

[Mrs. Tarchuk in the chair]

THE CHAIRMAN: I'd like to call the meeting to order. Before we get started, I'd like to welcome our new members. We have quite a few. Laurie Blakeman is one – and I should say that she called this morning, and she is ill today, so she will not be able to join us, but I do wish her a speedy recovery – Marlene Graham, Mark Hlady, Raj Pannu, Kevin Taft, and Don Tannas. I understand that Don was on the committee back in 1989 to '93, I believe. I can add myself to that same group as a new member. Also, welcome to members who were previously on the committee. We have Denis Ducharme, Gary Friedel, Yvonne Fritz, and Mary O'Neill. I'm sure that we will be looking to you for wise counsel during the course of this meeting.

I just want to make a point. A number of members have mentioned to me that they do have to leave right at 12 o'clock. We are at risk, if we get slowed down, of not having a quorum at 12 o'clock. So hopefully we'll be able to stay on schedule if we can just be mindful of that.

At this point I'd like to get approval for the agenda. I've got one item of business that I would like to add under number 8, Other: achievement bonuses. Mr. Hlady?

MR. HLADY: Yes. I'd like to move to approve the agenda as amended.

THE CHAIRMAN: All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Motion carried.

Because many of us are new to this committee, I thought it only appropriate that we spend a fair amount of today meeting with our officers and some of their staff and letting them give us an overview of the offices and updates on some of the issues. So I really appreciate the fact that everyone was available today.

Our first presentation will be about the office of the Information and Privacy Commissioner/Ethics Commissioner. At this time I would like to invite Mr. Clark to introduce his staff and make his presentation.

MR. CLARK: Thank you, Madam Chairman. Good morning, ladies and gentlemen. To my left is Marylin Mun. Marylin works on the information and privacy side of the office and is the team leader for the portfolio officers. So I've asked Marylin if she'd come and give just a few words about the IPC side of the office. I think all of you know Frank Work. Frank some time ago was made the assistant commissioner, and in addition to looking after the day-to-day operation of the office, Frank has really been piggybacking the move in the health information area. So I've asked Frank to make some comments in that area. Then I'll make some comments as far as the Ethics Commissioner's office is concerned.

I should at the outset, Madam Chairman, apologize for kind of putting you and the committee on the spot at your very first meeting. Some weeks ago I gave a letter to the chairperson indicating my intention to resign as the Information and Privacy Commissioner on the 1st of September of this year, and whenever it's appropriate, I would like to take just a moment or two with the committee in camera to talk about some succession planning. Whenever that's appropriate for you. Perhaps at the end of our presentation.

THE CHAIRMAN: Okay; that sounds reasonable. We accept your apology. We are a flexible group here. Like I said, we do have

some continuity, so they're well aware of what you'll be discussing.

MR. CLARK: What I'd like to do, then, is ask Marylin just to give you a quick overview of what goes on on the IPC side and then move to Frank, and I'll do the ethics part.

MS MUN: Okay. Basically the Freedom of Information and Protection of Privacy Act – I'm going to call it the FOIP Act just to save me a mouthful – is comprised of two basic components: part 1, which gives individuals the right to access information that's held by a public body that is subject to the FOIP Act, and part 2 of the act, which outlines privacy provisions for individuals which will protect their privacy by setting out rules under which public bodies may collect, use, or disclose personal information. Those two components of the act basically generate the majority of our work.

So, for instance, if you were wanting to obtain access to information from a public body and you were not satisfied with the response that you had received, you have a right to come to our office and request a review. When we receive your request, the commissioner would assign a portfolio officer to mediate this matter to determine whether or not you and the public body could come to a mutually agreeable resolution. If that can't be reached, then you as the applicant have a right to ask that this proceed to inquiry. At inquiry the commissioner will decide whether or not to conduct a written or oral inquiry, and then he will render his decision and issue an order.

With respect to part 2 of the act, which has the privacy provisions, if you feel at any point in time that a public body has either collected, used, or disclosed your personal information inappropriately, you have the right to file a complaint with our office. Upon receipt of the complaint the commissioner would assign a portfolio officer to investigate the matter. Upon conclusion of the investigation the portfolio officer would produce a report which would be provided to you and also to the public body which outlines the findings and recommendations of the portfolio officer. If you are satisfied with that report, the matter is then concluded and that report is issued publicly. If you are not satisfied with that report, you do have a right to request that this matter proceed to inquiry. Again, the commissioner decides whether or not to conduct a written or oral inquiry and will then issue an order on the matter.

We find in our office that public bodies are actually very good at resolving the majority of the cases. So, for instance, let's say a public body receives 100 access requests. Out of that 100 they would be able to resolve 90. Of the 10 that come to our office, we find that eight to nine of those are then resolved through mediation, which only leaves one to two that actually go to inquiry. Our statistics basically bear that out. I think that since the office was opened, we have had about 1,100 open cases with our office and the commissioner has issued roughly 144 orders, so that represents about 13 percent of the cases that actually come to our office.

MR. CLARK: Frank, would you give us a health update, please?

MR. WORK: Sure. I was talking to Ms Graham just before the meeting started and sort of saying: do you believe it's actually in force? That would be the Health Information Act, which has been the product of a lot of effort on the part of a lot of people. Health information is one of the most contentious areas in the whole field of information technology, privacy, and so on. So it's quite an accomplishment that it's there. It was proclaimed at the end of April this year.

9:40

In terms of its implementation it's a huge undertaking. There are 5,000 physicians alone in Alberta, all of whom become custodians under the act, not to mention the physiotherapists and the oral

surgeons and the people that work in hospitals and therapists of other kinds and so on. All those people who receive public money for providing health care services are now what the act calls custodians in terms of Albertans' health information.

Alberta and Manitoba are the only two provinces in the country with operational health information acts. Ontario has tried one, and they were pretty much slam-dunked by the federal Privacy Commissioner – I don't want to go there – in a sort of attack that has left a lot of us in the privacy community scratching our heads, I suppose would be the fairest thing to say. British Columbia and a number of other provinces have talked about health information legislation. So there is a recognition of a need for it, but so far only Alberta and Manitoba have managed to get there.

The act is controversial; there's no doubt about it. It allows Albertans clear access to their health information, which is a very good thing. Previously you had to look through – any number of other statutes would tell you whether or not you could have your own health information or to what extent you could: the Hospitals Act, Mental Health Act, Public Health Act, and so on. Now there's one statute that sets out the rules.

The controversy arises in that the statute does sanction a certain amount of sharing of health information among health professionals. The analogy that's used is an arena, that once you gain entry to this arena as a health care professional, the movement of information within the arena is freer than outside the arena, and some people have taken issue with that.

I don't think that's a slight against the Alberta legislation. That debate is going on all over the country. There's a huge academic and political debate over the uses that may be made of health information. If we could use people's personal health information to hasten cures for cancer, would you do it? I don't know. Some people would; some people wouldn't. The point is that the legislation we have has taken a position on that question, and it's gained some controversy, but the controversy exists across the country.

The chairperson said that I could hand this stuff out to you as I spoke or at the end of my words. Alberta Health and Wellness took the position of training this tremendous number of custodians under the act by doing the more exhaustive schooling. They've produced a video, a CD-ROM, and a policy manual that's quite thick that explains the legislation, the principles behind it, some do's and don'ts. Being a smaller operation with a smaller budget, we gave some thought to how we might best be able to assist with the education process for all the people that have obligations under the Health Information Act, and we came up with a couple of small things.

One is – and I'd like you each to have one because this committee is very important to the job we do. We call it the comic book just to distinguish it from the more encyclopedic stuff which describes the act in a less detailed and more conversational kind of way. For doctors and health care professionals we had some laminates done, just two pages on the act that they can kind of have floating around the office or the lab, and then we did some brochures. So there you are.

We have two portfolio officers now on the health information side. We have a compliance person who's going out like mad training, talking, giving lectures, PowerPoint presentations to anyone who will listen. We have two cases, so we'll wait and see what happens. We've kept our hiring on this, as the commissioner promised the committee last time during budget, to a minimum. We didn't staff up assuming a worst case scenario. We've got three or four people in assuming that we can manage it with those people. If the worst happens, we'll scramble a bit, but so far we're getting a certain amount of co-operation from the professions, and it looks

quite good.

Thank you.

MR. CLARK: As far as the Ethics Commissioner's office is concerned, you're all very familiar with one portion of that, and that's the portion giving those asset and liability statements. I look around the table, and there are one or two here yet to come. I'm sure they will come in between now and this Friday, because Monday morning, as I promised in my annual report, I'm going to send a letter to the Speaker listing the people who haven't got them there. So please, please get them there. I wouldn't want to be running across your name.

In addition to that part of the work, between 60 and 70 senior officials of the province – the deputy ministers, full-time board people, those people – file statements with me on their assets and liabilities. Alberta is the only province in Canada that does that. I meet with the bulk of those people once a year to go over their statements like I do with each of the individual members. In those cases, if there's an issue, I take it up with the individual, and then if it isn't resolved there, I take it up with the minister. If it wasn't resolved there, we'd go to the Premier's office. It's never gotten to that stage.

We do a great deal of giving advice. Only when we're asked: I want to make that very, very clear. Increasingly we're doing that in the health area. We've met with some of the health authorities and have given them advice on some issues with them clearly understanding that that's outside our jurisdiction and that the advice is worth what they're paying for it, which is absolutely nothing.

So that's it in a nutshell as far as the ethics office is concerned. Of course, if a complaint comes to my office and there's some substance to it, then I investigate it and report to the Speaker, and the Speaker tables it in the House. If there's a recommendation for sanctions, the House has 60 days to either accept, reject, or alter the recommendations.

Just one other comment, Madam Chairman, about the ethics office. We do share with the Information and Privacy Commissioner's office financial support, personnel support, receptionist support, and also Boris, who used to work for the Legislature, is our – I was going to say our resident techie, but he's the fellow who looks after our systems. The Ethics Commissioner's office has been extremely fortunate in working with the IPC office, and it's my hope that starting September 1 we'd be able to continue to do much of that.

I'd like to move, now, to the fact that some weeks back I did give the chairperson my letter indicating that I'd like to step down as Information and Privacy Commissioner effective September 1. The reason I picked September 1 is that the health information legislation really is going to become effective September, Octoberish. When the proclamation discussions were going on, I did indicate that as commissioner I'd agree to a six-month kind of phasing-in period. That six-month phasing-in period will be virtually finished in September or October. It seemed to me the reasonable thing to do, not to start off with someone who was going to be leaving in a month or two but to in fact get that on as solid a footing as you possibly could for the start of that.

I have indicated in my letter to the chairperson that I would be very prepared to stay on to assist the new commissioner in whatever fashion the new commissioner wants me to for a four-month period of time, and then at the end of this calendar year it would be important to sit down with the chairperson. I have indicated that I would be prepared to carry on as the Ethics Commissioner if that's the desire of the committee. If that's not the desire of the committee, then please let me know early in the next year, and we'll go from there.

So in a nutshell, Madam Chairman, that's where we are. I think that the office is in good shape at this time, and it is an appropriate time to make the change. I should say that I did talk to the chairperson last week while speaking at the freedom of information and protection of privacy conference here in Edmonton, and she agreed that I might announce to the group there that I had sent the letter to the chairperson. Those are people I've dealt with for the last six years, and I didn't really want to be talking to them and then have them find out a week later that I was taking the step that I have.

It's been a blast. I've tremendously enjoyed the challenge of starting up the IPC office. I'm indebted to a number of people around this table, not the least of which is the Member for Peace River, who took on the job of being the chairperson for the last FOIP review. I think he may have been talked into something and it ended up being much more than he was talked into, but he did an excellent job.

If I could make kind of my last suggestion to you, it would be this: I really think that the idea of a three-year annual review is too often. What happens is that you get the review done, then you get the legislation through the House, and then it's about one or one and a half years when you're starting the review all over again. I know you're all committed to a three-year review, but I really would say to members on all sides of the House to think seriously about making that a five-year period of time as opposed to a three-year period of time so you really could see what the results are and kind of do the changes that need to be made.

Last comment. I have earlier discussed with all three parties my plans of stepping down. This should come as no surprise. I talked to Raj earlier this year. I've talked to the former Leader of the Opposition, the present Leader of the Opposition, and also talked to the Premier and the former chairman of the Leg. Offices Committee several times over the past several months. I was urged to develop some kind of a succession plan. I've done that. I'd like to talk to you about that in camera whenever it's appropriate.

THE CHAIRMAN: Right. Thank you.

Mr. Ducharme.

MR. DUCHARME: Thank you, Madam Chairman. I guess maybe being a former member of the Leg. Offices Committee in the last session, I'd like to possibly share a little bit of history pertaining to the request that Mr. Clark has brought before us in his letter of May 1.

We had had some discussions pertaining to the possible separation of the Ethics Commissioner's office from the Information and Privacy Commissioner's office. I also had the opportunity of serving on the Health Information Act privacy committee back a few years ago, and as you're all aware, one of the recommendations was that the Health Information Act should also fall under the office of the Information and Privacy Commissioner. We felt that it didn't warrant another stand-alone type of bureaucracy, and we felt that since we're dealing with privacy information, it could be dealt with through that same office.

9:50

Mr. Clark's letter certainly did not come as a surprise, as he indicated earlier, as it's something that's been tossed about and discussed in the past. I certainly am supportive of that move. I guess since we're wanting to talk, possibly as individuals, as far as working together for an acting commissioner for the time being and because of the fact that we're dealing with individuals, I certainly, Madam Chairman, would like to move that we now go in camera.

THE CHAIRMAN: Any discussion on that? All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Any opposed?

DR. TAFT: Madam Chairman, register me as opposed.

[The committee met in camera from 9:51 a.m. to 9:58 a.m.]

THE CHAIRMAN: So we're now back, and Mr. Friedel would like to make a motion.

MR. FRIEDEL: Madam Chairman, I'd like to move that this committee recommend to I believe it would be the Lieutenant Governor in Council, since we're not in session, to appoint Frank Work as Acting Information and Privacy Commissioner effective September 1, 2001, pursuant to the legislation and regulations.

THE CHAIRMAN: If I could add to it, it's section 46(1)(a) of the Freedom of Information and Protection of Privacy Act.

MR. FRIEDEL: Okay. You can include that in the motion, that this committee recommend to the Lieutenant Governor in Council that Frank Work be appointed as Acting Information and Privacy Commissioner effective September 1, 2001, pursuant to section 46(1)(a) of the Freedom of Information and Protection of Privacy Act.

THE CHAIRMAN: Any discussion on the motion? All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Any opposed? Motion carried.

MR. CLARK: Madam Chairman, could I just touch on two other items very quickly?

THE CHAIRMAN: Absolutely.

MR. CLARK: There is a conference in Lexington, Kentucky. It's called the Council on Government Ethics Laws, which is a yearly conference that's held someplace across continental North America. Four years ago it was in Edmonton, last year it was in Tampa Bay, and next year it's in Ottawa. This committee has been active in attending that conference. I would really urge you seriously to do that again. I have extended an invitation to the chairperson to take part in the panel. There are certain prerogatives in being the president of the organization, so I really hope some people come from Alberta.

There are between 300 and 400 people at the conference. It's a combination of people who run elections in North America, people who register lobbyists in that whole area of North America, people who deal with ethics questions and also campaign finance. The other group is freedom of information people. The five groups have three sessions in their own groups during the course of the three days, and then there are four plenary sessions. We try to bring in a major speaker for those plenary sessions. Three of the plenary sessions are already in place.

One person is the lawyer who did the legal work for President Bush in the Florida elections and also for the U.S. Supreme Court. The other person is the lady who concludes the presidential press conferences. I'm not into that kind of stuff, but apparently if you watch the presidential press conferences, there's a lady who's the dean of the White House press corps who's from Kentucky. She always concludes by saying: Mr. President, this press conference is concluded. She apparently is quite a speaker and quite a character. The third person that's coming is the chairman of the British Parliament committee on conflict of interest and information and

privacy, Lord – and I forget the lord's last name. Those are three of the four plenary speakers.

The session I've asked the chairperson to take part in is a session dealing with insulation of legislative offices or state offices. The issue is: how do you insulate offices like ethics commissioners, information and privacy commissioners, other legislative officers from the political pressures of the day? One of the people who's taking part in that panel is the ethics commissioner from the state of Rhode Island, who has just been fired for doing an investigation on some of the members of his committee. It would be like investigating some of you and then the governor changing the members on the committee. He was removed. He was a very well-respected attorney from northeastern U.S. So that's the best session a chairperson could take in.

THE CHAIRMAN: That's great, and we've got more information on the conferences at the end of the agenda. So if you just want to deal with your last item.

MR. CLARK: Okay. The last item would be record retention. Is that the one that you're referring to?

THE CHAIRMAN: That's right. Yes.

MR. CLARK: We have a schedule that's in place, and consistent with that, we retain the records. A year after a Member of the Legislative Assembly leaves, we destroy the records that they've given to us as far as asset and liability statements.

MR. HLADY: Madam Chairman, I'd move that the Standing Committee on Legislative Offices approve the office of the Information and Privacy Commissioner's records retention disposition schedules as developed in accordance with the Alberta government records management guidelines.

THE CHAIRMAN: Great. Thanks. Is there any discussion on this? Dr. Taft.

DR. TAFT: Thank you. I'm not wanting to get rushed through this, so my preference would be to have an opportunity to consider the issue, to become better informed on it.

THE CHAIRMAN: You're suggesting to defer to another meeting?

DR. TAFT: In effect I am.

THE CHAIRMAN: I don't know if there's any problem with that. I don't think that this is a timely motion. So absolutely. If we can get all of the members some more information for our next meeting, we'll just take note of that.

DR. TAFT: Okay. Thanks very much.

MR. HLADY: We can leave it moved open until the next meeting. We don't have to deal with it, and we can have a discussion on it at the next meeting.

THE CHAIRMAN: That's what I wanted to check.

MR. HLADY: Does that work for you?

MR. CLARK: That's quite all right for us; yes.

THE CHAIRMAN: Mr. Hlady, why don't you just table it, a motion to table the motion.

MR. HLADY: I'll table the motion.

THE CHAIRMAN: A motion to table the motion. Okay; great. All those in favour?

MRS. O'NEILL: Doesn't tabling mean not coming back?

MR. REYNOLDS: Madam Chairman, if I may. I believe at the next meeting there could be a motion to raise it from the table.

THE CHAIRMAN: Okay.

MR. HLADY: Exactly. So it leaves it on the table and open.

MR. REYNOLDS: This isn't what we do in the Assembly necessarily, but this is how it just works in committee.

THE CHAIRMAN: Dr. Taft, apparently this is a technicality, a little role of this committee, but that's fair for us to better understand and get more information.

DR. TAFT: I just appreciate the courtesy. Thanks.

MR. TANNAS: Just a clarification on this, Mr. Clark. If it does come to pass, this one year, what happens if six months into that one year somebody has an allegation against them? Would that deadline still hit at the end of the year and those records be destroyed, or would it be continued forward?

MR. CLARK: Once a member is no longer a member of the Assembly, the Conflicts of Interest Act has no impact on that member.

MR. HLADY: So it's like the day after, basically.

THE CHAIRMAN: If we have no more questions for Mr. Clark, thank you very much.

MR. CLARK: Thank you.

THE CHAIRMAN: Next we have the office of the Chief Electoral Officer.

Thank you very much for joining us this morning. At the onset of the meeting I had mentioned that I thought it was a good idea, because the bulk of the committee is new, to meet with our officers and some of their staff and receive an overview and an update on some of the issues. So, Mr. Fjeldheim, I appreciate your coming today.

MR. FJELDHEIM: Thank you very much.

THE CHAIRMAN: Before you go ahead and introduce your staff, why don't we start with our own members and introduce ourselves to you?

[Mr. Ducharme, Mr. Friedel, Mrs. Fritz, Ms Graham, Mr. Hlady, Mrs. O'Neill, Dr. Pannu, Dr. Taft, Mr. Tannas, and Mrs. Tarchuk introduced themselves]

MR. FJELDHEIM: Okay. Well, thank you very much, everyone. It's nice to see some familiar faces, of course. Obviously there are some new people on the committee, so as has been mentioned, we're going to try to give you an overview of what we do and try to do, some of the things that have happened in our office and what we

would like to see happen down the road. So good morning again. My name is Brian Fjeldheim, and I thank you for this opportunity.

First of all, I would like to introduce Bill Sage, on my left. Bill is the Deputy Chief Electoral Officer. He's been with the office since its inception in 1979. He remembers everything that has happened since that time. Farther over there is Lori McKee-Jeske. She's the director of election operations and communications. She's been with the office since 1992. Her job includes organizing all the training and preparing guides and so on for elections and enumerations and confirmations of the register of electors and so on. She's also the first person to deal with the media and their requests. Finally, on my right is Glen Resler. He's the director of registration and financial operations and has been with the office since '99. Glen is the person you talk to about filing your constituency association and candidate registrations and also to ensure that your financial statements are filed on time.

I'd like to spend a few minutes going over some of the things that relate to our office: resources that we have to work with and some information about the just-completed general election and the provincial register of electors. I appreciate that some of you are veterans on this committee and know quite a bit about this sort of thing, but I trust you won't mind. Finally, if there are any questions, we'll attempt to answer them, and if we can't, we'll certainly get back to you with the answers.

**10:08**

Bill is going to talk a little bit about contracts, Lori is going to present some information about the general election and the register, and Glen is going to speak on the financial side of things.

Our office is responsible for four pieces of legislation: the Election Act of course – oops, I don't know where I put that. Anyway, you all know what legislation looks like. I was going to hold up Bob's, but I don't see it there. The Election Act we're responsible for, the Election Finances and Contributions Disclosure Act, the Electoral Divisions Act, which defines the boundaries of your constituencies, and the Senatorial Selection Act.

Now, we've passed out a folder, and I'd like you to open that. The information in the folder, on the left-hand side as you open it, pertains to what Bill and I are going to talk about, and on the right-hand side is some information that Lori and Glen are going to discuss. First of all, I take a quick look at our office. You can see that we're a very small operation. There are only nine of us that are full time. We have the returning officers off to the right; Bill Sage, the deputy; Andrea Villetard, our secretary. Then we have the area under here where we have Lori and Glen, the two directors, and we have a young lady who is our database administrator who reports in effect to both of those. We have a stockkeeper, a part-time map consultant, a financial services assistant that helps Glen out on his responsibilities, and then Sharon Lakeman is our office administrator. Again, you can see we're very small, but during an election we increase in size to just over 12,000.

We also have a mission statement: "to provide a standard of excellence for all Albertans through the impartial and effective administration of the electoral process." We believe in the fairness and impartiality as critical to democracy, that continuous improvement is essential to our success, that positive relationships are vital, and that employee involvement is the source of our strength. We use that and take those things very seriously. I've also included our vision. I'm not going to go through that at this time, but it's in there for your information.

If you're really interested in this sort of thing, we do have a strategic plan for our office, and you're welcome to have copies of that. I didn't pass that out to everybody. I appreciate you've got lots of stuff to read and to look at, but we have it here if you're interested in it.

The next thing I'd like to look at is called the data flowchart of the

2001 provincial list of electors. By legislation we're required to keep our list of electors up to date, and in doing that, we have a bit of a background. It's certainly a challenge working to keep this information current. Again and very briefly I'll go through it.

We started in '96 with an enumeration. Then we had the '97 election, where we had revisions and swear-ins, and then we did the '97 list of electors. Then in '98 we had a by-election. By legislation we're required to produce lists of electors for the parties, so in '99 we reviewed the polling subdivisions and used vital statistics information to remove some of the deceased from the list. We then had a '99 provincial register of electors that was distributed to the parties.

Following that, we realized we had to update this information for the election. To update the register of electors, there are a number of things that can be done. First of all, you can get information from data sources: the national registry of data, municipal census data, and so on. The main source of our data for the general election was the confirmation of the list of electors, and that was put together going door-to-door across the province and confirming data that we already maintained. With the movement of about 20 percent of Albertans per year it is imperative to ensure that the list of electors supplied and that was used was as up to date as possible. We could not have achieved that level of accuracy unless we had gone door-to-door, which we did.

I'll just continue for another moment. So doing that, we had the 2000 provincial register data and the 2000 provincial list of electors that were supplied to the parties prior to the general election call. The 2001 election – we had revisions and individuals that were sworn in or were affirmed at the polls. From that we have the 2001 provincial registered data and the 2001 provincial list of electors. The 2001 provincial list of electors is the information that you received May 28. We are now required by legislation to supply that to you as soon as possible after a general election.

Returning officers and election clerks were trained just prior to the election and did a most admirable job. The task is becoming increasingly complex due to the increase in the use of computer technology and the increased expectation of information to be distributed in a timely manner. My objective and philosophy is to administer elections so the public is unaware of all the work that is involved and experiences a seamless, transparent system that works with no problems whatsoever. For the most part, we were able to do this. The public should be and the public should want to be focused on the candidates and the platforms and not on the administration of the election. That's our responsibility.

We received about 50 e-mails and about 10 letters with concerns relating to the election. I don't think that's too bad, considering that we have almost 2 million electors, but we certainly answered each of those letters and e-mails. The most common complaint was with regards to "Where do I vote?" and "How come you don't tell me where I should vote?" and so on. Although we do extensive advertising in the newspapers, as required by legislation, we are looking at ways of improving that as well. Based on suggestions and observations from all stakeholders, we are presently reviewing all aspects of the electoral process and of course looking at ways to improve things.

We had a voter information line that was very successful. We received just under 25,000 calls across the province, 4,000 of those on polling day. We're going to be expanding that for the next general election.

New legislation brought in under the Miscellaneous Statutes Amendment Act now requires us to supply registered political parties and members of the Assembly with lists of electors, and that's what I was referring to earlier. You received that on May 28. The list that you received is excellent. That's probably as good as

it's going to get, because we had the election, of course, and then we added all those individuals who were sworn in at the polls and agreed to have their names put on a register. The problem, of course, is that the list quickly becomes outdated, and our challenge is to try to keep that as up to date as possible. Again, according to the new legislation, we are required to supply parties and members with a list of electors two years after the general election. So in two years' time you're going to get another one and also during the fourth and fifth year after a general election. So it's essential that we supply you with the most current information that we possibly can.

**10:18**

The act has broadened the use of a list also for members, and you can use the information

- (i) for carrying out the duties and functions of the member,
- (ii) in the case of a member of a registered political party, for soliciting contributions for the use of the registered political party or any constituency association of that party and [also for] recruiting party members.

So there's a lot of use now for that list, and obviously it's critical that the information we give you is current and correct.

I'm now going to call on Bill Sage. After we've all done our little spiel, then you'll have an opportunity to ask some questions. Bill.

**MR. SAGE:** Thank you. I'm going to talk for a couple of minutes on interjurisdictional co-operation. Basically, there are three levels: Elections Canada, federal; the other provinces; and municipalities. So we'll start with the federal one first, Elections Canada.

Back in October of last year we signed an agreement with Elections Canada. That agreement allows us to share data both ways for updating the register, and that data is a little bit different. What you saw on the list of electors are names, addresses, and phone numbers. This data that we get, the register data, is names, addresses, phone numbers, dates of birth, and gender. So a bit different information comes along with that register, and, as I say, the data sharing will update that register.

Part of the agreement, as I said, is sharing data. Elections Canada asked us about a week before their writ of election was issued for copies of our confirmation data that we'd gathered in August and September of last year. So they had the data, but the use of it might have been suspect in terms of the length of time that they had to do anything with the data. So we did make it available to them.

For our general election in the spring of this year we didn't get data back from them, although the agreement does allow for that sharing. The big problem with their data in terms of our use – I guess there are two problems: one, they don't have phone numbers on it, which our legislation requires, and the other is that they don't have a residency requirement. For Elections Canada it's 18 years of age and Canadian citizen. In Alberta it's 18 years of age, Canadian citizen, and resident of Alberta for the preceding six months. So those are the differences between our two pieces of legislation, and we're obviously going to have to do some more work with it in terms of using it. We look at the federal data being a benefit to us any time after May 27 of this year, which is six months following the federal polling day. As I say, we haven't requested copies of their register data yet.

Another thing with it is that at this point in time we don't have the expertise or the computer hardware to start doing a lot with that data. As Brian mentioned, we have about 2 million electors. What we would get from Elections Canada is a CD-ROM with all the federal information on it, and then we would have to work it back into our system. So we have to do some more work on that yet.

As part of the agreement we did get a \$750,000 payment from Elections Canada for use in register update. Now, that \$750,000 didn't come back to our budget; it went back into the general

revenue fund. So it partially offset some of our costs that were incurred during the confirmation.

I guess the basic principle with this agreement with Elections Canada for the data sharing is to eliminate or reduce duplication of effort and cost. So we hope to make that work.

In terms of other provincial jurisdictions there are kind of two headings under this. Election management system – prior to the confirmation in 2000 our office started the development of an electronic election management system. It was a custom-built application for our office. The acronym for it is AROES, Alberta register of electors system. It's largely an Internet-based application. It's used for election administration and the register management. You have a flowchart or schematic in your package. Right now there are six different applications that come out of it. Probably the one that you'll be most familiar with – the list of electors that you received in May is produced through AROES.

As part of the sharing with other jurisdictions, the Chief Electoral Officers from Prince Edward Island and from the Northwest Territories both visited Elections Alberta in the last six months to view that system for possible use in their jurisdictions. Whether they use it or not, it's obviously up to them, but we will certainly make it available to them.

In terms of electronic register of electors, there are four other jurisdictions in addition to Alberta that maintain permanent electronic registers: Canada, British Columbia, Ontario, and Quebec. In the next little while Elections Alberta will be reviewing the merits and limitations of these four systems with the intention of developing a system for Alberta that allows us to keep our register data accurate and current on an ongoing basis. As Brian mentioned to you, the different times that the parties and the members now get lists is far different than what it was a few years ago, so it is a challenge to keep that data up to date.

In terms of agreements with municipalities, during the confirmation process in the spring of last year we signed agreements with the city of Red Deer and the municipality of Wood Buffalo. Basically, the city of Fort McMurray was what we were interested in. They collected register data on our behalf while they were conducting their census in the spring of 2000. Both of these entities had to pass bylaws for the establishment of a municipal register of electors. So it's done, you know, by legislation. Again, we looked at these. It was our intention with these agreements to try and eliminate duplication of effort, and there was also some cost advantage to us in it. I think there were cost advantages both ways. Those agreements were set in place. They gathered the information for us and transmitted it to us. We entered it into the register. To date neither of those two entities has asked for information back from us. I'm not sure of the status of their municipal registers at this point in time.

There's an agreement that we're currently working on with the town of Brooks. They've recently passed a bylaw, again, so that they can access the register data for establishing a municipal register of electors. Brooks has requested data that we used or data that we gathered for the 2001 election. We're in the process now of preparing a contract for them that will allow for the transfer of data both ways, to them and back to us. It is our intention to take data from them for the purpose of updating the register information for the town of Brooks. Obviously it's very small compared to the overall 2 million names, but we're looking at this as kind of a test case if we can get the information back from them and then use it.

The town of Brooks thus far is the only municipality that has made a formal request to us for the use of the provincial data for the municipal election. There have been some informal contacts from some of the other jurisdictions, but, as I say, Brooks is the only one that's formalized. With these agreements with the cities or the other

provinces it's our intention, as I said, to eliminate or reduce duplication of effort and cost, and I think it's going to be successful.

That's pretty much it for interjurisdictional co-operation.

Lori.

**10:28**

MS MCKEE-JESKE: Good morning. Today we've provided you with a provincial voter turnout summary. Now, it's the same one that was given to political parties along with the lists of electors. You'll note that the overall voter turnout for the election was 52.8 percent, which is down very slightly from the turnout last election, which was 53.7.

You're also going to find in your package a table entitled: accuracy of the pre-election list. We were pleased to note that the lists that we produced in November of 2000 and those lists that we used at the election were about 95 percent accurate when we compare them to the postelection lists, meaning that we added about 5 percent of electors to those lists to create the final list. Those additions were compiled during the revisions period and through swear-ins on polling day.

We measured our lists against the overall population increase to confirm that the elector population had kept pace with the growth in the province. From November of '96 to August of 2000 – that was between the time the enumeration and the confirmation took place – the overall population had grown by just over 7 percent. During that same period our register grew by just over 9 percent. Now, we see that as a really healthy increase, since during that same period the register was reduced by the deletion of duplicates and by the removal of electors who did not belong in the register. Overall we expect that the elector population will be approximately two-thirds of the total population of the province, and you'll see that it is very close to that, based on the elector population chart that we handed out.

I'd like to talk briefly about the activities in our office to prepare the most recent list, that list that was given to you in May of 2001, and some of the challenges that we ran into preparing it. Before we distributed the lists you received, we added a number of names of electors, and those were mainly those polling day swear-ins and affirmations. At the same time, electors who were added to the list at new addresses had to be deleted from their old addresses, where possible, to maintain the quality of the list. Now, that was done using information that the electors provided to us at the polls. It was also done using a matching program in our software system, where electors hadn't given that information. That turned out to be one of the big challenges: to try to determine whether entire families had moved or if it was maybe just one family member that had relocated. It was really hard to tell that, especially if only one individual had turned out to vote on polling day and had subsequently given us new address information.

Now, register changes were also made at electors' requests. In some cases we deleted information like birth dates, and in some cases we added information like telephone numbers. We also changed register information. This is the first time that we systematically collected these changes at the polls and used them to correct elector information. That's going to be a really important step to ensure that future data-matching exercises will be successful. Once a final cleanup was done in terms of standardizing address formats, the lists were ready to come out to you people.

I should mention that the lists that you received will not include the names of all electors who came out to the polls. Now, elector data has always been collected with informed consent of electors, and polling day data collection was no exception. By legislation electors who wish to vote had to have their names included on the lists of electors and in the poll books, but they did not have to be included in the register for inclusion on future lists of electors. We

found that almost 20,000 electors withheld consent for inclusion in the register. So that means that we're going to have to collect those names again for the next electoral event and most likely on polling day.

That's just over 17 percent of the total number of swear-ins. It doesn't seem like a significant number, but if you look at that trend, though, over the entire voting population, we would be looking at swearing in about three times the number of people that we did at the last election, and that would cause difficulties both for polling day administration and, I would think, for your campaign use. So one of our main tasks in the future will be to maximize participation in the register along with the percentage of optional information that we hold so that the data matching can take place.

You have a chart in here that identifies the proportion of optional information collected and held in the register currently. You'll see that about 78 percent of electors provided telephone numbers and birth dates, and about 91 percent provided us with gender information. Of these we expect that the birth dates will be the most useful as matching criteria against other databases.

We have plans in place now to measure the accuracy level of the register over time and to expand on our matching protocols for all of our future activities, though access to additional data sources will be critical to the successful updating of future register information and preparation of lists of electors. That will likely be the focus of a future meeting.

Thanks.

MR. RESLER: I'd like to provide you with an update on the last year as it applies to the election finances area. As you are aware, we held a provincial confirmation last year. There were over 4,500 staff who were hired to collect the data door-to-door and also to enter it onto our new register system. The information was entered onto a secure Internet site by electors on their home computers throughout the province. We supported the 450 or so data-entry operators throughout the province with a call centre located in Edmonton with a staff of about 10 persons. They helped to assist with technical difficulties that they encountered on their home computers and also in the interpretation of data.

If we look at the handout of the election financial summary on the right side of your folder there, the cost of the confirmation was \$3.5 million, and we've compared the costs between the '96 enumeration and the 2000 confirmation. We were able to gain efficiencies in the data-entry process to offset the increase in fees paid to the confirmation staff, so we were able to hold the line on costs. As a result, the cost per elector has decreased due to the increase in the number of electors in Alberta.

If we look at the election, of the 11 political parties that are registered in this province, seven political parties registered candidates to run in the election. There were a total of 318 candidates running in the 83 electoral divisions, of which there were 29 independent candidates. The candidate campaign financial statements are to be filed with our office by July 12, 2001, followed by the party financial statements on September 12. These statements will be placed in our public files and are accessible to all who come to our office. Included in the financial statements will be a detailed listing of all contributors who provided more than \$375 to the registered candidate or party during the election period.

During the election there were 5,157 polling stations that were located in 1,364 polling places. The staff complement to run the election on polling day was over 12,300 persons. Once the election was over, we were able to process over 15,000 payments within a two-week period. A large part of this success was due to the ability to pay the 12,000-plus staff through an electronic interface, and that was between a new register system and IBM, who is the contractor

that processes the payments on our behalf.

If we look at the financial summary again, in the 2001 election the staffing cost represented approximately 77 percent of the total expenses, equaling approximately \$3.9 million. The total cost to date is \$5.2 million for the election. Those are preliminary figures as at March 31; there were some additional expenses processed during the current year. The remaining \$1.3 million was mainly office equipment and polling place rentals of \$555,000 and advertising of \$530,000. When we look at the comparison between the previous election in 1997, the increases in costs are largely due to a 20 percent increase in fees paid to election staff, there is a 25 percent increase in fees paid to the polling places in which they were held, and advertising costs have also increased by 15 percent.

A breakdown of the specific election expenses will be published as part of the office's general election report, and that will be released later this year. The report will also include the costs in detail for the confirmation.

Are there any questions?

THE CHAIRMAN: I've got two people on the speakers list. We're running a little bit behind, so just consider that fact with your questions and answers.

MR. FRIEDEL: Brian, I'm just curious. For the number of changes that were made to the list after you had gone through all of the electronic gathering processes – you know, shared information, the enumeration itself – do you have any indication of how many or what percentage of changes came that way, sort of the old tried and true, after the new data collection options were instigated?

MR. FJELDHEIM: All right. We have to make an assumption somewhere along the way following the election when we have the revisions and the people that were sworn in or took affidavits at the poll, and if we assume that's 100 percent – now, obviously we know it isn't, because everyone who can vote doesn't turn up to vote, doesn't get on the list. But if we assume that's 100 percent, the number of additions we had in that period was 6 percent.

MS McKEE-JESKE: Five percent.

MR. FJELDHEIM: About 5 percent. So with that assumption we can say that with our confirmation process, going door to door, we managed to collect 95 percent of those individuals who were eligible to be on the list.

MR. FRIEDEL: No, no. I think you missed the point. How many people did you either add or change from the list by virtue of the enumeration?

MR. FJELDHEIM: It was a 65 percent change.

10:38

MR. FRIEDEL: So the enumeration is still quite a critical process?

MR. FJELDHEIM: Yes. It was a 65 percent change, and we can break that out by each electoral division in the province. Sorry; I misinterpreted your question the first time.

MR. FRIEDEL: No. Right; I don't need that. But, I mean, this goes back to the conversations that we've had at this committee over a number of years, the validity of enumeration.

MR. FJELDHEIM: Yes. And that's what I was promoting, of course, the door-to-door confirmation, so I appreciate what you're asking.

MR. FRIEDEL: Just one comment that I would make. The electronic data that you send, the disks and the diskettes, I have to say are extremely helpful. I mean, not only during the election, because once you convert them to your own data system, whether it's a spreadsheet or something, being able to sort alphabetically or whatever, the ability to handle questions about where do you vote just became no chore at all.

I'm going to make a suggestion. I don't know if there's enough commonality across the province by constituency offices, but the documents you sent obviously had to have a tonne of paper go with them by giving it in hard copy. If there would be enough common data spreadsheets, by simply converting it to a disk, say to Excel or whatever people may use, you might be able to save yourself the necessity of mailing the paper out.

MR. FJELDHEIM: Okay.

MRS. O'NEILL: A quick question. I'm looking at the list, the one here; that is, the accuracy of the pre-election list actually. As you know, as MLAs we're very concerned about the number of registered electors because our constituency budget depends on that. So my question here is: is there anything – and I notice some that are inner city with apartments, et cetera. The difficulty in getting those individuals to register and then to come out and vote is a big challenge. Even in some of our constituencies it's difficult to get access to those apartment blocks. Could you comment very briefly, Brian, on, first of all, what is the law whereby we can access those buildings? Secondly, is there any effort on your part to be able to get those people registered? I mean, so that you can assist us.

MR. FJELDHEIM: Yeah. First of all, the Election Act says very clearly that candidates and election officials have access to buildings where there are two or more units and also to mobile-home parks, so you have the legal right to get in. Having said that, sometimes it's not very easy, and we do get a few calls during the election – not very many – where candidates cannot get in to do campaigning. What we do is we try to contact the building manager, first of all, and explain the legislation to them. Sometimes they refer us to the building owner, and the owner, of course, might be anywhere in Canada or North America, so it's a fairly long process.

We hope during the next electoral event to do more groundwork in preparation for that situation: sending out letters to condominium associations and apartment owners, making them aware of the legislation that is involved. So we hope to be able to do more of that next time.

For getting people out to vote, to register for the election, there is nothing in the act or in our mandate that says that we should be doing that sort of thing.

MRS. O'NEILL: To register; that is my question.

MR. FJELDHEIM: Oh, to register voters? All we can do is do the advertising. We make people aware of the importance of registering to vote, and that's it, I'm afraid.

MRS. O'NEILL: Thanks.

THE CHAIRMAN: Mr. Tannas, followed by Mr. Taft.

MR. TANNAS: Thank you. Mr. Fjeldheim, have you considered or do you now offer returning officer schools for municipalities? I notice that in weekly newspapers there are a number of municipalities that are experiencing some difficulty. Maybe Mrs. Hoffnagel has been the returning officer for a whole bunch of years,

and she turns 70, decides not to do it, and nobody else knows how to do it. There are some that are having difficulty. Do you? Will you?

MR. FJELDHEIM: We have received some calls on that issue. We have received some calls from health authorities, as well, on that issue. Once again, our mandate is such that we look after the provincial elections and so on. But obviously our resources are there, and we would certainly be willing to assist and help in any way we could those municipalities that are interested.

DR. TAFT: Just before my question I would reinforce Mrs. O'Neill's comments. I know if my colleague from Edmonton-Centre were here, she feels very strongly that it's very difficult to get into some apartments and condominiums, so anything you can do in advance to help us would be greatly appreciated.

My questions concern the optional information. I'm always very concerned that we collect a bare minimum of information that's necessary on citizens, and I'm wondering why we're collecting gender information. I can see date of birth because of voting age and phone number I guess for contact purposes. Why is gender a concern for us here?

MR. FJELDHEIM: First of all, because it's in legislation. We do not collect anything that is not specific to the legislation that we administer. The reason it's in the legislation, again, is to do comparisons when you do matching and try to do updates electronically. If we have Pat Smith, we don't know if that Pat Smith is a male or a female. Again, the gender and the birth date are in the register of electors. Think in terms that the register is separate from the list; the list is generated from the register. So that personal information, the gender and birth date, is not public information.

DR. TAFT: Okay.

THE CHAIRMAN: Okay. Mrs. Fritz and then Dr. Pannu.

MRS. FRITZ: Thank you. I wondered if I could just ask you, Brian, if you'd pass along to your staff – and all of you would – about what a good experience this was for our returning officers, our chief returning officer, and people in our area this time. I know it wasn't like that with the last election, and I had talked with the office following the last election about why and whatever. It was completely different this time because the workshops, they found, were really well organized. Material that was provided to them was really helpful.

Also, whenever they called during the election and needed assistance, which in our area happens frequently, people on the other end of the phone were really very friendly and guided them in the way that they thought was good for them and good for their office and the help that they needed. So would you please just pass that along. I wanted to be sure that you knew that.

Thank you.

MR. FJELDHEIM: Well, thank you so much. That's really nice to hear. I also want to mention that these people that are sitting beside me here and the people that are in the office really do an excellent job as well. And getting those payments out in two weeks to that many people and so on is – I'm really, really pleased with the people we have. Thank you very much. I appreciate that.

DR. PANNU: Brian, I have a question about whether your office has information on the percentage of Alberta electors who live in

apartments or in condos as distinct from . . .

MR. FJELDHEIM: No, I'm afraid we don't collect information on that. I wonder if we could get that information. With this computer system now it's amazing what you can drag out. We may be able to get something like that. Let us look into that, because I suppose we could go into the system, and where there are multi-units with one main address, we may be able to pull that.

DR. PANNU: Mary has expressed and Kevin has reinforced the concerns that in urban constituencies there's a potential problem growing. More and more people are living in apartments, and access to those units is somewhat difficult at times. So we need to know what the percentage is, what may be the size of the problem as a result, and if we could track it over time, that would be helpful.

MR. FJELDHEIM: Yes.

THE CHAIRMAN: Well, thank you very much for joining us today. We really appreciate the information.

MR. FJELDHEIM: Good, and I'd like to invite you to our office. We have a number of guides and so on and maps of your electoral divisions and maps of the province. Some time ago I tried to get out to a number of your constituency offices to let people know what we have, and I'll continue to try to do that. Visit our web site and so on. Thank you very much for this opportunity.

**10:48**

THE CHAIRMAN: Thank you.

Our next presentation will be from the office of the Auditor General. Thank you very much for joining us this morning. Maybe, Mr. Valentine, before I pass it over to you to introduce any staff with you, I'll ask our members to introduce themselves.

[Mr. Ducharme, Mr. Friedel, Mrs. Fritz, Ms Graham, Mr. O'Neill, Dr. Pannu, Dr. Taft, and Mrs. Tarchuk introduced themselves]

THE CHAIRMAN: Mr. Valentine, welcome.

MR. VALENTINE: Thank you very much, Madam Chairman. My colleague with me today is Monica Norminton, who is the chief operating officer in the office and who has the very important job of keeping me in line.

With these slides we're going to pass out copies of the overheads so that you can make whatever points you want to make on there in writing. I'm not going to refer to everything that is contained in the overheads because I know that you'll be wanting to read this stuff in the evening and repeatedly read it.

For those of you who are new, this is my seventh year in office. My first term was an appointment of six years concluding on February 28, 2001, just last spring. Last fall my term was extended two years to February 28, 2003. For those of you who don't know me, I actually continue to reside in Calgary, where I practised for 38 years with what's now called KPMG. I continue to make my home there although I spend the majority of my time in Edmonton. The significance of the two years was that it would be better not to appoint a new Auditor General in an election year, and would I extend my term one year? I said: "No. Thanks very much, but I'll have two." So that is just by way of background.

We have a short presentation. We're really here for two reasons. One is to give you an orientation of my office, and if anybody wants to come – in fact, we will over time be inviting you to come and have a sandwich with my colleagues on a one or two people at a time basis, which gives a better opportunity to delve into what we do

and what we're about. Secondly, I want to talk about your responsibility of appointing an independent audit firm to audit the accounts of the Auditor General's office.

Just a little bit of background. The office as an Auditor General office was established in 1978, but it actually dates back to 1905, at the inception of the province. There was a provincial audit office contained within Treasury, a part of Treasury. In fact, in those days it was an audit function in the sense that every invoice that the government paid received prior approval by the audit office. The audit office was actually resident down in the Terrace Building. The invoices came in one end and went out the other, and that's how it all worked.

The movement to the concept of an Auditor General and the three legs of our mandate came as a result of legislation passed in 1978. The sponsoring person at that time was Merv Leitch. I am often saying that the legislation was extremely well conceived at the time because it's had little or no amendment to it since that time, although I'd like to talk about potential for amendments to the legislation to bring it into the next century.

**10:58**

My formal relationship exists with you people as a committee to which I will come and explain budgetary issues in the office. The other committee to whom I'm accountable is the Public Accounts Committee. Some of you here are on that committee. I'm also involved with a third committee, by virtue of a section of the Auditor General Act, which is the provincial Audit Committee. That, as you may know, is a committee of laypeople that meets twice a year, once on the financial statements and once on my report. The only elected individual that's a member of that committee is the Treasurer, now the Minister of Finance. So there's an opportunity for a consequential amendment to the Auditor General Act, to change the name.

The office exists to serve the Legislative Assembly primarily and through the Legislative Assembly the people of Alberta. I'm the auditor of all the government entities, which include ministries, departments, funds, agencies, boards, commissions, universities, and public colleges. In addition, I'm the auditor by statute of the Northland school district. Under the Regional Health Authorities Act I'm the auditor of about 88 percent of the beds in the province. You will see that list as part of your duties, where you have to approve some audits that I do under section 12 of the Auditor General Act.

The concept of legislative auditing goes back to the time of Greek history, when politicians had an audit of their accounts done as they were leaving office. I thought the concept was really quite interesting, that they would want to make sure you didn't go away with the stores of money as you were leaving office.

It moves on to the formation of the British Parliament and has been a fundamental element of the accountability model built into the Westminster model of parliaments. In the four mature Westminster parliaments – Canada, U.K., New Zealand, and Australia – the authorities and responsibilities of the Auditor General are quite similar. He or she is the culmination of the process by which the authority to spend money is commenced and the expenditure occurs. A reporting back to the Legislature or Parliament occurs, and then an audit report is provided on those expenditures.

I think it's fair to say that the role of the Auditor General becomes more complex as we find more and better ways to devolve the delivery of government services to our constituencies through the use of organizations that are closer and closer to the community, whether they're still part of the government or whether they're private-sector organizations. It may not be terribly important to consider the distinction between those two, but we do know that

these services are being controlled much closer to the average citizen than in prior times. So we don't have people manning liquor stores anymore, and we don't have people manning motor vehicle branches and the like, and many other examples.

I think that the office provides a value-added service. There's a whole variety of situations that I can refer to in my seven years of involvement where we have really accomplished some very good work. One of them is the whole issue of accountability around grants and donations, and that arose because of some work that we did in the office. Another is the governance and the qualifications for board membership, which is another piece of work that we did in the office.

So in a sense the Auditor General is the watchdog of public funds. He or she has to be able to take a position on a matter, has to offer informed advice. That contemplates that I have a competent staff, which I do. We're in the business for the long term, so we can make mention of an item on a repetitive basis until that point gets picked up by the government and by legislators. An example of that would be that I think the office had concerned itself about the recording of pension liabilities for some 10 years prior to the time the pension liabilities got recorded on the accounts of government in this province, and we're certainly a leader in that area in Canada.

In fact, Alberta is a leader in financial reporting in Canada. I heard the Finance minister on the CBC this morning in the car, and she was making the point to a local radio person that we are and that in the comparison of the kinds of things we're doing in financial reporting across the country, we are a leader. There are some other provinces that are not too far behind us, though, giving due credit to them.

We really do two things, the slide says. I like to split it into three. One is that we're the attest auditor of some 200 entities, so we give an audit opinion on the financial statements of those 200 entities within the government group, just like any other private-sector audit firm would do. We're no different.

The second thing is that those transactions which come within our notice are evaluated for whether or not they comply with the legislative authority which they purport to be made under. A recent example of where that didn't happen would be the Alberta Racing Corporation matter.

The last thing we do is determine whether or not there are systems in place for the government to manage its business and, if there are systems, whether the systems are working. That's our economy/efficiency/effectiveness mandate, the third leg of our total mandate. It varies a little from the mandate that is given to other Auditors General in the country in that we are systems oriented and we are not issue oriented. We're not in the direct business of finding a particular expenditure, which may be that somebody bought toilet seats for \$400 each or hammers or whatever the latest revelation is. We're interested in the system that the enterprise is using in order to manage its business in an economical and efficient and effective way. That allows us to do what I think is a much broader cross section of work and reporting in the annual report of the Auditor General.

The Public Accounts Committee is charged with reviewing the Auditor General's annual report. Since I have been in office, which is for six annual reports, the seventh coming up in September, the House has been sitting only on one occasion when the report was ready at the end of September, which is coincidental with the government's release of the balance of the public accounts, the first part of that release coming in June. I have at the time sought the consent of the Premier, the Leader of the Official Opposition, the leader of the third party, and the Speaker in order to release my report on an out-of-session basis. There is no precedent in the legislation for that. There's no guidance in the legislation for that.

What it does is get the report out on a timely basis, and it doesn't sit on the shelf until the Legislature reconvenes. Then when it reconvenes, the Public Accounts Committee has an opportunity to question me and my staff on the content of that report for two sessions. That starts off the regular calendar of review of a variety of ministers, that part of the calendar having just recently concluded.

**11:08**

The next slide is too busy for you to read here, but I encourage you to read it in the handout form. This is where I see some of your responsibilities and my responsibilities coming together and what you as a committee have to do. Because a number of you are new to it, one of the primary duties that you have is to recommend the appointment of an Auditor General. So when my term is concluded, you will have the responsibility to come together as a search committee and find someone to replace me.

Another thing that you're supposed to do is annually review my salary and do something about that, I guess. The process that has actually happened over the period of time that I've been here is that once the senior officials' salaries are set, then there's some paralleling of the information to the Leg. officers. The chairman of the Leg. Offices Committee takes those things into account, holds a meeting, and then approves the four legislative officers' salaries.

You can make a recommendation, and you can vary a regulation or order that's made under the Financial Administration Act or the Public Service Act with respect to the operation of my office. While some of those rules and regulations are not applicable to the office, I can tell you that we make a big point about following the government lead on that. So things like meal allowances, hotel allowances, travel allowances, the salary structure, the composition of the office, how the people are titled: all of that sort of thing mirrors the public service rules and regulations.

So we've been successful in maintaining that relationship albeit that the government evaluates its people using the hay method. For those of you who've been associated with the hay method, it's quite a sharp pyramid type of organizational structure which is quite different from a public accounting office, which is much less of a sharp pyramid but flat out. So, for example, there's me, and then there are six people under me that report to me. That's a very flat organization. We really only have two other major classifications in that: principals and managers. That is more the partnership model than it is the hay method, but we shoehorn ourselves into the government system.

A few comments on things that I think you need to know with respect to my office. The legislation needs updating. There are three things that we want. No, I'm going to get to that in a minute. I'll come back to that.

Our work demands continue to increase. The creation of 17 regional authorities for child and family service operations and eight PDD boards added considerably to the workload, particularly as we meet the March 31 audit date and the June 30 deadline to have all of that work done. So we do have increasing work demands, and our staffing levels really haven't changed materially since 1996. Our staff costs are increasing. It's primarily due to the marketplace pressure. The marketplace for us is the private-sector public accounting firms, and that creates a competitive environment in which we have to compete for staff.

On top of that, for those of you who, again, are new, we do use agents to conduct a substantial portion of our work, 3 and a half to 4 million dollars' worth a year. The reason for using agents is threefold. First is geographics, so that office staff don't have to be traveling from Edmonton to Fort McMurray to do the regional college up there, going up on Mondays and coming back on Fridays. Rather, we have a local firm act as our agent, and then we co-ordinate with them in the planning and conclusion of the

engagement. It's very cost-effective.

The second reason is that we may have issues on technical expertise, in that we don't feel it's appropriate to train somebody to work in that particular area on a full-time basis when we don't have a full-time job for them on that basis. So we will hire expertise from a particular firm that we believe could provide us that on a reasonable basis, and we're not then committed to substantial education costs or year-round commitment.

Lastly, it takes us out of the peak. We have all these year-ends that are March 31, and the profession basically has the peak at December 31. They have staff available that they can loan to us on an individual basis and help us work through the peaks so that we're not staffing for the absolute demand of the peak time.

The key item on the legislative change would be that, as I indicated, the Auditor General Act has not received any substantive amendments since 1978. There are three things that have arisen in my time in the office which I think are worthy of addressing.

The first one is that I don't have the power to compel evidence under oath. I'm the only Auditor General in Canada who does not have that authority, and I'm the only legislative officer of your Legislature that doesn't have that authority. For whatever reason, it wasn't included in the 1978 legislation. Where it became difficult for me was in the request by the Premier to do the work in connection with the refinancing of West Edmonton Mall. That led to a request of a number of people to provide me with evidence under oath. Now, those that complied with that did so on a voluntary basis, and those who didn't comply with it are just a group of names which didn't comply with it. I didn't have the opportunity to listen to those people and know what they might know about the question at hand. So I would say that that handicapped me in a substantial way, and I think the Auditor General, with the appropriate mechanisms of accountability, should have that authority.

The second one I referred to a few moments ago, which is the tabling of a report out of session. I think there should be some framework for that to happen. If the framework that I've been using is appropriate, then perhaps we could get that established in some written format.

Then due to a confusion over who was to report to whom on what with respect to West Edmonton Mall, I think it might be worthy to determine that the addressing of reports made at the request of ministers of the Executive Council is clear and that it's not a confusing matter. You may remember that there was some controversy in the press about who I was going to report to and whether or not my report become public, and on it went.

So that's sort of what I would say is on the to-do list.

I thought you might just be interested in how our total audit hours have gone since 1996 at 130,000. The green line is the actual one. The dotted line is the smoothed-out mathematical equivalent of the green line. You can see that our total allotted hours have been on an upward plane along the way. As more and more things get devolved to the community, I would say that that line would continue to go up, and as the province becomes bigger and bigger, that line likely would go up too. I think it's gone up in a fairly measured way.

**11:18**

Our staff numbers have fluctuated between 113 in 1996 to a high of 118 in fiscal 2000. We're presently at 114. To take the number on a particular day is perhaps a little misleading because we are a student training office and we'll have an influx of students twice a year, once in the fall and once in the spring. Then on the other end of that chain, we have some graduating with their accounting designation, and they tend to move on. We don't necessarily have a place for everybody at the higher end.

I thought it might be worth while to see some numbers, and I'd be

happy to address the numbers today or at another time. What information we've given you is a summary financial statement of our operating statement with the actual for the year 2000 on the left-hand side, our budget supplemental and revised budget together with our actual, which is not audited yet because we don't have an auditor. We're going to have one of those right away.

We're going to turn back \$2.1 million. A lot of the reason for the \$2.1 million on the capital side is that we weren't able to get to it because of delays principally through Alberta Infrastructure in doing that work. Although we did get a piece done in Calgary, in the Edmonton office we didn't. On the operating side we've had a number of efficiencies, which allowed us to turn back \$1.8 million.

Lastly, we need you to address the issue of the appointment of an external auditor. My office is the only organization in the government where somebody from outside comes and does the audit. Obviously, I can't do an audit of my own accounts. At least, you wouldn't like it, and neither would I. Besides that, the fee isn't enough for me; I'd need more fee. To be serious, the act requires you to appoint an auditor.

We went ahead and with the chair's knowledge circulated 11 firms in the Edmonton area asking them to submit statements of qualification based on predetermined criteria. Now, I should tell you at the outset that those firms that act as my agent are not eligible to come in and do the audit, because they would be in a conflict of interest. So these 11 are firms that tend to be smaller firms and that we believe might be capable of doing the audit, but they do not include the big four or five or six or however many there are these days. The firms are all located in the Edmonton area obviously. We don't need to be looking at travel costs. As I said, they're not an agent of the Auditor General.

Five firms responded to our request, three declining the invitation to submit information and two responding positively. The two firms were Kingston Ross Pasnak and Peterson Walker. Kingston Ross Pasnak have been the auditor for some 11 years. How did they get there in the first place? There used to be a tradition that the Auditor General's office was audited by the same auditors as the Institute of Chartered Accountants of Alberta, but then somebody became the auditor of the Institute of Chartered Accountants of Alberta that was an agent of the Auditor General, so that kind of rotation ceased.

I believe copies of the proposal material were provided to the chair, so today we are requesting that you appoint one of those two firms as our auditor. The urgency of it is that I need to get the audit done in order that our accounts get assembled with all those of government and that we don't miss the date on all of that material. It's not a huge audit. Monica has the materials well in hand, and the process should go fairly easily. Let me hand out a little table that gives some material with respect to the two firms.

THE CHAIRMAN: Thank you very much.

Mr. Ducharme.

MR. DUCHARME: Thank you, Madam Chairman. In your letter of May 8 you indicate that there are two firms, and you've also indicated that verbally to us, but you do indicate that your choice at this point in time would be to reappoint Kingston Ross Pasnak. In your verbal presentation today you didn't indicate one way or the other. I was wondering if you could comment a little bit more on that.

MR. VALENTINE: Monica, go ahead.

MS NORMINTON: It was solely for expediency because of the time lines. It wasn't any preference because of qualifications. It was just because now the time is even shorter. It's just because of the short

time lines, and they're very familiar with the office. There's no other preference.

MR. DUCHARME: Well, I'd be prepared, Madam Chairman, to make a motion that the firm of Kingston Ross Pasnak be appointed as the financial statement auditors for the office of the Auditor General for a five-year term beginning March 31, 2001, and terminating with the audit of the office as of the March 31, 2005, year-end.

THE CHAIRMAN: Okay. I've got three people on the speakers' list, so I guess firstly we need to find out if it's on this motion.

Mr. Friedel.

MR. FRIEDEL: No. Mine's a different item.

THE CHAIRMAN: We'll get back to you.

DR. PANNU: My question has to do with the letter, Peter, that you wrote on April 6 to the chair, where you lay out the conditions and the considerations that should play a part in determining the choice of the auditor for your office. I particularly took note of the statement in the paragraph which talks about the issue of independence, that perhaps a firm that has audited the accounts again and again becomes familiar, develops relationships with the office.

MR. VALENTINE: I think there are two arguments about that, Dr. Pannu, and I've been involved in these arguments in my career. There are two ways to deal with it. One is to change firms, and the other is to change responsible personnel.

In my old firm we had to change responsible personnel, whether the client liked it or not, at the end of the sixth year. We had lots of clients that historically had been clients of the firm since its inception, whenever the beginning was. On the other hand, I have argued as somebody wanting to get new work that the preference would be to change auditors. So I can argue the case on either side.

What's important, of course, is the auditor's state of mind and the influence or the threats to his independence that come by virtue of some form of influence. I think that if we had any serious concern about either one of these firms acting as auditor today, I would have to tell you. I couldn't go on professionally without having made the comment.

Now, I haven't answered your question. I've just said that there are two sides to the argument. So I'd like to sort of stay there.

THE CHAIRMAN: Okay.

Mr. Tannas, is yours on this motion or something else?

MR. TANNAS: In part. I'm just going to say that I was here 11 years ago when we appointed this group, and one of the things that needed to be done with a new group coming in is that you had to allow them a lot more money and a lot more time, which then dropped in subsequent years. So there's a big learning curve in the first year or so. That's an added item to consider if you were to switch, that there's a big change there that requires extra money and extra time, and if we're short of time, then it makes it awkward.

THE CHAIRMAN: All right. Thanks.

MRS. FRITZ: My comments were similar. I read the letter as well. When I saw that our Auditor General had stated that we should look at preserving our real and perceived independence, that was a red flag for me. So it was good to hear you today say that either firm is going to be fine, that you don't have any concerns about either firm,

and that you're looking really at a time factor.

I think that 11 years is a sufficient amount of time for one firm to have been auditing, you know, the Auditor General's area. When I looked at this, I know on the chart it said that it's 14,000 and some dollars or whatever, but when I read the submission, it can even be as low as \$12,500. So the concern of extra moneys isn't one that I would have. It was similar as well. So I think that in looking at this, I would be supportive of having another firm come forward after 11 years that is just as qualified as the firm that is doing the auditing now, and I would support that.

THE CHAIRMAN: Dr. Taft.

*11:28*

DR. TAFT: Just a clarification and then a comment. Was the motion to appoint the auditor until 2005?

THE CHAIRMAN: It's a five-year term. It's 2006.

DR. TAFT: Can it be shortened maybe to reflect the changing of the guard that you're anticipating in a couple of years, or is it required to be five years?

MR. VALENTINE: If you want my counsel on the matter, I would say that five years is the minimum. The reason I say that is that if you expect the firm to invest in the engagement and do a good job year over year, they need to have a reasonable period of time in which to do the work and make a decent return on the engagement.

My personal view about rotation of auditors is not held by everybody, but people would acknowledge that I have a point, and that is that in the public sector where auditors are being appointed for school boards or hospital boards or any sort of not-for-profit type of organization, we should appoint an auditor for a long enough period of time that he or she can make a meaningful difference to the engagement, and then when it comes time to evaluate that process, maybe at the end of seven or 10 years, you call for proposals again, and that incumbent doesn't get to propose. To ask the incumbent to prepare an audit proposal at considerable cost only to be knocked out of the blocks sort of from the beginning I think is totally irresponsible and unfair. So I think it should be a meaningful period of time, and then at the end of it there's no reappointment.

Now, where we suffer here is the number of firms that (a) have the horses and (b) are eligible to be the auditor of this very small piece of the government sector that doesn't get audited by the Auditor General.

DR. TAFT: So if I could just make my thoughts, I would support Yvonne's suggestion as I understood it, to maybe consider a new auditor or else just extend the term of the existing auditor for two or three years. That leaves the door open for the successor to change firms if he or she wishes when she or he arrives.

MRS. O'NEILL: I just wanted to say very quickly that I would be in favour of us renewing with the firm that has done it before purely on the basis that they have an understanding in their practice of what government is about and what the public sector is about.

THE CHAIRMAN: Are there any other comments on this?

DR. PANNU: I would like to, I think, support the suggestion at this stage that's been made that we in fact look at the firm not recommended for appointment. From the Auditor General's letter here, the recommendation, there's a clear acknowledgment that both firms are equally qualified in terms of personnel. One firm has been doing the auditing for 11 years, and I'm persuaded by the Auditor

General's own argument that the issue of independence does arise with long tenure of auditors.

Given that, I find the recommendation at variance with the very wise counsel that came to us from the Auditor General. So I'm in favour of us seriously considering changing the auditor. When you make a change, a new firm has to develop the knowledge, and if we appoint this new firm for a five-year period, any time that a new firm invests in learning about how the system works pays off in the long run. So sooner or later someone new has to come in. We can't guarantee to ourselves that another firm that we'll look for a few years down the line will have already had the experience of auditing the office.

So, in light of that, I would suggest that we consider seriously going with the new firm rather than renewing the contract with the one that we have presently.

MR. FRIEDEL: I'm going to, well, first of all, go along with the motion as it is. Over the eight years that I've sat on this committee until this discussion, the audit of the Auditor General's office has probably been one of the least controversial of any issues that we've ever faced. To raise this level of discussion almost makes it sound as though there is a controversy or that there could be some level of inside influence that would make it something that one would want to question. I think we're looking here at something that's a very nominal cost. Perhaps the new cost isn't an issue, but it still is a time and cost-efficiency issue. I also believe that the level of protocol and ethics that's been established over the years in the CA field has been one that is rarely – I have never heard of it ever being questioned.

I don't have a problem with continuing with something that's working. There's been no question from anywhere in government circles, the Auditor General's office, or even outwardly that I have ever heard that says: hey, you know, this might be time to shake things up and get a new firm in. To change it just for the sake of change is almost what we're doing here.

I'm going to recommend that we follow the motion and appoint Kingston Ross Pasnak.

THE CHAIRMAN: I don't have anybody else on the speaker's list, so let's go back to the original motion by Mr. Ducharme, which was that

the firm of Kingston Ross Pasnak be appointed as the financial statement auditors for the office of the Auditor General for a five-year term beginning March 31, 2001, and terminating with the audit of the office on March 31, 2005, year-end.

DR. TAFT: It's 2006.

THE CHAIRMAN: It's year-end 2005.

All in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Any opposed? Motion carried.  
Thank you very much for your presentation.

MR. FRIEDEL: I have one question, my original question.

THE CHAIRMAN: That's right. Sorry.

MR. FRIEDEL: On the one slide – you don't have to put it up again, because we all have it – there's one that's called Key Items Work Demands, which showed that the actual total audit hours declined from 1997 to 1999 and gradually declined over a couple of years, and then you showed the dotted line extending in a significantly

upward trend. Is there an event or an anticipated event that would suggest that that workload would peak that quickly again during this year?

MS NORMINTON: We have a number of projects that weren't completed this year due to staffing demands, and we have five new staff. So that's part of it, and those projects that were carried forward from this prior year due to change in priorities amongst the clients are going to be carried forward.

MR. FRIEDEL: Are there some significant new duties?

MR. VALENTINE: The one area which has caused us a substantial increase in the hours has been the child and family services authorities and persons with developmental disabilities. As you may know – and if you don't know now, you certainly will read about it in my report this year – the whole relationship of board governance over employees who are not employees of the authority but rather employees of the department, being serviced by a central service organization for accounting and financial matters, dealing with a transition from the old responsibilities in the department to their new authorities without certain legislative authorities has been, in short, a mess. It has taken an inordinate amount of time in order to conduct those audits.

There's also the whole area, then, of those organizations which contract people in the private sector to provide services to them. What is the accountability model that's being employed to make sure that there is an efficient expenditure of public funds on looking after children in need and persons with developmental disabilities and the like?

MR. FRIEDEL: You did mention that particular issue at previous meetings. I'm looking at that dotted line and seeing where it intersects the gradual, average increase and would follow it up with a question: does that mean that that dotted line is going to keep going up, in your projection, at that level, or will it likely taper off and join the average again?

11:38

MR. VALENTINE: Well, you know, how big is this province going to get? I don't know how many people move into Calgary in a week. Is it 30,000 people we get in a month in this province? So if you take that down the road, just by virtue of the population growth government will be somewhat bigger. There will be more people seeking more services. How you plan your business, of course, is up to the government; the mechanism of how you deliver is up to the government. But as I've said on a number of occasions, that doesn't diminish the responsibilities that I have with respect to reporting to you on the economy, efficiency, and effectiveness of the expenditure of those funds.

MR. FRIEDEL: Not to belabour it, but the gradual incline . . .

MR. VALENTINE: It's the total audit hours of the office.

MR. FRIEDEL: I'm looking at the intersection of the two dotted lines. One looks like it's going to keep going up markedly, whereas the other one would assume that it takes into consideration the gradual growth of the province.

MR. VALENTINE: I would think it won't be perfectly up or perfectly down. It'll grow with the province, I would think. What sort of benchmarks would you say? I don't know. At the moment I think it's pretty good. We've done what we've been able to do in the growth of hours with relatively constant staff with the office.

THE CHAIRMAN: Okay. Thank you very much for your presentation and for joining us today.

I would like to just make a brief suggestion to the committee, and we've already checked this out with the Ombudsman. The rest of the items on our agenda today are for information except for one decision that we were hoping to accomplish today. So with your indulgence – and the Ombudsman's fine with it because it's to the benefit of the officers that we actually deal with this today – I would actually like to move to item 8. The reason for that is that a number of you have mentioned that you will be leaving exactly at 12 o'clock, so I prefer, while we have the attendance, to deal with the one issue left, if that's okay.

MR. VALENTINE: Madam Chairman, can we talk to the auditors?

THE CHAIRMAN: Absolutely.

MR. VALENTINE: Because we need to get on with it.

THE CHAIRMAN: Thank you very much.

Just very quickly: achievement bonuses. Apparently our Leg. Offices have been involved with the government's bonus strategy, and I think the Auditor General had referred to there's a lot of alignment between how we treat staff and senior officials and whatnot. I understand that bonus discussions take place at budget time, so bonuses that were discussed for the year-end of March 31, 2001, were part of the budget discussion in the fall. It also just came to my attention that because we didn't have a committee in place at the time of March 31, we are the first committee to meet following the election, and the bonuses for the Leg. officers need ratification.

So once this was brought to my attention, I went back over the last couple of days to the previous members just so I could have the benefit of their memories and discussions and their counsel on what to do with this particular motion. I think maybe, Mary, if you want to share what you know, and certainly Gary and Denis can add to it.

Just very briefly, we need ratification for something that occurred prior to our being put on this committee. I think that the discussion about achievement bonuses and what they could and should and might look like in the future will be a discussion for us in the fall, because it's going to be wrapped up into our next budget discussions.

So, Mary, if you just want to make a few comments.

MRS. O'NEILL: Yes. Madam Chairman, I'd like to put a motion on the floor. To explain, this was a consideration, as you've just mentioned, that was considered at our budget deliberations previously for the past year, but it's come to my attention that we need a motion. We need to formalize it with a motion for the past. So what I'd like to do is to put in that the Standing Committee on Legislative Offices authorize that the officers of the Legislative Assembly be authorized to pay achievement bonuses consistent with the government's achieving its bonus strategy for the 2000-2001 year and consistent with the public service in the amount of 10 percent for senior officials.

THE CHAIRMAN: Okay. I think, if I'm not mistaken, you said Leg. Assembly instead of officers of the Legislature.

MRS. O'NEILL: Officers of the Legislature. Oh, I'm sorry; I said Legislative Assembly. I'd like to correct my motion then. So it should read:

the Standing Committee on Legislative Offices authorize that the officers of the Legislature be authorized to pay achievement bonuses consistent with the government's achieving its bonus strategy for the 2000-2001 year and consistent with the public service in the amount

of 10 percent for senior officials.

THE CHAIRMAN: Okay.

Mr. Friedel, you wanted to add something?

MR. FRIEDEL: Yeah. You mentioned this thing about, you know, the historical view of paying these. Since it started, it was actually very difficult to rationalize how you're going to pay the legislative officers when we as a committee have certain jurisdiction in how we deal with them but at arm's level in terms of interfering with their actual work.

I think we came to terms at the beginning by saying that we're tying the salaries of these officers to the equivalent level of public service so that we don't have to specifically go out and look for subjective criteria to do it under. The payment of the bonus has almost been a nominal thing simply to maintain that level of parity rather than us presuming that we could go in there and evaluate what's going on in the offices and destroying that arm's-level protection that they have. So even when you mention the possibility of this fall going in and reviewing that process, it never hurts to look at it, but I think it's important to realize that if we do make changes that call for a subjective review, then we may have to really look closely at our relationship with the officers.

THE CHAIRMAN: Are there any other comments on this motion?

DR. PANNU: I think I agree with Gary's observations on the issue of how we should deal with it. I'm a bit uncomfortable about ratifying something that's not on record as a decision made by the previous committee. Was there no motion by the last committee on this?

THE CHAIRMAN: No, there wasn't. It appears that each year there has been a motion by this committee after the discussions and after it has been determined. Frankly, the motion is usually after the year-end because you've got to wait and see what happens with the bonus strategy and the increases that we're talking about. So the motion isn't made at budget time. We're following up after the year-end.

Any other comments? All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried. That's great.

Before we bring in the Ombudsman, just to deal with the only other item left on the agenda. It's the information about the conferences. We will be getting more information on it, and we'll send it out to you. Typically, as in the past, you indicate whether or not you're interested and let the chairman know. In our budget we apparently have enough money to normally send two people to each of the conferences. Sometimes it can be two to each, and then sometimes three might want to go to one and one to the other, whatever. But that's an indication of the level of support for committee members to go to these conferences. Like I said, we'll get more information, and then just indicate to me if you have any interest in either one of those conferences. Okay?

At this point we will bring in the Ombudsman. Maybe what we'll do while you're setting up is quickly go around the table and introduce ourselves because we have a number of new members here, and then you can introduce your staff.

[Mr. Ducharme, Mr. Friedel, Mrs. Fritz, Ms Graham, Mrs. O'Neill, Dr. Pannu, Dr. Taft, Mr. Tannas, and Mrs. Tarchuk introduced themselves]

MR. SUTTON: Good morning, everyone. My name is Scott Sutton. I know the hour is very late, and you're anxious to get going. I have a short slide presentation that I want to share with you, and hopefully it will give you a little bit of an insight into the institution we call the office of Ombudsman. I know that Brian Fjeldheim was in here. I'm sure he took a fair bit of your time, and that's probably why you're running a little bit late.

11:48

Anyway, because of the hour I'll run through the presentation rather quickly. It will give you a bit of insight into what it is we do and how we do it. We're going to be ready to roll here in about in two seconds.

I'm sorry, everyone; I'm remiss. I did not introduce my colleague. This is Ms Lynn Scott, from my office. I apologize for that.

MS SCOTT: Good morning.

MR. SUTTON: I was a little rattled because we couldn't get this machine running.

As I said, I'm going to run through this rather quickly because the hour is late. At the completion of this presentation I have some handouts for you, and I certainly would be willing to answer any questions you might have.

Alberta is recognized for having the first office of Ombudsman in North America. It was started in 1967 in all provinces with the exception of Prince Edward Island and Newfoundland, who did not have one. Newfoundland just passed legislation to have something akin to an Ombudsman.

Previous Alberta Ombudsmen. I'm number 6. That gives you an idea of where they came from and who they were.

What is an Ombudsman? Appointed by the Legislative Assembly and conducts impartial investigations into complaints from individuals who believe they've been unfairly treated by the provincial government. Again, the key words in here are "impartial" and, in the second paragraph, "independent." An independent third-party reviewer. I am not an advocate for anyone.

I've got a couple of relevant sections that I just want to quote to you. The term of office is for five years. I'm in my fourth year at the present time. Section 11 of my statute gives me the empowerment to do the work that I do. Again, I'm running through this rather quickly, folks.

It's important to know that I can do an investigation on a complaint made to me or also on my own motion. There are several venues to follow through. A committee of the Legislative Assembly can request an investigation. A ministerial request can come forward.

That is the structure of my office. I have an office in Calgary, and I have an office in Edmonton. I have seven full-time investigators, and I have a total staff complement of 20 people. At the present time I have one staff on medical leave, and I have one staff on maternity leave.

Last year we went into statistical reporting to coincide with the fiscal year. This data is for a 15-month period. It shows that the overall inquiries were 7,297 last year. We have the big five, as we call them. These are the areas that most of our work comes from. Children's Services, correctional services, Human Resources and Employment, maintenance enforcement, and workers' comp account for 84 percent of our work.

These are the investigations that were conducted last year: 475. That gives you a quick breakdown of the different departments and the numbers of investigations that were conducted with that.

Of the 831 files that we opened last year, 57 percent were investigated. Sixty percent were not supported. That means that we

found no wrongdoing by the department or agency. Thirteen percent were discontinued for various numbers of reasons. In 27 percent there was some support or full support. When I say "some support," that could mean a procedural process; it has nothing to do with the decision that was rendered. That gives you an idea of the departments and the number of complaints that we do get for the various departments.

I think it's important to understand that in the past there has been some feeling that the Ombudsman was an alternate decision-making process. That is not the case. It's process driven. There's a methodology in how we do our work. I've just included this slide to show you the process that happens when a complaint is received at our office.

Assign the complaint to an investigator, one of the seven. My legislation says that when I open an investigation, I must correspond with the deputy minister of the department involved and with the complainant, which I do. I deal with fairness in process, and that's what the investigators will follow. They have a checklist that they have to follow in doing their work. We deal with a lot of very focused and troubled individuals, and at times it's very difficult to isolate exactly what is the issue that deals with the administrative process within the government.

What we look at is that we determine whether the decision was made within the statutory mandate. Is the policy current with the legislation? Are they congruent with the legislation? Different things like that. Was the decision grounded in the evidence presented? How did the decision-maker consider the evidence? Was it written so a reasonably informed person could understand it? Was it made by an impartial and independent decision-maker? We determine whether the reasons for a decision were adequate. Were there participation rights? Another one that has come up of late was discretionary powers. If there were discretionary powers, were they used?

At the conclusion of the investigation the investigator will give me a written report in a standard format with a recommendation for my review. I will review it – I review all investigations – at which point a letter will be sent to the deputy minister and to the complainant outlining the findings.

If a recommendation is made to a department for some corrective action, I have not run into a problem where we haven't been able to come to some resolve. There are various venues available to me, and I have found that there is a genuine willingness, if there is a problem, to right that wrong. We don't really run into problems that way. I do keep track of all the recommendations that go out, and we will follow up. I'm not overly vocal in the way I do my work, but I'm very tenacious and I won't let go of things.

**11:58**

I've just got to put in a couple of real quick samples for you to give you an idea. In Justice and Attorney General we do a lot of work for maintenance enforcement. We had one situation where a gentleman had been paying maintenance for a number of years and had complained to us. When we checked into it, we found out that the child he had been paying for had been adopted and made a ward a number of years prior, ending up in a refund to the gentleman of \$15,000.

We deal a lot with HRE and SFI, supports for independence. This was an interesting one, and this is where I talk about discretion. Even though the overpayment was the result of a department error, the appeal panel upheld the department's decision. The appeal panel did not use the discretion permitted to them in section 17(1)(b) of the Social Development Act. We had brought it to their attention, saying that you do have discretion to make a decision here in a certain manner, which they did.

Correctional services. We have drug testing in our jail systems,

but we had an inmate complain that he was disciplined for a positive test. We went in and had a look, and they didn't do it properly. What our job is is that you have rules to do things. Did you follow the rules, did you do it properly, and did you treat the person fairly?

One thing that is really important and that I constantly have to tell people that come to me is that I'm not there to dispense favours. What I'm there for is to protect individual rights. Okay? I maintain a bit of a low profile. I believe strongly in relationships. You get more bees with honey than you do with vinegar, but it's important for people to know that the vinegar still exists. I work hard at dealing with the deputy ministers that I work with so that we can work in a cohesive way and make some meaningful change.

That, folks, is a real rush through. We did it in record time. I don't want to keep you. I've got some handout material for you now. I know that you've listened long and hard to a lot of people. Some of you have been on this committee before, three of you I believe. Some of you are new to it. I know that Don's been on a long time. So I'm open for any questions you might have. I apologize for scooting through this so quickly, but I know you'd like to break and get ready to go.

**THE CHAIRMAN:** Thank you very much.

Have you got any comments or questions?

**MR. TANNAS:** Scott, you're appointed by a legislative committee that's an all-party committee. How many other ombudsmen are so appointed, and how many are appointed by the Premier or the minister?

**MR. SUTTON:** A parliamentary ombudsman such as myself in the other provinces is appointed through a similar process, a very like process. The independence has to be in there, and it's something that the Canadian Ombudsman Association works very hard towards, to include that. I think the word has been used quite generally, and there are other ombudsmen type functions that are not so appointed.

**DR. TAFT:** I need to understand a little bit about your jurisdiction over health facilities. I understand you don't have jurisdiction over, for example, regional health authorities and so on.

**MR. SUTTON:** Not yet.

**DR. TAFT:** Not yet. Okay. You may be moving in that direction; I don't know. I did notice, though, in a pie chart, I think it was, that 4 percent of your complaints were linked to health. I was wondering how those patients . . .

**MR. SUTTON:** Well, we do have jurisdiction, for example, over the Health Facilities Review Committee, various government functions such as that. We are moving more and more towards health. We've received a number of calls because there's legislation pending under the Health Professions Act. There has been talk in the House about regional health authorities and having the Ombudsman involved in the complaints resolution process there. So as a result of that, some of that is coming. We are working at getting some amendments to our statute through the House so that we can accommodate some of those concerns.

**DR. TAFT:** So you anticipate maybe in a couple of years or at some point in the future . . .

**MR. SUTTON:** I hope long before a couple of years.

**DR. TAFT:** . . . having jurisdiction over the regional health

authorities?

MR. SUTTON: Yes.

DR. TAFT: Well, I'd be interested in a follow-up on that.

MR. SUTTON: Okay.

DR. PANNU: Does your office handle complaints from delegated authorities?

MR. SUTTON: You were talking about contracting out services, for example? No?

DR. PANNU: I think delegated authority is slightly different.

MR. SUTTON: Slightly different but, you know, along that concept. If I cannot investigate in private industry, what I could do is follow the terms of the contract to that. This, you must know, is a bit of a sore spot with me, where I feel that even though you delegate the authority for a service, the ultimate responsibility remains with the government, and therefore I should follow that through. That, too, is another amendment that I'm seeking to my statute.

THE CHAIRMAN: Anyone else have any comments or questions?

Well, thank you very much for coming today.

MR. SUTTON: Thank you. Again, I apologize for booting through real quick, but I know you people have got other things to do.

Thank you very much.

THE CHAIRMAN: Thank you very much.

Unless there's anything else, could I have a motion to adjourn?

MR. DUCHARME: I so move.

THE CHAIRMAN: Thank you. All those in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Any opposed? Well, thank you very much.

DR. TAFT: When do we meet again?

THE CHAIRMAN: At the call of the chair.

[The committee adjourned at 12:06 p.m.]

