

[Chairman: Mr. Stevens]

[10 a.m.]

MR. CHAIRMAN: Perhaps we could call the committee meeting to order. Doug, you could turn us on.

What I wondered today is -- we have some catch-up things to do. Certainly, we could do the minutes of our last meeting. I'll just review with the committee some of the things we need to do today and then, of course, invite the presentation of the budget for the coming year from the first of our Legislative officers.

The first thing -- and I don't know if members have the minutes in front of them. Did they receive them?

MRS. EMPSON: They received them awhile ago.

MR. CHAIRMAN: Does anyone have any concern with the minutes of our committee meeting of July 16? I don't know if you have them with you, but if you had any concerns, I am sure you would have contacted me.

MR. STEWART: I move that they be adopted as distributed.

MR. CHAIRMAN: Thank you, Fred. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Then they're approved for July 16.

There is some correspondence, there are some questions that we need to discuss, and I would like to propose that at the end of the presentations of our individual officers we have an in camera meeting on a matter I would like to discuss at the committee meeting.

The schedule today, Louise, is to begin with the Auditor General and his submission, followed at 12:30 by the Chief Electoral Officer -- lunch will be available -- and at 2 o'clock we have the Ombudsman coming. So we can take some breaks during those times and give Doug a rest, too.

Before we get into the presentation by the Auditor General, I want to make a suggestion and see how committee members feel. My suggestion is that the Auditor General introduce his officials, of course, and make a presentation

and that any of our committee members feel free to ask any questions at any time -- Don, you might want to indicate if there's any particular period of time you'd rather not have questions; you might want to go through a certain section and then invite questions; I'm sure that would be fine -- go through this in the detail committee members would like to have, following which, if any of the committee members have any further questions, they could be directed to Don or his officials. I thought we should then take about a five-minute coffee break, discuss it among ourselves, and then decide on what actions, if any, we would like to take today.

Do any of the members have any other suggestions for approaching this? Actually, I think it's kind of interesting that we're all new at this. The members of the committee who were former members are not here; they're at the Northern Alberta Development Council meeting today. Derek, Fred, or Stock?

MR. FOX: Sounds good, Greg.

MR. CHAIRMAN: Okay. Don, could you introduce your team?

MR. SALMON: You bet. Thank you, Mr. Chairman. We do appreciate being here today and have looked forward to meeting with the committee for our budget meeting and the discussion that will take place. I have with me today the three assistant auditors general of the office: Ken Smith, Andrew Wingate, and Neil Henkelman. Ken and Andrew are responsible for the two audit divisions of the office, and Neil is responsible to the administrative and professional practice side of the office.

All of us have attended these meetings in the past. We were all in those capacities, myself as well, prior to the change, and so we have been in the meetings before. I think our process today is that we can go ahead and I'll give you some basic outlines of how we put the budget together. We have basically four areas that maybe we could take the time to ask any detailed questions that any committee members would like to discuss with us. We think we've presented it fairly straightforwardly, but we certainly want the committee to understand where we're coming from and why and maybe get a little bit more familiarity with the office

and the budget that we require to carry forth on our responsibility under the Act.

So if we could, Mr. Chairman, we'll just start with the general overview for a moment, and that would be that in the presentation I believe everyone has had, we have a summary of the four areas: manpower, supplies and services, grants, and fixed assets. We have shown the decrease this year over the previous budget, with the overall decrease of some 3.86 percent from our previous budget. If there are some questions as we get into this a little later to understand why that decrease in more detail, it will come out as we discuss the individual areas.

With the manpower budget, which is, of course, basically the salary area of the office, we have broken that down into six different categories and given details on those that are a little bit more difficult to comprehend, such as the area of employer contributions, and a little breakdown on our position at the moment with respect to our vacancy rates, which may be also an opportunity for us to discuss that just a little bit. We've also given some details on the allowances and benefits, because they may not be clear as to what they really are, whereas full-time salaries, overtime, and students' salary, wages, and so forth are pretty straightforward.

Following the manpower presentation, we have an area called supplies and services, and we've detailed those on pages 3, 4, 5, and 6, because we have the detail on the agency work. Then on page 7 we have the grants which we have maintained over the years for particular reasons which we can also explain, and on page 8 is the fixed assets and the expectations of the '87-88 year.

Under manpower we have had an overall decrease of \$29,000 composed basically of -- with turnover of staff you tend to run into the situation where replacement staff will be at a lower salary because of losing people with experience and years with the office at times, and those changes are taking place. Also, with the change in the Auditor General, in the reorganization that we put together in the office, I did not fill my former assistant auditor general position but reorganized the office with three executive directors and promoted three of our audit principals, reorganized the office a bit, and therefore we didn't -- I didn't feel, anyway, that we needed the fourth assistant auditor general. So that position is not being

used.

We have also not included any money for special student salary enhancements for the '87-88 year. We had some last year, when we needed to readjust some of our students' salaries to be more in line with the responsibility levels that they were able to perform, and we had some additional money there that was used last year.

We also have had an increase in employer contributions, for which the detail is shown, whereas in prior years there was no charge for workers' compensation throughout the government and, of course, our office as well. There is now a charge, and that had to be reflected there. There has also been an increase in the public service pension plan requirement from the employer's point of view, and we've reflected that change. There's been a decrease in the requirements for long-term disability, and that has netted out to that \$40,000 shown on employer contributions.

I think that at any time the allowances and benefits on page 3 may be of interest. As you probably know or may not know, we actually hire students to work towards their chartered accountancy designation. We also hire students who work for their CMA, and we are required to have the funds available to meet... They're under our mandate. We have established ways in which there are course reimbursements and also the annual fees for those, and that's under allowances and benefits.

As far as manpower is concerned, we could tuck it into detail, Mr. Chairman, but if anyone would like at any time to stop as we just go through those or would like to go back later, that would be fine. I've no problem with doing that.

MR. CHAIRMAN: Don, could I ask a question?

MR. SALMON: Yes.

MR. CHAIRMAN: On page 1, you say no provision is made in the estimates for the June 1, 1986, or subsequent economic or merit increases for management, or for April 1, 1986, economic increases for nonmanagement. Could you indicate, in the sense of nonmanagement, do you have any... You're talking what there? The opted out?

MR. SALMON: Yes, our students are opted out

and excluded.

MR. CHAIRMAN: All of your employees are outside the scope of it?

MR. SALMON: That's right. In fact, everyone is outside of the bargaining unit.

MR. CHAIRMAN: Do you have any idea, at this point in time, as to what the possible economics of their increases will be?

MR. SALMON: Absolutely not. Nothing has been settled. As you are aware, what happens on the opted outs is that under the scale they tend to be given the same as the bargaining unit is given.

MR. CHAIRMAN: The reason I raise that, just for the members, on the assumption that the negotiations continue to proceed — and I haven't been briefed as to where they stand. A number of divisions have settled. I think what the Auditor General is saying is that in the case of opted out employees, those tend to follow the same pattern. In the case of management there's been no decision, and that may or may not be reflected in it.

Assuming that there are similar adjustments, how does this committee, or how do you, make that adjustment, assuming it's 3 percent?

MR. SALMON: Let's just talk about last year, the '86-87 year. There was a general 3 percent increase given to all employees of the government, and that was subsequent to the approval of the budget by this committee. The Treasury Board then granted all the departments an automatic 3 percent increase in all their budgets. Because of the nature of our position, ours doesn't go through that process, so we resubmitted to the committee a request for a 3 percent increase so that we could match up with the other part of government. It was approved subsequently to the previous budget being approved. So we'd have to come back to you if there were additional dollars required. We'd have the opportunity to talk about that.

MR. STEWART: Just one further question on page 1, Mr. Chairman. The reduction of the one assistant auditor general position: do you visualize that as being a permanent reduction, or is it just a reduction for the year we're

talking about?

MR. SALMON: No, it's a permanent reduction in the organization. We've taken the position, of course, and reconverted it to another position so that it would be a lower position we would be able to fill.

There is just one we could mention. Mr. Chairman, as you may be aware, sometimes the government pays increases out of a contingency fund. Of course, it's a government decision as to whether or not those funds would also be given to this office. That's not necessarily automatic. That's an explanation of how it operated last year. Whether or not we have to come back would depend on what happens.

MR. CHAIRMAN: Don, could I ask you whether or not you could absorb that if you had to? Then if you had to absorb it, what would you do?

MR. SALMON: We would look at that. Based on vacancies throughout the year and the projection of the current year, we can sometimes tell whether or not we can meet it. I recall several times in previous years when we did absorb it. That's not always possible. Of course, never in our history have we been unable to meet the budget. We have never gone to special warrants or anything like that. Hopefully, we will never have to do that. The provision is within the Act, but we'd have to do some projections. We've heard a little bit about what it might be, and it may not be difficult for us to absorb anything in the current year. Then we'd have to determine what that would do to the '87-88 year as well.

With respect to Supplies and Services -- and again, if any questions come up as you're looking through and you want to go back, that's fine. We have broken that down between travel, the supplies and services being in the neighbourhood of \$2.6 million . . . The travel is not large in that relationship; however, we have shown the breakdown as to where that travel usually is, and most of that, of course, is in travelling throughout the province on audit engagements.

This year we are required to absorb the advertisement for our student auditors, our assistants. Well, we actually absorbed it this year, and we're also required to absorb it in the '87-88 year. They have been classified by the

Public Service Commissioner as type 5 employees, and it's now required to pay for your own advertising. Actually, their positions and my position are type 5.

I think the other is pretty straightforward, maybe until we get over to professional, technical, and labour services on page 4.

MR. CHAIRMAN: Could I ask on page 3? Fred, Derek, and Stock, if we're going too quickly page by page, we should hold.

MR. SALMON: Anything you'd like to go back on is fine.

MR. CHAIRMAN: What is the difference between professional development courses and conferences under Supplies and Services and the course in professional development courses up above? Is there some reason these are in different situations? You're all smiling. I must have asked the wrong question.

MR. SALMON: That was a question we talked about before we came in. That question, of course, is that the allowances and benefits is the cost of the course, whereas the one below is the travel cost, so we split that. That will give you an indication.

MR. DAY: Also, Mr. Chairman, under recruiting, \$7,500 is not very much. What's involved in that, just on a personal note of curiosity? Is it dinners at the Four Seasons?

MR. SALMON: No. With recruiting, where we're hiring professional staff, it may be a potential of going to where that person is, and therefore there's a cost, or having a person come in. We've had several CAs come in from Vancouver, and we pay the airfare for them to come to the interview. That's cheaper than sending two people out; this kind of thing. Also, we send senior staff people to various universities to look for students who are graduating this year. In fact, we just had them come back from Vancouver. They'll also be going to Calgary and Saskatoon. That's all included within those costs. It's really recruitment costs, the cost of the travel to do that.

MR. FOX: Don, are you a bit prophetic here? Were you able to predict the 2 cents a letter

increase in the federal postage rates here?

MR. SALMON: I think Mr. Henkelman just figured it's been going up, and it's costly. But the percentage is odd, isn't it? Especially in view of the recent announcement of the possibility. No, this was done before that.

MR. FOX: That shows foresight and intuition.

MR. CHAIRMAN: It's not enough, though, is it?

MR. SALMON: Probably not.

MR. CHAIRMAN: Two cents on 34 would be what percentage?

MR. SALMON: It's not. We sometimes use the courier to get financial statements down to southern Alberta and that kind of thing. It's hard to predict what courier costs are; they fluctuate, too. But we do shoot those things down to Lethbridge, Calgary, and so forth.

MR. CHAIRMAN: How close are you in your '86-87 estimates to your expenditures? Therefore, how are you making the judgments for '87 and '88?

MR. SALMON: Yes, we have been looking and projecting, and also looking at last year's costs. By that comparison, we've tried to determine what it would cost us in '87-88.

MR. CHAIRMAN: We don't have those figures.

MR. SALMON: We haven't given you projections. I know that in our projection — we still have five months to go. It's always hard to totally predict, but certainly we were within target and will probably be under because of our vacancies and so forth this year. We could be under several hundred thousand.

MR. WINGATE: We're also slightly down on the fixed asset side, Don.

MR. SALMON: Yes. So we've been watching that to ensure, and we've taken that into account in our prediction for next year. It is difficult, looking at September, when you're talking about April to March of '87-88, and you haven't really gotten through the current year.

MR. CHAIRMAN: Do you have different flows, other than your staff and those fixed costs? With half the year gone, have you spent half the money, or have you spend 80 percent? It depends on your needs.

MR. SALMON: Oh, it depends on our needs. The flow of cash is somewhat different. We have a considerable amount of agency costs, which we will talk about in a minute, that come in the latter half rather than the first half. So we really haven't spent that much on that area yet.

MR. WINGATE The biggest section, of course, is wages and salaries, and that is fairly even.

MR. SALMON: Yes, that's even except for the fluctuation on vacancies.

MR. CHAIRMAN: Are you renting one vehicle, or is that a vehicle to carry photocopy equipment?

MR. SALMON: Yes, a vehicle to carry photocopy equipment. No, as you probably know, I have a car. There's a charge by Public Works, Supply and Services. They charge for everybody's cars. I didn't want to tell that.

MR. FOX: You're getting Volkswagens.

MR. CHAIRMAN: Grant isn't here.

MR. SALMON: Just to go back for a moment to page 2, we showed the vacancies at 10 on September 15, when we submitted the budget to you. We checked it out yesterday, and we now have 20. We're not too happy with that. We have 11 vacancies in professional ranks and nine in student assistance, so we're now at 20.

We haven't been doing too well on our professional recruitment because there seems to be some pickup in the need for CAs at the moment in the practising firms. There are not a lot of them available. Also, eastern firms are coming to Alberta to recruit, and this is not going to help us from the professional point of view, but I wanted to mention that to you. We're doing what we can.

MR. STEWART: Is this going to impact with respect to costs of having to offer more in order to attract?

MR. SALMON: Over the years we've tried to stay within what we felt was reasonable, and we haven't really gone out and just universally decided to give more money. More money doesn't always attract at professional levels. You really have to convince them to come and work in your shop and see the potential of that with the idea of the future rather than an immediate increase. The immediate starting salary is not necessarily the difficulty; it's maintaining them in the later years.

MR. STEWART: I just wonder to what extent it may impact on the salary picture that you've shown on page 1.

MR. SALMON: Right now I don't think it's going to impact a great deal, but I think if this continued, say, come next spring, and we're still tight or even getting tighter, then I think that could have some effect on it. But it's very difficult to predict. Things change.

MR. STEWART: Yes, I'm sure.

MR. SALMON: Again, we'll move back to Supply and Services and go to page 4. I think we should explain a little bit of the agency audits. We have listed on pages 5 and 6 the particular organizations to which we have now out to agencies or plan to give to an agency situation on the rotational basis that we've established in the office over the past several years. That is a fairly good chunk of our budget. We are very happy, though, that we can operate this way, because it has provided the opportunity to have CA firms act as our agents in getting audits done, particularly where we have a fairly heavy crunch of a lot of audits at March 31. We're able to spread some of those out. We're using some of the firms, particularly in the outlying areas in southern Alberta and in the north, and that has cut down on our travel time and time for our own staff to be out of the office and the city.

MR. CHAIRMAN: Don, if an organization is not listed here and there is responsibility under the Acts for your office, then it's done by your office. Is that what that means?

MR. SALMON: Yes, our annual report publishes a list of all the audits we do, and we just choose those we feel we can use as an agency. We put

them out for four, five, or six years, and then we will rotate them back through the office and put another one out. We've been doing that since 1978.

MR. DAY: A question, Mr. Chairman. In deciding which private firms are going to be doing your audits, are the rates the same all over the province, or is it put out to tender? How do you decide which private firms?

MR. SALMON: We have not tendered, but what we have done is asked for -- as we have determined within the office itself -- the firm that we feel can best do that particular job or kept a balance in the firms that we're using and ensured that we're not, say, giving too much to one particular firm or neglecting the opportunity for another one to also have it. We've done a fairly good job of spreading the load, you might say.

In some cases we've looked at the firm that has a specialty in a particular area. Then we have gone to them and verbally discussed it with them, determining whether or not they can meet the expectations of what we would like. We also are very, you might say -- not hard-nosed but we try to ensure that one firm particularly, say, in Edmonton is not charging us much higher than any other firm.

So we know in our minds then basically an average, and if they can give us a projected estimate of the audit fee that will fit the average of the other firms, then we know they're pretty well within. If they're high, then we tell them we don't like it, that we just think they could come in a little bit better, and we've had some adjustments in some cases. Once we've established the cost, they cannot change that cost without coming back to us and explaining the need for additional work, something that wasn't involved in the original scope of the audit. We must agree between the two of us whether or not they go do the work and whether or not we can afford the cost, of course, as well because it's within the budget.

We have maintained over those years a fairly close involvement with that, of course, because we stay close to the job that's being done. We attend all the meetings. We're still the Auditor. They're just working for us, and we treat them that way. They seem to work well in doing it on that basis. So they're not in any way taking over the job. We won't let them

because we're still the Auditor by legislation, and I still have to sign the statements.

MR. DAY: Just further to that, Mr. Chairman. Sometimes we hear from legal firms. For instance, we get complaints in a particular area that there's a perception that one firm might be getting more government work, say, than another. Is that happening? Do you get that type of complaint or response from the chartered accountants?

MR. SALMON: No, we haven't had any complaints. What we do get periodically are requests from various firms that would like to have the opportunity to work for us if something came available. We have files of firms that have requested work and have not been given work. In some cases they're too small and just couldn't handle the size of some of our jobs, and we're unable to use them. In other cases we try to utilize pretty well all of the local, fairly good-sized firms as well as all of the national firms both in Edmonton and Calgary and in the outlying areas as well. We pretty well maintain about 25 different firms at any one time in Alberta.

MR. FOX: Is there any system, Don, of checks and balances or an appeal procedure, following up on what Stock was saying, so that the public can be assured that there are no political considerations?

MR. SALMON: Well, I can give anybody assurance that we have never had any political interference whatsoever with what we've done over the years.

MR. FOX: I have no trouble with that. I'm just wondering if there is any way that public perception can be dealt with.

MR. SALMON: One thing we have never done is publish a list of the firm attached to the job, because we wouldn't want undue influence over who has what. The only thing that happens is that within the firms they find out, of course. I'm sure they find out. But it never comes from our office, and we've never had anybody come and complain. What you do have is once in a while if they see you or have an opportunity to see you, they want to assure you that they're still interested. Usually they're interested in

doing more than we can give them and this kind of thing. But we just sort of weigh that.

I've been directly involved since 1978, and both Ken and Andrew have also been involved. We're getting more involved as the . . . We try to stay close.

MR. FOX: That's a very good record. In a case like Stockwell was proposing, would there be some recourse for a firm that felt it was not being given fair consideration, an opportunity for them to hear the department's reasons for not . . .

MR. SALMON: Sure. They're open; they can talk at the same time. We've met with them and certainly would take into account if there were any concerns. We just really haven't had any direct . . .

MR. CHAIRMAN: In that same vein, with the Public Accounts Committee and in your annual report you have a special -- do you call it the audit committee?

MR. SALMON: Yes.

MR. CHAIRMAN: In other words, who bells the cat? Who audits the Auditor General besides this committee?

MR. SALMON: As you may not be aware, under the Act there is a firm of chartered accountants that audits us.

MR. CHAIRMAN: Yes, I knew that.

MR. SALMON: That financial statement, which has recently been finished, should be provided to you fairly soon for information purposes. Then that is published in the public accounts as well. We don't appoint them; you appoint them.

MR. CHAIRMAN: Would that firm act in any way as an appeal mechanism if someone were disgruntled? I know it hasn't happened.

MR. SALMON: It hasn't happened. No, that firm would not have any rights under the Act to actually act in that capacity. It's really left to this office to operate within the confines. If it was a concern that came elsewhere, I suppose we could come and, because of the budget purposes particularly, chat with this individual

about it. We just haven't had any . . . In some ways, because Alberta is unique in the fact that we have that opportunity to oversee all the auditing of the provincial jurisdictions in Alberta, we have been able to avoid the criticism that comes from a political involvement that some provinces have. There are sometimes repercussions if the political side gets into the appointment of auditors and this kind of thing. That has been avoided because of our responsibility under our Act in having it all.

MR. STEWART: Mr. Chairman, a question. In connection with the agency work, would it be accurate to say, Don, that a tendering process relative to professional services just isn't practical?

MR. SALMON: Yes, that's the way we felt. We've discussed it with a number of firms over the years, and they see the reason we don't like the idea of tendering, because then you're in the position of accepting a firm that may not be the one that really would fit the situation. We have liked that ability to determine on our own who will do the job. They're working for us; they're not working for the organization. We make sure that the organization understands when we start going into an agency relationship with them that just because this CA firm is going to be doing this audit doesn't mean that you go directly to them. They still must work through us in this group and our senior people and not in any way sidestep that issue and forget that the Auditor General is responsible. We won't let them forget because of that responsibility under the Act. It has worked so far. I would hate to see us go that way. If we had a very difficult situation, maybe in one case or another it might be required, but we haven't had such.

MR. CHAIRMAN: Just to interrupt you. You're on page 6 still?

MR. SALMON: On pages 4, 5, and 6. Just as an example, we had AADAC out on an agency agreement for about six years, and they worked fine. But when we changed, because of our rotational system of letting others out, we used that same firm in a different audit, and now we're doing AADAC ourselves. I think we could eventually have AADAC back out, but right now it's being done inside.

MR. FOX: You'll keep a close eye on the chairman.

MR. SALMON: We have to watch the chairman in all these cases.

MR. CHAIRMAN: Actually, I saw the management letters going back and forth, and I thought it was very useful for me to see those.

MR. STEWART: Mr. Chairman, I'm very pleased to see the 50 percent increase in legal fees.

MR. SALMON: That's only because of the problems that we keep running into. We use outside legal fees to ensure that we have a legal opinion on the compliance issues that's independent of the government. We have had those to support any of our findings that are reported in the Auditor General's report on an annual basis. The firm has sometimes given us an opinion which we use that may be different than the internal one on the government. If we used, say, the Attorney General's department, it just wouldn't be right, because they're looking probably at things from the part of the departments and we're looking at them from the legislation, from the Act's idea of what does it really mean and where's the problem. That's the reason for that. It's just very hard to predict how many times we have to go to them, but they do it on a job-by-job basis.

MR. CHAIRMAN: I hope you'll support the Public Service Commissioner when he needs that. I took that position, too, with the public service. You need very specialized legal services in those cases, and we don't always have that available in-house.

MR. SALMON: No. The departments or even some of the Crown boards and agencies have their own lawyers, and of course they're looking at it from that point of view. Sometimes there has been a case of their getting together and ensuring that both understand each other's opinions. We've shared the opinions and all that before we ever go public on any of our problems. So that's the reason for that.

MR. CHAIRMAN: I notice that it's an insignificant amount of the total budget, but it's a significant change in your electronic data and

word processing area. Is that simply because we're getting more and more equipment and we need to have more and more maintenance? This is not capital.

MR. SALMON: Are you looking at the top of page 4, the \$100,000?

MR. CHAIRMAN: Yes, page 4. From \$83,000 — and \$12,000 from \$6,000. I know those are minor things, Don. But is it just a problem with government? I would assume that your experience is very similar to many other departments.

MR. SALMON: I'll introduce you in just a minute, Andrew, and then you can comment there. As you may not be familiar, last year's budget, which is the current year's, the one we're spending now, provided for us to update our equipment. We turned in an older computer and purchased a newer one this year, and that will have some effect on our maintenance. Andrew?

MR. WINGATE: That's it exactly. The increase is attributable to the new computer.

MR. SALMON: Yes. We have the computer on site, but it hasn't been plugged in. It will be by the end of the month or early in . . .

MR. WINGATE: No, it's this weekend.

MR. SALMON: This weekend; that's right.

MR. CHAIRMAN: I didn't want to divert us. It's a small amount, but I would think in the total government expenditures it must be a growing concern. The technological revolution is costing us a great deal.

MR. SALMON: Yes. One of things we'd like to do, Mr. Chairman — and you and I talked about this earlier — would be to have the committee visit us sometime. In that visit what we'd like to do — and it won't take us long, because I know you're all busy men — is make a short presentation of what we really are doing in the office, give you a tour of the data centre we have, and explain a little bit in a question and answer period what we really do. It's really hard to visualize by looking at these kinds of papers and really comprehend what the Auditor

General's office does.

MR. CHAIRMAN: I'm sorry; we had a summer session, or we would have done that before the budget process. We will.

MR. SALMON: That's okay. We're happy to do that sometime, though, at your convenience.

MR. WINGATE: Mr. Chairman, just going back to this electronic data processing, repairs and maintenance, the increase of \$16,000 from \$83,000, in fact, represents a doubling in capacity. We have a computer which is twice as powerful as our previous computers. So for a doubling in power we have a much less percentage increase in the maintenance, which is one the reasons that induced us to go to the new equipment.

MR. FOX: What happens with the redundant equipment?

MR. WINGATE: That's going to the university.

MR. FOX: So there is a use for it.

MR. SALMON: Yes.

MR. FOX: Is there a corresponding income from that?

MR. SALMON: Not to us.

MR. WINGATE: Not to us, no. It's not income.

MR. SALMON: We don't have any dollars coming back to us. But it is going over to the university, isn't it?

MR. WINGATE: Right. The university, of course, has an awful lot of computer equipment, and they also have DG equipment, which is the equipment we use, so they had a home for it.

MR. DAY: A question on page 6, Mr. Chairman. Just from the point of view of my understanding, Don. It's probably minor. I'm always delighted to see decreases of any kind, and I'm certainly not questioning it, but how are you able to go — on number 35 you've virtually cut the audit costs in half at the University of Calgary. Is that because there's only going to be a partial audit in '87-88, or you put

something in place there in '86 that you don't have to put in place again?

MR. SALMON: No. At the beginning of page 5 we tried to explain that

with the rotation of the audits each year, the estimate may, in some cases, include costs related to more or less than one audit period and, therefore, the estimate does not represent the . . . fee; it only represents the dollars flowing through that fiscal year.

MR. DAY: Okay. I see.

MR. SALMON: Sometimes with the lapse we get interim work done, and sometimes it doesn't get done, and this kind of thing.

MR. CHAIRMAN: They're not all the same years necessarily.

MR. SALMON: No. Then we have the year-end differences. Of course, in the case of the University of Calgary, it is a March year-end.

MR. DAY: Is the fact that Mount Royal College is not on there a matter of the rotation?

MR. SALMON: Yes. Mount Royal College was an agency situation for about six years, and then we rotated it back into the office and put the University of Calgary out, along with some other switches.

MR. STEWART: If you're doing the Mount Royal audit this year, you'd better increase your costs on it, because it's going to be very difficult by virtue of all the matters associated with the renovation and expansion of that college and the things that go along with it.

MR. SALMON: It's a June year-end. Actually, we are into it now, so we're aware of some of those situations.

MR. CHAIRMAN: On to page 7?

MR. SALMON: Yes. Let's go to page 7, which is the grants. Over the years we have — and this may be another subject that you'd like to discuss, Mr. Chairman. We are a sustaining member of the Canadian Comprehensive

Auditing Foundation. That is a foundation established a number of years ago, with the basic sustaining members being legislative auditors; in other words, each province and the federal Auditor General. Of course, a number of firms are involved as well. What they do is research and methodology development on what is commonly referred to as comprehensive auditing. We can explain that when you come visit us: how that impacts on us and what we see in our shop as being somewhat different than some jurisdictions. We are certainly not under the same responsibility or mandate as some of them when they start talking about value for money.

The Comprehensive Auditing Foundation work is of interest to us, because it does impact on some of the things we approach in our own responsibility. We have some information we'd like to leave with you today. You can put it in your library and not even look at if you don't want to. It's just to get you to understand a little bit more of what the foundation does.

There's a book we'd like to leave with you that talks about Alberta. We've been involved with the development of the book, and it shows how each jurisdiction fits in with their own legislation and the difference in what the foundation is doing.

As a sustaining member we are required to pay some of the costs of the foundation. It was established many years ago, and we've included this in our budget. We have not increased it tremendously, but as the costs have increased, we've just gradually increased that grant to the foundation.

The foundation is also an organization that has an annual conference that members of this committee have attended. I'm not sure whether or not you're aware of that this year and whether any members of the committee will be going.

AN HON. MEMBER: Is it in Toronto in December?

MR. CHAIRMAN: I was going to raise that later.

MR. SALMON: It's in Toronto in December. That's this organization. So that might help you to comprehend what that is.

MR. FOX: Mr. Chairman, I was just going to

ask if there is a levy for each supporting member?

MR. SALMON: Yes, each year.

MR. FOX: So Alberta is paying the same as other provinces?

MR. SALMON: Yes, in relation to our budget. We have never felt that we should pay the amount they ask. Nobody is being forced, but we feel obligated to pay something. We've started and just gradually worked it up. I think our first cost was \$35,000 back in 1980-81, when it started. Now we're up to asking for approval for approximately \$60,000 this year. All the sustaining members are also paying a fee. Of course, a substantial portion will be coming from the federal government. It's based on your budget.

MR. FOX: On the provincial budget or yours?

MR. SALMON: No, it's on our budget. The recommended amount is 1 percent. We have sort of been half that, and they have been quite happy to take what we were willing to give. We haven't had any pressure from them to increase that, because we just felt that was sufficient for this office.

The other thing we have to take into account here — and I'll just share this with you — is that our office is peculiar in relationship to provincial audit offices in Canada, in that we are responsible for all the auditing in the province. Even Ontario isn't responsible, and their size is smaller than ours because of that, and therefore their budgets are down. Because we just happen to have that requirement and so forth, we didn't really think we had to be the highest paying province in relation to the budget. This was started by Mr. Rogers many years ago, and we've just kept it at what we felt was that reasonable level. That's not being too defensive.

MR. CHAIRMAN: Could I play devil's advocate? Since it is supported, wouldn't the foundation produce the work that could be available to the Auditor General of Alberta? Something that would not be denied to the Auditor General or any member firm?

MR. SALMON: You're able to have full access

to anything they develop.

MR. CHAIRMAN: What proportion of the foundation's budget is Alberta's contribution?

MR. SALMON: I didn't bring the annual report.

MR. CHAIRMAN: I just have that uncomfortable feeling in my own mind that when times were good, Albertans gave a great deal.

MR. SALMON: No, we're small.

MR. CHAIRMAN: We're small?

MR. SALMON: Their contributing firms, like CA firms, are also giving substantial amounts. Anyone who is a sustaining member will be paying, and the list is quite large. Because the legislative auditors were the basic ones involved originally, we're all still in there. I could tell you specifically, but I do not have the annual report.

MR. CHAIRMAN: If our increase is \$4,000, which is a small portion of the \$56,000, is that based on -- maybe what Derek was asking -- their increasing costs, and therefore more work coming out?

MR. SALMON: No. What we did on the budget this year was that we sort of felt we'd like to leave the grants. Actually, we didn't talk about the other one that would help. We left the grants at the same level, and we're reducing the other one. We will determine whether or not we will give the full \$60,000. We really haven't chatted with the foundation at all this year. I will be down at a meeting of legislative auditors. Prior to the conference all legislative auditors will be coming to Toronto and meet all day on Saturday. We meet with the foundation officials at that time, and we should have an opportunity to talk about this particular thing.

MR. CHAIRMAN: You're going to give us the material today.

MR. SALMON: Yes.

The other foundation is one that has been operating in Alberta for about four years. This is an Alberta foundation, established by the Institute of Chartered Accountants of Alberta

to improve accounting in Alberta, particularly through the establishment of some special development work within the universities. There has been money donated to the University of Alberta and the University of Calgary, and the University of Lethbridge is getting money very soon. There has also been some assistance provided to Albertans who have chosen to go into the field of accounting and obtain a PhD. The money granted to them has been given on the basis that they would return to Alberta and teach in the accounting area at universities.

It's all to improve the accounting perspective in Alberta, because there was some concern over a report that was prepared prior to the foundation being established by the institute. There was a big study done by a group of chartered accountants, and it determined that there were some problems in the accounting development, in particular in Alberta. It felt there was some enhancement that could take place. So the foundation was organized, and firms have been encouraged. There was also some money donated to the foundation by various members of the profession itself.

We have had that built in, and we have now come to a point, under a new program in Alberta, where there's some matching. Some of the dollars the foundation is now matching are being matched by the government and universities. Therefore, we have reduced the amount we feel we really need, because it's really a double-barrelled thing. Of course, we are looked upon as a practising firm, and therefore we need to have some involvement with it. Possibly we don't need to be as involved, in dollars, as we have been for the past few years. I am on the board of governors, but I haven't told them yet that we're going to reduce this. I feel very strongly that that's the way it should be because of the nature of the funding that's taking place at the present time. We feel we need a little bit there, and we just made the shift between that and the foundation in case there was a call for additional moneys on the foundation side.

MR. STEWART: I guess I would just comment that I'm somewhat surprised that a thing like that isn't covered by way of assessment on a per-membership basis and built into the fees that are paid to the institute.

MR. SALMON: There is also a compulsory fee

built in there. The firms are also paying additional sums on their own. There's no commitment; it's just really what they feel they can do. Mr. Rogers built this in several years ago. Now, with the change, I feel we can reduce that. It's also been determined that the compulsory annual membership fee of the institute will continue now for two more years as well.

MR. STEWART: All I'm saying is that I think the work of the foundation, theoretically, is for the benefit of all practising chartered accountants in Alberta.

MR. SALMON: Right.

MR. STEWART: Why it isn't built into their normal assessment on the membership fees: that's what I'm getting at.

MR. SALMON: That has been, up to a point, but there's still not total agreement by all members of the profession that that's the way it should be. That's still going on in the profession itself. I assume the law firm has a few of those, too. It's easier that way, much easier to fund.

MR. CHAIRMAN: Could I ask if the Act, which provides you with the authority to make grants -- because you're always asking other people. The authority is there, then, for grants to be made, and these are the two.

MR. SALMON: Actually, the authority is there, but not specifically. It's in the broad sense.

MR. CHAIRMAN: But these are the two, I believe, for '86-87 and now '87-88.

MR. SALMON: That's right, and it has been going on now for a number of years.

MR. CHAIRMAN: I knew you'd say yes.

MR. DAY: Mr. Chairman, at the risk of sounding mercenary as we discuss dollars and cents here, Don, I don't know if you can put a dollar figure on this, but can we look to \$60,000 worth of direct benefits from our input into this foundation? Can you look to . . .

MR. SALMON: To Alberta?

MR. DAY: . . . Alberta or to your own operation, the contribution you would get back from that. Whether in the areas of new methodologies, developments, training, comprehensive auditing, whatever, can you see a direct benefit coming back to you from your input there?

MR. SALMON: I don't know whether it's entirely direct, but certainly I think there's benefit. I would assess that that's probably a very small sum for all that's being done in Alberta as well as in Canada with respect to development of auditing. We certainly would feel that it's a worthwhile thing for Canada. It's now even spreading internationally, and therefore it's something we will stay right with and, of course, relate it specifically to Alberta, and we do that. We approach our own audits. I think it's a good thing.

MR. DAY: Drawing, then, from their body of knowledge and resources, you're able to . . .

MR. SALMON: It helps us to make sure that we stay on top of the auditing areas of the world as well.

MR. WINGATE: Certainly, as you say, Don, it's increasing benefits as time goes on.

MR. SALMON: Yes, I think it is, because it's becoming much more established and accepted in, basically, the world now because there's an international . . . Auditors General in some of the Third World countries are getting involved in it in some detail, in the approaches.

Page 8. As you can see, in the breakdown on the fixed assets there is a considerable decrease, and this is basically the decrease in our budget this year. Most of the data processing equipment that's listed in this year is really necessary parts of the change that we've made to our computer system, and we could certainly answer any questions on any particular ones, if anybody wants to get into that kind of thing. But that really is where our basic reduction in the budget is, although there are some reductions in others. The explanation at the bottom of the page gives the indication of what really took place.

We have developed internally a software package that we use which is unique to our own office, called PROBE, and we are able to utilize

that in our audit work very extensively in auditing the transactions of all the organizations that we are involved in. Recently Andrew and another member of our staff wrote an article and had it published in the CA magazine, which is a Canadian magazine of the state of the profession, and we have a copy of that for you to read if you'd care to.

MR. DAY: For late evening reading?

MR. SALMON: Yes, it might keep you awake or, more than likely, put you to sleep. Certainly, it gives an indication of some of the things we are doing in the office and will give you a little simpler explanation or understanding and it'll get out of the technical terms of that when you come over to see us. So we think that's an advantage.

Andrew, would you like to comment briefly about the equipment?

MR. WINGATE: Yes. As Don said, the major reduction in the budget is, of course, due to the fact that we're not buying a large computer this year. That was paid for in '86-87. The rest of the equipment — we have \$51,000, which represents six microcomputers of the PCAT variety. We also anticipate the requirement for disks for the MV 20000, which is the computer we purchased, at \$45,000, and that's really required to accommodate the increasing number of data base systems that we come across in government. Data base systems have a habit of generating enormous volumes of data, and you need more disk in order to be able to handle that data and extract from the data the information that the auditor is interested in.

Microcomputer software is the software necessary to support the six microcomputers I've already mentioned. We have a standard package of programs, including Symphony, which I'm sure many of you are aware of.

MR. SALMON: That's not music.

MR. WINGATE: No, it's a Lotus product. We also have Smarterm 400 and several other standard packages. So that's what that's for.

The mainframe software, at \$35,500, is for our own data base system. As we move into more advanced audit management and control systems within our office to control our own operations, we feel that a data base system is

probably going to be required, and so we budgeted to have the funds available to buy a data base system, should that need arise. What we're concerned to do is have up-to-the-minute reporting of the status on various audits so that it becomes an integral part of the management process. You can get access to time spent on jobs, costs on jobs, progress on the job, what's scheduled, and this sort of thing. To handle that . . .

MR. STEWART: Is there an agency working on that?

MR. WINGATE: No, not on the agency staff, not specifically. It's all audits, and in order to discipline that amount of data we felt we had to move into a data base system. So that's why we've budgeted that amount.

Memory for the MV 20000. The computer as it's going to be initially installed has some 12 megabytes of memory. We feel that in this period we could have the requirement to expand that memory to increase processing efficiency by a further four megabytes, so we made this provision. Obviously, if that situation doesn't arise, we won't spend the money, but we wanted to be sure that the money was available, if we were forced to that, to increase the memory. Obviously, if you increase the memory, you get much better processing efficiency. It's much faster. That's really the reason for doing it.

Microcomputer modems. We use quite a lot of equipment in the field, and auditors dial into our central facility from terminals or micros out in the field. To date they've been using the first generations of modems, which operate at 1,200 baud, and shortly there will be much faster modems available, up to 9,600 baud, which is obviously quite a lot faster. It's much more convenient for the auditor to use that faster speed. Also, your connect time is reduced, because you can get your transactions across much more quickly. So we've budgeted \$20,000 for these new type modems.

A tape certifier is a way of extending the life of the tapes we use. We haven't had one to date. We feel it would be sensible if we acquired one, as we have an increasing number of tapes to handle. It has another characteristic in that it's able to write to the tape. We have a particular security problem; that is, we send out a file to an auditee and ask him to copy his GL onto the computer tape.

Then we take it back into our office . . .

MR. SALMON: So we have his confidential records.

MR. WINGATE: When we scratch that tape, we then want to send it out to another auditee. The scratching process merely changes the top of the label; it doesn't change the contents of the tape. That's obviously hopeless in our case because we'd be sending out confidential information to another auditee.

MR. SALMON: Somebody else would have the information.

MR. WINGATE: It would all be in government, but it wouldn't be good. So what we do is sit down and write from one end of the tape to the other -- it's incredibly boring -- "Office of the Auditor General" millions of times.

MR. SALMON: So that's all that's on the tape.

MR. WINGATE: There's no residual data left. This tape certifier can do that.

MR. SALMON: We had an example where someone tried to break one of our tapes to find out what was on it. All they got was "Office of the Auditor General."

MR. WINGATE: Yes, they suspected that we were just scratching the tapes, so they actually went in and bypassed the label to see whether they . . .

MR. SALMON: To find what information we had on the tape that they were now going to use to put their stuff on.

MR. SMITH: Of course, their concern was the security of their own data, because they felt if we had left some other data on the file, then their data was not going to be secure.

MR. WINGATE: They were just testing how good our security was.

MR. SALMON: That was not too long ago was it?

MR. WINGATE: No, it wasn't.
The printers. That's six small printers for

the micros that I mentioned. The ASM and LSM boards for the PACX is a bit complicated to explain, but it's computer stuff.

AN HON. MEMBER: That's good enough for me. Input/output is exactly what it is.

MR. FOX: You've exceeded my REM a long time ago.

AN HON. MEMBER: I'm still working on my Apple. I've given up on this one.

MR. WINGATE: We don't want to give you too much of the technical side.

MR. DAY: With all of this, I'm wondering if you have a DonkeyKong program.

MR. STEWART: With the obvious conclusion that you're probably dealing with four people here who are about a half century behind in technical knowledge, I was interested, as you were speaking, about the integration of the computer audit systems that agencies would be employing, presumably more and more, and integrating that with your system.

MR. SALMON: Actually, that's really a very good question. It might be of interest to know that where they're doing audits for us, where it's practical, we have them actually come into our shop, and we show them how to use PROBE. Their people sit right down at our micros and actually work through our own computer with the tapes they bring in from the audit they're doing.

We have also been very conscious and concerned that if there is development within the firms themselves, we are aware of that and would take advantage of that. That would help us. In some cases where it's been more practical for them to do something, we have learned from that as well. We have allowed them to do that kind of thing if it's of practical use.

MR. STEWART: Does the effect of all this 'computerage' sort of reduce the number of firms you're able to deal with out there that could undertake agency work?

MR. SALMON: We really haven't had that problem because we have chosen in some cases

to take the firm in some of the smaller places and actually have them come and teach them how. Our software is not difficult to use, yet it can do so many different things that a lot of them can't do on their own because they just don't have that kind of facility or ability. I think in some cases we've been able to share that with them, and they are actually able to do it in not too long a time, or we've helped them do it. We have our own in-house people who can help them do it to save them that time as well. Sometimes we've had some of our EDP people involved with them for a while to ensure that it's being done right.

Andrew, any comment on that? We try to utilize it both ways.

MR. WINGATE: No, I think that really covers it. Sometimes we'll get a particularly complicated system. For instance, the revenue system at AGT is conceptually a very complicated system. There the nature of the problem would very definitely influence the agent we used.

MR. SALMON: AGT is an interesting subject to talk about. We don't want to take all your time here with that. We have actually gone to using an agency relationship in AGT and split our audit. In other words, our staff is doing certain things, and the agent has come in and is doing the revenue side for us because he has knowledge, background, and understanding of the telephone systems in the east. We've been able to utilize that benefit which we did not have and have learned from the use of them in that particular area to satisfy ourselves on the audit.

Mr. Chairman, I believe that pretty well runs through the budget. If there may be other questions that anyone would like to ask, we would be happy to answer them. There are a few other things I would just like to check when you're sort of finished with the budget, if I could, just to raise the issue.

MR. CHAIRMAN: So, Don, what you have presented and described and asked if there are any other questions is a budget for next year which is a decrease over this year, most of which is accounted for in the fixed asset decrease. There is no provision for increases for economic or merit pay, and that will have to come back to us.

Are there any other questions, members?

MR. STEWART: May I make a comment? I think we've been very, very easy on the gentlemen here to this point. I'd just like to make a comment that may sound like a criticism, but I understand the factors that are behind it and make it difficult. To come forward with estimates and base those estimates on estimates and show percentages really is kind of airy-fairy: a 3.86 reduction may virtually be a 6 percent increase. When we look at the possibility of the '86-87 actual hard figures being less than the estimate, then the percentage of increase obviously is greater. Showing a 3.86 reduction is, as I say, a little bit wishy-washy. It would really be much more helpful if we could have some hard facts or hard figures relative to current experience in '86-87, appreciating the difficulties that you mentioned earlier, Don. I guess that's my only problem as an overview of approving budgets on that sort of basis.

MR. SALMON: That's always difficult because of the timing. I agree.

MR. CHAIRMAN: Can you relate the former year's experience, Don, in some way?

MR. SALMON: Yes, I've got the statements here, and I thought maybe that might help us to relate the former . . .

UNIDENTIFIED SPEAKER: It won't work because of the contingency transfer.

MR. SALMON: The contingency transfer in the '85-86 year would have been just over -- \$10,030,000. Our costs by the financial statement are \$9,677,000, so we're about \$340,000 under the budget for the '85-86 year. Actually, that's basically the way we run. We always tend to, because of the vacancy factor you build into that situation of not knowing exactly whether you're going to have your positions filled or not. Most of your costs are salary.

MR. STEWART: If you had one more column in here, for example, showing '85-86 so that we could at least measure your track record from the standpoint of what you had estimated vis-a-vis what you had actually incurred.

MR. SALMON: It's difficult because we're five or six months away from the end, but we could certainly tend the forecast as best we could, and that might help you, plus also put in the previous years, maybe have a three-year spread here. It's very difficult because it's a year and a half. But I appreciate your comments. That's not a problem; we'll certainly look at that and see if we could do it on another time.

MR. CHAIRMAN: Don, I have one. The Treasurer has directed the departments and agencies and corporations of government to develop some kind of strategy for the government. This is a legislative office; I appreciate that. But included in those strategies are "what if" scenarios, as you probably know. That means: what are the scenarios if we are faced with with a continuing decline in revenues and increasing expenditures other than nonrecurring ones? Those include 5 and 10 percent reductions and what are the impacts of those. Are those kinds of guidelines or scenarios provided to, for example, the Auditor General or to the other . . .

MR. SALMON: To the other offices of the Legislature? No. We don't receive the directives. We get our hands on them from the point of view of the audit side, but they do not come to us directly to make submissions of that kind, because of course we're not submitting to the Treasurer. Certainly we thought of that and knew that existed within the departments. But as you analyze, what they're asking them to do is to really look at some programs and see where program cutbacks could take place and where other savings could take place. It's much more difficult within our shop because of the nature of the service we are performing. If you are cut on your budget, how do you justify not doing certain audits or certain examinations, and are you being restricted in your scope because of that reduction?

MR. CHAIRMAN: Are you saying that there's nothing that could be changed in this other than . . . You're talking about manpower needs.

MR. SALMON: Our manpower and agency work is basically 80 or 85 percent of our costs. If you were just to reduce -- some kind of overall percentage reduction -- you would have to examine your audit flows and determine where

you slow down the process. If you have rotational work, you may slow that rotational work down further, do less in some areas. It becomes a debate as to whether or not you're being restricted in your scope. Right now we feel quite comfortable because we're sort of looking at what we're covering and we're not really concerned. Nobody is putting pressure on us anywhere to not do something. It's our decision, of course. As a professional auditor you make that decision as to what you should audit and how much you should audit. But that would be the debate; that would be the problem.

MR. CHAIRMAN: I may be doing this too quickly, but even your agency audits are \$1.9 million and your manpower is \$7.4 million. That in itself is \$9.3 million, which is probably 90 percent.

MR. SALMON: Yes. Actually, with our reduction in fixed assets it probably is 90. We now have the new computer.

MR. CHAIRMAN: So you'll be able to consider Fred's suggestions and develop . . .

MR. SALMON: Yes, for next round.

MR. CHAIRMAN: Okay. And we might look to our other officers in that same way, Fred, as a matter of fact.

MR. FOX: I was just wondering. Now that the MV 20000 is purchased and in next year's budget there is provision made for the software and things you need for that, would the fixed assets budget decline in future years?

MR. SALMON: It's going to be a number of years before we're going to have to re-examine our major costs; that's right.

MR. FOX: So it's not likely that it would be around the \$200,000 mark on an ongoing basis just to keep adding the kinds of things . . .

MR. WINGATE: The major expenditures of \$500,000 and this sort of thing wouldn't recur for a number of years.

MR. SALMON: It's an ongoing, changing process on the EDP side, and we have to keep looking at it. If you have something that's not

working properly, you have to look at it. Of course, the way the budget works, you're really expending; you're not able to sell and put those dollars back in. It doesn't work that way. You're always having to gross your costs in the budget process. If you have surplus equipment, something you don't need, it goes off, doesn't it? We don't get the dollars as far as our own budget is concerned. You can't net.

MR. CHAIRMAN: If there are no other questions, gentlemen, I have a suggestion. There are some items that you wanted to discuss while you're still here, Don. There are some items that I would like to ask our committee's approval of that involve your advice; they're not aware of these items. These are the appointments of various organizations, some things that you as Auditor have written me about.

MR. SALMON: That's on my list.

MR. CHAIRMAN: Okay. We're all on the same thing. What I am going to suggest is that the four of us could take a five-minute break if we need one -- we probably all need a break -- and discuss in private without going in camera and, if we have no questions, come right back and I'll look to a motion. Or if any of you wish to have a three or four minute break . . . Or do you feel comfortable in just continuing on? If we do that, then we'd look for a motion. If you want the four of us to step outside into the other room, we could chat for a few brief moments. That might be one approach. Are there any other . . . No?

MR. FOX: At the chairman's discretion.

MR. DAY: At your pleasure, Mr. Chairman.

MR. CHAIRMAN: I look forward to a motion from the floor then. I would assume a motion would be in order to approve the budget for the 1987-88 fiscal year as submitted by the Auditor General. If I could ask for a motion?

MR. DAY: I so move.

MR. CHAIRMAN: Have I worded that sufficiently, Don, for the committee and for yourself?

MR. SALMON: Yes.

MR. CHAIRMAN: A motion then approving the budget for the 1987-88 fiscal year for the office of the Auditor General. Is there a seconder for that motion? Derek. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: The committee is in favour.

Don, while you're still here then, you have other items but there are two items that I just could ask about. One is OAG 2-08, appointment of the Auditor General as auditor of various organizations, where the committee is obliged to give you some endorsation or approval of that.

MR. SALMON: Yes, under a section of the Act.

MR. CHAIRMAN: These are standard things that come to us from time to time. Do any of the committee have any questions about it?

MR. SALMON: Are you looking at 2-08 right now?

MR. CHAIRMAN: This is with respect to appointing you as auditor of two organizations. How do you want to refer to these? Just these two: the Alberta Children's Hospital Research Centre and the Technical Resource Centre Society for Technology and Rehabilitation? You're asking our approval to appoint your office as the auditor of these organizations.

MR. SALMON: Mr. Chairman, should I just explain the background?

MR. CHAIRMAN: Yes.

MR. SALMON: Presently we have 13 organizations that come under section 12(b) of the Act: the Auditor General

may with the approval of the Select Standing Committee be appointed by a Crown-controlled organization or any other organization or body as the auditor of that . . . organization.

So we must have your approval.

Both these organizations and the 13 that we presently audit are connected to a main audit of which we are the auditors. This is the children's hospital in Calgary. Both these organizations

are subsidiary to them. They are not one hundred percent owned. We do not have to be the auditor, but because of the convenience of all the record keeping -- all the transactional work is through the hospital records -- we can actually to the audit with very limited time when we're doing the main audit of the hospital. So in all cases that's basically what they are. There's only one on our list now that is not connected to anything, and it's just about petered out or defunct, you might say. We're just finishing it off. We used to have the children's hospital on an agency. The hospital actually appointed the agent as the auditor, which was fine for us, because he was doing the work for us for the hospital. One of them did, anyway. This last one is new. They're asking us to be the auditor because of the convenience.

MR. CHAIRMAN: Don, you said there will be a fee which will cover the direct cost of the office. Where does the fee go, to the general revenues?

MR. SALMON: It goes into the General Revenue Fund. All the fees we collect go into it.

MR. CHAIRMAN: I'm speaking with the hat of the AADAC now. The more we do these things, the greater your audit budget is required to grow.

MR. SALMON: The more audits we do.

MR. CHAIRMAN: The more any government agency does anything, the more the budget grows.

MR. SALMON: Every time you create a new fund or organization by legislation, it's an additional audit for us.

MR. STEWART: Just as a matter of clarification, Mr. Chairman, I gather this is one entity we're talking about here, both lines.

MR. SALMON: No, that's two entities.

MR. STEWART: The reference in the pages behind is strictly to the research centre. That's the Alberta Children's Hospital Research Centre. I beg your pardon. There are two pages.

MR. FOX: Coming out of what you said, Don, about the fees the agency collects for audits performed going into the General Revenue Fund ...

MR. SALMON: The fees we bill.

MR. FOX: Yes. Do you have any idea what that would amount to?

MR. SMITH: Last year it was about \$515,000.

MR. SALMON: We don't charge on all audits. By another section of the Act this committee has approved the basis upon which we charge the fee; that is, we charge fees for all organizations we audit where the prime income for that organization does not come from the General Revenue Fund. So we don't bill the ones that are financed, basically, by the government, because in effect you're really just changing money. But where the moneys are from other than the GRF directly, we would charge a fee. For instance, we charge the Liquor Control Board for our audit cost. We charge the Workers' Compensation Board for our audit cost. For both these organizations, we would probably charge a fee of about \$1,000 each. They're just little ones.

MR. CHAIRMAN: Are there no further questions?

MR. STEWART: I move that the approval that is required from this committee for the appointment of the Auditor General as auditor of these two organizations be given.

MR. CHAIRMAN: Secunder? Derek. Is the committee all in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Thank you.

The second one, Don, is the authorization to vary fees chargeable for 1985. Louise, do the members have the document?

MRS. EMPSON: Yes, they do.

MR. CHAIRMAN: It's dated the 17th, and this is to vary the fees for the attached list you have there and, again, requires our approval. Did you want to explain anything?

MR. SALMON: Yes, I'd like to do this one briefly. This has been an interesting subject over the years. Former members of this committee, by the names of Mr. Thompson and Mr. Miller, took very keen interest in the irrigation districts. We are appointed by legislation to be the auditor of all 13 of them in the province. Because of the nature of some of the irrigation districts over the years — and this goes back many years — the audit fees at one time were subsidized and were set by order in council. This was prior to the coming in of the Auditor General Act. When that was done away with and we were automatically included in the legislation, we did not charge the full costs of the audits, because we were just kind of creeping them up over the years. Well, this committee decided we should actually get our full costs out of the irrigation districts, and we have done our best in recent times.

We are now down to three districts. We still haven't got full recovery. If it's only 5 percent variance from cost, we don't have to have approval of the committee. If it's more than 5 percent, the committee must approve it. So we're down to three, and we hope we'll have them cleared by next year.

MR. CHAIRMAN: Your internal cost may increase, but the fee . . .

MR. SALMON: We will try to increase the fee to collect our own.

MR. CHAIRMAN: But you may still need to come back, if you're still without . . .

MR. SALMON: If we can't meet the 5 percent difference. We're getting there. We used to have about eight on here.

MR. CHAIRMAN: Any other questions, Fred or Derek? Call for a motion. Derek, it's your turn.

MR. FOX: I move that the Auditor General's request as outlined be approved.

MR. CHAIRMAN: Thank you. Secunder?

MR. STEWART: I second it.

MR. CHAIRMAN: All in agreement? Thank you.

Don, you had some material you wanted to leave with us.

MR. SALMON: Yes, can we leave that material now, Mr. Chairman? Do you have a copy of the conference?

MR. CHAIRMAN: No, and I would appreciate it if you'd leave that. I'd like to discuss that with the members today. Thank you for that. There are the books; \$60,000 worth? This is related to the conference. Maybe it would be helpful for both Fred and Derek — and I don't know what happened to Stock. The conference is in Toronto.

MR. SALMON: November 30. It starts Sunday evening and goes through until Tuesday.

MR. CHAIRMAN: You and others with you?

MR. SALMON: Two of us have to be there for meetings on Saturday because of the legislative auditors. We will stay for the conference, and two others from the office will be at the conference as well.

MR. CHAIRMAN: You've had representatives of the committee attend from time to time.

MR. SALMON: Yes.

MR. CHAIRMAN: You're stuck with them.

MR. SALMON: Well, we don't mind. We think it kind of helps to broaden the picture of what's going on.

MR. SMITH: As a matter of fact, two years ago two members of the committee, Dr. Carter and Bud Miller, gave a presentation at the conference.

MR. CHAIRMAN: But they're not on the list this year, are they?

MR. SALMON: No, you're not there.

MR. STEWART: Does that happen to be Grey Cup weekend, Mr. Chairman?

MR. CHAIRMAN: It is, as a matter of fact.

MR. FOX: You're asking that the conference be

moved to Montreal?

MR. STEWART: No, it's Vancouver this year.

MR. FOX: Coming from Calgary, what's it matter to you where the Grey Cup is?

MR. CHAIRMAN: Is there anything else, Don?

MR. SALMON: We mentioned the visit, didn't we, so we can do that sometime.

MR. CHAIRMAN: I'll establish with the committee a date when we can have a regular meeting, but we'll bring an afternoon or morning of that same day. I'm sorry; you were saying something?

MR. SALMON: I'm saying that the only other thing is that we know you're going to get the annual financial statements for last year soon, because they've now been cleared by the auditors. The conference -- I think that's all, Mr. Chairman.

MR. CHAIRMAN: On behalf of the committee, could I mention . . . Is there something else?

MR. SALMON: You have to appoint the auditor every year.

MR. CHAIRMAN: We have to appoint the auditor?

MR. SALMON: Of our office.

MR. CHAIRMAN: Do you give us a recommendation?

MR. SALMON: The committee changed the auditor last year, so you might want to continue.

MR. FOX: There's a good firm in Vegreville I can recommend.

MR. CHAIRMAN: Does it come to our attention in a process way?

MR. SALMON: Yes.

MR. CHAIRMAN: Okay.

MR. STEWART: Mr. Chairman, may I raise an

ugly point. I hope that having four members here, previous to Mr. Mitchell coming on the scene, we had a quorum necessary to do what we have.

MR. CHAIRMAN: Yes, we did. It's four out of nine. We actually have three as a quorum, which surprised me.

MR. FOX: As usual, it's quality, not quantity.

MR. CHAIRMAN: On behalf of the committee, Don, can I express our appreciation to you and your teammates for presenting the material you gave us and for responding to our questions. We'll see you back from time to time when we know what the other adjustments will be. I will discuss with our members the opportunity we would like to have with you at a time when we can get together and spend an afternoon or morning visiting with you and your staff. Thank you.

I'd say we should all take a five- or 10-minute break. Lunch is ready. Grant, I can brief you. The next meeting is at 12:30. Why don't we adjourn but stay for lunch and chat, and reconvene at 12:30.

[The committee recessed from 11:30 a.m. to 12:25 p.m.]

MR. CHAIRMAN: Gentlemen, let's reconvene the meeting. Doug, are you all set for us? Welcome, Mr. Mitchell and Dr. Buck. I understand, Stockwell, that you have to leave shortly to get a ride.

MR. DAY: Yes, I'll be leaving in about 20 minutes.

MR. CHAIRMAN: Okay. Patrick, what we've been doing -- and we've only met with one of the Legislative officers; you're the second one -- is to ask you to present the budget for the coming year, however you wish to present it. If you are going page by page, I'm sure some members will question you. They may want to question you during those pages, or you may want to suggest that you would like to complete this and pause for questions -- whatever's best for you. We've just been generally asking questions.

When we conclude, if you're the only one here at that time, we might ask you to leave for

a few minutes. We'll just stay here or take a break, adjourn for a few minutes and discuss, and then come back and try to finish it.

So does everybody have your package, or do you have some spares?

MR. LEDGERWOOD: I have some spares.

MR. CHAIRMAN: Okay. We'll give you the floor.

MR. LEDGERWOOD: Okay. I think everyone has had a chance to look at the budget. You'll recognize it's a very, very simple budget. It follows the format we've used in previous years. You'll recognize that there's no growth other than in the one area, salaries and benefits, and of course I have no control over that. Those are the salaries that are awarded to union contracts or management incentives.

The difference you'll see here, of course, is that some of the benefits that were formerly paid other than out of our budget are now included in our budget. I don't know whether you're all familiar with that change in procedure where each department is now self-accounting for all facets of their organization. Of course, the salary doesn't include any estimate of future increases in that salaries are normally absorbed within the budget. If not, budget bureau has a contingency fund for increases in salaries.

If you want to open up just to the cover sheet, looking at the estimates we see that we basically have three elements. The administration element, basically to run the office, includes the wages and benefits and our office supplies. The next one is the election. Basically, we are going to start replenishing our forms and materials, and a lot will depend on the changes to the Election Act. We won't be ordering our materials until there has been a review of the Act, so that we don't end up with a bunch of surplus materials. You haven't had the tour of the office yet, but we have 58 forms that we use in conjunction with elections, by-elections, plebiscites, and enumerations. The enumeration is straightforward; that's materials and supplies, including the maps the returning officers need.

Also included there is the returning officer's honorarium. You may not be aware that returning officers receive a \$75 a month honorarium. Also, funding is in there for

training of the returning officers. I don't know whether you are aware or not that the returning officers were terminated on September 8; that is, four months after the general election. We've included full budgeting for them here as if they are going to be appointed prior to April 1. Under normal circumstances I think they will all be reappointed before April 1 and, depending on the number of new appointees, again that will depend on just how much training we'll have to do. But we will start training them.

MR. FOX: I'm just wondering, Pat, is that \$75 a month honorarium ongoing? That's not just during an enumeration or a campaign?

MR. LEDGERWOOD: No, that's ongoing. Once they're appointed by order in council, they remain as returning officers unless they're again cut off by order in council.

MR. MITCHELL: What did you say? On September 8 they were all cut off?

MR. LEDGERWOOD: Yes, automatically, four months after the general election.

MR. MITCHELL: So there's no money being paid to them now?

MR. LEDGERWOOD: There's no money being paid to them now. I have written all of the returning officers and advised them of this. As soon as they're reappointed, we write them. The mechanics of it are that we will get the names, I'll prepare an order in council, going to the cabinet, and it will be passed by the cabinet. As soon as we get the order in council, we bring them on stream and start their pay.

MR. MITCHELL: How do you get the names? Where do the names come from?

MR. LEDGERWOOD: The names will come from the Hon. David Russell, who has the task of co-ordinating that.

MR. FOX: Can I ask a question that may be unrelated but concerns the returning officers' role in the community. I was in my office in Vegreville yesterday and a clerk of the court came in and wanted voters lists from me from which he could draw people for jury duty. I just gave him the returning officer's name and told

him to contact him, because I don't keep voters lists in our constituency office. I have them through our political organization but not there. Besides, they're all marked up. Was that proper? Can he go and do that?

MR. LEDGERWOOD: That was proper. However, the returning officer will not give the sheriff the list of electors. The list of electors was taken on the understanding it would be used for elections. It's not used for selection of jurors, so the returning officer will not give the sheriff a copy.

MR. FOX: So what should I say to this man if he comes back to me?

MR. LEDGERWOOD: Just tell him that the list of electors was designed for political purposes and that it's incomplete. It only contains the [names] of Canadian citizens over 18 years of age who have been in the province for six months and who want their names on the list of electors. If they thought that was going to be used for jury duty, they might contact him.

MR. FOX: So it wouldn't be proper for me to give it to him.

MR. LEDGERWOOD: No.

MR. FOX: I'm glad I didn't.

MR. LEDGERWOOD: The Act is very specific. The list of electors is a very strange piece of paper in that when we get the lists, and we do the enumerations in September, we are required to provide six copies to the political parties by February 1. What the political parties do with them is up to them. At a general election, of course, they're posted everywhere, but 30 days after the names of the elected members appear in the Alberta Gazette, those lists of electors are not available to anyone except through a court order, and you'd have to prove to the court that the list of electors bore heavily on your case. We receive all kinds of calls from realtors, insurance people . . .

MR. CHAIRMAN: I would think you would even get them because of municipal elections. I know I had people coming to me wanting them, and I referred them to your office. Of course,

they didn't appreciate that. That's the right thing to do. They're not available.

MR. LEDGERWOOD: No, we don't give them out. They're just not available. It's one of the strange things. They're available very easily at one stage, and then they're not available.

MR. FOX: Thank you for that.

MR. CHAIRMAN: Patrick, I think that in planning the next session we will be intending to have a meeting where we'll meet, do some things, and then we'll come to each of our offices, maybe one day. That's what I was going to discuss with the committee. So we will be there. It's just that the session kept us from coming to see you this year.

MR. LEDGERWOOD: Good. Anyway, going on, you'll notice that you have your tabs so that A is administration, B is elections, C is the enumeration, and D is the formatted input that budget bureau requires. This is the computer input, and it's a compilation of A, B, and C.

MR. CHAIRMAN: Patrick, I'm sorry to interrupt you. Fred, this page under tab A -- that might be more what we . . .

MR. STEWART: That's the type of thing.

MR. CHAIRMAN: We were looking this morning. For members who have just arrived -- we appreciate this, and you might take a moment or two, Patrick. The '85-86 actual, which you would only really know just a little while ago, and then your estimates were prepared long before in '86-87 before you have any idea of this current year, and now we have the forecast. So you could take us through maybe one example of how you . . .

MR. LEDGERWOOD: Okay. Did you want to go over to page A1?

MR. CHAIRMAN: Whatever you've got, yes. I'm sorry; A1 was the one I was looking at. For example, you show in your document, '85-86 actual on that first main control group, 320. And then you have on the left of it your '86-87 estimate. You have no idea yet, of course, of the current year's actual.

MR. LEDGERWOOD: No. What happens is that this year's estimate becomes next year's forecast. So that if you look at our '86-87, you would see that that estimate figure or that estimate would have actually said "forecast." So what you do is work on an estimate and then a forecast.

MR. STEWART: So ongoing experience in '86-87 would not in any way be reflected in that estimate. In other words, it's not hard numbers and a remaining amount estimate for the balance of the year.

MR. LEDGERWOOD: No. What we're looking at there is this similar document which we presented to the committee last fall.

MR. STEWART: Okay.

MR. MITCHELL: A more realistic figure is the \$337,000?

MR. LEDGERWOOD: This is our forecast. So what is broken down into salaries -- if you wanted to look at the salaries, that's at D3. Do you want to go through it in that much detail on one? We could maybe do one in detail.

MR. MITCHELL: We could probably do that. Then the increase/decrease is just an increase of the estimate over the actual of last year, but the increase over the actual of last year will more likely be -- for example, in salaries not \$8,000 but closer to \$17,000.

MR. LEDGERWOOD: Yes, over the estimate. We received a three point something percent increase last year. I think it'll be between 3 and 4 percent this year. As I mentioned, maybe salaries aren't a good thing, because there is a budget bureau contingency fund for that. Normally we'll have enough to absorb that within our own budget.

MR. CHAIRMAN: Is that what you were really asking, Grant?

MR. MITCHELL: I'm just saying that the increase/decrease figure would more realistically be \$17,000 instead of \$8,000 now, right?

MR. LEDGERWOOD: Yes, if you want to go

back to the '85-86 actuals.

MR. CHAIRMAN: Which is another year.

MR. MITCHELL: The \$8,000 compares the '85-86 to the '86-87 estimate, right?

MR. LEDGERWOOD: Yes.

MR. MITCHELL: But in fact we have a more updated figure of \$284,000, which is more likely what you're going to spend. In fact, that's \$17,000 over '85-86.

MR. LEDGERWOOD: In actual fact, what we estimated was . . .

MR. CHAIRMAN: Two years, Grant.

MR. MITCHELL: Oh, I get you.

MR. CHAIRMAN: Sorry. It's a two-year thing, okay?

MR. LEDGERWOOD: In '86-87, when we put in our estimate, we estimated that it would be \$276,000. Now, because of the increases that have been granted, it's actually \$284,000. We can't build in any estimates for wages.

MR. MITCHELL: I see what you mean.

MR. LEDGERWOOD: We're always in arrears on the wages.

MR. CHAIRMAN: Which is why you're showing \$284,000 now, if you have no change in staff. But that doesn't allow for the 3 percent adjustments or whatever that may come.

MR. LEDGERWOOD: No, that's all in arrears.

MR. CHAIRMAN: So you'll have to come back to this committee, I understand, if you can't find the money in your budget.

MR. LEDGERWOOD: No, I think the budget bureau has a contingency fund. They will find it.

MR. CHAIRMAN: But if they don't . . .

MR. LEDGERWOOD: If they don't, then we'd come back.

MR. FOX: If I might point out, Mr. Chairman, we're dealing with a much smaller salary base than the Auditor General was, so maybe it's a different procedure.

MR. LEDGERWOOD: The wages you see there, half a man-year, are for temporary staff. The employer contributions are explained at A5. If you want to go to A5, we can get into the technical aspects of the allowances and benefits. Again, we have no control over these. This is what we're required to do. You might be caught on line 4, the LTDI benefits. That's long-term disability insurance. Is everybody on A5?

MR. CHAIRMAN: Just for the newest arrivals -- and I know for all three officers -- I think you were explaining that this is a new procedure that was adopted so that each department would have within its own budget these kinds of things, rather than having one office, personnel, carry it for everybody. So everybody's budget shows a dental plan or LTDI or all those other things, based on . . .

MR. LEDGERWOOD: I think pensions and benefits used to look after that, and now it's up to each individual department. We have no control over that. For example, they tell us that we'll have .5 percent of the management benefits and .67 percent of nonmanagement. We also have workers' compensation in here, and that's based on historical data and a percentage worked out as well. Does that explain the control group code for manpower?

MR. CHAIRMAN: Would it be useful to know -- and it may be easy to find. For example on A4, you see that your salaries are then based on how many personnel and what changes there are. It shows on page A4, doesn't it?

MR. LEDGERWOOD: It shows on A4. We will have no changes in staff.

MR. CHAIRMAN: You're showing eight permanent positions, with eight man-years. Is that what that reads?

MR. LEDGERWOOD: That's exactly right, sir, with the half man-year built in for temporary help.

MR. CHAIRMAN: Let me play devil's advocate, and maybe this will help the committee. When you have an election called, though -- as you know, we're joking about calling one -- how do you acquire additional staff and additional dollars when it's not in the budget?

MR. LEDGERWOOD: Okay. For an election we have a warrant. We go ahead with a special warrant, and that's where we receive the money for the election. We don't budget for elections. We budget for enumerations. You should also be aware that when you see that election report or that enumeration report, unless I am instructed differently, I will continue to show every cent that we spend. For example, this \$100,000 we're talking about for elections now will be reflected again in my election report. So when you look at the election report and see where I spent \$250,000 on materials and supplies, those are the supplies I'm actually buying now. The same on any of the enumeration expenses. For example, we will be charging returning officers' honorariums to the enumeration, because it will be the next event.

MR. CHAIRMAN: You won't have an enumeration in the coming year, right?

MR. STEWART: In '88-89.

MR. LEDGERWOOD: The fall of '88. There is no enumeration in the year of the election or the year after the election, so no enumeration in the fall of '86 because of the election year and no enumeration in the fall of '87, because it's the year after the election. So our first enumeration will be in September 1988.

MR. FOX: Again, perhaps unrelated but on the matter of enumerations, why is it always September?

MR. LEDGERWOOD: The Act requires it.

MR. FOX: The Act states that. It's very difficult, in rural areas, to get people to involve themselves in enumeration.

MR. LEDGERWOOD: The dates are actually specified as September 15 to 30. The revision period is not by day of the month but days of the week.

MR. CHAIRMAN: I was just chuckling, with fun and humour: give me a better date. It's a nightmare. They're harvesting.

MR. MITCHELL: What about the 5 to 10 percent cut proposals that each department has been requested to present? Is that something you've been requested to present?

MR. LEDGERWOOD: No. With eight people, there's no way.

MR. CHAIRMAN: That doesn't hold for legislative officers.

MR. LEDGERWOOD: You see, what we do is hire about 8,000 temporary staff for an enumeration and about 10,000 temporary staff for an election. If you wanted to look at our budget and compare it, you can see that we've really done better than the 10 percent.

MR. MITCHELL: Yes, I know. I'm just comparing the administration component.

MR. LEDGERWOOD: You have to be prepared.

MR. CHAIRMAN: Patrick, maybe the question could be put: why do you still have eight, for example? Why does the electoral officer need eight staff in an election year and eight in a non-election year and a non-enumeration year?

MR. LEDGERWOOD: Because you haven't had the tour — I think the Election Act is really about one-quarter of our activity. The other three-quarters is on the Election Finances and Contributions Disclosure Act.

MR. FOX: Annual reports.

MR. LEDGERWOOD: Annual reports. As you know, we're really busy now with the campaign statements from the candidates. I don't know whether you saw your expenses published last week. We're now waiting for the party statements, which have to be in before November 8. We will then consolidate all those figures. About the end of February we will come out with my ninth annual report, and it will contain all the financial transactions of candidates, constituency associations, and the parties for this year.

MR. CHAIRMAN: And really, that goes on year to year, because those are allowable tax deductions.

MR. LEDGERWOOD: As a matter of fact, one of the things that holds up the report is that we will be giving the tax credit from two years ago, and that's usually the last thing we get. We're starting to compile the data now, so we'll have our initial draft ready early in January, but it will be mid-February before we get that tax rebate in.

MR. CHAIRMAN: One staff loss would be 12.5 percent, with your size.

MR. FOX: Can we be free-ranging in our queries here? It's really useful. I was lobbied by someone running in this last municipal election who said he felt there should be some sort of provision for writing off donations to municipal candidates on your taxes. I said: "It's a nice idea, but provincial donations are tax receiptable because you pay provincial income tax; federal contributions relate to federal income tax. Do you want to start paying municipal income tax?" It seemed like a nice idea in theory, but I couldn't see any way that a proposal like that could work. Is there any way that our Act could accommodate that sort of thing, that bona fide, registered candidates could receive contributions and have deductions made?

MR. LEDGERWOOD: As you know, each jurisdiction has a little different procedure. I think Alberta has a good system whereby the contributor gets a tax benefit. As you know, some other jurisdictions have spending limits, and if you receive a percentage of the vote, you're reimbursed. Here there are no spending limits; it's just the contributions that you're able to solicit.

As far as the municipal goes, I think you've hit the nail on the head: who is going to provide the tax relief for them?

MR. MITCHELL: I think it's not inconceivable that the province could do it. It's still a provincial jurisdiction. But there's no way to control it.

MR. LEDGERWOOD: It would be rather complicated because there are so many

municipalities.

MR. MITCHELL: It's very expensive. I mean, if every one of them raised \$5,000 on average . . .

MR. STEWART: Think of the bureaucracy necessary to administer a thing like that with the multitude of municipal candidates.

MR. MITCHELL: When you figure there are 21 federal campaigns in the province, 83 provincial, and then how many local . . .

MR. LEDGERWOOD: That will be up to 26 in the next federal.

MR. MITCHELL: It will be 26; that's right.

MR. CHAIRMAN: I think you handled that question with a very unique response. I enjoyed that.

MR. LEDGERWOOD: We received a fair number of calls on that. People wanted official receipts, and of course we'd tell them they can't have them.

MR. CHAIRMAN: Then our Act complicates it further by saying that if you have a dinner, it's so much. This problem is very complicated, isn't it? But it could be done, I guess.

MR. STEWART: A question going back to A1. You mentioned that you have no control and hence the increase of \$8,203 over the '86-87 estimate. Yet when you look at D3, you show the itemized salaries that are current and show the '87-88 estimates as being identical. Where is the increase?

MR. LEDGERWOOD: The increase was from 1985-86 into '86-87.

MR. STEWART: We're showing an increase from the '86-87.

MR. FOX: It's from this figure to this figure, not -- it's coincidence that this looks the same here.

MR. STEWART: It is the same. Identical. That's just coincidence, is it?

MR. CHAIRMAN: It's coincidence. If you look

down at the next column below, you'll see they're not the same numbers. That first line is just a mathematical coincidence, isn't it?

MR. MITCHELL: How are you keeping wages? Are we on wages now?

MR. STEWART: No. I'm sorry; on salaries.

MR. CHAIRMAN: You're wondering why it doesn't show that.

MR. STEWART: The difference between '87-88 and '86-87 is \$8,203.

MR. LEDGERWOOD: That is the salary increases that were achieved by the staff last fiscal year.

MR. MITCHELL: Which has gone into the base. So you could have, if there's another increase, [inaudible].

MR. CHAIRMAN: That's why he may need to come back if there's no budget contingency or he can't absorb it.

MR. LEDGERWOOD: Normally we would be able to absorb it.

MR. MITCHELL: But if there were no increases this year, then we'd be out.

MR. LEDGERWOOD: We already know there are increases because of the nonmanagement staff -- half the unions have agreed already. So I would think that within the next month or so the management will come up. The only flexibility I have in that is that they will come out and say management will receive pay incentives of whatever, say 4 percent. Then I will look at my management staff, and I have 4 percent of that money. Say you three work for me and I had \$3,000 that I could award. I might give Louise \$1,500, I might give Walter \$500, and I might give you \$1,000. That's the only flexibility I have as a department head. If Louise is a staff officer I(b) and has been doing a really good job and I want to promote her to a staff officer I(c), I can do that. As a department head I have that authority.

MR. STEWART: Going from (b) to (c) almost sounds like a demotion.

MR. MITCHELL: How do you keep wages the same, \$8,048, from '86-87 to '87-88? You're anticipating no increases?

MR. LEDGERWOOD: We don't budget for that. There is no budget provision guesstimating what the salary increases will be.

MR. MITCHELL: And it has been decreased since '85-86 because of the fewer number — well, you don't need the electoral officers — I got you.

MR. CHAIRMAN: What about the normal increments that someone might earn? You say you're just using the numbers that are given to you or to any other deputy head. What about an increment? Say two of the staff were receiving increments.

MR. LEDGERWOOD: The long-service increment and those things? I can award those.

MR. CHAIRMAN: But don't they show? I'm just trying to figure out what Mr. Mitchell is saying. It's interesting that the numbers are the same. Why are the numbers the same if, in fact, people have different adjustment dates and things like that?

MR. LEDGERWOOD: We use whatever is current and we put that in. So that's the salary we have. Then as salary increases are awarded — so that last year we had \$8,200.

MR. MITCHELL: They come out of the contingency fund.

MR. LEDGERWOOD: No, they came out of our budget. We had money within the budget. Say we budgeted for \$100,000 for forms and only spent \$90,000; then I use the \$10,000.

MR. CHAIRMAN: I was there for seven years and didn't know that's how we did it. I didn't realize that we didn't allow for increments. I understand the economic adjustment; you can't until it's given to you. But I didn't know we didn't allow for the increments.

MRS. EMPSON: Maybe because they're all at the top.

MR. CHAIRMAN: These people are all at their

tops?

MR. LEDGERWOOD: Most of them are, yes.

MR. CHAIRMAN: Oh, that is just another incident. We're looking at eight or 10 people.

MR. LEDGERWOOD: You see, my executive assistant is coming to eight years, which gives her a long-service increment.

MR. CHAIRMAN: But you don't have to budget for it.

MR. LEDGERWOOD: No, I can't budget for it, because I don't know whether I'm going to award it to her or not.

MR. CHAIRMAN: Of course not. Okay.

MR. MITCHELL: It's your decision then.

MR. LEDGERWOOD: It's my decision.

MR. MITCHELL: She's eligible for it provided that she's . . .

MR. LEDGERWOOD: Normally if they're doing a good job, you award it. About the only time you wouldn't award it is if you had them on probation or something.

MR. FOX: Can I ask Patrick about this report on the particulars of people working there? We've welcomed Brian Fjeldheim to Vegreville now with Lakeland College. Does that mean that that position is open and you're advertising for it?

MR. LEDGERWOOD: The position was advertised. We had 99 people apply within the time limit. I don't know how many we had who applied late. We worked with personnel and screened out those we didn't want to interview. We interviewed and have selected a candidate. This is where it will show, because that particular individual is going to start at \$36,000 rather than \$38,618. Whereas if Brian had been with us, we're looking at three point something percent, so he'd have been up at \$39,000, approaching \$40,000.

MR. MITCHELL: Could I change the subject? Do you know what the total provincial income

tax deductions were for this current year?

MR. LEDGERWOOD: No, I won't know that for two years.

MR. MITCHELL: Roughly what would they be, related to an election year?

MR. LEDGERWOOD: Gosh, I'd have to get out the sixth annual report; I don't have that figure at the top of my head.

MR. MITCHELL: It would be millions, though, wouldn't it?

MR. LEDGERWOOD: Oh, no; it's very little. That's one of the things that you've got to realize. If you donate \$100 to a candidate or a party, you can get a \$75 tax benefit. But if you don't use that, of course, it doesn't show up. Also, it depends on your tax bracket. So you can't look and say, "Okay, fine; there were X number of dollars contributed and X number of tax credits issued" and then try and correlate those, because it just doesn't work out. There are too many variables.

MR. STEWART: But there is a deduction from tax. So does it figure into your marginal rate?

MR. LEDGERWOOD: Yes, it's a tax benefit. Of course, it varies.

MR. MITCHELL: But the variable would be those people who aren't paying taxes and don't have a tax credit.

MR. FOX: And several wouldn't bother claiming.

MR. MITCHELL: Yes, you forget to claim or . . .

MR. FOX: No. They don't want it on public record that they've contributed to the Liberal Party or something.

MR. LEDGERWOOD: One of the problems with that is that it's not the same scale. If you contribute \$100, you get back \$75. But it's on a sliding scale so that the maximum you can contribute is \$1,750, and I think the tax benefit is \$700 and some.

MR. MITCHELL: Your point is that if you see \$5 million there, you can't just say that there are 50,000 donations of \$100 for a \$75 . . .

MR. LEDGERWOOD: It's a sliding scale: 75 percent rebate at one stage, and then it goes to 66 and then to 50.

MR. MITCHELL: But you do know what the precise figure is eventually.

MR. LEDGERWOOD: Oh, yes.

MR. MITCHELL: So if we were looking at revenue sources, we could say, "Here's a way to improve revenues."

MR. LEDGERWOOD: If you look at the sixth annual report, it will have that data on an election year. You can look at last year's and it will have the figure. As I said, they're about two years in arrears, and that's because of the taxation system.

MR. MITCHELL: Or we could limit the revenue drain, if you will, by indicating a limit to what one could spend on a campaign.

MR. CHAIRMAN: I think I should now start to bring us back to the budget and let you work that out in your caucus.

MR. FOX: This is his eventual theme here.

MR. CHAIRMAN: Basically, Patrick, you're presenting, on the manpower at least, a hold-the-line budget, if I could paraphrase.

MR. LEDGERWOOD: Zero growth.

MR. CHAIRMAN: Zero growth, no provision for adjustments, which you can't forecast, and no change in manpower.

MR. LEDGERWOOD: No increases in staff, no increases in manpower. If you look down in supplies and services, you'll see some changes there. One of the things you'll see, you'll say, "My goodness, he's going up \$7,000 in professional, technical, and labour services." But if you look down, you'll also see that I went down \$7,000 in materials and supplies. We're talking about the same office supplies and materials, but because the budget bureau wants

it reported under this particular category instead of that category, that's why you'll see it up \$7,000 on one line and down \$7,000 on another line.

MR. CHAIRMAN: Is this because you will be using legal advice and other advice? What are professional, technical, and labour services?

MR. LEDGERWOOD: Those are the printing of our brochures, handouts, and books. And as soon as the new Act is amended, we'll buy a bunch of new Acts.

MR. CHAIRMAN: You can never question budget bureau, but it makes no sense. It made more sense the way it was before.

MR. LEDGERWOOD: We thought that, too, but . . .

MR. MITCHELL: What's your hosting for? Is that for people you take to lunch?

MR. LEDGERWOOD: Yes, people taken to lunch. It's \$100 a month. We very seldom use that.

MR. CHAIRMAN: That's if you have somebody coming with your conference in Hartford, you might take them out to lunch?

MR. LEDGERWOOD: I wouldn't take them out for lunch. I might take some of my American colleagues.

MR. CHAIRMAN: So, again, you're pretty well on a hold-the-line -- the \$941 increase.

MR. LEDGERWOOD: I don't know whether you've studied this closely, but one of the things you'll notice in the fixed asset group is that we have \$2,650 for data processing equipment there. In another spot we have \$5,350 on the enumeration side. What we're looking at is a word processor, and we're budgeting \$8,000 for it. What we figure is that about one-third of that will be for administration and about two-thirds will be associated with enumeration. That's why we've broken it down that way.

MR. MITCHELL: You've bought equipment in previous years, so you sort of had a standard capital budget, then, which is figured into this.

MR. LEDGERWOOD: Yes, a fixed asset.

MR. MITCHELL: Do you have to do that? Why do you need another word processor this year?

MR. LEDGERWOOD: Well, we're looking at '87-88. We want to have it in position so that we have the staff trained for the enumeration in the fall of 1988. You'll also notice in here a couple of thousand dollars for assessment; maybe we don't need it. Also, I want to make sure all the staff are trained on this new equipment if we get it.

MR. MITCHELL: But two years ago you didn't need that equipment. Were you still performing the same function?

MR. LEDGERWOOD: Yes, but not as well as we could if we had some better equipment.

MR. MITCHELL: Did you have eight staff two years ago?

MR. LEDGERWOOD: I had eight staff two years ago. I also had about 10,000 temporary staff. And I'll have 10,000 temporary staff again, because that's what I require.

MR. MITCHELL: I know I'm pursuing this point, but why is it that this year we need a new word processor if we're not doing anything different and we're not doing anything more? Why is that?

MR. LEDGERWOOD: We need it for efficiency and timeliness. We'll tell a little story, since we're getting into the nitty-gritty. Last time the whole thing took 15 minutes.

MR. MITCHELL: It's the new restraint perspective of the government.

MR. LEDGERWOOD: Okay. Let's look at rental of equipment and property. You'll see that there's quite a change there. One of the problems we had was that at the election we needed another typewriter. We have Xerox equipment. I phoned Xerox and said, "I'd like to rent a typewriter for four months." They said, "You can't rent a typewriter for four months." I said, "Well, gee, I just want to lease one." They said: "No. We only sell them or lease them on a long term." I said, "I don't need one for three

years." They said, "Well, one year." The one-year lease was just about the same as buying one. So, of course, we ended up buying another typewriter.

I also needed another copier, so I said to Xerox, "Can you loan me a copier?" They said, "We don't loan equipment; we lease it." What we did is lease it. It had one of those good provisions in it that if you didn't like it after three months, you could turn it back. We leased it for two months and 30 days or something and said, "We don't like it." So we turned it back.

MR. CHAIRMAN: Did they then prorate the rent?

MR. LEDGERWOOD: Well, we just leased it. We paid the rent for the three months. So we'll be looking at Canon or Sharp or something else next time. I was less than pleased with the co-operation from Xerox.

MR. MITCHELL: So the rental of equipment and property is doubling. What are you going to be renting there? I may have missed that.

MR. LEDGERWOOD: Rather than buying the Xerox copier I was going to buy, I'm going to lease it until the lease expires. Then I'm going to thank Xerox very much for it, and in the 18 months to go, I'll be looking. When we are going through this exercise a year from now, you'll see "purchase of a new copier."

MR. MITCHELL: That's in the \$3,890 for rental of equipment and property?

MR. LEDGERWOOD: That's because we're renting it rather than buying it.

MR. MITCHELL: What were you using for copiers up to this time?

MR. LEDGERWOOD: We had one Xerox.

MR. MITCHELL: And it just wasn't enough?

MR. LEDGERWOOD: It wasn't enough. You'll find that at election time our office gets very busy.

MR. MITCHELL: Not to belabour the point, but it's busy, it's been busy, and it won't be busy like that for a while, so do you need the Xerox

machine now?

MR. LEDGERWOOD: I think you'd better wait until you come to the office. I'm a little disappointed in this type of question.

MR. MITCHELL: I'm just asking.

MR. LEDGERWOOD: Yes, we do need it.

DR. BUCK: We are passing the budget, Mr. Ledgerwood, and I think it's his responsibility to ask that kind of question.

MR. CHAIRMAN: Are there any other questions from the committee? If not, Pat, would you mind leaving and going into the room there for a minute? You can close the door, and we'll give you a call. It's just going to take a few minutes. Thanks, Pat. Can this be off the record now?

[The committee met in camera from 1:03 p.m. to 1:17 p.m.]

Mr. Ledgerwood, before I call on one of the members for a motion, I want to let you know that I as chairman and all the members of the committee want you and all our legislative officers to know that we have a very special role and that we really take it very seriously. We're here as representatives of the Legislature, we're here as representatives of our caucuses, and we're here, in a small number, to be able to act for citizens who have questions about the activities and services performed by our legislative officers and bring them to the members; they may bring them to us. So we're very conscious of the relations we must have and the goodwill we have.

We do take this function very seriously. We feel we can spend as many hours or days, if necessary, on the budgets for each of our officers — line by line and page by page. We really need the explanations. We can be called upon by the press, by our colleagues, and by the citizens of Alberta, perhaps to speak, in some cases, as advocates for you. You're not in the position, nor is the Auditor General or the Ombudsman, to sometimes speak about their activities in a direct way. So I just wanted you to realize that we do take these things very seriously, and whether it's a \$10 million budget or an \$800,000 budget, we look at each line very

importantly, especially given the time we have now where our revenues have declined drastically. I just wanted to open our new meeting that way.

Before I call for a motion, would anybody else like to add to that or suggest anything else? Does that summarize our committee's feelings adequately?

DR. BUCK: Mr. Chairman, I think the point Derek made to the committee is really important, that we are really a liaison between the officers and the other members of the Assembly, because they'll ask us the hardball questions and we'd better have the answers. I guess this is really a summary of . . .

MR. LEDGERWOOD: Well, I certainly appreciate that. I think it's good that you know exactly what I have budgeted here and why I budgeted that. I also think that when you look back at our most recent general election when the writ was issued on Thursday night at 9:30, I had already sent out my pre-election supplies to the returning officers. They were able to start right away. I also had everything in the warehouse and had 70-some pallets completed. I had temporary staff come in on the weekend. We completed the loading of the pallets, and our trucks went out on Monday. So all the returning officers had all the material on Tuesday, and that is only because we had the logistics in place, and it's only because we received the support of this standing committee to buy those materials and have them in place.

I just came back from the Saskatchewan general election, and they were delivering ballots on polling day, Monday morning. Also they had returning officers coming into their office to get materials because they had not forecasted what they needed. I hope the committee will provide me with funds so that I can have the material in the warehouse. I would not want to have a contravening election because we didn't have enough of a particular item.

MR. CHAIRMAN: I think Dr. Buck was just bringing out a very special point, though, that in addition to working well together, we are the ones likely to be called upon rather than some of our colleagues calling you directly. They're going to call us because that's why we're here.

I think there is a motion that we're prepared

to consider, Mr. Ledgerwood, from one of our members.

DR. BUCK: Mr. Chairman, before I make a motion, I'd just like to know if maybe we can handle it in one of two ways: either I can move the report be accepted as we see it, or else we can have a discussion on any of the areas that some of the members may be concerned with, and then I'll move the motion. So whichever way you would like, Mr. Chairman. Or I can ask the members of the committee which way they — does anyone have any other concerns they'd like to ask Mr. Ledgerwood?

MR. MITCHELL: Mr. Ledgerwood, I'm going to pursue a couple of issues that we just spoke about briefly. I want to make it very clear that I appreciate greatly the job that you've done. I know the pressure you're under, and I know how well you operate. I know from my personal experience that you and your staff have been more than helpful with everything we've done. I felt in very good hands and was treated very, very fairly. It's a real tribute to know what you did on short notice compared to what was done in Saskatchewan. I feel that there are some logical gaps in the defence of a couple of things or at least logically I would like to see defended more adequately, if I could ask you that.

Just to reiterate, my point is that you are asking for word processing equipment and related service costs of \$3,500 plus \$2,650. I see that as being for a piece of equipment that, despite the fact that you didn't have it, you were able to achieve what you achieved, which was pretty outstanding. You had the pallets done, you did it overnight, and you did all that stuff. That's tremendous. What I have to know — and I think a member of the committee would want to know — is if you were so successful without it in an election year, do we need it now, or if we need it at all, could we use it a year or two years from now? There are costs related to having it two years earlier. That would be my first question really.

I guess the same question would apply to the xerox equipment. Is there some further clarification on that?

MR. LEDGERWOOD: I think you will recall that I prefaced my remarks by saying we have \$8,000, one-third in the administration side of the house and two-thirds in the enumeration

side. We also have \$2,000 set aside where we would use the money to evaluate whether we need the equipment and to evaluate the types of equipment. Also, that \$2,000 would be spent provided we got the equipment to train the staff. So the money is there as a contingency. If we decide we need the equipment, then we can buy it, but I don't want to come back to the committee and say: "Look, we did the study. We need the equipment. Could I please have another \$8,000?" I don't think you'd want that.

MR. MITCHELL: No.

MR. LEDGERWOOD: The same with the xerox. We would have purchased the xerox except that I don't want to go with Xerox. As a result, instead of having it in the capital expenditures it's now under rentals. Certainly we need it; we need a photocopier. We photocopy literally thousands of pieces of paper every year. Every time we write you a letter, we have to send a copy to the Liberal Party headquarters, we send a copy to Nick Taylor, and we send a copy to your constituency association president. I'm not about to have the staff type four copies of a letter. There were 338 candidates.

MR. MITCHELL: Well, that makes sense. Have you got only one xerox machine?

MR. LEDGERWOOD: We have only one xerox machine.

MR. MITCHELL: Okay. So we're not saying you can't have a xerox machine.

MR. LEDGERWOOD: We simply can't operate without a photocopier.

MR. MITCHELL: I accept that. I thought it was an extra one. No problem.

MR. LEDGERWOOD: We brought in an extra one for the period of the election, and they wouldn't rent us one. We had to lease it. We had to break the lease after the minimum time; I think it was three months. We kept it right up till that time and said: "Okay, fine. It doesn't fit our needs. We don't want it." Of course, by then we were through our critical period, but those two xerox machines were going almost continuously for that period.

MR. CHAIRMAN: So code 350, Mr. Ledgerwood, in the way you explain, is giving you the photocopying capacity, however you finally achieve it. But code 350 is the only capacity you have. Without it you don't have any.

MR. LEDGERWOOD: Right.

MR. CHAIRMAN: What's 500? Mr. Mitchell was asking about this data processing service. Is that costs which are charged internally between departments?

MR. LEDGERWOOD: Yes, between departments. We have no control over that. That's what it costs every time we get a computer run. It's prorated and we have to pay that.

MR. MITCHELL: Where is the word processor? That's 820, \$2,650.

MR. CHAIRMAN: What's the 820 for?

MR. MITCHELL: I'm on page A3, 820, \$2,650: right at the bottom, second entry from the bottom.

MR. LEDGERWOOD: You recall the \$2,650 I mentioned. This would be if we purchased a word processor. The other \$5,350 is in the enumeration fund.

MR. MITCHELL: So the capital expenditure is really the \$2,650. The \$3,500 is centralized data processing services.

MR. LEDGERWOOD: What you'll have to do is go over . . .

MR. STEWART: It's an allocation of the same equipment in two separate budgets.

MR. LEDGERWOOD: That's why they took their note to make sure that you understood that one-third was being charged to the administration side and two-thirds to the enumeration side.

MR. MITCHELL: So \$2,650 is a one-time expenditure that isn't done every year.

MR. LEDGERWOOD: No.

MR. MITCHELL: The \$3,890 -- I have to know this, so I'm going to keep going until I do. Xerox photocopier 1025 is \$3,400, right?

MR. LEDGERWOOD: I just don't know. Which page?

MR. MITCHELL: On A2. That's part of the \$3,890. Last year your total category was \$1,715 for '86-87.

MR. LEDGERWOOD: As I mentioned, we would normally have purchased that photocopier on a lease-to-purchase. We were budgeted to buy it, but I don't want that Xerox equipment. As soon as the lease runs out, which has about 18 months to run, then we will either lease or buy another one.

DR. BUCK: Not Xerox.

MR. MITCHELL: Okay. What I'm trying to get at -- I'm just trying to clarify this. What were you spending \$1,715 on in '86-87? What are you spending that on in '86-87 that you have to spend \$3,890 in '87-88? I'm on page A1 now. I'm trying to get that . . .

AN HON. MEMBER: Line 3 under Supplies and Services.

MR. MITCHELL: You're saying that you still have only one xerox machine.

MR. LEDGERWOOD: We still have only one xerox machine. We were renting that machine with the idea that we were going to buy it at the end of the one-year period.

MR. MITCHELL: I got you.

MR. LEDGERWOOD: We're not going to buy it now; we're going to continue leasing it until the lease runs out.

MR. MITCHELL: So why does that cost more money? Why does that cost \$3,890 instead of \$1,715?

MR. LEDGERWOOD: Because it wouldn't have been in the rental of property.

MR. MITCHELL: Oh, it would have been in the purchase.

MR. LEDGERWOOD: It would have been in the purchase.

MR. MITCHELL: Okay. My next question is the purchase.

MR. LEDGERWOOD: This is good because then you'll . . .

MR. MITCHELL: Then I'll know it, yes.

MR. CHAIRMAN: Then your next question is part of that, and that's back in the enumeration element: the \$5,350, data processing, right?

MR. MITCHELL: You can assure us, though, that you're not spending any more money; you're not getting any more equipment. You've still got the same equipment. It's just the contingencies of the accounting.

MR. LEDGERWOOD: Same equipment.

MR. MITCHELL: Okay, I can buy that.

The data processing equipment, \$2,650. You're saying you want to have it in there just in case you need it.

MR. LEDGERWOOD: No. What I'm saying is that from the information we've been able to glean, in fiscal year '87-88 a word processor will cost about \$8,000. So we have budgeted for \$2,650 in administration plus \$5,350 in enumeration for this particular piece of equipment.

MR. CHAIRMAN: That's on page C2.

MR. LEDGERWOOD: We've also budgeted \$2,000 in there to do an evaluation to see whether we need the equipment. It will be only a few hundred dollars to determine whether we need it or not. If we need it, then we're going to have to train the staff on that equipment. Again, whether it's going to be \$2,000 or \$1,500, I don't know. We may find that the state of the art has changed, and maybe we can buy a little piece of equipment for the 'memorex' typewriters we have. Maybe there's a new disk or something coming out.

MR. MITCHELL: That's great, but then what we have to know is: if you didn't have it last year or the year before, how were you getting

by? Why do we have to think about spending \$8,000 this year? That's all I'm trying to get at. What is the specific change?

MR. LEDGERWOOD: To be prepared for the enumeration in 1988, when we have to do things very quickly. That's where we got in trouble with Xerox. We had one typewriter with a disk, and we wanted to borrow another one. They wouldn't lend us one, so now we have two compatible typewriters. We can do a great deal with them; we can move the disks back and forth. But they're an older generation typewriter. The word processing equipment that should be on the market will permit us to do the work so much more efficiently. I think one girl could do the work we require two girls for.

MR. MITCHELL: So you'd be reducing your staff. Would this be a productivity improvement?

MR. LEDGERWOOD: No, temporary staff.

MR. MITCHELL: So you would save on temporary staff.

MR. LEDGERWOOD: We'd save on temporary staff.

MR. MITCHELL: That's a fact? You would guarantee that if we bought this, we would have a saving on temporary staff.

MR. LEDGERWOOD: Let's wait until we do the evaluation. We'll find out. We may not buy it; we may not need it.

MR. MITCHELL: Okay.

MR. LEDGERWOOD: As I said, they're coming out with new modifications to the equipment we've got all the time. If we buy another package and it increases the capacity by X . . . What we basically have now are older generation typewriters, and the staff are not happy with them, particularly when we have to do a lot of things quickly. As you know, we write form letters. We finally have the capability to write form letters, but we don't have the capability to write a form letter and take a known address. What we have to do is write that letter and use the xerox machine,

photocopy it, run off X hundred copies of that particular letter, and then manually address it. What we'd like to do is get a machine where we can plug in the letter, plug in the addresses, and let the machine do it.

MR. MITCHELL: I am sympathetic to that. Where I'm hung up is that I keep thinking: sure there were pressures to enumerate in 1984, just like there will be in 1988. You did it. You got good people, they performed, and you managed them. Great, fantastic. So I'm saying to myself: we don't need it until 1988 for sure. That would be when you would be doing the next enumeration, unless the government calls an election. Although we're extremely efficient in the opposition, I can't imagine we'll bring the government down between now and '88. What I would like to say . . .

MR. CHAIRMAN: We might want to eliminate all of you.

MR. MITCHELL: I can see why.

MR. FOX: Selectively.

MR. MITCHELL: Could I propose this and get your reaction? Would it be possible for us to leave in the \$2,000 for the evaluation this year and then put the budget for the purchase in April of next . . . This is for that year, isn't it?

MR. LEDGERWOOD: One of our problems is that if we want to have the staff start using that, we have to train them, and I don't know how long it would take to train them. If we were training my particular secretary, who is 60--some years old, it would take more time than if we trained one of the other girls.

DR. BUCK: Now, go easy on that age thing.

MR. LEDGERWOOD: Well, I'm getting up there.

MR. CHAIRMAN: You know you're on record, do you?

DR. BUCK: That's why I thought it would be better to have that age thing thrown in there.

MR. LEDGERWOOD: People think of the enumeration starting in September of 1988.

The enumeration starts long before that. We have to prepare the maps. We have to go to the parties in June for nomination of personnel to act as enumerators. Of course, the returning officers have to have their maps and everything prepared before that so they know exactly how many polling subdivisions they have so that they know how many enumerators to ask for. It doesn't happen all of a sudden in September.

MR. CHAIRMAN: I have a suggestion. Patrick, this evaluation you're going to have done will have some conclusions. Those conclusions may or may not be acceptable to you. They may say: do this or do that. Would you share those with us at an appropriate time?

MR. LEDGERWOOD: Oh, yes.

MR. CHAIRMAN: That might be helpful.

MR. MITCHELL: That would help. If that evaluation says that you'll be more efficient and you'll be able to reduce a temporary staff member or not hire one you would have hired, then I see no problem at all. But I feel that I would have to have that assurance from your study in order to say that that would be . . .

MR. LEDGERWOOD: Fine. That's very fair.

MR. MITCHELL: So the budget authorization would be contingent upon that. Great. So it's fair. I'm willing to let the chairman review it, and if it says that, great; do it.

MR. LEDGERWOOD: We'll be working with public works on that because they have a lot of data available. Also, they know which pieces of equipment are better than others, which have better maintenance records. We won't spend the money unless we determine we need it. We'll come to the committee and say, "Look; we would like to buy this particular piece of equipment." As I said, we don't know what the equipment is going to cost, because the state of the art is improving so rapidly and the prices are going down.

MR. MITCHELL: If you can save money over what you were spending last time — because you did it last time — that's okay by me. In order to spend this money, I'd like to see you do it and save some money somewhere else in

order to do that. If that's in that report, that's okay by me. If Mr. Stevens can say, just for a matter of formality, "Yes, it's there; spend the money," that's okay by me too. So we don't have to call this committee to make that decision.

DR. BUCK: On that note, Mr. Chairman, I'd be pleased to move that the budget as presented be accepted.

MR. CHAIRMAN: It's been moved by Dr. Buck that the budget for 1987-88 as presented by the Chief Electoral Officer be approved. A seconder?

MR. STEWART: I'll second it.

MR. CHAIRMAN: All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Great. Thank you.

MR. LEDGERWOOD: Thank you very much.

MR. CHAIRMAN: Patrick, we'll get back to you and try to set up something so we can get over to see you when we're all together. The session this year has kept us . . .

MR. LEDGERWOOD: I appreciate that. I think you'll enjoy the office. We're talking about . . . Are we off the record now?

MR. CHAIRMAN: Doug, why don't we adjourn temporarily.

[The committee recessed from 1:38 p.m. to 2:04 p.m.]

MR. CHAIRMAN: Members and Brian and Marcel, may I call us all to order. Louise and Doug are ready.

The format of each budget submission is very different, so please understand that you might need to walk us through this carefully. We want to know what your needs and proposals are, but we may not understand the format because everybody's format is quite different. We've been listening very carefully to the presentations, Brian, and you can feel free to present it in any way you wish. We'd like to be able to ask questions from time to time, or you

can ask us to hold off for a minute if you've got a special area you want to cover. If you can walk us through the documents, then when our individual questions are completed, you may want to sum up or we may have some questions at the end. There are more of us here. If the two of you could leave us for five or 10 minutes or whatever, we'll discuss any concerns or suggestions we have, call you back, and conclude today, if we can.

Brian, the floor is yours.

MR. SAWYER: Thank you, Mr. Chairman. I set out in the letter of September 2 the points I thought ought to be highlighted. My budget and staff are small enough that we can in essence do a zero-based budget every year. We just go back and question each item to ourselves. What it boils down to is that if we're to continue to deliver service at about the same level as we're doing now, we have to go with pretty well what we have currently, which, as the budget indicates, is just under \$900,000.

The changes we've made reflect what turned out to be some uncertainty on my part as to what kind of people to hire and how to hire them. I've experimented the last year with hiring some part-time people to do investigations as the workload increased. The difficulty with that is that although the people I hired on a part-time basis were experienced investigators, they were not sufficiently familiar with government processes and departments and so forth. We had to do a lot of walking through on individual files and a lot of supervision, and it just didn't work out as well as I had hoped. So I'm reversing my stand on that, and instead of using one permanent investigator plus part-time help in Calgary, I'm going to two permanent investigators down there. That change is reflected here. We cut the money in our part-time staff budget and increased it for personnel. In essence, I'm going back to 16 people. I inherited 18 when I took over the job two years ago. There were 18 staff people, and I cut it down to 15. I'm going back to 16, which is the number I think we need.

Our workload is a variable thing. It was down last year. Our forecast to date this year is that it's going to be up quite a bit over last year, not as high as it ever has been but higher than last year. I think we simply need a second staff person in Calgary to do a lot of the things that come up in the southern part of the

province. So there's an adjustment of about \$34,000 in the people category. That is made up partly of that change in contract position, although not a full salary has to be added. There are other things. I hired a summer student this year. A third-year law student came in and did considerable research for us, working with my staff lawyer. That's something I'd like to do next year as well.

DR. BUCK: Was he in STEP, Brian?

MR. SAWYER: No, we just recruited him. I think STEP salaries are such that — I don't know if you can attract lawyers for the money that STEP allows.

DR. BUCK: I thought it didn't matter as long as they were students. The government just gives you a little refund of . . .

MR. STEWART: \$5.50 an hour.

DR. BUCK: Maximum?

AN HON. MEMBER: I think so, Walter.

MR. SAWYER: We wound up paying him the equivalent of about eight bucks an hour.

MR. CHAIRMAN: You can give them \$2.50 an hour maximum. The government employs people at \$5.50. Do you not qualify at that? It's just too low.

MR. SAWYER: Frankly, we didn't explore it.

MR. CHAIRMAN: No, it's too low. The private sector can pay up to \$2.50. Beyond whatever they pay, the government will pay \$2.50. But in your case you would be counted as government, so you can't pay more than \$5.50.

MR. SAWYER: We simply didn't explore it. We just hired him for the summer. It was a very useful experiment from our point of view. It was helpful.

Then there are some statutory things rolled into that \$34,000; there are statutory increases. I have three contract employees now, and I am allowing for an increase there because that's not programmed into my budget the same way it would be if the Legislature voted an increase for public servants. There

are a few things like that, but the net change is an increase of about \$34,000 to my salary budget and a decrease of \$18,000, I think, in the money with which I would normally hire part-time people. That's one of the big changes in my budget.

MR. MITCHELL: Can I ask you about that? I've just added it up, and I see Salaries, Permanent Positions, down \$39,200; Payments to Contract Employees up \$62,000; and Salaries, Wages and Employee Benefits . . . Code 100 is down \$39,200, 130 is up \$62,000, and 001 is up \$35,000. It seems to me that the net increase . . .

MR. CHAIRMAN: It's all on page 2.

MR. MITCHELL: Is it down \$38,000 . . .

MR. SAWYER: Here are the totals on those two.

MR. MITCHELL: Oh, those are totals. I'm sorry. Okay. I've got you. That's a total. So the net is 35 thou. Okay. That's what you're saying.

MR. SAWYER: And then the offset is 430. See under 430? We had budgeted \$40,000 this year and \$22,000 for next year. I decreased that by \$18,000.

MR. MITCHELL: Okay. So you're net up about \$17,000 on people: salaries, wages, and that kind of thing?

MR. SAWYER: Yes.

MR. MITCHELL: Sorry I cut you off.

MR. SAWYER: That's fine. Are there any other questions about people? I think that's the main — really, I don't know. I haven't figured out the percentage, but an awfully large percentage of my budget is people: investigators and backup staff.

MR. CHAIRMAN: All three of the legislative officers.

MR. STEWART: Brian, would you mind elaborating a little bit more on the fee for service type of situation as opposed to contract,

the distinction between the two?

MR. SAWYER: Okay. I've got three people. I'm on contract right now, but apart from me I have three other people whom I've hired since I came on staff to fill a position, and I hired them under contract. They're under section 130 as contract employees. I also have section 430, which is fee for service. For instance, there were two retired Mounted Police in Calgary — one a retired superintendent, the other a retired staff sergeant — whom I had known in the past and knew to be competent investigators. I hired them on a per diem basis on a couple of investigations I knew were going to be long and complex. They worked for a per diem plus expenses. I worked out a per diem that was approximately the same as what a staff person would earn. The benefit there was that if the work wasn't there to be done, I didn't have to pay anybody.

MR. STEWART: So your 130 contract people are basically full-time employees?

MR. SAWYER: They're full-time employees.

MR. STEWART: That's what I wanted to know. Okay.

MR. SAWYER: I think whoever takes over after me ought to have the ability to not necessarily stick with all the staff that I have. I can explore that further if you want.

MR. STEWART: How long are the contracts?

MR. SAWYER: A year.

MR. CHAIRMAN: Your staff other than management opted out. None of your staff are within the bargaining unit?

MR. SAWYER: None of them.

MR. CHAIRMAN: How did they receive adjustments? How do they flow?

MR. SAWYER: The adjustments are set by cabinet directives for people who are out of the bargaining unit.

MR. CHAIRMAN: Basically as a result of the settlements that are negotiated or whatever?

MR. SAWYER: That's right.

MR. CHAIRMAN: So that will still come and may cause you additional costs. That's what I meant.

MR. SAWYER: Yes, although I've put some money in there to cover that.

MR. CHAIRMAN: Okay.

MR. SAWYER: No, not the -- I'm sorry.

MR. CHAIRMAN: We have provided for merit increases.

MR. SAWYER: I've got merit increases provided for. I don't get . . .

MR. STEWART: At what percent globally?

MR. SAWYER: We work it out on the basis of -- most of my staff are at max anyway, so they don't qualify for any increases. But those that do, we can identify. There's only about 1,200 bucks there. It's not very much.

MR. STEWART: All right.

MR. CHAIRMAN: Any additional costs, though, you would either absorb or Treasury would provide it under their contingency fund. If they do; they may not.

MR. SAWYER: Yes.

MR. CHAIRMAN: Or you'd have to absorb it or come back to this committee.

MR. SAWYER: Yes.

MR. CHAIRMAN: Okay.

MR. MITCHELL: You're saying that your successor, whenever that were to occur, shouldn't necessarily have to have all the staff you have. Does that mean you don't need as much staff as you've got?

MR. SAWYER: No.

MR. STEWART: The people, the individuals.

MR. SAWYER: Individual people.

MR. MITCHELL: There would be certain changes he might make?

MR. SAWYER: Yes.

MR. STEWART: He or she might make.

MR. SAWYER: Right.

MR. MITCHELL: Are you not planning to stay around to make the changes?

MR. SAWYER: I've been making them.

I think the fundamental point I would make is that I inherited a staff of 18. At least there were 18 people altogether, including the Ombudsman, two years ago when I came. There are currently 15, and I'm going to 16. I think that's the number we'll have to stick with.

MR. FOX: Can you explain to me, Brian -- we've received these budgets in different forms. There's nothing under '87-88 estimates. What does "estimate input" mean?

MR. ARCAND: For the purpose of this document, it's basically to generate the '87-88 estimate. We've used the document for the purposes of communicating the budget to the select committee, but when that gets into the computer, what's in the estimate input column will show up on the output document as the '87-88 estimate. So for all intents and purposes, they are the same.

MR. STEWART: So we should be looking at which column, Marcel?

MR. ARCAND: Estimate input.

MR. STEWART: Estimate input is the amount for our approval.

MR. ARCAND: Yes.

MR. SAWYER: You're captives of the needs of the computer. Treasury sets it up this way, and we've sent you that. It was my decision not to send you the dozens and dozens of other forms Treasury sent us. They confuse me, and I have a lot of time to study them. You have less time to study them, and I suspect that they'd confuse you.

MR. CHAIRMAN: They didn't send you the five and 10 scenario document did they?

MR. SAWYER: No.

MR. MITCHELL: Can we ask something?

MR. SAWYER: Absolutely.

MR. MITCHELL: Hosting is going from \$3,300 to \$28,300.

MR. SAWYER: Right. Next year we are going to host the Canadian Ombudsmen Conference. It's a meeting that's held annually. Alberta last hosted the international. As a matter of fact, they hosted the founding meeting of the International Ombudsmen Institute here when Dr. Ivany was Ombudsman. That was in '76. It was actually Nova Scotia's turn in 1987, but they are just undergoing a change of Ombudsman at this time and didn't feel they could commit an incoming guy to do it on short notice. I agreed to advance it a year, so we're going to host it next year.

MR. CHAIRMAN: This is the conference that we were not able to send any of our members to because we were just being appointed.

MR. SAWYER: That's right.

MR. CHAIRMAN: It was in Ottawa this year?

MR. SAWYER: It was in Ottawa. Right.

We're setting it for September next year. There have been no dues or fees attached for visiting firemen for the two conferences I have attended. The costs of the conference were picked up by the host. Last year it was in Ottawa, and the feds picked it up. The year before it was Quebec, and the province of Quebec picked it up. It's not a lavish thing, although there is usually one formal banquet -- I don't mean formal dress but a closing banquet -- and a couple of luncheons, and then some auxiliary costs. I put in \$25,000 to cover it. I think that amount is probably high. What I intend to do is set up a separate sort of semibookkeeping system and ultimately charge against that any costs attributable to the conference, and I can guarantee that any unexpended funds would not be absorbed elsewhere. They simply wouldn't be spent. It's

very hard to know a year ahead of time just what your costs are going to be, so I've put in \$25,000. There may be 50 to 60 people attending, plus an undetermined number of local people: the committee, possibly the Speaker, and other people. So you get those kinds of people involved in it, and I have no way of knowing numbers at the present time.

Last year in Ottawa we were hosted by Mme Sauve at her house.

MR. CHAIRMAN: I suppose that could happen if you -- are you the convener, or have you appointed anyone else to be your co-ordinator?

MR. SAWYER: Well, I've got Marcel co-ordinating it right now, and I've already spoken for Government House.

MR. CHAIRMAN: You could see whether the Lieutenant Governor . . .

MR. SAWYER: Have we written to the Lieutenant Governor?

MR. ARCAND: Not yet.

MR. SAWYER: We're going to write to Miss Hunley to see if she will host a reception. I think that would be the ideal thing for her. If we don't get kicked out by legislative needs, we're going to hold the meeting at Government House. That meeting room on the second floor is just perfect. It's just the right size; it's ideal. I'd like to do it well and professionally without spending too much money, and I think you can do that if you . . .

MR. CHAIRMAN: Are we not the first Ombudsman . . .

MR. SAWYER: That's right.

MR. CHAIRMAN: I don't know if you just said that when I was out of the room, but this province was the beginning one.

MR. SAWYER: It was the first one. In that context, I think we ought to talk about that at the conference. We've had 20 years of ombudsmanship in Canada. Alberta was the first. Where have we come from and where are we going? So we'll probably be doing that. That's the reason for that \$25,000.

MR. MITCHELL: So that's the only increase in the supplies and services control group.

MR. SAWYER: No, the other increase is in advertising. In percentage terms there's a substantial increase in advertising. I have to date visited 18 communities in Alberta. I have an agenda which is going to take me to eight more in the next three weeks. We advertise in the newspapers in those communities, and we didn't project it in this year's budget.

I am also going to do what workers' compensation does. Once a month I'm going to advertise that I'm in Calgary. I go down there more often than that, but once a month I'm going to advertise that I'm there just to make my presence known as well. I'm going to try some radio advertising when we go out to smaller communities; I'm not sure the newspaper is the best way to do it.

I'm simply trying to raise the profile of the office. There's been some criticism that you might have read that I am too low profile. Well, we'll try and raise that. So there's some money in there for advertising.

MR. MITCHELL: Talking about profile, do you give speeches? Do you pursue speeches? Do you call and say, "I want to speak to you guys"?

MR. SAWYER: I have, yes.

MR. MITCHELL: Purchase of Fixed Assets. You drop in it; that's great. What are you still purchasing?

MR. SAWYER: I can't tell you. I don't know. We felt a little uneasy cutting it out altogether. We thought we ought to put something in there.

MR. MITCHELL: Okay, at least you're honest.

MR. CHAIRMAN: I was going to say he just blew that one.

UNIDENTIFIED SPEAKER: He'd never let me get away with that.

MR. ARCAND: We're basically looking at acquiring a personal computer to address a situation right now whereby we have a very cumbersome system for tracking contacts and complaints over the 20 years that the office has

existed. We have a card system, and it's very difficult to go back quickly and determine whether a complainant who may be phoning in today with a complaint had the same complaint five years ago. So we think that if we can acquire a personal computer, we will considerably improve our capabilities for retrieval of information concerning previous complainants.

MR. CHAIRMAN: I know Grant is going to get onto this. If you look at page 2 -- you find the rental of the Xerox copier adequate. There's a reason I'm asking that; it's a hidden reason. Marcel, you are recommending to the Ombudsman that the rental of the Xerox copier is okay, that it will meet your needs.

MR. SAWYER: Yes.

MR. MITCHELL: Is Xerox the make?

MR. SAWYER: Oh, I see. The photocopier is definitely a Xerox brand.

AN HON. MEMBER: You had to be here.

MR. CHAIRMAN: One of the officers said: it won't be a Xerox copier; it was the same price. So I'm just laughing. Maybe you can rent his.

MR. SAWYER: We just cut down. We had a big one that we were locked into on one of these five-year contracts. It was too big; whoever sold that can sure sell copiers. So we have a smaller one now.

MR. MITCHELL: How is it that you get away with \$200 in Calgary? Is that one basically bought out?

MR. ARCAND: I think it's bought out. Also, it takes a week and a half to make a copy; it's very slow.

MR. CHAIRMAN: Have you found -- and one of the officers just mentioned this -- that the rental in the lease is about the same in a year? Is this all the equipment you have? Is this why you have that? You're reducing your total costs by \$5,000, but is this all you have?

MR. SAWYER: Yes. As you can see, the

overwhelming cost is for our word processor, which we have just hooked in on a direct line to Calgary. Calgary can now prepare reports and correspondence and zip them up here on the phone line at the end of the day. So the two offices are tied in for the first time, which is something I wanted to do. The plus side of that, of course, is that if necessary, my Edmonton staff, which is larger, can also do work for the Calgary office.

MR. MITCHELL: You lease this for \$20,000 a year. Would it not be easier just to buy it? We're paying interest on that. How many have you got? Have you got three or four?

MR. ARCAND: This particular system has, I think, five or six different workstations in Edmonton connected to a central printer.

MR. MITCHELL: Why wouldn't you just buy that outright rather than paying the interest?

MR. SAWYER: Two reasons, I guess: one, the committee last year seemed just as happy to see it in operating costs as in capital costs, and also, I was burned on the purchase of computer equipment in my last job. Technology overtakes you and you're stuck with it. We've done a study on this, and we think that you pay a bit for the luxury of being able to change as and when. It seemed useful to us.

MR. MITCHELL: Just to make a point here. I'm always struck by this problem. It was okay last year, and how has the job changed that you'd want to change everything? We're driven by technology improvements, but the basic Xerox typewriter still types. If you can get a productivity improvement, okay; that can save you money somewhere else. You sound very cost-conscious; I'm not being critical. But somehow, if it was good three years ago, it's got to still be okay now.

MR. SAWYER: You're right. There's a lot of game-playing going on with all of this.

MR. MITCHELL: Yes, exactly.

MR. SAWYER: We held off for some time before we made the switch to this system. What's the system you have here? You have the NBI system.

MRS. EMPSON: Yes.

MR. SAWYER: It was Louise who convinced me that we ought to have it.

MRS. EMPSON: It's an excellent system.

MR. MITCHELL: Could it do any of the sorting and things you want to do with your tracking system?

MR. ARCAND: No. In fact, we tried that. If we want to track somebody whose surname begins with S, we guess on which page it might be and we go from there by trial and error to find or not to find. It's not designed to do that.

MR. SAWYER: We're looking at a PC, a very small computer, simply to sort and store names and enable us to random search them quickly. That's basically all we want. It's not going to cost us \$4,000, I wouldn't think.

MR. ARCAND: That was the estimate suggested by the people who provide them, but that's a pretty good PC.

MR. SAWYER: We don't need a printer or anything; we just need the information up on the screen.

MR. CHAIRMAN: You'll be back for the printer next year.

MR. MITCHELL: That's right.

MR. ARCAND: We'll find a way to hook it in to our NBI printer.

MR. CHAIRMAN: Brian, is there anything else you want to point out or any other questions on the presentation?

MR. SAWYER: No, not a whole bunch. The net change in budget over budget is not very much, but it is up. It is up \$44,000; \$25,000 of that is a one-time cost, and my guess is that that's high. We've tried to be candid in our requirements.

If there's any uncertainty, it's in the area of travel. I'd like to talk to you about that, because there are no members of the last committee here. Our travel budget has ranged as high as \$73,000 or \$75,000 in the past and has

been overexpended at times in the past. There was some concern expressed by the previous committee about the extent to which the office was spending funds travelling to places outside the country. I've made a deliberate attempt to curb travel expenses, and in fact if you look at actual expenditure over the last five or seven years, you'll see that the actual expenses are down considerably. I am doing considerably more travelling in the province, and I'm encouraging my staff to do so. I would think our expense in this category will rise next year. Just how high it will go, I don't know, but it won't be anywhere near what it was three, four, and five years ago. On balance, I think I'd like to keep that amount there, although I don't guarantee that we'll spend it all.

MR. CHAIRMAN: Can I ask if you have authority under the various pieces of legislation -- if, for example, your advertising expenditures are \$18,000, where do you find the \$3,000? Can you move it from someplace?

MR. SAWYER: Yes, I can move it within that Supplies and Services amount.

MR. MITCHELL: If we were to say that it would be nice to keep the budget at the same level as last year, save the hosting -- and you're going to be really reluctant to tell us this -- where would you cut \$20,000? What could you live without?

MR. SAWYER: I'd have to nickel and dime it. I'd have to take a bit here and a bit there all the way down the line. The first place I would go is travel. You can always curb travel.

MR. MITCHELL: But does it affect your effectiveness?

MR. SAWYER: Well, what I'm trying to do is get the staff and me out talking to complainants, talking to the community. You can say that we won't go, but I think that's ill-advised given what our mandate is.

We're probably going to be short. Since we put this together, I've had a notice inserted in all the phone books around the province that people can call us collect. They can also call us on the government RITE line, but frankly I wanted to make the point that they don't have to call us on the government RITE line; they

can call us direct if they're so inclined. Our long-distance toll bill is higher than we anticipated. I know that our current budget isn't going to be enough to cover it, and I don't think this amount in next year's budget is going to be enough to cover it. So I'll move some there from travel to cover it. I don't want to cut off that ability to call us when something is on their minds.

MR. STEWART: I was interested in the breakdown between Edmonton and Calgary, particularly from the manpower standpoint. What sort of people are in Calgary and doing what functions?

MR. SAWYER: I have a very experienced former police officer, who has been with the office maybe a dozen years. I am told -- and this is hearsay -- that Premier Lougheed mandated that an office should be in Calgary to have the office have a presence there. I don't think there was one there at the very outset, 12 years ago. I've been on a roller coaster on this issue. The government offices are here, by and large, and a lot of our work consists of going to the office, digging into the files, and talking to people. Even though the complainant may live in Medicine Hat or Calgary, it brings the investigator up here. The question is: where should he reside?

When I came on the job, there were two investigators in Calgary. I wasn't convinced that the workload was adequate for that, so I cut one. But I think I did the wrong thing. I think that in so doing, I've overtaxed the resources of the man down there. He just can't do as thorough a job as he wants to do and should do. I've weighed whether or not I should increase it even more and have more of the files referred down there for handling. How heavily I think the Calgary office ought to be staffed depends on what day of the week you ask me. I try to go down every two weeks.

MR. STEWART: Is there a clerical component too?

MR. SAWYER: We have one secretary there. There were two, but I cut it down to one. By and large that's enough, except that when you have only one person, you have to bring in a Girl Friday or something like that when she's away. I think I'm going to direct that more files be

moved from here to Calgary and simply put two staff people there and keep them as busy as hell. I'll just make sure that files keep going down there.

We get enough complaints from the southern part of the province. But if somebody complains about unemployment insurance, the headquarters is here, and we wind up talking to the people here and going over and actually looking at the files: doing all those things. What did I say?

MR. CHAIRMAN: Workers' compensation.

MR. SAWYER: What did I say? I'm sorry; I meant workers' compensation.

MR. CHAIRMAN: I was going to say: my God, you're in the federal area. I know what you meant.

MR. SAWYER: Whether or not it was the request of the Premier that the office have a presence there -- if he didn't, I would do it anyway. I think it ought to be there.

MR. CHAIRMAN: We may not have mentioned it -- and I'm sorry; I stepped out for a minute -- but now that the session is over, we hope we can get some schedule whereby we will come over, have a meeting in the morning, and spend some time in your office here and get a feel for it.

Any other questions on the presentation? Brian and Marcel, if you'd give us a few minutes alone. There's a room there. I was going to make a special suggestion. It's nothing to do with you personally, Marcel, but would you mind leaving for a minute? The committee has a question for Brian. Then we'll ask you to leave, Brian, and join Marcel. We'll go off the record.

[The committee met in camera from 2:37 p.m. to 2:51 p.m.]

I'm going to call for a motion, Brian. Before we do, there are a couple of points we discussed. One is: perhaps, Brian, just for information you could send to the committee the kind of ad we will all likely be seeing sooner or later in our constituencies in newspapers or whatever. Derek mentioned you're going to Vegreville. We're making the suggestion that the ads try to encourage people to understand

more the role of the Ombudsman -- the booklet you have and so on -- not just that you're coming or you're there, but to encourage them to come to you for the right things so that they know what they can come for.

MR. STEWART: It's a jurisdiction problem.

MR. CHAIRMAN: You may already do that in the ad, so we just thought we could encourage you that way.

The other one is: in your acquisition of equipment, are you comfortable -- you have a grasp on these things; Grant made that point about your knowledge of why you need these things -- that your evaluations fully justify another step forward in this technological thing we're going through? You've explained why that equipment is needed, Marcel, and the important improvements you will have. Are you really comfortable that you need them now? Do you need them next year? Are these things that are really crucial? We're comfortable with the budget, but are you comfortable with the evaluations you've asked for? Are you comfortable that this is the equipment you're going to buy, that you need it now, and that it's going to give improved service to the people of Alberta? Obviously, it wouldn't be here; you wouldn't have presented it.

MR. MITCHELL: We just ask the question.

MR. SAWYER: And it's a fair question. I've been on the other end, looking at people who've made submissions to me, and I've felt the same thing: is this an essential item, or is it just nice to have?

Come over and see them. We have bank after bank of three by five index cards, which is our name index. It's getting so big that it's getting harder and harder to sort through and keep up. It's just a slow process. That's essentially the information we think a computer is designed to handle. Our word processor can do it but not efficiently. We can get an add-on to our word processor that is in essence an enhanced component, but it would cost more money than to get a stand-alone PC. So we think all we need is a small computer that can handle name sorts. When we have that, the only subsequent equipment we would need is an add-on station, if we ever have to add staff at any time. I think we're in pretty good shape with

that.

MR. CHAIRMAN: We were just wanting to share the feelings we had, and we really appreciate the work. Can I look to the committee for a motion for the Ombudsman's budget proposal?

MR. STEWART: I will move that the budget be approved as presented.

MR. MITCHELL: I'll second it.

MR. CHAIRMAN: Moved by Fred Stewart and seconded by Grant Mitchell that the Ombudsman's 1987-88 budget as presented to the committee be approved. All in favour? All in favour. Thank you.

We'll set something up and come to see you. If you are on your way, I'm going to ask the committee to stay for a few minutes and deal with some mundane things like travel. We're coming to see you in September next year at the conference.

MR. SAWYER: At some time that is suitable, I would very much like to talk to you just to get some sense of the committee's thoughts about its interaction with the Ombudsman office. In that connection, I brought with me — and I've only got the one copy — the report that the standing committee from Ontario submits to the Legislature detailing its interaction with the Ombudsman. It's kind of interesting, and I could fill you in on that when the time comes.

MR. CHAIRMAN: How long would it take us, for example — I don't mean to say how long, because it sounds like we just want to rush through — to see your office, meet the staff, and have a sort of idea of what your computer gizmos are needed for?

MR. SAWYER: That would take 20 minutes.

MR. CHAIRMAN: Okay. Why don't we plan an afternoon or morning when we could do the tour, and then maybe sit down with you and discuss this? Would that be an appropriate way? There is some correspondence that I've only brought to the committee's attention, and there are many people who want to approach the Ombudsman and talk about the Ombudsman's role too, so maybe we should

share all that.

MR. SAWYER: Okay.

MR. CHAIRMAN: Would you like to circulate something before we do that?

MR. SAWYER: I have just the one copy of their report.

MR. CHAIRMAN: Is there an executive summary?

MR. SAWYER: No, there isn't, but you only need to read the beginning of it anyway. It honestly won't take long. Annual reports aren't everybody's cup of tea, but I think you get a good flavour for what they're doing by reading some of the preamble at the beginning. I submit these to you just to give you some background on what Ontario does.

MRS. EMPSON: I can photocopy them if you'd like.

MR. SAWYER: I think it's important that you understand my understanding of why. Maybe we should all go down to Toronto and ask them, but failing that, I'll tell you what they told me. It's the very size of the legislative load in Ontario that has led them to this approach. I'll leave that for you.

MR. CHAIRMAN: Thank you.

MR. SAWYER: I bring up, only partly in jest, the question of a five-day conference. Does anybody want to go to a conference in Florida in December?

MR. CHAIRMAN: I'm there. I'm at a five-day medical AADAC conference December 3 to 7.

MR. SAWYER: This is just before that, I think. It's the five days from the 1st to the 5th or something like that.

MR. CHAIRMAN: It's at the same time, so I can't. Derek is going away. Fred, you don't want to go; you said you weren't prepared to go somewhere. I think we as committee members need advice as to where we can gain the most contact with people, understand the role of the Ombudsman, and so on. That may not be the

one. Is that a working conference?

MR. SAWYER: No. It's an IACOL conference; that is, the International Association for Civilian Oversight of Law Enforcement. It is an umbrella organization that was formed last year with a meeting in Toronto. There are representatives from a number of states, a couple of provinces, major cities in the U.S., and Toronto. In several instances the Ombudsman in that jurisdiction, or somebody similar to an Ombudsman, has jurisdiction over the police. If you were to read back issues of the Calgary Herald, you would see that I was dead set against civilian oversight of law enforcement when I was in Calgary, but that was then and this is now.

Dan Hill, who is the Ombudsman in Ontario . . .

MR. CHAIRMAN: I thought he was a singer.

MR. SAWYER: His father is the Ombudsman in Ontario. He gave the keynote address at this conference last year, and he's going to try to go to the conference in Florida, which is the second one. In any event, he's sending a senior staff person.

I've told Bob King, the Deputy Solicitor General, about this, because I think somebody from his office should go down and sit in on this. It's a little long-range and maybe a little farfetched, but I know the province, the Sol. Gen., is grappling with the problem of the Law Enforcement Appeal Board and the constant insistence that there be some civilian oversight of law enforcement. Whenever something happens in Edmonton or Calgary or Peace River, there's the cry from some people that there ought to be more civilian input into what the police do. The avenue that has been followed in some centres is to involve an Ombudsman. Frankly, I don't think it's going to happen here; I think the DSG will crank up something other than that. But I told Bob, and I think he's going to send somebody. I am going to a one-day meeting in Ottawa on December 7 at the expense of the federal Solicitor General. I thought I might detour, but I don't know if I will.

MR. CHAIRMAN: Wouldn't it be complicated by the fact that we have RCMP as well as civic responsibilities? This complicates it with the

Constitution and all.

MR. SAWYER: It just makes it worse. Frankly, it makes a tough problem worse. There's been talk in the past — and it's not entirely newspaper talk — that maybe when the RCMP contract comes up for renewal, it won't be renewed and Alberta will form its own provincial police agency. Frankly, I really can't justify my going down, but it occurred to me that if we'd had time to look at the role of Ombudsmen vis-a-vis this committee, it might be that somebody might say, "Hey, there's no harm in taking a look at that and just seeing."

MR. CHAIRMAN: Can you send me the pro forma about it? I'll circulate it and see if anybody who is not here is free or if anybody here would like to go. Could you do that fairly quickly, Brian. So you won't be going or anybody from your office?

MR. SAWYER: I don't think so. I talked to Dan about it this morning. One of the Ombudsmen from Australia, a couple from Britain, one from Holland, and a fellow from Sweden attended the conference in Toronto last year. I'd like to get a better handle on who is going to be there this year.

MR. CHAIRMAN: Let us know if you think one of our members should consider it, and I'll circulate that whenever you send it.

MR. SAWYER: Thank you.

MR. CHAIRMAN: Thank you, Brian; thank you, Marcel.

Should that be enough for that one? Oh yes, we've got one more budget. We can be very quick. We've got our own internal budget. We're looking at Louise's budget.

MRS. EMPSON: This was prepared by Bob.

MR. CHAIRMAN: By Bob, with, I'm sure, some advice from Louise. Do we need Bob here? Where is Bob? He's not here.

MRS. EMPSON: He's attending the heritage committee meeting today.

MR. CHAIRMAN: Do you think we can work our way through it then and see what it is?

MRS. EMPSON: I think so. If there are any things you want him to change, let me know and I'll phone him.

MR. CHAIRMAN: Okay. What are Employer Contributions? We don't have any this year. Oh, it's budgeted under a different code; I see. There's a footnote at the bottom. It's budgeted somewhere else.

MRS. EMPSON: That's for your pension.

MR. CHAIRMAN: Allowance and Supplementary Benefits, Conference Fees: are those for the members who attend things, and then they are paying the fees for them?

MRS. EMPSON: These conferences that you're attending in December have a cover fee.

MR. CHAIRMAN: Do we know that that is going to cover what I assume we know about? There will be another conference or two next summer, won't there?

MRS. EMPSON: Yes, but the Ombudsman conference doesn't have a cover fee, so it should cover it. It always has in the past.

MR. CHAIRMAN: Okay. If you look at the next one -- I've just seen this now myself. Two stars:

To cover costs of travel to meetings plus attendance at the following conferences:
Legislative Auditors (Quebec, 1 delegate/5 days) . . .

Is that ahead of us?

MRS. EMPSON: That is tied in with Public Accounts. Usually the chairman goes.

MR. CHAIRMAN: I do? When is it?

MR. FOX: Did you have a good time?

MR. CHAIRMAN: I didn't go, did I?

MRS. EMPSON: This is going to be held next summer, but we haven't got any information as to where or anything.

MR. CHAIRMAN: But the chairman or a delegate -- a member of the committee.

MRS. EMPSON: Right. Yes.

MR. CHAIRMAN: Okay. Then the Ombudsman: Edmonton, three delegates, five days. That will be here.

MRS. EMPSON: Yes, but you'll still have your per diem covered.

MR. CHAIRMAN: Oh, I see. You have to do that.

MRS. EMPSON: Yes, unless session is in, and then you don't get paid for that.

MR. CHAIRMAN: Council on Government Ethics: that one was in Quebec last year and is in Hartford, Connecticut, this year.

MRS. EMPSON: Right.

MR. CHAIRMAN: And we've got three delegates going. Interesting guesses here. That's pretty good. I didn't know and Bob probably didn't know either. I just assumed that we would try to send one or two people to these conferences, so Bob's given us a pretty global figure. Do we need \$20,575? Right, Grant.

MRS. EMPSON: The allowance for travel has never been used up completely in the past, but all you need is one extra member to travel and it would throw it off whack.

MR. CHAIRMAN: Yes.

MR. MITCHELL: This will be as high as it will get. Right?

MRS. EMPSON: That's right.

MR. MITCHELL: Because everybody isn't here today.

MRS. EMPSON: But when you don't know where some of these conferences are, you have to budget for them. So when I've done the budget in the past, I've sort of picked the farthest point it could be -- like Florida, for instance -- the airfare, et cetera, for that. When you know ahead of time, you can guess roughly or closely enough how much the airfare is going to be, the number of delegates, the number of days for the per diem and expenses: hotel, meals.

MR. CHAIRMAN: The mileage is based on last year, but the makeup of the committee is different this year. It probably doesn't matter; I don't know. Some are urban, the Edmonton region, and some are . . .

MRS. EMPSON: He took into consideration the members that are on the committee this year.

MR. CHAIRMAN: I see.

DR. BUCK: The former chairman did this?

MRS. EMPSON: No, Bob Bubba.

MR. CHAIRMAN: I'm sorry, I didn't explain that it was Bob Bubba.

But leaving that for a minute, because we can always come back, we have Professional and Technical Labour Services: independent audit of the Auditor General's office. Is that what we're going to be asked to do with that?

MRS. EMPSON: That's right. This committee pays for the audit of the Auditor General.

MR. CHAIRMAN: Okay. That's based on last year's estimate.

MRS. EMPSON: That's right.

MR. CHAIRMAN: Hosting: is that that function we recently shared?

MRS. EMPSON: That's right. The first item.

MR. CHAIRMAN: So the Speaker's office is picking up the other half?

MRS. EMPSON: That's right. It's shared by the Speaker's office and Leg. Offices.

MR. CHAIRMAN: Would we do it again next year, gentlemen? We were all new this year. Would we do it again next year? That's the question in my mind.

MR. MITCHELL: Where all the members met . . .

MRS. EMPSON: The three officers.

MR. CHAIRMAN: I thought it was important this year because two of the officers were new

and many Members of the Legislative Assembly were new. Would we do that again next year?

MR. STEWART: I don't think I'd do it every year.

MR. FOX: I think it was useful at the time, especially as it was the first opportunity for members on opposite sides of the House to actually socialize with each other, and that was important too, but that was kind of incidental.

MR. CHAIRMAN: I don't mean to nitpick.

MR. FOX: I agree with Fred. It shouldn't be a regular thing. There may be times when it's prudent.

MRS. EMPSON: Did you want that item to be deleted then?

MR. FOX: It's not my decision alone, but I don't see much need for having it in, actually.

MR. CHAIRMAN: We can go right through that. We'll talk generally, and then we'll come back and work on it. So the consensus might be that right now we might not.

Catering meetings is when we have these meetings, and that's it.

MRS. EMPSON: Lunch and so on.

MR. CHAIRMAN: We're getting too much.

MRS. EMPSON: I asked for it for 11 people, and you can see that what she gave you for coffee was enough for an army. It's new people and it's only temporary.

MR. CHAIRMAN: Other hosting: what would that be, Louise?

MRS. EMPSON: That's just a contingency in case something comes up that wasn't predicted.

MR. CHAIRMAN: If the CPA meeting, for example, comes up here -- I'm just making this up -- or if another provincial committee comes up, is that what that's for?

MRS. EMPSON: That's right.

MR. CHAIRMAN: Okay. We don't spend it if

we don't have any.

MRS. EMPSON: No. It has happened only once since I've been here, and that was the committee from British Columbia. They were looking at appointing a new Ombudsman and wanted to meet with the search committee, which had been disbanded. They just met with members of the standing committee who had been members of the select committee as well. They had lunch.

MR. CHAIRMAN: Suppose Derek is in Toronto and has hospitality for a couple of people and they share some information that's related to the work of the committee. Does that come out of that?

MRS. EMPSON: Yes.

MR. CHAIRMAN: Okay. So we need something. I'm not suggesting you do that, because that won't happen. You'll be at these conferences. You'll be wined or luncheoned or whatever. But you never know. Sometimes if you're representing a group, you may have a special problem. So that's where that would come from?

MRS. EMPSON: Yes.

MR. CHAIRMAN: And the payments are just based on whatever happens, based on the assumption of so many meetings.

MR. STEWART: Was the per diem the same last time round?

MRS. EMPSON: Yes, it was.

MR. STEWART: Then how come we've a 20 percent increase? We've got the same number of members, the same per diem.

MRS. EMPSON: It's when you're forecasting the number of meetings and the number of members attending. It could be much lower than that, but he has to budget for the full nine committee members and the ones that are from out of town, if there are more people from out of town.

MR. FOX: So in a sense we've saved money already by virtue of the fact that some people

aren't here.

MR. CHAIRMAN: By not having meetings.

MRS. EMPSON: That's right. But you have to budget for all nine members. The committee meetings have very seldom been fully attended, but all you need is one meeting.

MR. CHAIRMAN: Having said that, why is there a 20 percent increase?

MR. STEWART: Yes. That's my point. Last time round you had to do the same thing, and you got \$18,000.

MR. MITCHELL: This is actual? Oh no, that's the forecast.

MRS. EMPSON: I can only guess that he budgeted for more meetings. I have no idea.

MR. STEWART: Must be more meetings.

MRS. EMPSON: You've actually had less.

MR. CHAIRMAN: You don't want us to have more meetings, do you, members?

SOME HON. MEMBERS: No.

MR. FOX: This is the first one out of session.

MR. MITCHELL: Maybe there are more who live in Calgary, more out of town, so that you get more per diem allowances. Is that possible?

MR. CHAIRMAN: You see, Grant, the per diem wouldn't change.

MR. MITCHELL: But the \$75 allowance would change. I don't get it.

MRS. EMPSON: That's right.

MR. CHAIRMAN: Yes, and Walt doesn't get it. Who else is around?

MR. FOX: That \$75 a day isn't applicable unless you stay overnight, is it?

MRS. EMPSON: Even if you don't stay overnight.

MR. CHAIRMAN: If you have a temporary residence, you have to pay for that somehow.

MRS. EMPSON: That's right.

MR. CHAIRMAN: So you're entitled to it.

MRS. EMPSON: Some members did have a more permanent residence than a hotel room, and that contributes towards that.

MR. FOX: But we gave ours up.

DR. BUCK: Because we're out of town, unless Derek and I really incur an expense, we don't dun and ding them for the \$75.

MR. FOX: No. We gave up our apartment after session ended.

DR. BUCK: We get paid mileage, but when you guys come up, you've got cab fare, breakfast in the morning, et cetera, et cetera.

MRS. EMPSON: But if you were staying over, for instance, because the meeting carries on into the evening or whatever . . .

MR. FOX: Sure. But like Walt says, it should be a legitimate . . .

DR. BUCK: But they have to budget for it.

MR. CHAIRMAN: So they budget for that assumption.

MR. FOX: Okay. I see.

MR. CHAIRMAN: So if we go back to the top, are we comfortable with the conference fees? If these are prepared by Bob on the basis of his best guess, do we accept that? The second item down on a line-by-line basis: are we comfortable with \$1,400? Is that agreeable? I'm just looking at the second line, conference fees. Okay?

Going to the next item, 512A99, Travel Expenses, do we have any reason to adjust that figure, or should we accept the figure that's there?

MR. MITCHELL: This includes travel to conferences.

MR. CHAIRMAN: I think that's right, Grant. Base mileage to the meetings for any of the members.

MRS. EMPSON: Yes.

MR. FOX: I think what Bob has probably done here is budget for a couple or three members going to each of these things. What we're finding out is that it's in fact going to be one or two. Perhaps we need to budget that amount in case, with the expectation that it will come much under that.

MR. STEWART: Agreed.

MR. CHAIRMAN: All right.

512K99, Professional, Technical and Labour Services, \$11,000. Agreed?

DR. BUCK: Just run that by me again, Mr. Chairman. Why do we audit the Auditor? Somebody has to audit the Auditor?

MRS. EMPSON: That's right.

MR. CHAIRMAN: We're stuck with it. As you'll see in the Auditor General's annual report, there's a separate little report that comes in from this firm that says they have audited the function of the Auditor General's office and they are doing their things appropriately and all that.

DR. BUCK: Okay.

MR. FOX: That's a big department.

MR. CHAIRMAN: Yes. It has to be audited as to whether they've done it right, and the Controller doesn't do it.

Hosting, 512M01: if we delete that function — which needs to be deleted from the Speaker's budget too, I would assume, if we've got half of it — and we leave the catering and other hosting, that would be \$1,350.

MR. FOX: Are we generally agreed on not having another one this year?

MR. CHAIRMAN: I assumed that. Is that agreed? I don't think we had one for a couple of years before, did we?

MRS. EMPSON: No. The last one was during the year Mr. Notley was killed. It was not well attended because of what had happened.

MR. CHAIRMAN: Okay. I guess we as MLAs must assume that Bob has done the very best he can, and that's great. [interjection]

MR. FOX: Actually, you're the only Edmonton member.

MR. MITCHELL: Well represented, I might add.

MR. CHAIRMAN: When you think about it, everybody is from out of town. It is different from before.

Could I have a motion calling for the adoption of the budget of the Standing Committee on Legislative Offices for '87-88 as amended, as Louise has made an amendment there for us?

MR. FOX: I so move.

DR. BUCK: Seconded.

MR. CHAIRMAN: Thank you, Derek. Thank you, Walt. All in favour? Thank you.

If I can word this well, I believe I need the approval of the committee to have it represented by Derek Fox and one other member -- I'm going to suggest John Drobot; he said he was available -- to attend the Canadian Comprehensive Auditing Foundation in Toronto from November 30 to December 2, 1986.

DR. BUCK: That's fine by me.

MR. CHAIRMAN: Walt is moving that. Grant is seconding it. All in favour?

DR. BUCK: Mr. Chairman, can I just reword that?

MR. CHAIRMAN: Maybe I'm doing it wrong. You'll have to give me a better wording.

DR. BUCK: I move that Derek Fox and John Drobot or an alternate -- if John can't go and somebody else can, then we cover that.

MR. CHAIRMAN: Attend the . . . et cetera.

DR. BUCK: Whatever they're supposed to

attend.

MR. CHAIRMAN: Moved by Walt, seconded by . . .

MRS. EMPSON: We don't need seconders for motions in committees.

MR. CHAIRMAN: Isn't that lovely. I don't need them? What am I doing to all of you? I'm sorry.

MRS. EMPSON: Well, everybody does it anyway.

MR. FOX: You guys better watch out. When I add auditing procedures to my vast storehouse of knowledge . . .

MR. STEWART: You're going to be formidable in the House.

MR. FOX: I'm going to be as mean as Mitchell.

MR. CHAIRMAN: Wait a minute. We haven't had the vote yet, Derek. All in favour? All agreed.

Could I have a motion that -- as Walter has put it -- Walt Buck and a member of the committee . . . If I can find one; so far I haven't found one.

MR. FOX: And/or an alternate?

MR. CHAIRMAN: He's got "and/or."

MR. FOX: There's one so far that's committed, so you'd need Walter or an alternate, and there may be another member who is going. So it would be Walter "and/or."

MR. CHAIRMAN: Say that again.

MR. FOX: As far as we know, Walter is the only one who's going.

DR. BUCK: Just hold the bus, you guys. Let's have those dates again.

MR. CHAIRMAN: It's December 3 to 6 in Hartford, Connecticut: Council on Government Ethics Laws.

DR. BUCK: December 3 to 6.

MR. FOX: I move we send Mitchell to the ethics conference and cross our fingers.

MR. CHAIRMAN: You know, Grant, actually you're away, and you can't go.

MR. MITCHELL: I just can't go, but I appreciate the invitation and the sentiment.

MR. FOX: We go back a long way, Fred. You have to understand.

MR. CHAIRMAN: Are you available, Walter?

DR. BUCK: Let's say that I'm 75 percent sure. Is 75 percent enough at this time?

MR. STEWART: Can Stock go?

MR. CHAIRMAN: Stock can't go. He was going to, but he can't.

MR. STEWART: Oh, that's right.

MR. CHAIRMAN: He offered to go, but he can't. I'll do a straw poll of the others. If someone can join you, they should, if that's all right. And if you can't go, that other person should certainly go. So it is "and/or" I guess: Dr. Buck and/or another member of the committee represent the committee at the Council on Government Ethics Laws.

MR. FOX: And that will be with Patrick Ledgerwood?

MR. CHAIRMAN: With Patrick Ledgerwood. We don't say that, do we?

MRS. EMPSON: No.

DR. BUCK: Does anybody know if the conference is on Thursday and Friday and back Saturday? Do we go Wednesday night?

MR. CHAIRMAN: I don't have that information in front of me.

MRS. EMPSON: Wait a minute; I have some documentation here.

DR. BUCK: Because I can spare two days.

MRS. EMPSON: Here's a copy for you.

MR. CHAIRMAN: You've got to be registered very shortly.

MRS. EMPSON: Right. If you can get these back to me.

MR. CHAIRMAN: Here's your program: 8:30, Wednesday.

MRS. EMPSON: Wednesday is registration.

DR. BUCK: So that means I go Tuesday night.

MR. CHAIRMAN: You're there right through Friday, and you get special fares on United Airlines. Okay, Walter?

DR. BUCK: Okay, I will let Louise know by Monday.

MR. CHAIRMAN: Could we have a motion then that Walter and/or another member of the committee attend the conference?

MR. STEWART: Moved.

MR. FOX: I thought I had made that awhile ago.

MR. CHAIRMAN: I wasn't sure. It got changed around a bit. Moved by Fred then. All in favour?

The last thing I've got -- Louise, did you kindly circulate for me the information on the the correspondence?

MRS. EMPSON: I did, but it was circulated when the committee was first struck.

MR. CHAIRMAN: Months ago.

MRS. EMPSON: I'm sure I have extra copies here.

MR. CHAIRMAN: We don't need it. Was anybody uncomfortable with it? In early July I had correspondence from the Canadian Mental Health Association, Alberta Division, regarding the jurisdiction of the Ombudsman. I referred her correspondence to the Minister of Hospitals and Medical Care since it had to do with the potential of a new Act and the possibility of some hospitals coming under more jurisdictions. I felt that the organization should

take it up with the minister or any MLA.

I'm uncomfortable, and I need your advice. Are you comfortable? She's never responded to me, by the way. I didn't feel it was our committee's role to enter into those areas. That's an area that MLAs, a minister, or a caucus should deal with, but I didn't think a committee should deal with that. I don't want to overstep whatever your feelings are about that. It's never come back, but I didn't want you to feel that I hadn't brought it to your attention. It was a letter saying that the Ombudsman should be available to become involved in the jurisdiction of these hospitals. Any one of our caucuses may feel that way, or none, but I didn't think that was something for the committee to wrestle with. Are you comfortable with the position I took?

SOME HON. MEMBERS: Yes.

MR. CHAIRMAN: Thank you. Great. Adjournment, unless there's any other items that people have.

[The committee adjourned at 3:23 p.m.]