. Thackeray had been involved in helping develop the privacy side of the thing. We signed on. I'll get for you the best we've got as far as projections at that time. Frankly, it's an area that I haven't spent much time on, but when Leanne returns, we will have a look at those kinds of assumptions at that particular time. Then, as I recall, it seemed like a rather reasonable thing to do. We were satisfied that the privacy safeguards were in place, and it would be one thing that wouldn't be done in our office, that could be contracted out.

MS OLSEN: Sure. I think it's just important, because information systems play such a huge role now in office management, that we just keep our eyes on those sorts of proprietary systems that exist.

I also just wanted to follow up on Mr. Friedel's comment in relation to the links in relation to the use of the Communications Network. The Legislative Assembly home page does have other legislative offices outlined on it, and the office of the Information and Privacy Commissioner is on there. Given that that link is there already on a different page, it might be the appropriate place to put the news releases, because it's already under the Legislative Assembly home page. So there is a link there. In fact I'm quite adamant about not wanting to see any of the legislative offices' information appear on a government web site. It is not part of the government.

Yes, I agree we have to find ways to make it easier. Here is a system that's already built and configured to the office of the Information and Privacy Commissioner, so that might be another way and another place to put those news releases on.

THE CHAIRMAN: Bob and Frank and Fiona, I'd like to thank you for coming today and presenting your budget and answering all those questions.

MR. CLARK: We have the ethics budget too.

THE CHAIRMAN: Oh, sorry. Well, that's a small one; it won't take long. Sorry about that.

MR. CLARK: Thank you, Mr. Chairman. Only one set of documents this time. You'll notice we're budgeting for a 9.4 percent

increase. We are expecting the proclamation of the conflict of interest amendments. I understand those could be coming down in the early part of next year.

Karen South, whom you all know, is participating in a group that's called ethics practitioners' roundtable. It's a number of people in the private sector who get together to compare the way they and our office and others handle ethics issues. As some of you may know, I'm rather actively involved on the steering committee of the COGEL organization. We've done one investigation to date this year on the ethics side. There may be more to come, but that's where we sit right now. I did consult with the chairman and in a weak moment agreed to chair a review panel for the Northwest Territories on their conflict of interest legislation.

You'll recall a year or a year and a half ago now the Premier resigned up there, and the conflict of interest commissioner went to Nunavut to become the executive assistant to the Premier. Ted Hughes from British Columbia had originally agreed to chair the review panel, and I'd agreed to sit on it with a lady from Yellowknife. Then Mr. Hughes took on the APEC thing, so I found myself becoming the chairman. The bottom line is that we got the work done. We made a report to the Assembly, and the Assembly accepted almost all of the recommendations. I found myself being the acting commissioner in Nunavut and the N.W.T. That's going to come to an end. Nunavut is going to have someone in place by the first of the year, and in N.W.T. they'll have someone in place – they've just had elections. They've now got an Assembly of 19 people, and they'll get their own commissioner in place very, very shortly.

As far as the upcoming year is concerned, we are going to do a new brochure as far as the ethics office is concerned. We've not done that since the office was founded. We're going to continue our participation in the ethics practitioners' meetings. I'll continue to be involved in the steering committee for COGEL. The ethics conference this year is in St. John's, Newfoundland.

So if I could just move through very, very quickly. The item, Mr. Chairman, that is new for this year is an item on page 14, a redoing of the publication from the office. Also, if we go back to contracts and services, I have put \$10,000 in there this year for – there's an ethics centre being developed here in Edmonton, and they have come to us and asked if we would be prepared to be one of the partners in this and have asked us for something like \$5,000. I've included that \$5,000 in there. This is a multidiscipline group; there are people from the university, people from the United Church. There are a number of businesspeople and people from the chamber of commerce involved in it. They've been to see me two or three times. I indicated to them that I thought what they were trying to do to get this up and started was a reasonable thing to be doing and that I'd recommend to the committee \$5,000 in my budget to do that but with a clear understanding that it wouldn't be on an ongoing basis, that we'd see what happened after the first year and go from there.

12:30

MR. DICKSON: Interesting. I didn't know about the ethics agencies. I've been watching carefully the Sheldon Chumir foundation. They hired an executive director, and that focus certainly is very much one of ethics in public life. I'd love to see the proliferation in support of ethics in business as well as in public office.

On principle I have a bit of a difficulty with a publicly funded office such as yours making a contribution to this sort of thing. I'm just sort of thinking of the precedent it sets. Maybe if I knew more about it, it would be perfectly appropriate. Even though the dollars are fairly modest, I don't know whether those dollars are critical to the success of an operation. Your focus is ethics but specifically among elected people, and that's the people in the Legislative

Assembly. The municipalities do things in terms of trying to address ethical standards of municipally elected people, and the chambers of commerce and different private sectors have formed different organizations, developed different codes. I guess I'm just sort of thinking aloud, Mr. Chairman and Mr. Clark, how appropriate it is for your office to be making that kind of a contribution with public funds.

MR. CLARK: I appreciate the point, Gary. It's one of the reasons I raised it.

Can I ask you to look at it this way? One of the real challenges we have is to get the nonlegislative part of the Alberta community to understand a bit of what our ethics legislation is about, the fact that we do have legislation, that senior officials and members of the Legislature do go through disclosure. People can go and see what members own. Quite frankly, I look at this as, yes, being helpful to those organizations getting started but also as a way in which we can be a part of them and they understand better what the Members of the Legislative Assembly have done and, frankly, encourage others to follow in that direction.

So I see it as a part of the educational mandate of the office, Gary. That's my reaction to it.

MR. DICKSON: Just to follow up then. Would you be looking at other organizations that are interested? For example, the Chumir foundation, now that they have an executive director, is going to be doing a lot of work in the province, specifically targeting public officials. I mean, would you see that you would be giving money to a foundation like that?

MR. CLARK: If this were to be done at all, it would be included in our budget each year, just like I've included it here this year. This is a new venture for us; I'm open to the advice of the committee on it.

I think what they're doing is valid. It's a good way for us to be out there to help and to spread the word about what elected officials in Alberta are doing. From that standpoint that's important to us, I think.

MR. DICKSON: With respect, do you not have an advertising component here . . .

MR. CLARK: I have a brochure, yes.

MR. DICKSON: . . . which is separate in terms of materials and supplies?

MR. CLARK: Yes. Gary, we did one brochure when the act came into effect. That's now almost eight years ago. There have been some changes to the act, and that's why it's time to do an update.

MS OLSEN: I support my colleague's concerns, and I'm wondering if a better route for this group to go is through other grant processes that exist within the government itself. I don't know that. I'm always concerned about perception and what happens if one group out of your office becomes worthy of funding.

As you know, I'm very much in favour of ethics legislation and how it impacts us as elected members. I'm also interested in educating the public, but I'm not sure that this is the best route to go. I would like to see a little more information on exactly what this new organization will be doing and how it's going to benefit officers of the Legislature and elected officials and Albertans as a whole.

I have a couple of other questions.

MR. CLARK: Could I just say, Sue, that I'll send the chairman the basic information that they've sent to me.

MS OLSEN: Sure. That would be very helpful.

Now, to my questions. I'm going to go back to the Legislative Assembly web site, and I'm going to look at other legislative offices and the Ethics Commissioner. That office is not identified on this web site, and I'm just wondering if there's any specific reason for that, why it's been excluded.

MR. CLARK: Frank says there is.

MS OLSEN: Okay. So if I could get some information on that.

MR. WORK: Two reasons. First, under the Conflicts of Interest Act the main conduit between the commissioner and the public is through the Legislative Assembly, and that's a little more legally and more strictly defined relationship than under the freedom of information act. What Karen South, the administrator for the office, has done – there's a nationwide conflicts of interest commissioners' web site that's basically run out of Ottawa with federal money, and they participate in that.

The delay in getting the stuff up there – I think it can sometimes take two or three months before a report is posted to that web site, but when you only do maybe three or four reports a year, it gets pretty hard to justify paying big bucks to set up a web site of your own. So that's basically the decision that was made, to centralize the stuff on the Canada-wide web site and not set up a freestanding one.

MS OLSEN: So can you clarify this for me then? What you're saying is that there's a statutory prohibition of putting the Ethics Commissioner's office on the Legislative Assembly site?

MR. WORK: No.

MS OLSEN: If they are maintaining this, why wouldn't they do that as well? You know, if we go back to Mr. Friedel's issue about ease of access and those kinds of things, if we're to inform Albertans and use those vehicles available, it makes one wonder why there's that gap. If there's no statutory prohibition and if there are only three or four particular items, the use of the Leg. Assembly site seems to me to be probably the most efficient and likely most cost-effective as well for us, notwithstanding the fact that I think we should also be involved in the broader web site. I think that if we're going to look at developing these sites – to me it seems like, well, we'll hide away in the other one; let's not create a conflict within conflicts of interest. That's a concern for me.

The other issue I wanted to bring up is that in the past the Ethics Commissioner's office has used the Public Affairs Bureau. If not, I stand corrected.

12:40

MR. CLARK: For what?

MS OLSEN: Any news releases, communications. I'm wondering if that is still occurring or if you're doing your own.

MR. CLARK: We do our own. We never have had the Public Affairs Bureau write our press releases or do anything like that. It's always been done within our own office. It's very important that you understand that.

MR. WORK: The commissioner doesn't do press releases on anything he tables in the Assembly. It's tabled in the Assembly, and then the media pick it up in the same way they pick up on anything else that's tabled in the Assembly. Karen South might be in a better position to answer that, but as far as I know, we don't do press

releases on the commissioner's orders on ethics.

MR. CLARK: The only time that we possibly would, I think, Sue, unless I'm missing something, is when an investigation is launched. We send a news release out from our office simply saying that the commissioner has decided to investigate such and such a matter. Have you an example?

MS OLSEN: No. I don't specifically. I guess that's why I'm asking. It was just brought to my attention, so I'm asking the question: is this happening, or has it happened in the past? That would lead me to ask a question about the publications, the annual report and the brochures, if those are contracted out or done in your own shop.

MR. CLARK: Basically, Karen does the annual report very much herself. In fact, I think she does all of it in her own office, most of it anyway.

MR. WORK: All of it.

MS OLSEN: Okay. That's satisfactory.

THE CHAIRMAN: Gary.

MR. DICKSON: Yes. Just two quick points. One, it seems to me the issue that was raised before had to do with ACN news, which I'd understood was funded through the Public Affairs Bureau, that that was the vehicle. That's the one that lists news releases that come out, and that's the thing we had discussed as a committee and so on.

But the other point. I'm concerned. Frank, you made the observation that you didn't advertise the Ethics Commissioner's office on the web page that Sue just referenced because the statute is stricter. I just want to make the observation in, I guess, the strongest terms I can that we're talking about perception of independence. I think the perception of independence is as equally important for every one of the legislative officers and to me quite independent, and absent an express permission or authorization of the statute I would expect every one of the legislative offices to maintain a uniformly high standard of independence from the government of the day and the operations of the government of the day. So when you said that you were relying on . . . [interjection] Well, what I heard you say was that the legislation was different, that there was no expressed prohibition, but the legislation dealing with conflicts of interest was in some fashion stricter than the wording that Mr. Clark operates under under the FOIP Act.

MR. WORK: It is.

MR. DICKSON: Well, I was involved in the drafting and the debate around the FOIP Act, and the intention was clearly – and I think the *Hansard* will reflect that – that the FOIP commissioner would be every bit as independent of the executive arm of government as the Ethics Commissioner. I hope we're not getting into sort of having degrees or gradations of importance of independence. It's one model that should fit every one of the legislative officers.

Thanks, Mr. Chairman.

MR. WORK: I agree, and that certainly wasn't what I said.

MR. FRIEDEL: I kind of was afraid when I made my original comment about the use of government vehicles – and I don't mean cars – the ability to tag onto a system that exists using total discretion as to whether there is even a remote possibility of

compromising. We do things like having the legislative officers listed in the RITE directory. I mean, if we're going to get that paranoid that we have to separate these entities from being in the same directory or connected to a web site, what's going to be the alternative? People looking for a contact will do what? Maybe phone an MLA? Certainly I would suggest that there is more opportunity for an editorial comment when you're making that kind of a referral than there is in an innocent web link or the RITE directory.

I think we have to look at what the common Albertan thinks of when they look at an office. If there was any contact there that suggested the officer was under the authority of or in any way within the jurisdiction of a government department or an office, then it would be wrong. But people are looking for a contact. They're looking for a phone number or an e-mail address for these sorts of things.

I think we have to make really sure that we're not overkilling in terms of perception, to the point where we have good offices that nobody can find. For fear of turning this back into a debate, I think we need to be careful of what we are asking to be done and that maybe any directions we're giving here would be perceived as taking an action that may be contrary to the discretion of the officers, in this case your office. I'm assuming other officers will be reading these minutes of *Hansard* and also taking some direction. I'm suggesting that we need to leave a fair amount of latitude for the individuals to choose opportune vehicles without compromising their integrity.

THE CHAIRMAN: Well, I guess we're done now. It's time to say thank you again.

MR. CLARK: Mr. Chairman, I'd be remiss if I didn't thank the committee for their ongoing interest and support over the year. I have to apologize today for bringing to you a budget that's been put together pretty quickly with the health side of things, but we've certainly done our very best to give you a good view, in my sense, and I look forward to the committee's deliberation.

THE CHAIRMAN: Thank you very much. We'll take a short recess again.

[The committee adjourned from 12:48 p.m. to 12:54 p.m.]

THE CHAIRMAN: Well, we're going to resume the meeting then and try and wrap this up. They're waiting to clean the room for an SPC at 1:30.

If we go back in the order of the presentation here, the first budget we looked at this morning is the Auditor General, so we'll take them in the same order.

MR. DICKSON: Mr. Chairman, can I just ask a process-related question?

THE CHAIRMAN: Yes.

MR. DICKSON: I just saw the binder. I understand that Diane had the binder delivered to my Edmonton office yesterday. I wasn't able to access it until I flew in this morning. It may be that the budgets, sir, are completely in line and appropriate. We've heard the explanations and so on, but I haven't had the opportunity – frankly, I'm not a fast enough reader to have gone through all of the material here. What I'm hoping is that we can set another time to come back and actually vote on the estimates for the different offices. I'm very uncomfortable, not having had a chance to go through the binder full of material, to be voting on the budget for each of these offices. If we were to have a meeting after Christmas, like early in January, I'm

not sure whether there'd be any prejudice to the budget process or any negative impact on the offices.

Anyway, I wanted to make that observation, Mr. Chairman, right off the bat.

THE CHAIRMAN: That's what we did last year, and last year the Treasurer wanted our budget by the end of January. This year they had informed Diane a long time ago that they needed them by the end of December. In case this question came up, I had Diane check again this morning, and they did agree that they could wait until January 7, but that is the absolute deadline. So that's the only choice we have, to do it now or to have a meeting before January 7. I don't know if there's any value in waiting, but that's your suggestion?

MR. DICKSON: It is.

THE CHAIRMAN: Any other comments?

MR. FRIEDEL: Well, I share the concern that you don't want to rush into something, but is everybody prepared to come in for a meeting? If we're talking about the 7th . . .

THE CHAIRMAN: We'd have to have the meeting before the 7th; the 6th would be the last.

MR. FRIEDEL: I think there are about two working days in the first week in January that I'm remotely available. The other alternative is something next week. I don't know what everybody else's schedule is, but I think I'm here for the first couple of days of next week. It's a pretty narrow window to try and get about seven people rushing in here.

Another thing is, having gone through this process today – and I'm not suggesting that the other members shouldn't have any input. I think those of us who discussed it would be in a better position of making some kind of a considered judgment call than if we have a different mix at another meeting. Again, I mean, others can read the thing, but the benefit of the discussion, I think, is a lot more than just reading it.

MR. DICKSON: Gary, I'm not holding any brief for anyone else. I've been here. I've listened to all the presentations, I've made notes, and I'm still uncomfortable voting today.

MS OLSEN: I would be in favour of looking at, you know, having another time set aside. I don't think it's going to take all morning or all morning and an afternoon. I received the binder late yesterday afternoon and was able to read some of it but certainly not all of it. I think I would like to have the benefit of all the knowledge that's been put forward and all of the information put forward before we make the decision. I think it's important for us to be seen to be giving this a good review.

MR. FRIEDEL: Can I make a suggestion? This is just off the top of my head. [interjection] Oh, were you on the list?

MR. JACQUES: Yeah.

THE CHAIRMAN: We'll hear Wayne, and then we'll take Gary.

MR. FRIEDEL: What would be wrong with a teleconference meeting to wrap it up?

MR. JACQUES: Gary and I were just chatting when we took the recess, comparing notes in terms of when we got the agenda material. My understanding is it was not into our office until

yesterday sometime.

MR. DICKSON: Edmonton offices.

MR. JACQUES: Yeah. I was in Grande Prairie.

Regardless of the reasons why or why not it got there yesterday, I think we have to have a clear understanding as a committee that any future submissions have to be in at least a minimum of three to four working days prior to the meeting not only in order that members have adequate time to review it, but I think that also in terms of the work and effort that each of the four offices has gone to, we're not doing them justice by having us almost look at it as they're making their presentation type of approach.

While I have a certain empathy with Gary's position because I find myself in the same situation, I did find that the highlight questions I had in my mind over that four and a half hour period today were addressed. I'm not sure that holding off until January, for example, is going to result, quite frankly, in any substantive changes that I would have in terms of questions.

The other thing, too, is that we've had very few members of this committee here today. There are four of us. No doubt they may or may not choose to come to the next meeting, but we'd get into that same cycle. I would suggest that we vote today, but I think that to the extent that each of us has further questions for either clarity or information or whatever the case may be, we have a clear understanding that, as individual members of this committee, we submit it to the appropriate office with a commitment that that reply to those individual questions would be forthcoming and set a date, if you like, at least from a direction point of view or a request point of view.

I'm going to find it, quite frankly, very difficult to meet sometime between now and early January based on my own personal calendar at this point. I think we all went through the point of trying to get a date even today where the majority of the members could be here, yet we end up with only four members.

Those are my comments, Mr. Chairman.

THE CHAIRMAN: I want to clarify here that Diane tried to get these things to us ahead of time. The last budget came into her office at noon yesterday. I think what we should maybe do is write a letter on behalf of the committee to all the officers and tell them that in following years we expect their budget five days before the meeting as a deadline that they have to have it in by. If she had them five days before, we could have them four days before, and we would have time to look at them.

MS OLSEN: I've asked for some information to be brought forward, and I would need that information before I could feel comfortable voting on some of these issues. I would like to register now that there will be information forthcoming to you, Mr. Chairman, that is certainly going to impact how I vote on at least one budget, if not two.

The second point. I think Gary was about to bring up a point in relation to having a telephone conference, and if that might work for people, I think that's an appropriate way to handle it given that four out of the five members here certainly are coming from out of town. So, you know, I think maybe we could look at that recommendation that he was putting forward.

MR. FRIEDEL: Well, that is the suggestion I was going to make before I so rudely interrupted Wayne, and I humbly apologize and promise I'll never do it again. But that might be a way around it without having to try and get everybody together for a meeting. If there is some outstanding information, that could be faxed to our office or whatever it needs to be as quickly as possible.

I guess my original point was that if we look at what all falls between now and the 7th of January, there are not going to be a lot of days when everybody's going to be able to physically come here.

MR. DICKSON: Well, Mr. Chairman, maybe just moved in the spirit of the end of the millennium, I want to completely support that suggestion. I mean, it is awkward getting to Edmonton, particularly if the meeting is only an hour long or whatever, to go through and deal with some follow-up, but surely to goodness we must be able to find an hour when the members could meet by a speedy conference call that would not require people having to leave meetings and so on to come here.

MR. FRIEDEL: This is scary. If Gary and I agree on something, I think I'd better go back and rethink my position.

MR. DICKSON: It's a way to celebrate the end of the millennium.

MR. JACQUES: I was going to say: Gary/Gary, what's wrong with this picture here?

THE CHAIRMAN: Well, do we have a consensus? My preference would be to vote on it today. I don't think we're going to change the voting pattern, anyway, by waiting a week or five days.

MS OLSEN: Well, okay, Mr. Chairman. That's fine, but it totally negates the issue of having more information come forward to be able to make an informed decision. I've asked for that information, and I'd like that information before I am forced to vote.

1:04

THE CHAIRMAN: Well, the only option is a phone conference, because I also won't be available in Edmonton in time. I'm booked at other places, and I won't be in town here much before January 6.

MR. JACQUES: I have no problem with a conference call meeting, if you like, as long as we can set a clear sunset time so we won't start at 9 a.m. and get into the situation where we're still on the phone at 3 p.m.

MR. DICKSON: Agreed.

MR. JACQUES: If we set two hours, or whatever the time is, and at the end of that time take a vote, if we haven't prior to that time. I just don't want to get into that situation.

MR. DICKSON: Well, I'm hopeful we can do it in an hour.

MRS. SHUMYLA: Any suggested date?

THE CHAIRMAN: We'll have to contact the others.

MRS. SHUMYLA: I would contact the other members. Even though they're not here, the binders went to their offices. Do you want to look at early in January? As early in the week as possible?

MR. DICKSON: Well, my suggestion is that first Tuesday after the holiday.

THE CHAIRMAN: What date was that?

MRS. SHUMYLA: It would be the 3rd, I believe.

THE CHAIRMAN: Well, let's shoot for the 3rd, and if you have any problem when you get back to your calendars, phone Diane and

we'll have to pick out another date.

MRS. SHUMYLA: January 3 is a Monday.

MR. DICKSON: So I'd suggest the 4th.

MRS. SHUMYLA: The morning of the 4th?

MR. DICKSON: My suggestion, Mr. Chairman, would be to do it earlier in the morning. I don't know what others think, but 8:30 in the morning would be wonderful. It doesn't muck up your whole morning then.

MS OLSEN: Yes, it doesn't ruin your day.

THE CHAIRMAN: Okay. Let's shoot for 8:30 or 9 in the morning on the 4th.

MRS. SHUMYLA: January 4.

THE CHAIRMAN: And if it doesn't work with your calendar, get back to Diane.

MR. JACQUES: And we could also understand, say, a max of two hours.

THE CHAIRMAN: I would put that shorter: an hour and a half.

MR. DICKSON: I think a one-hour meeting is what we schedule.

MRS. SHUMYLA: One hour?

MS OLSEN: I think that gives us the benefit of going back and reading.

MR. DICKSON: And my hope, Mr. Chairman, is that you'd be able to advise each of the officers that the reason this is happening is simply because the members of the committee did not have sufficient time to read all of the material that had been prepared.

MRS. SHUMYLA: And we will send the transcripts out as soon as they're available so that members can look at them as well.

THE CHAIRMAN: We're going to draft a letter to the officers informing them that the following year that it has to be in earlier. Okay?

Well, let's have a motion for adjournment.

MS OLSEN: We have another issue.

MR. DICKSON: There was the question of the vote earlier. Remember you had sought advice from Parliamentary Counsel.

THE CHAIRMAN: We did. Sorry about that. Yes.

MR. DICKSON: I think the record still shows that there was a motion that two voted for, one against, and the issue was whether you, Mr. Chairman, were able to vote to create a tie.

THE CHAIRMAN: Well, I thought I had the opportunity to vote. We phoned Parliamentary Counsel because we couldn't find the answer in Standing Orders, and the information we got is that the chairman should only vote when there is a tie. So I was wrong in voting on this motion.

MR. DICKSON: Okay. Thanks for pursuing that.

MS OLSEN: So that motion, then, will stand.

MR. DICKSON: It was passed.

THE CHAIRMAN: Yes. Once we remove my vote, then the motion is 2 to 1.

MR. DICKSON: Thanks very much.

I move that we adjourn then, Mr. Chairman.

THE CHAIRMAN: Time to go. All those in favour?

HON. MEMBERS: Aye.

[The committee adjourned at 1:08 p.m.]