



Legislative Assembly of Alberta

The 30th Legislature
Third Session

Standing Committee
on
Public Accounts

Executive Council

Tuesday, April 26, 2022
8 a.m.

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Standing Committee on Public Accounts

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Standing Committee on Public Accounts

Participants

Ministry of Executive Council

Dana Hogemann, Assistant Deputy Minister, Financial Services, and Senior Financial Officer

Christopher McPherson, Deputy Clerk of Executive Council and Deputy Secretary to Cabinet, Cabinet Coordination and Ministry Services

8 a.m.

Tuesday, April 26, 2022

[Ms Phillips in the chair]

The Chair: All right. Good morning, everyone. I'd like to call this meeting of the Public Accounts Committee to order and welcome everyone in attendance.

My name is Shannon Phillips. I'm the MLA for Lethbridge-West, and I'm the chair of this committee. As we begin this morning, I'll invite those participating in the committee room to introduce themselves. I'll begin to my right.

Mr. Reid: Good morning. Roger Reid, MLA for Livingstone-Macleod and deputy chair of the committee.

Mr. Rowswell: Garth Rowswell, MLA, Vermilion-Lloydminster-Wainwright.

Mr. Turton: Good morning, everyone. MLA Searle Turton, Spruce Grove-Stony Plain.

Ms Armstrong-Homeniuk: Good morning, everyone. Jackie Armstrong-Homeniuk, MLA, Fort Saskatchewan-Vegreville.

Ms Lovely: Good morning, everyone. Jackie Lovely, Camrose constituency.

Mr. Toor: Good morning, everyone. Devinder Toor, MLA, Calgary-Falconridge.

Mr. Singh: Good morning, everyone. Peter Singh, MLA, Calgary-East.

Mr. Walker: Good morning. Jordan Walker, Sherwood Park.

Ms Hogemann: Good morning. Dana Hogemann, ADM, financial services, and SFO for Executive Council.

Mr. McPherson: Good morning. Chris McPherson, deputy secretary to the cabinet, deputy clerk of Executive Council.

Mr. Wylie: Good morning. Doug Wylie, Auditor General.

Mr. Ireland: Good morning. Brad Ireland, Assistant Auditor General.

Mr. Schmidt: Marlin Schmidt, Edmonton-Gold Bar.

Ms Renaud: Marie Renaud, St. Albert.

Ms Pancholi: Good morning. Rakhi Pancholi, Edmonton-Whitemud.

Ms Robert: Good morning. Nancy Robert, clerk of *Journals* and committees.

Mr. Roth: Good morning. Aaron Roth, committee clerk.

The Chair: All right. We don't have any other members participating via video conference this morning, the first time in quite some time. If any do arrive, please send a note to the clerk, and we'll have you introduce yourselves for the record.

A few housekeeping items to note. The microphones are operated by *Hansard*. Committee proceedings are live streamed. If anyone does participate by video conference, please turn on your camera when speaking and turn it off otherwise. Please set your cellphones and other devices to silent for the duration of the meeting.

Are there any changes or additions to the agenda that we have before us, hon. members? Seeing none, I will ask a member to move that the agenda for the April 26, 2022, meeting of the Standing Committee on Public Accounts be approved as distributed. Moved by hon. Member Singh. Is there any discussion on this motion? All in favour? Are there any opposed? Thank you. That motion is carried.

We'll now move on to approval of the minutes. We have minutes from our last meeting, on April 19, in front of us. Do members have any errors or omissions to note? Seeing none, I'll ask someone to move that the minutes of the April 19 meeting of the Standing Committee on Public Accounts be approved as distributed. Moved by Member Turton. Any discussion on this motion? Seeing none, all in favour? Any opposed? Thank you. That motion is carried.

We'll now move on to our guests. We have guests from the Executive Council, who are here to address the ministry's annual report. Given that we are in an in-session two-hour meeting, folks have 10 minutes to begin, the Auditor General has five, and then our rotations are 12 and nine minutes.

With that, please go ahead, Mr. McPherson. Your time starts when you start speaking.

Mr. McPherson: Thank you, Chair. As mentioned, my name is Chris McPherson. I'm the deputy secretary to the cabinet and deputy clerk of Executive Council. Joining me is Dana Hogemann, the ADM and senior financial officer for Executive Council.

I'm pleased to appear before this committee to discuss the 2020-2021 Executive Council annual report, which covers the period from April 1, 2020, to March 31, 2021. I will outline briefly what Executive Council does and some of its accomplishments in what was a very challenging year for all Albertans. Then ADM Hogemann and I will try to answer any questions you may have.

I'll begin at the top, so to speak. The office of the Lieutenant Governor provides administrative and functional support for Alberta's vice-regal. Since August 26, 2020, this has been the Honourable Salma Lakhani, who represents the Queen of Canada, Her Majesty Queen Elizabeth II. The Lieutenant Governor at the beginning of the 2020-2021 fiscal year was the Honourable Lois Mitchell.

As stated in its 2020-2021 business plan, Executive Council supports the Premier, the cabinet, and ministries as they deliver and implement the government's agenda. Executive Council offers cabinet and its subcommittees advice on legislative, regulatory, and policy issues and communicates cabinet's decisions to ensure that ministries implement them in a timely manner. The ministry also supports Alberta's intergovernmental relations goals.

Executive Council's minister is the Premier of Alberta, the Hon. Jason Kenney. The office of the Premier supports the Premier and the principle of responsible government. For the 2020-21 fiscal year the Premier's office was led by the then chief of staff Jamie Huckabay and by acting chief of staff Larry Kaumeyer.

Executive Council's deputy minister is Ray Gilmour. He is also the secretary to the cabinet and the head of the Alberta public service. Deputy Minister Gilmour provides strategic leadership to the Deputy Ministers' Council and all of the staff of the Alberta public service and the ministry. This involves advising the Premier, monitoring strategic and operational priorities, and ensuring that the cabinet decision-making process works effectively.

The Associate Deputy Minister of Executive Council is Coleen Volk, who will be retiring in a few days, on April 30. ADM Volk is also the Deputy Minister of Intergovernmental Relations, or IGR. IGR is responsible for advancing Alberta's interests at intergovernmental forums, including the Council of the Federation, first ministers

meetings, the Western Premiers' Conference, and bilateral meetings with the Prime Minister and other Premiers. IGR works with all ministries to ensure a co-ordinated and consistent approach to inter-governmental relations. This involves reviewing and approving all of Alberta's intergovernmental agreements to ensure they are consistent with Alberta's goals and objectives.

The year 2020-2021 was a busy year for IGR. IGR reviewed 181 agreements between Alberta and other governments that proceeded to signature and also supported the Premier's participation in the 2020 summer Council of the Federation meeting, held on September 24, 2020, via video conference. The Premier has met virtually on a regular basis to discuss the COVID-19 response. Alberta attended 33 meetings in 2020-2021. Alberta also attended 24 first ministers meetings in the same year, including one on December 10, 2020, dedicated to the discussion of the Canada health transfer. In addition, IGR supported the Premier, ministers, and deputy ministers at 411 multilateral and bilateral meetings and conferences.

Another part of Executive Council is the policy co-ordination office, or PCO. During the '20-21 fiscal year the PCO was led by Deputy Minister Mark Cameron. The PCO provides secretariat support to four of cabinet's subcommittees. These committees are the jobs and economy committee, the community and families committee, the resource and sustainable development committee, and the Legislative Review Committee. The jobs and economy, community and families, and resource and sustainable development committees all consider policy, legislative, and regulatory proposals. The Legislative Review Committee reviews legislation and regulations to ensure that legislative drafting is consistent with cabinet's direction.

The fiscal year in question was a busy year for the PCO, which managed 59 meetings of the policy committees and another 39 Legislative Review Committee meetings, for a total of 98 meetings. The PCO works with other parts of Executive Council and all ministries to plan decision-making and timing in accordance with cabinet's policy goals. The PCO also plays an essential quality assurance or challenge function for ministries. This helps ensure that cabinet and its committees consider high-quality documents.

I lead the cabinet co-ordination and ministry services division. The division consists of four branches. The cabinet co-ordination office, or CCO, is the secretariat for cabinet and committee meetings chaired by the Premier; specifically, cabinet, the Priorities Implementation Cabinet Committee, or PICC, and, as required, the Emergency Management Cabinet Committee, or EMCC. In what is a common theme 2020-21 was a busy year for the CCO, which managed 116 meetings. To put this into perspective, in an average year we would see approximately 38 Premier-chaired meetings. So this means that in 2020-2021 the CCO supported nearly three times the number of Premier-chaired meetings than the historical average.

The operations and machinery of government, or OMG, is responsible for a wide variety of work, including business continuity planning, business planning, and implementing corporate initiatives, all within Executive Council. OMG also supports ministries, including through preparing updates and amendments to the designation and transfer of responsibility regulation.

The protocol office works with ministries in support of official and working visits to Alberta and serves as the point of introduction for diplomats and other key visitors. In fiscal 2020-2021 due to the pandemic there were no in-person full official visits. However, the protocol office continued to engage the diplomatic and consular corps through virtual meetings with the Premier, ministers, and the Lieutenant Governor. Where pandemic restrictions allowed the opportunity for it, in-person meetings took place. Internal to

Executive Council, the protocol office supports the Alberta Order of Excellence program and co-ordinates ceremonial occasions. For example, in the fiscal year in question the protocol office played the leading role in the installation of Her Honour the Lieutenant Governor. Finally, the protocol office manages the conference facilities at the Edmonton Federal Building, at Government House, and at McDougall Centre in Calgary.

Ministry services supports day-to-day operations of the ministry, including recruitment, training, and employee relations, finance and administrative services, including financial planning, financial reporting, and business planning. Management of the ministry's accountability is under the Freedom of Information and Protection of Privacy Act and records management and information and technology support and services. Many of these services are provided via shared-services models that are operated out of other departments such as Service Alberta and Treasury Board and Finance.

8:10

Turning to the Auditor General's recommendations, I am pleased to report that the Executive Council has no audit recommendations from the Auditor General. As I noted earlier, the 2020-2021 fiscal year began and ended with Executive Council supporting all ministries to mitigate the health and economic effects of COVID-19 and to achieve other priorities. This was an extremely challenging year, and I'm proud of the dedication and excellence in the service of Alberta displayed by every staff member of Executive Council and honoured to serve alongside them.

ADM Hogemann and I are happy to answer any questions you may have.

The Chair: Thank you, Mr. McPherson.

We'll now move on to the Auditor General for some introductory comments, please.

Mr. Wylie: Well, thank you, Chair. As indicated, there are no outstanding recommendations related to this ministry, and I would just further indicate that there are no separate financial statement audits that my office audits in this ministry.

Thank you, Chair.

The Chair: Thank you, Mr. Wylie.

We'll now move on to the first rotation, which is 12 minutes. We'll begin with the Official Opposition. Member Pancholi, please.

Ms Pancholi: Thank you, Madam Chair, and thank you, Mr. McPherson and Ms Hogemann, for being here today. I just want to confirm: is there anybody here today to speak on behalf of the Premier's office?

Mr. McPherson: No, there is not.

Ms Pancholi: Okay. Thank you.

I'd like to begin my questions, of course, speaking to the year in question, the 2020-2021 fiscal year. During that year we have all become aware now, as a result of documents filed in court, that Ms Ariella Kimmel was a ministerial chief of staff from August 2020 to the date that she was fired in February 2021. As described on pages 10 and 11 of the annual report, Executive Council and, in particular, the office of the Premier is responsible for human resource matters related to political staff, legislative liaison staff, as is noted in the annual report.

In those documents filed in court, Ms Kimmel has made allegations of serious issues of misconduct that occurred during the fiscal year under consideration. I note that key objective 1.2 on page

13 of the annual report is to “provide advice and information to the Premier . . . to support informed decision-making.” Under the former NDP government I understand that there was a policy in place that allegations of serious misconduct of this kind would go to a third party for review. My question is: in this situation with Ms Kimmel’s complaints, at that time was there a policy in place within Executive Council that allegations of this type would go to a third party for review?

Mr. McPherson: I cannot speak to what policies the Premier’s office had in place in terms of the management of its own staff at that time.

Ms Pancholi: Well, then, thank you. I appreciate that you can’t do it, but that’s why it would have been helpful to have representatives today from the Premier’s office at this committee. You know, certainly, I’m going to ask that you can please agree to follow up in writing with the Premier’s office and ask them to table their responses to the questions we are making today in committee to this committee. Can you commit to that?

Mr. McPherson: Yes.

Ms Pancholi: Thank you, Mr. McPherson.

The complaints that Ms Kimmel made, as noted in the court documents that were filed, indicate that these complaints were made directly to members of the Premier’s office, to the chief of staff, to the deputy chief of staff. As well, these allegations were also reported directly to several members of Executive Council, including the current Government House Leader and Minister of Environment and Parks as well as the Minister of Children’s Services. Again, can you confirm, to your knowledge, given the nature of these complaints and who those allegations were pertaining to and who they were made to, that at that time there was no policy for those kinds of complaints to be referred to a third party?

Mr. McPherson: As I mentioned, I am unaware of what the human resources policies of the Premier’s office were at that time. I would say that the allegations that you’re referring to are being tested in court right now, and it would be inappropriate for me to comment on them.

Ms Pancholi: Thank you. I’m not asking about whether the allegations are true or not. Those, as you noted, are to be tested in court. However, it is typical in any workplace setting that there is a policy for how to handle those kinds of complaints, and that’s the question that I’m asking about. What was the process for handling allegations of this type, particularly who they were levelled against and who they were reported to? You know, was there a policy that actually talked about how those allegations would be addressed? Would they go to a third party for review in order to have some impartiality? Are you saying that you’re unaware of any policy to that effect?

Mr. McPherson: I’m unaware of how the Premier’s office managed political staff. That’s correct.

Ms Pancholi: Right. Well, thank you. Once again I’ll repeat my request that the Premier’s office, then, follow up with that question in writing.

Would it be also true, then, that you’re not aware whether or not any such policy was followed in this case?

Mr. McPherson: As I said, I’m unaware of how the Premier’s office managed their own staff.

Ms Pancholi: Thank you. Once again I’ll request that that be tabled with the Premier’s office and that they file their written responses to this committee.

In relation to Ms Kimmel’s allegations of serious misconduct, which included sexual harassment and a toxic workplace culture – again, all of these allegations relate to the fiscal year under review. Executive Council, we understand now, has retained Ms Jamie Pytel to perform a third-party review of the government’s HR policies. Has the government, to your knowledge, Executive Council, received the report from Ms Pytel?

Mr. McPherson: I am unaware of the report being received at this time.

Ms Pancholi: Is there anybody else who’s with us today who can tell this committee whether that report has been received?

Mr. McPherson: No.

Ms Pancholi: All right. Given that we’re not getting much information here on that, I’m going to ask again that that go back to the Premier’s office to report to this committee as to whether or not that third-party review report by Ms Pytel has been completed and to table a copy of that report, if it has been completed, with this committee.

We know of one set of allegations of inappropriate conduct which were made by Ms Kimmel. We know that Executive Council, and in particular the Premier and his office, again, is responsible for those HR issues relating to political staff. During the fiscal year in question how many other formal complaints were made to Executive Council with respect to either assault, sexual assault, misconduct, or harassment?

Mr. McPherson: I am unaware of any.

Ms Pancholi: All right. I’ll ask once again that that go back to the Premier’s office and a written response be tabled with this committee.

How many informal complaints were reported to either the Premier or his staff?

Mr. Turton: Point of order.

The Chair: Sure. Yes. Please go ahead.

Mr. Turton: Yes. Thank you very much, Madam Chair. I would like to call point of order to 23(b). You know, while I appreciate that the hon. member has a number of questions to ask about specific HR concerns here today, I mean, she does have an opportunity to ask those exact questions in question period in about four hours’ time. Our time here is supposed to be spent on policy implementation, on the results of that, and how taxpayers are getting proper value for their limited tax dollars. So I would just ask perhaps that the hon. member keep the questions to the reason we’re here at Public Accounts and maybe perhaps move her questions and this line of questioning to question period, where I think would be better suited.

Thank you.

The Chair: Thank you.

Any response?

Mr. Schmidt: I mean, I understand that the member is probably uncomfortable with this line of questioning, but it’s completely within the scope of the committee. As the member pointed out at the top of her questions, human resource matters are the purview of

Executive Council. It's stated quite clearly on pages 10 and 11. These are important human resource considerations that are of tremendous import to the people of Alberta, and I think the member has the right to continue these questions. I don't think that this is a point of order.

The Chair: Thank you.

As long as the hon. member keeps the questions to operational and human resource matters, that's pretty clear in the annual report. This is a ministry that does not deliver programs in the same way, with the exception of intergovernmental affairs. When you read through the Executive Council annual report, it's very clear that human resources and administration services for the public service, for Executive Council itself, and for the Premier's office are essentially the core work of the ministry, so as long as the member is keeping her comments and questions to those issues, I think we are okay. The only other caution I'll issue is around repetition. Once the answer has been given, then we will move on.

Thank you, and please continue.

Ms Pancholi: Thank you, Madam Chair. I'll go back to my question. My question was about: how many informal complaints were reported to either the Premier's office or the staff in the Premier's office related to allegations or complaints around assault, sexual assault, harassment, and sexual harassment?

8:20

Mr. McPherson: I'm unaware of any.

Ms Pancholi: Thank you, Mr. McPherson. I do want to note that it's the choice of the Premier's office whether or not to attend Public Accounts Committee today, and certainly I imagine that the Premier's office should be able to answer these questions. It's their choice whether or not to attend. If they choose not to attend, that doesn't mean that we aren't still entitled to ask those questions, which are, I think, critically important, so I will again ask that that goes back to the Premier's office and that they table a response with this committee as to whether or not there were any informal complaints made about that.

Further to that, I want to ask about not just, you know, how many informal complaints but the total number of formal and informal complaints but also that they could come from multiple individuals about the same person, so I'd like to know how many complainants actually may have filed a formal complaint or informal complaints. The number of complainants: I'm wondering, Mr. McPherson, if you can answer that.

Mr. McPherson: I cannot.

Ms Pancholi: Thank you, Mr. McPherson. Again I'll ask that the Premier's office table that response with this committee.

During the fiscal year in question is Mr. McPherson aware in his role about any allegations of assault, sexual assault, misconduct, or harassment that were made towards a member of Executive Council specifically, a minister, but other than the former minister of agriculture?

Mr. McPherson: I'm not.

Ms Pancholi: Thank you. I'll ask you to go back to the Premier's office again and ask that they table a response as to whether or not any of those allegations were made towards a member of Executive Council.

In addition to the former minister of agriculture, how many allegations were made against other ministers, and how many ministers total had allegations made against them?

Mr. Turton: Point of order.

The Chair: Sure. Yes, please.

Mr. Turton: Just, again, 23(b). I mean, we're here talking about Executive Council. We're not here talking about ministers and other ministries or the conduct of ministers in other areas of government. I would again ask that we just stay at the task at hand here with the wonderful bureaucrats that are here today.

Thank you.

Mr. Schmidt: Again, Madam Chair, this is not a point of order. As we've already stated in discussion of the member's last point of order, human resource policy is clearly within the scope of Executive Council. It's stated right there on pages 10 and 11 of the annual report. I think the member focused on the word "minister" and didn't hear the rest of the question that the member asked, which was about staff complaints about possible allegations of harassment or assault against them. That's clearly a human resources matter, clearly within the scope of the committee's work today, so I think the chair would be right to find that this isn't a point of order.

The Chair: Well, ministers are, in fact, members of Executive Council. That is by definition, and there are ministry human resources matters that are captured within this annual report, so I will ask that the member return to finish – well, she can do what she likes, if she'd like to finish her questions or not. As long as they are not unnecessarily repetitive, I think they are in scope. As long as they do not veer into the specifics of what is before the courts or become an unnecessary repetition, we will find them in order.

Ms Pancholi: Thank you, Madam Chair. Again, the questions I'm asking are around the types of complaints and who these complaints were made against. As we see from the court documents filed by Ms Kimmel, it is clearly understood within political staff that should there be concerns about conduct of members of Executive Council, the right route or one route to go is to file those complaints with chiefs of staff for the Premier's office as well as to members of Executive Council. This is why I'm asking these questions in this setting. Again, as noted in the annual report, you know, human resources issues are the purview of the Premier's office, which is part of our consideration here today.

I've asked questions around how many individuals have made formal and informal complaints as well as whether any of those complaints have been made against members of Executive Council other than the former minister of agriculture. Is it correct, Mr. McPherson, that you do not have that information?

Mr. McPherson: That's correct.

Ms Pancholi: Thank you, Mr. McPherson. I will ask you to confirm again that this will go back to the Premier's office to table that question. If you don't mind saying it on the record, Mr. McPherson, I'd appreciate it.

Mr. McPherson: Confirmed.

Ms Pancholi: Thank you. Obviously, the Premier's office can look back on the record and transcript of this committee to get the details of the questions that I'm asking for.

I want to take a slightly different question, but it's related. When we look at this time period of the fiscal year that's under consideration by this committee, it appears that there is a gendered response to what the Premier, as part of the Premier's office, views as ministerial

misconduct. During that time period only two ministers have been removed from cabinet, which were the former Minister of Municipal Affairs in December 2020 and the former Minister of Culture, both women. Those two ministers were considered to be, you know, worthy of removal from cabinet by the Premier. However, the now Minister of Labour and Immigration, the former Minister of Justice, was found to have actually attempted to interfere with the administration of justice while he was the Minister of Justice and still remains in cabinet. As well, the former Minister of Health, who is now the Minister of Justice, despite serious complaints regarding his conduct while in a ministerial role of Minister of Health – both kept their jobs. So the only two cabinet ministers who have been removed for misconduct are women, and the other misconduct: those individuals get to stay.

I'm wondering: what should Albertans read into this apparent double standard, and how does this align with outcome 1 in the annual report on page 13, that "Government's agenda is implemented effectively in coordination with ministries"? Why is there a gendered effect here?

Mr. McPherson: I'd submit that that question is more properly asked of the Premier rather than me, so I kind of leave that there. I will note that within our model of government the Premier has sole discretion for the assessment of ministerial performance, so again I would submit that this is a question that's properly asked of him.

Ms Pancholi: Well, thank you, Mr. McPherson. I will ask you to take that back to the Premier's office and ask that the Premier's office once again table a response to that. Could you agree to that?

Mr. McPherson: Yes.

Ms Pancholi: Thank you. It is connected in the sense that we see allegations of sexual harassment and a toxic workplace filed by a woman. And those allegations: we don't know how they were handled. We understand they weren't handled for over a year. And now we understand that the cabinet – well, if you're a female cabinet minister, you will be removed for misconduct while if you're a male cabinet minister, you will continue to keep your post. So these are related because they create a culture.

The Chair: Thank you.

We'll now move on to Mr. Walker.

Mr. Walker: Thank you, Chair, and thank you, officials, for being here today and for all the important work you do. I am aware that typically ministerial office staff as well as Premier's office staff do not appear before this committee. So thank you.

Understanding that, I guess I want to begin my line of questioning with a general theme: understanding more about Executive Council, as you spoke about, Mr. McPherson, in your opening remarks. In the ministry overview of the annual report it stated that "Executive Council is responsible for the strategic co-ordination of the government's legislative agenda" and outlines the general structure of Executive Council but doesn't provide in-depth information on the specific responsibilities and work carried out by the various areas such as the office of the Premier and the deputy minister's office. Can you provide an overview of such responsibilities? I'd appreciate it.

Mr. McPherson: Thank you. I'll do my best. The office of the Premier is effectively Executive Council's minister's office and functions in a way that is pretty typical of ministers' offices, with a chief and other staff members who are driving the priorities of that

office. The difference with the Premier's office, though, is that it also has a crossgovernment view and is ultimately responsible for driving crossgovernment priorities of kind of policies, strategy, Alberta's place in Canada and the world, and then the implementation of decisions that they've made. The office is, as you know, led by a chief of staff and is the kind of – works very closely with the Deputy Minister of Executive Council to ensure that things are being driven forward in a way that they approve of.

8:30

The Deputy Minister of Executive Council is the most senior public servant in the government of Alberta and the head of the Alberta public service and the Premier's deputy minister. His role is to support the effective implementation of government's decisions, including the delivery of operational priorities for which he is as the most senior public servant kind of ultimately accountable to the Premier for.

The Associate Deputy Minister of Executive Council assists the Deputy Minister of Executive Council with the implementation of crossgovernment initiatives. As mentioned in my opening remarks, that deputy minister, Deputy Minister Coleen Volk, is also the Deputy Minister of Intergovernmental Relations and leads that ministry in making sure that Alberta's place in Canada and the world is enhanced and that our priorities, as set by the Premier's office and the broader government, are met.

My own office, cabinet co-ordination and ministry services: you know, a good amount of the time that we spend is in the co-ordination and planning of government business, to make sure that we make the most of the time that's available. In a four-year mandate there are typically about 1,450 calendar days, so maximizing the use of that time is a priority for my office.

The policy co-ordination office: as I mentioned, what they do is actually in their name. They co-ordinate policy in an office. But, really, their core responsibility is to, working with all departments, make sure that the best possible documents come to cabinet and its committees in support of decision-making by ministers and making sure that they have everything that they need to make sound decisions on behalf of the people of Alberta.

That's it in a nutshell.

Mr. Walker: Well, thank you so much, Mr. McPherson. I know that I, before I became an MLA, had worked for the civil service, but it's quite a big organization. I know my constituents ask me from time to time to try to as best I can explain government itself and all the various departments and agencies. It can be pretty Byzantine for a lot of people to sort of decipher and understand. I found that, I would say through the chair, very enlightening. I'm quite humbled and also appreciative. In Sherwood Park we're obviously so close to Edmonton, our capital city, that I have a lot of a former retired senior deputy ministers in my riding. It's great to have that expertise and experience with our wonderful civil service and government.

I think where I want to go with my final question here, Mr. McPherson, I would say through the chair, is digging a bit deeper into the deputy minister office's role and how it contributes to the effective operation of the cabinet decision-making that you've spoken about here this morning, its process and how it provides leadership to Alberta's public service. I mean, I know we're having a booming economic recovery right now. Jobs are coming back. Investment is flowing in. People are increasingly getting happier and happier. It's just wonderful, including in my riding. I'd like to hear that cabinet decision-making process, how the deputy minister's office contributes to that.

Thank you, Mr. McPherson.

Mr. McPherson: Thank you. I'd say that the Deputy Minister of Executive Council's office contributes to all of these things in a number of ways. With respect to the cabinet decision-making process specifically, at the beginning of the mandate the deputy minister's office worked with the Premier's office to establish the cabinet decision-making process, basically how decisions would be made under this government. Every government has its own version of a decision-making process, when things go to which committee and how things are ultimately decided and then made public. This really speaks to the Deputy Minister of Executive Council's role as a strategic adviser to the Premier on how best to achieve his and his office's and the government's desired policy and legislated outcomes.

You mentioned the broader public service. The deputy minister, as I mentioned, is the head of the Alberta public service. In that role he has a number of responsibilities, one of which is to chair a committee known as the Deputy Ministers' Council, which is a group of all of the deputy ministers who meet on a regular basis to discuss strategic priorities and implementation priorities and the like. DM Gilmour also is responsible for the performance evaluation of all of the deputy ministers and identifying career development opportunities and the like. DM Gilmore is also very, very involved in other elements of the public service, including providing strategic advice and direction on the APS. It's people strategy. It's a diversity inclusion action plan, and so on and so forth. Diversity and inclusion has been a key priority for Deputy Minister Gilmour since becoming the DM in 2019. So that's just a snapshot of the things that he does and that his office supports.

Mr. Walker: Thank you so much, Mr. McPherson, for the answers to my questions. I really appreciate them, and in staying in touch with former colleagues in our amazing public service, I would just say, you know, that they're really seeing the great contributions you guys are making. The morale is high, and everyone is doing well, and just to thank you guys so much for your efforts.

Chair, with that, I'll cede my remaining time to MLA Armstrong-Homeniuk.

Ms Armstrong-Homeniuk: Thank you. Good morning. Today is Orthodox Easter Monday, and it's celebrated in my riding and throughout the province and throughout the world. It's a time of reflection and renewal, and I want to wish everybody who celebrates Orthodox religion a Happy Easter Monday and those that don't a Happy Easter Monday. This goes to all my constituents, Albertans, friends, and family. We celebrated a lot; I lost my voice. It's all the singing.

Chair, through you, page 10 of the annual report provides a ministry overview and explains that in 2020-2021 Executive Council supported the implementation of government policy and focused its efforts on achieving two outcomes. The first outcome was effectively implementing the government's agenda in co-ordination with ministries. Can the department describe what actions have been taken to support such co-ordination with ministries to implement the government's agenda and highlight some of the main achievements, please?

Thank you.

Mr. McPherson: Thank you. I mentioned a few moments ago that the cabinet decision-making process was set at the beginning of this government's mandate. In fiscal 2020-2021 the cabinet co-ordination office and the policy co-ordination office co-ordinated 44 cabinet meetings, 53 meetings of the Priorities Implementation Cabinet Committee, 19 Emergency Management Cabinet Committee meetings, and also 39 Legislative Review Committee meetings

along with 59 Cabinet Policy Committee meetings. This was an astonishing amount of work.

I mentioned in my opening remarks that the number of Premier-chaired decision meetings in the fiscal year in question was about three times the normal average, and this, obviously, was driven by the COVID-19 pandemic and some of the global economic challenges that manifested from that but also were in motion prior to the COVID pandemic, particularly with the cratering of oil prices.

The work of implementing the government's mandate, which I think everybody at this committee would recall, involved 375 commitments. You know, that work continued alongside the work that the government was doing on the COVID-19 response, so it was a very, very busy year.

Ms Armstrong-Homeniuk: Thank you.

On page 14 of the annual report under the performance metric 1(a) I see that the satisfaction of ministries with the services they receive from Executive Council was 87 per cent, which is 2 per cent higher than the target and 5 per cent higher than the result of the previous year. Can you describe how this percentage is calculated?

8:40

The Chair: Thank you.

We'll now move to the second rotation. Official Opposition: nine minutes, please.

Ms Renaud: Thank you, Madam Chair. Thank you, Mr. McPherson and Ms Hogemann. I'd like to ask a couple of questions about insurance and coal lobbyists. My first question is: how many times during the fiscal year covered in the annual report of Executive Council 2020-21 did members of Executive Council or staff in Executive Council meet with lobbyists from the insurance industry? What dates were those meetings held? What were the outcomes of those meetings, and what policy changes were being solicited?

Mr. McPherson: I am unaware of when, and I would be unaware of when staff in Executive Council would meet with individual stakeholders. That's not something that I would normally track. I didn't meet with anybody because they never let me out, and I can't kind of guess the answers to the rest of your question.

Ms Renaud: Thank you. Well, it's unfortunate that, you know, they chose to sort of bring people here today that were unable to answer our questions. However, if you could confirm for this committee that you will follow up with the Premier's office and follow up in writing, table those answers with this committee.

Mr. McPherson: I will.

Ms Renaud: Thank you.

My next question is: how many times during the fiscal year in question did members of Executive Council or staff in Executive Council meet with lobbyists from the coal industry? On what dates, what were the outcomes of those meetings, and what policy changes were being solicited?

Mr. McPherson: I have a similar answer to that with respect to insurance, which is: I'd be unaware of when staff or members of the Executive Council, which in this case is defined as the cabinet, would have met with anybody from the coal industry.

Ms Renaud: You're unaware of any lobbying work that was done that resulted in any policy work?

Mr. McPherson: I'm unaware of lobbying work.

Ms Renaud: Okay. If you could commit to getting answers to those questions from the appropriate parties and tabling for this committee. Thank you very much.

My next question is: how many times during the fiscal year in question did members of Executive Council or staff in Executive Council meet with Nick Koolsbergen or representatives of Wellington Advocacy? On what dates? At each of those meetings what were the policy changes that were being solicited?

Mr. McPherson: I would not have an answer for that.

Ms Renaud: Okay. Will you please confirm that you'll follow up and submit those answers in writing to this committee?

Mr. McPherson: Yes.

Ms Renaud: Thank you very much.

I'll turn my time over to Member Schmidt.

Mr. Schmidt: Thank you very much. I have some questions about the second wave of the pandemic. Over the Christmas holidays, of course, the message from government was loud and clear: stay home; don't visit friends, neighbours, or family. For most Albertans Christmas was cancelled. Last week we heard from the Ministry of Municipal Affairs that none of the officials were aware that their minister and the vice-chair of the Emergency Management Cabinet Committee was in Hawaii, which was remarkable to us. Executive Council is responsible for co-ordinating cabinet, and we were in a state of emergency. Were any officials in Executive Council aware that the Minister of Municipal Affairs had left the country for Hawaii?

Mr. McPherson: I certainly wasn't. I can't speak for what others may have known.

Mr. Schmidt: Is there anybody else with you today that can speak to that, answer that question?

Mr. McPherson: No.

Mr. Schmidt: Okay. We've FOIPed records that show that the civil service helped to equip the Minister of Municipal Affairs for international travel. A U.S. travel plan was put on her phone, direction given on connecting to the hotel Wi-Fi, even. How is it possible that Executive Council had comparatively junior civil servants helping the minister execute her travel to Hawaii but the cabinet co-ordination office during a state of emergency didn't know that the minister would be gone?

Mr. McPherson: I'm not sure who you're referring to in terms of help assisting the minister with travel plans in that respect, so I can't speak to that.

On the matter of ministerial participation in cabinet meetings, at any point – I believe the Premier at his Committee of Supply appearance set out his views about ministerial participation, you know, in meetings in all cases, which is broadly to participate.

One of the things that Executive Council did during the COVID-19 pandemic was create a capacity for ministers and civil servants to participate in meetings of PICC and EMCC by way of Webex and by cellphones. You know, that functionality was there. As I noted during my initial remarks, we had 116 meetings in that fiscal year that operated kind of in a mix of in-person and Webex and by phone. The fact of a minister not physically being around does not necessarily mean that they couldn't participate in a meeting.

Mr. Schmidt: I appreciate that, but the whereabouts of the minister are incredibly important to the people of Alberta at this particular time because there was a clear expectation from public health officials that you shouldn't travel out of the country.

Now, there were 19 meetings of the emergency cabinet committee, right? Presumably, some of them were in the period in question, when the minister was away in Hawaii. How is it that the cabinet committee could meet and members of the Executive Council staff didn't know where the minister was?

Mr. McPherson: Well, again, if the minister is participating online, I'm not sure that kind of physical whereabouts matters particularly.

Mr. Schmidt: I disagree with Mr. McPherson, Madam Chair, because the whereabouts are particularly important. We were told not to go anywhere.

Mr. McPherson: I'm sorry; is there . . .

Mr. Schmidt: Did you know that the minister was in Hawaii at the time that she was participating in these meetings?

Mr. McPherson: I did not.

Mr. Schmidt: How is that possible?

Mr. McPherson: As I mentioned, that's not something that we would necessarily be aware of.

Mr. Schmidt: Now, you know, Madam Chair, it beggars belief. If you talk to an Albertan who is out of province during the time in question, winter, the first thing out of their mouths when they are meeting with other Albertans is something along the lines of: it sucks to be you because the weather is really nice here in Hawaii or California or Florida or wherever I am. So I don't believe that nobody knew that this person was in Hawaii.

Were any of the political staff in Executive Council aware that the minister was headed to Hawaii?

Mr. McPherson: I'm not certain what political staff were or were not aware of at the time.

Mr. Schmidt: Can you commit to tabling a response from the Premier's office that they knew about the whereabouts of the minister in the time in question?

Mr. McPherson: I can commit to passing your request on.

Mr. Schmidt: Great. Thank you very much.

Was any direction given either informally or formally by Executive Council, be it from the civil service or from the political staff or from a minister or the Premier, that it was okay to leave the country during the Christmas holiday in 2020?

Mr. McPherson: I can't speak to what the Premier's office may or may not have said to ministers or political staff. Kind of on the public service side I expect that all public servants understood that they were expected to follow the public health advice.

Mr. Schmidt: Was there any memo issued to that effect from Executive Council?

Mr. McPherson: Not that I recall from the public service, but my memory may be faulty.

Mr. Schmidt: Can you follow up in writing a response to confirm that?

Mr. McPherson: I will follow up with . . .

Mr. Schmidt: Thank you.

The Chair: Thank you.

We will now go over to the government side for nine minutes, please.

[Mr. Reid in the chair]

Ms Armstrong-Homeniuk: Thank you, Chair. Through you to Mr. McPherson, I'm just going to repeat my question because I think I wasn't quite through it. On page 14 of the annual report under performance metric 1(a) I see that the satisfaction of ministries with the services they receive from Executive Council was 87 per cent, which is 2 per cent higher than the target and 5 per cent higher than the results of the previous year. Sir, could you describe how the percentage is calculated and who participates in the surveys, and can you further explain some of the services that Executive Council provides to the ministries?

Thank you.

8:50

Mr. McPherson: Thank you. Executive Council does an annual client satisfaction survey. Participants in that survey are members of deputy ministers' office staff, deputy ministers, ministerial staff, and then senior public servants who would have, you know, fairly regular interaction with Executive Council in the course of their work. The survey is sent around, and the performance measures are what's known as the Likert scale: satisfied, very satisfied, neutral, unsatisfied, and very unsatisfied. Then, based on the results, there's a calculation that's made to generate that score.

Examples of the questions that you would see on a survey like that would be: thinking of the assistance and interactions you've had with the policy co-ordination office staff in the past 12 months, how effective was their input and advice in helping to advance the government's policy priorities? Another one from my own division would have been: thinking of the assistance and interactions you had with cabinet co-ordination office staff in the past 12 months, you know, please rate their respect and courtesy. So it kind of covers both the instrumental elements of the decision-making process but also the kind of softer, more qualitative side.

I am happy to say that – and you mentioned it in your question – you know, the satisfaction overall was 87 per cent, which is the highest it's been certainly in the time that I've been in Executive Council, which is since 2014. What I think is particularly interesting and that I'm proud of is that we collectively were able to achieve that score during a year which was extremely stressful for everybody within Executive Council and ministries and all Albertans, obviously. It was extremely fast paced, and the fact that the ministry was able to deliver in that way is something that I think we're all fairly proud of.

Ms Armstrong-Homeniuk: Okay. Thank you.

I'll cede my time to MLA Rowswell.

Mr. Rowswell: Okay. Thank you very much. On that same page under performance measure 1(b) it calculates the average monthly unique visits by policy professionals to government's internal policy development and co-ordination resources website. It had significantly lower results than the target. However, it explained that the visits to the policy development co-ordination website are lower because the PCO moved to a more in-person, face-to-face type of a model with meeting with the staff and the minister's policy staff.

It also explained that the ministry is removing this measure from the performance measure framework. It's kind of counterintuitive. You know, here we are, moving forward. Like, everything seems to be more online and less in person. If you could, can you explain the rationale behind this metric? I was looking at it, and it looks like it had been trending down over time, which is interesting, so if you can explain what your thoughts are behind that and then even why you maybe had a target of 1,000 in the first place.

[Ms Phillips in the chair]

Mr. McPherson: Thank you for the question. I can speak to this both from my kind of current perspective but also as somebody who used to work in the policy co-ordination office as an assistant deputy minister. When I was in PCO, to your point, we had a target of 1,000 hits on our intranet per year, but we found that over time what would happen is that as the public servants became more and more familiar with the cabinet decision-making process, you'd get fewer and fewer hits. They would only visit the intranet to download templates for, you know, what at the time was known as a cabinet report. Now it's known as a memorandum to cabinet.

But, kind of looking at that, in discussions with then Deputy Minister Mark Cameron it became clear that there were still significant questions about the process that just weren't breaking through by virtue of whatever was on our intranet and the actions of folks just downloading things. So when the government established its decision-making process, Deputy Minister Cameron and I and the deputy minister's staff went around from ministry to ministry, both on the public service side and to ministers' offices, to explain the decision-making process. In some cases we would meet down at the divisional level as well, so not just the senior executive but the doers in the department, to make sure that they understood what the process was, who to call, you know, the kinds of questions that can be expected on practically any item, how to frame things appropriately.

We just found that the in-person interaction was much richer and was kind of leading to better results as we were taking things through the process. For that reason, we decided to stop counting the number of, basically, template downloads and focus on that kind of more in-person or, you know, virtual education that we were doing.

Mr. Rowswell: Yeah. Well, it's interesting because Camrose, I think, just got their broadband. I'd expect that you'd create a flood of activity for them.

I'll go to the next. The actual results for the performance metric on 1(c) on page 14 was 77 per cent, but the target was 85 per cent. This metric measures satisfaction of ministries with the support Executive Council provides to advance the policy and operational mandates of the government. Why was the actual level lower than the 2020-21 target?

Mr. McPherson: Thank you for the question. Targets are aspirational. I'm happy to say that Executive Council's and policy co-ordination offices' results have been trending upward over the past number of years. We think that, you know, although PCO, obviously, seeks a hundred per cent satisfaction with their work, that may not be a realistic outcome to expect. So we think that 85 per cent is a realistic and incremental one and one that the PCO staff are working to achieve through the kinds of activities that I mentioned a moment ago.

You know, it is a very challenging role because sometimes you have to say no and sometimes your advice isn't always welcome, but that doesn't stop them from giving it.

The Chair: Okay. Thank you.

We'll now move on to the Official Opposition side for nine minutes.

Mr. Schmidt: Thank you, Madam Chair. I just want to wrap up my last questions regarding the Minister of Municipal Affairs' whereabouts during the time period from roughly November 2020 to January 2021. How many meetings of cabinet or cabinet committee meetings did the minister participate in during that time frame?

Mr. McPherson: I would have to circle back with that answer, but the committees and cabinet were meeting on a regular basis in that period.

Mr. Schmidt: Thank you very much. If you could circle back with that answer and also provide the committee how many times the minister participated in those meetings from Hawaii, that would be appreciated as well. You can confirm that you'll respond to the committee on that?

Mr. McPherson: Well, I don't know when the minister was in Hawaii, but I can confirm, you know, when the meetings happened.

Mr. Schmidt: Thank you.

We heard from the Premier in January 2021 that he only learned that his chief of staff was leaving the country during a state of emergency as he was en route to the airport, which defies the belief of most Albertans. A direct question: when did you or any member of Executive Council become aware that the Premier's chief of staff was headed out of the country?

Mr. McPherson: I don't remember being aware of it until it was reported somewhere.

Mr. Schmidt: In an earlier response to Member Walker's questions about the operations of Executive Council you clearly stated that the Department of Executive Council works very closely with the Premier's chief of staff. So we are to believe Mr. McPherson when he says that he had no idea that the previous chief of staff had left the country until it had been reported in the news?

9:00

Mr. McPherson: Well, I can only tell you what my experience was. The last time I talked to the Premier's chief of staff before Christmas was in the week before Christmas. We exchanged Christmas cards, but we didn't discuss kind of holiday plans or anything like that.

Mr. Schmidt: So even though the province was in a state of emergency and Executive Council works very closely with the Premier's chief of staff, you had no idea that he was going to be out of the country for a period of time when everybody else was being told to stay home and couldn't even visit family for Christmas. Is that correct?

Mr. McPherson: Well, certainly, it was correct in my case. I did not know . . .

Mr. Schmidt: I appreciate, you know, that that's correct in your case, but you are here speaking on behalf of the entire Executive Council. Can you confirm that nobody in Executive Council had any idea that the chief of staff left the country?

Mr. McPherson: I can only speak for myself in this matter.

Mr. Schmidt: Well, I would respectfully ask that Mr. McPherson respond on behalf of Executive Council in writing to the committee that nobody in Executive Council knew the whereabouts of the chief of staff before it was reported publicly in the news. Can he do that?

Mr. McPherson: Well, I'm not sure how I would do that.

Mr. Schmidt: I guess we could accept sworn affidavits from every – I don't know. Prove to us that nobody knew that this person was going out of the country.

Mr. McPherson: What I would say is that the chief of staff of the Premier reports to the Premier. You know, he didn't report to anybody in Executive Council and wouldn't necessarily have an obligation to let anybody in the public service know where he was going to be. In terms of the chief of staff's attendance and that, you mentioned in your question that the Premier has said when he found out. I don't have kind of anything to add to that beyond what I've already said about the last time that I saw the chief of staff.

Mr. Schmidt: Thank you very much.

As the Premier's chief of staff was out of the country and we were in a state of emergency, who was acting in his place at that time?

Mr. McPherson: I wouldn't know the answer to that.

Mr. Schmidt: Who in Executive Council would know the answer to that, and can you follow up in writing with the committee who was acting in the Premier's chief of staff's place during the time that he was out of the country?

Mr. McPherson: I can submit that question to the Premier's office.

Mr. Schmidt: Okay. Can you speak to the process of assigning an acting chief of staff while the chief of staff is away?

Mr. McPherson: Internal matters of how the Premier's office delegates authority to a staffer are theirs, and I'd encourage you to . . .

Mr. Schmidt: There's no process of informing other members of Executive Council who is acting on behalf of the chief of staff of the Premier?

Mr. McPherson: I don't know whether there was an acting chief of staff assigned. I'm unfamiliar with whatever arrangements the then chief of staff made with either the Premier or the rest of that office.

Mr. Schmidt: Let me just get this straight. The Premier's chief of staff left the country apparently without telling anybody. Even though people in Executive Council worked closely with this person, nobody had any idea that he was gone. There's no process in place for naming a replacement while he's gone, and even if there was, nobody in Executive Council knew who his replacement was or even what the process is for naming a replacement?

Mr. McPherson: As I said, the Premier's office has its own methods of assigning work to its staff.

Mr. Schmidt: I understand that, but you mentioned that you work closely with this person, and he disappears, and it catches everybody completely by surprise. There's no process in place for managing the absence of this critical staffperson?

Mr. McPherson: I can't speak to what process is or isn't in place within the Premier's office.

Mr. Schmidt: Okay. We have some serious concerns about chain of command that occurred during the delta wave while the Premier was off in Europe and decision-making in government came to a halt. With respect to the fiscal year in question and the Christmas holiday period, when the Premier's number one left for Europe and the vice-chair of the emergency committee just set off for Hawaii, did Executive Council learn anything on how you could better build systems on tracking the whereabouts of critical members of Executive Council, key staff members of the Premier's office, those kinds of folks?

Mr. McPherson: What I would say is that the whereabouts of ministers and of the Premier's own staff are matters for the Premier to decide upon. You know, I would refer the committee back to the Premier's response to a similar question at Committee of Supply about his expectations of ministers being available and able to participate in meetings as required.

I'd mentioned earlier today that, you know, in part because of the pandemic, Executive Council has established a number of vehicles for participation virtually in meetings, either by Webex or by phone. We found that those tools have worked well through the pandemic.

Mr. Schmidt: You lost track of key members of Executive Council, but that didn't prompt any changes to Executive Council's policies or procedures with respect to notifying people of absences, tracking their whereabouts. Is it your position that nothing needed to change here?

Mr. McPherson: My only position on this is that when meetings are called by the chair, PICC, EMCC, or the cabinet policy committees, ministers participate. I've mentioned already the various tools through which they can participate. You know, I have no idea sometimes whether ministers are participating in these meetings from their offices at the Legislature or from home.

The Chair: Thank you.

Now we'll move to the government side for nine minutes.

Ms Lovely: I will ask some questions here.

The Chair: Yes, please.

Ms Lovely: Thank you so much, Madam Chair.

I haven't had the opportunity to meet your team before, so I just want to say thank you so much for the good work that you do. You know, there's been a lot of talk about travel today. It gives me good reason to talk about Camrose and all the good reasons here, just before I get to my questions, about why you should come and visit us in Camrose. It's just an hour and a bit away and just a nice little getaway, very affordable. We've got so many great things there: the Bailey Theatre and the Lougheed performing arts centre and all kinds of great shopping. There are ladies and men that come from the city here to come shopping in my beautiful community. We have a fantastic shoe store and some specialty boutique stores and fantastic restaurants. Even in the outskirts of my constituency – Hardisty and Sedgewick and Tofield – they've all got great festivals that happen there. I'd offer that up as something to consider this summer just if you want a little getaway from the city.

That leads me to my questions. According to page 10 of the annual report the second outcome for Executive Council focuses on ensuring that Alberta's priorities are advanced across Canada. Page

15 of the annual report also states that key objective 2.1 is to "build and maintain strong relationships with federal, provincial and territorial governments, advocating for Alberta's interests on issues of importance to Albertans." One of the main comments of this government has been to stand up for Albertans and work towards getting a fair deal for our province. Can the department elaborate on the undertaken initiatives to advance the interests of Albertans and the role that Executive Council played?

Mr. McPherson: Thank you very much for the question and the travel advice. In the fiscal year 2020-2021 Executive Council undertook a number of initiatives to advance and support the interests of Albertans. I'll go through a few of them. On Bill C-69, the government of Alberta had launched a constitutional challenge against the federal impact assessment and the Canadian Energy Regulator Act, which was heard by the Alberta Court of Appeal in February 2021. The court's decision is expected at any time. It's Alberta's position that the act encroaches into exclusive provincial jurisdiction over natural resources.

9:10

Committee members are certainly aware of Alberta's carbon tax litigation and its efforts to defend what it saw as its jurisdiction, and it successfully challenged the federal carbon tax at the Alberta Court of Appeal in late 2019. However, upon appeal the Supreme Court found that the carbon tax was constitutional in March 2021.

On matters of economic development, Alberta led the development of a Council of the Federation report on pan-Canadian economic corridors, which outlined opportunities and challenges related to the creation of economic corridors in Canada. For those who may not be aware of economic corridors, they are as they sound, corridors where, you know, infrastructure like pipelines and power lines and other things would run kind of grouped together rather than strewn.

On energy security, Alberta worked with federal, provincial, and international partners to advance key energy security priorities, including for Enbridge line 5, which is very essential to the energy supply and security of other regions of Canada and parts of the United States.

I'll also mention the Fair Deal Panel. Intergovernmental Relations supported the work of the panel by providing secretariat services to the Fair Deal Panel in the fiscal year in question and then has subsequently tracked the implementation progress of the panel's recommendations. The panel, as you're almost certainly aware, submitted its final report to the government in May 2020 for its consideration.

So that's just a snapshot of some of the work that went on in that fiscal year.

Ms Lovely: Well, thank you so much, Mr. McPherson. I appreciate the answer.

I just wonder: what metrics can be used to measure the department's performance in relation to the objective?

Mr. McPherson: Similar to the policy co-ordination office and the cabinet co-ordination office, Intergovernmental Relations issues a client satisfaction survey to all ministries. That's how all of that's measured.

Ms Lovely: Thank you so much, Mr. McPherson. I hope to see you and your team members out to the Camrose constituency this summer.

With that, I would like to cede my time to my colleague MLA Singh.

Mr. Singh: Thank you, Madam Chair, and thank you MLA Lovely, from beautiful Camrose. First of all, I would like to express my appreciation to all the representatives from Executive Council for being with us today and for all your excellent presenting today. My questions are related to Intergovernmental Relations and satisfaction of ministries on your service. My question is on key objective 2.2, to “collaborate with other ministries to define intergovernmental strategies that ensure a coordinated and consistent approach to policies as they relate to other jurisdictions within Canada.” Can you please provide an overview of the expenditures during 2020-2021 related to Intergovernmental Relations?

Mr. McPherson: Thank you. In 2020-2021 Intergovernmental Relations had a voted budget of \$3.7 million. Actual spending in that year was \$2.6 million, which is obviously \$1.1 million under budget, 18 per cent of the Executive Council overall '20-21 spending of \$14.5 million. IGR spending in that year was \$1.3 million lower than in 2019-2020. In 2019-2020 IGR spent \$3.9 million, or 21 per cent of Executive Council's overall spending of \$18.3 million. Spending on salaries and benefits was lower in 2020-2021 in comparison to both the 2021 budget and 2019-20 due to position management, staff movement, and delays in filling vacant positions.

It's not really a surprise that during a pandemic processes for filling staff vacancies, you know, slowed down a little bit, but this led to the generation of some savings. Then due to the COVID-19 pandemic there was also reduced travel and other discretionary spending in that year in comparison to 2019-20. In my opening remarks I referred to the number of virtual meetings that were supported by Intergovernmental Relations: you know, the Council of the Federation, western Premiers, first ministers' conferences, and numerous bilateral meetings. In a normal environment you would have seen a lot more travel associated with those types of meetings.

Thank you.

Mr. Singh: Thanks for answering.

Can you elaborate on some of the intergovernmental strategies that were undertaken during 2020-2021 as a result of the department's work?

Mr. McPherson: Thank you for the question. The government of Alberta's strategic goal in Intergovernmental Relations is to protect the needs and interests and . . .

The Chair: Thank you.

We'll now return to the Official Opposition.

Ms Renaud: Thank you, Madam Chair. On page 10 of the report you note that operations and machinery of government, OMG, aptly named, “monitors operations and identifies emerging issues across government.” I'd like to ask about the government's response or lack thereof to the second wave of the pandemic. We know that Alberta Health Services built an early warning system, and it was flashing red for weeks, but decision-makers and the Premier took no action. Eventually we had a lockdown, and Albertans lost Christmas. Did the OMG brief the Premier on AHS's early warning system, and if so, on what dates, and why was no action taken when the warning system was flashing red?

Mr. McPherson: In that circumstance Alberta Health would have been the department to identify that there were challenges and to brief the Premier.

Ms Renaud: That would have been the sole responsibility of Alberta Health Services, to brief the Premier?

Mr. McPherson: Yes.

Ms Renaud: Okay.

I'm going to change topics and ask a few questions about Keystone XL. From the report – I'm going to quote from the report on page 8. It says:

As Deputy Minister, in addition to program responsibilities, I am responsible for . . . internal control which gives consideration to costs, benefits, and risks that are designed to . . .

- safeguard the assets . . . of the province [and to]
- provide [information to] Executive Council, the President of Treasury Board and Minister of Finance, and the Premier . . . to fulfill their responsibilities.

I'd like to ask about the KXL deal specifically that occurred during this fiscal year. The Premier credited his chief of staff for pulling this together, but surely he wasn't the only person working on this deal. Who else in Executive Council worked on this deal?

Mr. McPherson: Well, on that project it would have been a crossgovernmental team involving Treasury Board and Energy staff in addition to certain people within Executive Council. I don't know exactly who within Executive Council that would have been at the time, but I can speculate and say that it was probably involving the policy co-ordination office and the Deputy Minister of Executive Council.

Ms Renaud: Thank you.

Well, instead of speculating, would you go back and get the specifics of all of the people that were involved on this deal during this fiscal period and submit that to the committee?

Mr. McPherson: Yes.

Ms Renaud: Thank you.

Just a follow-up clarification: was the Premier's chief of staff the negotiator on the KXL deal, like, the primary negotiator?

Mr. McPherson: I was not involved in that file, so I don't know.

Ms Renaud: Okay. Would you also commit to getting that information for the committee and tabling that?

Mr. McPherson: I can commit to asking for that, yes.

Ms Renaud: Okay. Thank you.

Did you give the Premier any advice or was there any advice given to the Premier before the KXL deal was consummated, and if so, what was the advice?

Mr. McPherson: I wasn't privy to those discussions.

Ms Renaud: Okay. Is that something that you could go back and get some information on and table that in writing for the committee?
9:20

Mr. McPherson: I'm happy to go back and ask for it.

Ms Renaud: Were there any reservations about making a \$1.3 billion bet on Trump's re-election?

Mr. McPherson: I'm not sure that's a question that's best directed at me, and I'd submit that maybe that's one that's better directed to the Premier or the Minister of Energy or the President of Treasury Board and Minister of Finance.

Ms Renaud: So it's not something you could take back to the Premier and ask for a response in writing for the committee?

Mr. McPherson: I could certainly ask him.

Ms Renaud: Thank you.

Was there any risk analysis undertaken to protect the assets of the province? I mean, namely, \$1.3 billion in financial assets essentially went into the incinerator.

Mr. Turton: Point of order.

The Chair: Sure.

Mr. Turton: Yes. Thank you, Madam Chair. Under 23(b), the member is speaking to items that are not under discussion. Her line of questions is regarding policies that would, again, be better suited and asked in question period and does not actually pertain to the business that we are here for today in Public Accounts, so I would just ask that the member across us perhaps maybe just save that line of questions for question period here in about three hours and, again, just focus to the business at hand.

The Chair: Okay.

Mr. Schmidt: Thank you, Madam Chair. I don't think this is a point of order. You know, it's quite clear that the member is intent on narrowing the scope of the committee to the point where we can only ask questions about what the best time of year to visit Camrose is. This matter is clearly within the purview of Executive Council. It clearly took place in the fiscal year under consideration. I don't think that this is a point of order, and I think the member should be allowed to continue her line of questioning.

The Chair: Well, I believe I heard the member refer to asking for risk analysis, and I just point to page 8 of the annual report, that indicates:

As Deputy Minister, in addition to program responsibilities . . . [giving] consideration to costs, benefits, and risks that are designed to . . .

and then under bullet point 4,

. . . provide Executive Council, President of Treasury Board and Minister of Finance, and the Premier the information needed to fulfill their responsibilities.

So as long as the member is actually querying for things that exist or might exist as part of reference to this annual report and responsibilities that are under Executive Council, then we're okay, and as long as she is not persisting in needless repetition, because that would be a contravention of the standing orders as well.

If we can just get that answer and move on, that would be great.

Ms Renaud: Well, thank you very much.

Mr. Reid: Point of order.

The Chair: Sure.

Mr. Reid: Chair, I'm just concerned that you're taking the position of actually defending the opposite members in your ruling. I ask you to remain impartial as chair and not be adding to the debate on the point of order.

Thank you.

The Chair: Yeah. Point well taken, Deputy Chair. I'm just trying make the ruling based on the evidence before me, which is the annual report, and as you know, Deputy Chair, I have many times ruled the Official Opposition out of order on lines of questioning.

What I am trying to do is make sure that if I do, I have evidence for that, and if I don't, I also have evidence for that.

Mr. Reid: Thank you.

Ms Renaud: Thank you very much, Madam Chair. You know, Madam Chair is quite right on page 8, and it's a very short report. Actually, I think we had the briefest briefing ever when we sat through to listen about Executive Council, so it is quite clear that it is contained in the report.

My question was about the risk analysis to protect \$1.3 billion in assets that belong to the people of Alberta. I'd like to know: what was the process for risk analysis that was done prior to making this \$1.3 billion bet?

Mr. McPherson: I can't speak to the development of the risk analysis because I'm not aware of how that happened. This item did go to cabinet, and it would have been discussed in the normal way with the normal supporting documents at that time.

Ms Renaud: Are you able to shed some light on who developed that risk assessment or that framework?

Mr. McPherson: I'm not aware of that.

Ms Renaud: Would you be able to go back and ask those questions and then table the responses to those two questions about risk analysis?

Mr. McPherson: I can ask.

Ms Renaud: Thank you very much.

With the benefit of hindsight, did you or Executive Council get the big things right on the KXL deal, or were there any significant learnings?

Mr. McPherson: I'd submit that that's a question that's not for me to answer. It's a qualitative one, and I'm sure the Premier would be happy to discuss it with you.

Ms Renaud: Excellent. Would you go back and ask that question and then table that response in writing? I think it's important. I think specifically for Public Accounts that is a question that we normally ask: what were the learnings? We clearly know something went south, clearly went south. It was a \$1.3 billion bet on Trump's re-election. That didn't work out, and \$1.3 billion in resources were lost. So I think it's significant to ask the question about the learnings that occurred. You know, to get a detailed response for this committee I think would be extremely valuable, so if you would commit to doing that for this committee.

Mr. McPherson: I commit to asking.

Ms Renaud: Okay. Thank you very much.

My next question: I was going to follow up, but I'm going to ask it because I'm assuming that you're unable to answer it. What systems have changed in order to ensure to the best of your ability that these big mistakes – big mistakes like this, huge mistakes like this – won't happen again?

Mr. McPherson: There have not been any changes to the cabinet decision-making process.

Ms Renaud: After a \$1.3 billion massive error in judgment there have been no learnings that you know of or no changes to any processes that were involved that led to a mistake like this?

Mr. McPherson: Well, as I mentioned, there have been no changes to the process. I don't know whether ministers have reconsidered, you know, how they think about questions like this.

Ms Renaud: Would you commit to going back and asking those questions about if there was any learning or anything, any sort of guardrails, that would prevent sort of a bet like this that would result in . . .

The Chair: Hon. member, I'm just going to stop you right there because I'm looking under 23(c). That question has been asked and answered a couple of times, so if we could move on.

Ms Renaud: Sure. Fair enough. That's all I have. I'm going to turn over to my colleague.

Mr. Schmidt: Thank you very much.

Can you speak to whether or not the Premier's chief of staff who left the country over the holiday period was dismissed for cause?

Mr. McPherson: I don't remember off the top of my head the circumstances of his dismissal, whether it was for cause or not.

Mr. Schmidt: Can you commit to filing an answer to that question in writing to the committee?

Mr. McPherson: I can commit to exploring what's appropriate to respond with on a human resources matter.

Mr. Schmidt: Thank you very much.

With respect to the ESG secretariat can you please identify its top five accomplishments in this fiscal year?

Mr. McPherson: The ESG secretariat was not created in the fiscal year in question. It was not stood up until 2021-22 although it was announced in the budget, I believe. But operationally I don't believe that it began operating before May 2020.

Mr. Schmidt: Even though it's specifically mentioned on page 11, it accomplished nothing in this fiscal year. Is that correct?

Mr. McPherson: Well, it was only announced in the 2021 budget, which I believe was in February, so there wouldn't have been much.

The Chair: Thank you.

Mr. Singh.

Mr. Singh: Thank you, Madam Chair. I will circle back to my question where I left off as it is important to the Calgary-East constituency and also to the beautiful Camrose constituency as well. On page 17 performance metric 2(a) measures satisfaction of ministries with the services they receive from Executive Council to advance Alberta's interests within Canada. I see the actual was 7 per cent higher than the target, with a 97 per cent satisfaction rate. Can you elaborate on the importance of this metric and how adequate it is to evaluate the progress made in relation to outcome 2?

9:30

Mr. McPherson: Thank you for the question. The metric, like all of the metrics, is extremely important to Executive Council in terms of ensuring that its operations and the counsel that it's providing to ministries about intergovernmental matters is high quality and responsive and so on. Similar to the metrics I've already discussed with respect to the cabinet co-ordination office and policy co-ordination office, IGR uses a Likert scale of, you know: very satisfied, satisfied, neutral, unsatisfied, and very unsatisfied. What you're seeing there is, I think, a testament to the quality of the work

done by the staff and the responsiveness of the staff in a very, very busy year.

I mentioned off the top of my remarks that IGR reviewed 181 agreements between Alberta and other governments that proceeded to signature. What I didn't really get into on that was that IGR reviews all agreements that are between departments and the federal government and other governments to ensure that they're fully aligned with Alberta's goals and objectives for that. In that respect they're kind of acting truly in the way of a central agency in terms of providing advice and guidance, again, in a timely way.

Thank you.

Mr. Singh: Thank you for answering my questions. I appreciate the hard work of you in Executive Council, especially your interactions with other government ministries to advance the government's agenda.

With that, I will cede my time to MLA Searle Turton.

Mr. Turton: Yes. Thank you very much, and thank you very much, Mr. McPherson, for coming out here today to answer these questions. You know, my line of questions is really about something that is of pressing concern to many of the residents of Spruce Grove, Stony Plain, and even Edmonton-Gold Bar and the fine, outstanding residents from Camrose. It's about red tape reduction. [interjections] There's obviously a lot of interest here in the committee to ask these questions, and I know you're going to inform many of the residents that are going to be watching online as well.

I guess my question would be that one of the main initiatives that this government has undertaken is to reduce red tape to make life easier for Albertans, which I think all of us would agree with. Over the last couple of weeks we have heard from different departments about the various and impressive red tape initiatives that have been undertaken to advance the government's goal of reducing red tape by one-third by 2023 and eliminating the administrative burden. Having efficient processes is essential to improve delivery of services for Albertans, foster economic growth in the province, and drive innovation and competitiveness.

My actual question is on page 12 of the annual report. It talks about reducing barriers to internal trade as a means to support red tape reduction. I guess I'm just wondering, Mr. McPherson, if you can further elaborate on the implementation of the reconciliation agreement on extraprovincial/territorial corporate registration and reporting signed by Alberta in April of 2020.

Mr. McPherson: Thank you for the question. The multiregistry access service, or MRAS, was launched on June 27, 2020, and included the New West Partnership trade agreement jurisdictions, which are British Columbia, Alberta, Saskatchewan, and Manitoba, as well as Quebec. Ontario is in the process of onboarding on to MRAS, and all provinces and territories have committed to joining MRAS through the reconciliation agreement from their regulatory reconciliation and co-operation table. We expect that to happen in the months ahead.

Mr. Turton: Excellent. I guess my supplemental question is: how does this agreement ensure more effective extraprovincial registration and reporting for businesses registering in other provinces?

Mr. McPherson: Thank you for the question. Through the agreement and the establishment of the MRAS Alberta has an online, self-service, extraprovincial registration system that enables New West Partnership trade agreement extraprovincial businesses to register their corporation or limited partnerships through an online portal. Using MRAS, core corporate registry information

from the company's home jurisdiction is sent electronically to the extraprovincial jurisdiction. This avoids the company having to provide the information twice, which would reduce the likelihood of errors and ensure the data integrity of corporate registry information in Canada. I'd also note that MRAS also includes a national corporate registry search tool, Canada's business registries, which provides core registration information for corporations and extraprovincial corporations.

Mr. Turton: Excellent. Thank you very much for the answer.

The only thing better than one question about red tape reduction is two. I guess my secondary question is that another success in reducing barriers to internal trade, mentioned on page 12, is finalizing the construction codes reconciliation agreement. I guess I'm just wondering, Mr. McPherson, if you can just elaborate on: can the department provide an update on the implementation of this agreement as well?

Mr. McPherson: I can. Alberta is a signatory to the construction codes reconciliation agreement under the Canadian free trade agreement, which affirms Alberta's commitment to reducing trade barriers by harmonizing codes with other provinces and the national construction and safety codes. While Alberta has jurisdiction over codes which are in force, all provinces rely heavily on the national code development system to develop codes and standards. This greatly reduces the amount of provincial resources required to develop these codes independently and supports the reduction of trade barriers internally.

The reconciliation agreement on construction codes has been signed by the federal government and all provinces and territories. You'd know that Alberta signed on February 22, 2021. The only exception is New Brunswick. For the record New Brunswick has endorsed the agreement but is still conducting a review to determine their readiness to implement it.

Objectives of the agreement include reducing trade barriers by harmonizing code requirements across Canada; implementing codes in each province and territory within a set time period to harmonize adoption, so within 18 months as of 2025; freely available electronic code versions, which is now in place; and change the governance system of the national code system to situate the provinces and territories as the decision-makers on the policy, direction, and priority setting of the construction and safety codes by the end of 2022.

The provinces and territories through the Provincial/Territorial Policy Advisory Committee on Codes – which has an acronym I won't read because I can't say it – which is chaired by Alberta-formed working groups with the national Research Council and the Canadian Commission on Building and Fire Codes, to implement the agreement. All elements of the agreement are expected to be implemented by 2025.

Mr. Turton: Excellent. Thank you so much. I would also echo my colleague to visit Camrose someday.

Thank you.

The Chair: Thank you.

We'll now go to the fifth rotation, which is the Official Opposition. We'll begin with three minutes for reading questions into the record.

Mr. Schmidt: Please table all memos related to travel and/or absences that were submitted to Executive Council during the Christmas holiday period for the entire fiscal 2020-2021.

During the fiscal year in question can you please identify the total number of political staff that either changed jobs or joined the office or left the office and their associated titles?

The government has now released a report into the conduct of the former Minister of Justice, who was found to have attempted to interfere in the administration of justice. Many people knew, except the Premier, apparently. Can you determine which members of Executive Council knew before the Premier and table that information with the committee? With respect to the former Minister of Justice, when officials learned of the call to the chief of police, did they provide any advice to the Premier on the composition of his cabinet, and if so, what was that advice?

The Premier's correspondence unit tracks incoming calls, e-mails, and letters by subject matter and produces reports on tone. For the fiscal year in question how many calls, e-mails, and letters came in on the following subjects: ministerial travel to Hawaii, auto insurance, and changes to curriculum? For each of those three subjects what percentage were positive? What percentage were negative or neutral in tone? If there is a different type of coding system for tone, please provide that information as well to the committee.

During the fiscal year in question how many times did the Premier or his staff or members of Executive Council hold meetings on the patio of the top floor of the Federal Building, colloquially known as the sky palace?

The annual report references the ESG secretariat. Can you please table a summary of the individuals who work in the secretariat and provide job descriptions for those individuals?

9:40

The Deputy Minister of Executive Council was also the former DM of Treasury Board and Finance. In accordance with his responsibilities, laid out on page 8 of the report, did he provide any advice to the Minister of Finance and President of Treasury Board related to the decision to change the AISH payment date, and if so, what was that advice? Did he ever suggest that changing the payment dates could not affect the deficit due to public-sector accounting standards?

Finally, on the KXL deal: at the point that it was consummated, there must have been an assessment of the likelihood of both a Democrat winning the presidency and specifically Joe Biden. What was that assessment in probabilistic terms of both scenarios?

Those are all of the questions from our side, Madam Chair.

The Chair: Please go ahead.

Mr. Toor: Thank you, Chair, and thank you to the department for showing up today and answering all the questions. I'll just read in these questions. Performance measure 2(b) measures the percentage of intergovernmental agreements reviewed within the designated two-week time frame. Can you elaborate on the rationale behind having a two-week time frame? How many agreements were reviewed, and how does this number compare to the previous years?

What other processes and initiatives did Executive Council support to remove barriers to interprovincial trade? I see on page 12 that Alberta has the lowest number of exceptions of any party after removing 21 exceptions. What was done to encourage the federal government and other provinces and territories to move towards reducing their party-specific exceptions, and can the department elaborate on what the 21 party-specific exceptions were? What has been the effect on the Alberta economy and market as a result of removing those 21 exceptions?

Page 12 also mentions the New West Partnership trade agreement, which allows goods, services, capital, and workers to move freely across provincial boundaries. Can you elaborate on

what progress has been made in encouraging other provinces to join that partnership?

Thank you.

The Chair: Okay. Very good.

Thanks to officials from Executive Council for attending today and responding to the committee members' questions. We ask that any outstanding questions be responded to in writing within 30 days and forwarded to the committee clerk.

Friends, per our agenda today we have the annual report of the Standing Committee on Public Accounts. We have a draft annual report on the committee's internal website for us to review. It was posted on our internal website on Tuesday, April 19. I'd like to open up the floor to any questions, motions, comments related to the committee's annual report to the Legislature for 2021. I'll just note for the members' benefit that if there are ever questions about when a particular department came to Public Accounts, that information is always contained within Public Accounts' annual reports. Any questions, comments, concerns on this draft at this time, friends?

Seeing none, I will ask someone to move that

the Standing Committee on Public Accounts approve the draft 2021 annual report of the committee to the Legislative Assembly as distributed.

Moved by Member Turton. Is there any discussion on this motion?

Seeing none, I'll ask: all in favour? Any opposed? Thank you.

That motion is carried.

We'll now move to other business. We have written responses to questions asked of officials from Treasury Board and Finance during our meeting with them on March 22. As per the ordinary process these will be posted to the committee's website.

Are there any other items for discussion under other business?

Seeing none, we'll move to the date of our next meeting, which is Tuesday, May 3 with our friends from Indigenous Relations.

We'll now move to adjournment. Please be reminded to take your cups and bottles and so on with you. I'll call for a motion to adjourn.

Moved by Mr. Rowsell. All in favour? Any opposed? That is carried.

Thank you.

[The committee adjourned at 9:44 a.m.]

