



Legislative Assembly of Alberta

The 31st Legislature  
First Session

Standing Committee  
on  
Legislative Offices

Tuesday, June 24, 2025  
9 a.m.

Transcript No. 31-1-11

**Legislative Assembly of Alberta  
The 31st Legislature  
First Session**

**Standing Committee on Legislative Offices**

Getson, Shane C., Lac Ste. Anne-Parkland (UC), Chair  
van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC), Deputy Chair  
de Jonge, Chantelle, Chestermere-Strathmore (UC),\* Acting Deputy Chair

Chapman, Amanda, Calgary-Beddington (NDP)  
Cyr, Scott J., Bonnyville-Cold Lake-St.Paul (UC)  
Dyck, Nolan B., Grande Prairie (UC)  
Eremenko, Janet, Calgary-Currie (NDP)  
Lovely, Jacqueline, Camrose (UC)  
Miyashiro, Rob, Lethbridge-West (NDP)  
Petrovic, Chelsae, Livingstone-Macleod (UC)  
Shepherd, David, Edmonton-City Centre (NDP)

\* substitution for Glenn van Dijken

**Also in Attendance**

Lunty, Brandon, Leduc-Beaumont (UC)

**Legislative Officers**

Kevin Brezinski	Ombudsman, Public Interest Commissioner
Diane McLeod	Information and Privacy Commissioner
Shawn McLeod	Ethics Commissioner
Terri Pelton	Child and Youth Advocate
Gordon McClure	Chief Electoral Officer
W. Doug Wylie	Auditor General

**Support Staff**

Shannon Dean, KC	Clerk
Trafton Koenig	Law Clerk
Philip Massolin	Clerk Assistant and Executive Director of Parliamentary Services
Nancy Robert	Clerk of <i>Journals</i> and Committees
Abdul Bhurgri	Research Officer
Rachel McGraw	Research Officer
Warren Huffman	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications
Christina Steenbergen	Supervisor of Communications Services
Amanda LeBlanc	Managing Editor of <i>Alberta Hansard</i>

9 a.m.

Tuesday, June 24, 2025

[Mr. Getson in the chair]

**The Chair:** Good morning, everyone. It's 9 o'clock, and I'd like to call the meeting to order if I can. It's the Standing Committee on Legislative Offices, June 24, 2025. I'd like to welcome members, staff, guests to this meeting on the Standing Committee on Legislative Offices.

I'm Shane Getson, MLA for Lac Ste. Anne-Parkland, better known as God's country, and I'm the chair of this committee. I'd like to ask the members joining us in person and then online to introduce themselves for the record, and we'll start going to my right in the room.

**Ms Lovely:** Hello, everybody. Jackie Lovely, MLA for Camrose constituency.

**Mr. Dyck:** Nolan Dyck, MLA for Grande Prairie.

A quick point. I think one of our MLAs is still waiting in the waiting room online.

**Mr. Shepherd:** Good morning. David Shepherd, MLA for Edmonton-City Centre.

**Mr. Koenig:** Good morning. Trafton Koenig, Law Clerk.

**Dr. Massolin:** Good morning. Philip Massolin, Clerk Assistant and executive director of parliamentary services.

**Ms Rempel:** Good morning. Jody Rempel, committee clerk.

**The Chair:** We'll go online.

**Ms Chapman:** Amanda Chapman, MLA, Calgary-Beddington

**The Chair:** I see MLA Miyashiro. Hopefully, I got that right.

**Member Miyashiro:** Pretty good, Chair. Rob Miyashiro, MLA, Lethbridge-West.

**Mr. Lundy:** Good morning, everyone. Brandon Lundy, MLA for Leduc-Beaumont.

**Member Eremenko:** Good morning. Janet Eremenko, MLA for Calgary-Currie.

**Mr. Cyr:** Scott Cyr, MLA for Bonnyville-Cold Lake-St. Paul.

**Ms de Jonge:** MLA Chantelle de Jonge for Chestermere-Strathmore.

**The Chair:** Perfect. Thank you.

Just for the record MLA de Jonge is substituting as deputy chair for MLA van Dijken.

A few housekeeping items to address before the business at hand. Microphones are operated by *Hansard*, so we don't have to confuse them, like I was doing earlier, by pressing it when they were trying to turn it on. Committee meetings are being live streamed on the Internet and broadcast on Assembly TV online. Members participating remotely, ensure that you are prepared to speak or vote when called upon. Videoconferencing participants are encouraged to have their cameras on, if possible, when speaking. Please turn your cellphones to the least disturbing mode that you have. Silent preferable.

With that, we'll just jump into the agenda. A draft agenda was distributed for this meeting. Would a member like to move to accept the agenda?

**Ms Lovely:** So moved.

**The Chair:** I recognize MLA Lovely.

All in favour? Any opposed. Online, all those in favour, please say aye. Any opposed? Motion carried.

Minutes from previous meeting. We also have a set of meeting minutes. Would a member like to move a motion to approve those meeting minutes from the last meeting?

**Mr. Dyck:** I'd like to move that we approve the meeting minutes from the last meeting.

**The Chair:** Perfect. All of those in favour in the room, please say aye. Any opposed? Online, all those in favour, please say aye. Any opposed? Motion carried.

Supplemental funding requests; overview of the supplemental funding process. This is the first time in the legislative sitting that this committee has considered a request for supplementary funding. Before we invite our guests in the room to the table, I'd like to ask Mr. Koenig to provide us with a brief overview of the supplementary funding requests as it applies to the committee.

Mr. Koenig, the floor is yours.

**Mr. Koenig:** All right. Thank you, Mr. Chair. I'll be quite brief. The Standing Committee on Legislative Offices plays a specific role in the review of supplementary funding requests by officers of the Legislature. Officers such as the Auditor General and Chief Electoral Officer can submit a request for supplementary funding during the fiscal year, and these requests are made for the committee's review and deliberation. The committee may pass a motion recommending that the supplementary funding request be approved as submitted or amended. The committee may also decide not to pass a motion, thereby ending consideration of the supplementary funding request. The funding request is approved or amended. The committee's decision is communicated to the President of Treasury Board and Minister of Finance for inclusion in the supplementary estimates process, and that's governed by standing orders 61 and 61.1.

Last procedural note. The committee doesn't appropriate the funds directly, but its recommendation is a critical step in the legislative financial oversight process and supports the operational independence of officers of the Legislature.

That's everything I have.

**The Chair:** Perfect. Thank you for that.

Any questions? Seeing none in the room, any questions online? Perfect.

I also see MLA Petrovic. You managed to get through the technical firewall you were having issues with earlier. Can you introduce yourself into the record, please?

**Mrs. Petrovic:** Yes. Good morning. Chelsae Petrovic, MLA for Livingstone-Macleod.

**The Chair:** Thanks, MLA Petrovic.

At this point if there are no further questions or discussions, I would like to welcome our guests from Elections Alberta to join us at the table. The committee is considering a request from Elections Alberta for supplementary funding for the '25-26 fiscal year. The office has already submitted an outline of its request to the committee. I'll invite Mr. McClure to make the opening presentation up to 15 minutes in length, and then I'll open up the floor for questions from the committee members.

I'll let folks get settled at the table. I know you've had a couple of busy few days here in the last bit, obviously. Hopefully, the Tylenol, the Pepto Bismol, and the caffeine all worked for you in the appropriate manner for you and your team.

On behalf of the committee I'd like to thank you again for attending today, and I'll let you introduce yourself and your team, sir.

**Mr. McClure:** Good morning. It is a pleasure to meet with you today and present our supplemental budget. I'm Gordon McClure. I'm the Chief Electoral Officer. With me today is LaRae Petrowsky, Deputy Chief Electoral Officer, and Sunday Akintunde, director of finance. May I begin?

**The Chair:** Please go ahead. Understanding that you guys have been really busy, get settled in and you're good to go. We have about 15 minutes for you.

**Mr. McClure:** Thank you very much. As a result of recent legislative changes and a number of vacancies within the Legislative Assembly, my office finds itself requiring supplemental funding in the amount of \$1.9 million. This request outlines essential staffing and system investments that are needed to ensure the office of the Chief Electoral Officer can effectively implement legislative amendments in Bill 54, Election Statutes Amendment Act, 2025, and conduct two by-elections. The breakdown for this funding request is as follows. Bill 54 changes are \$835,000. The two by-elections are at \$534,000, amounting to a total of \$1,068,000 for a total of \$1.9 million.

The proclamation of Bill 54, Election Statutes Amendment Act, will significantly impact Elections Alberta's operations, including both our operating – sorry for the technical issue.

**The Chair:** It's one of those days. It's probably me. I swear I have, like, an electromagnetic pulse when I get in a room with any electronics, so it's probably not you guys. It's just me. Go ahead. All good.

**Mr. McClure:** The proclamation of Bill 54, Election Statutes Amendment Act, will significantly impact Elections Alberta operations, including both our operating and IT systems as well as staffing. The proposed changes will affect staffing resources for system and operational changes, Elections Alberta's online financial system, which we refer to internally as OFS, and Elections Alberta's elections management system, which we refer to as VoterView.

My office requires an additional dedicated full-time equivalent, or an FTE, employee to support legislative implementation and increased demands on operations. My office also requires a contract business analyst to focus on and implement changes required in our online financial system and election management system, or VoterView. We also require a contract instructional designer to support operations. This contract position will focus on redrafting all our required training materials in anticipation of by-elections, potential recalls, citizen initiatives, petitions, and subsequent votes in stand-alone referendums and ongoing preparations for the 2027 provincial general election.

System investments include upgrades and enhancements to existing systems as well as the requirement to develop new systems. Bill 54 changes, specifically those impacting the online financial system, will require capacity for the implementation of a new entity type, requiring development to support registration, contribution receipting, financial statement filing and reporting. Upgrades to election management systems will focus on procedural changes to align with legislative requirements in Bill 54, Election Statutes Amendment Act.

9:10

Elections Alberta's website will also require a significant update to support the legislative amendments to align with the updated

visual identity guidelines. Our website contains a large amount of material and information used extensively by voters, political participants, and entities alike. The total estimates required due to the changes in Bill 54, Election Statutes Amendment Act, is approximately \$835,000. A detailed cost breakdown is shown in appendix A, attached to our letter.

In my annual budget submission I provided estimates for the conduct of two by-elections. This was based upon historical trends. As of May 22, 2025, there were vacancies in ED 31, Edmonton-Ellerslie; ED 44, Edmonton-Strathcona; and ED 76, Olds-Didsbury-Three Hills, resulting in a budget shortfall by one election. We lack adequate funding to conduct these three elections collectively. Even though the three elections were completed yesterday, June 23, we have a shortfall. We also have to pay the voting places, office lease, and election workers for the third by-election. All these expenses will have to be settled within the next couple of weeks post by-election.

My office is requesting funding for two additional by-elections in '25-26 fiscal year rather than one to cover the shortfall we currently face. This request ensures that if an additional vacancy occurs prior to the end of the fiscal year, Elections Alberta will have adequate funding in place to ensure hiring, preparations, and the conduct of the by-election. If there is more than one additional by-election this year, I will have to return and ask for additional funding once again. The total cost of the two by-elections is estimated at \$1,068,000 and is outlined in appendix B, which was attached to our letter.

I am seeking the committee's approval for a supplemental funding request totalling \$1.9 million required to address two critical needs, one, implementation of legislative changes under Bill 54, Election Statutes Amendment Act, and, two, the costs associated with two by-elections, including one that occurred yesterday. Although the one by-election has already been conducted, several cost components remain outstanding. These expenditures are for returning officers and election clerk lump sum payments and compensation for election workers. Additionally, some funds already expended require proper reallocation to ensure continuity of approved programs as per previously approved budget. Approval of this funding is essential to prevent disruption of ongoing and upcoming pre-election preparations, to ensure the full and timely implementation of the new legislative provisions under Bill 54, and to uphold the operational statutory mandates of my office. Approving our request will ensure that we are able to effectively implement Bill 54 and execute our mandates.

Thank you for your time and for the opportunity to present this supplemental budget. This concludes my presentation. My team and I would be happy to answer any questions you may have.

**The Chair:** Perfect. Appreciate that.

Are there any questions from the floor? MLA Shepherd.

**Mr. Shepherd:** Thank you, Mr. Chair. Thank you, Mr. McClure and team, for being here today, and indeed thank you for the successful execution of the by-elections that took place yesterday. We appreciate your team's work and support.

In regard to, I guess, the budget request that you have in front of us, you have budgeted for an additional by-election. Now, of course, we know that with the changes in Bill 54, should that by-election occur, it will be under some significantly different rules. One of those will be that we know that there will be, then, additional costs due to the banning of vote tabulators, which was the decision of the government, the requirement to count all of the ballots by

hand. In terms of the additional funding you are requesting, then, for a potential by-election, are those potential costs included in that ask, and do you have a sense of what those would be?

**Mr. McClure:** We have included the costs in our ask. Of course, at the moment we're estimating – we're trying to look forward – that we will have some savings by not using tabulators, but we have also estimated the additional costs for the two by-elections in hand counting of about \$100,000.

**Mr. Shepherd:** Follow-up, Mr. Chair?

**The Chair:** Yeah.

**Mr. Shepherd:** Thank you, Mr. McClure. Appreciate that.

In a similar vein, we know with the changes under Bill 54, the new rules established, that it means that voters are going to face some significant changes in how they would be going about voting. We know, for example, there are significant changes in the ability to access the special ballot, the ability to vote in advance, where they can vote, and, frankly, their ability to vote at all if they don't have the specified ID that is now required by the government.

In that regard, have you built any amounts into this additional budget ask to ensure that we're providing voter information and education to ensure that any eligible voters in a future by-election will be aware of those changes and not inadvertently stripped of their vote?

**Mr. McClure:** We have included in our budget an updating for websites and educational materials, and that would be addressing voters' needs, also political participants' needs, and other entities' needs.

**Mr. Shepherd:** Thank you, Mr. McClure.

**The Chair:** I have MLA Eremenko as well. For anybody online just throw your hand up or send it to the clerk, obviously, to get our attention. The chair is keeping a speaking list or a request list. The same as in the room; just get my attention.

MLA Eremenko, the floor is yours.

**Member Eremenko:** Thank you so much. Nice to be here. Thank you, Mr. Chair, and thank you for the brief presentation, Commissioner. I have a question around the \$400,000 OFS allocation. I think you had said in your opening remarks here that this was in regard to the new entity type that needed to be included into OFS. I assume this new entity is the corporate and union donors who will now be eligible to donate to political campaigns. Is the \$400,000 simply more of the same kind of data requirements and data entry, or is it something wholly new to accommodate the new entity type of, I'm assuming, corporate and union donations?

**Mr. McClure:** It is to create the new entity type within the system.

**Member Eremenko:** And the new entity type is corporate and union donors?

**Mr. McClure:** It's the PACs. Yeah. The corporate donors and PACs.

**Member Eremenko:** Okay. May I have a follow-up, Mr. Chair?

**The Chair:** Yeah. Please go ahead.

**Member Eremenko:** I'm curious to what extent Elections Alberta knew that Bill 54 was going to entail such a significant cost in this accrual or in these accommodations of the new entity type. Did you

have a sense of what the requirements would be as far as the changes made to the data and financial reporting system as a result of Bill 54?

**Mr. McClure:** Yes. Go ahead.

**Mr. Akintunde:** Yes. We have incorporated – we have had this kind of experience from the implementation of Bill 81, and we understand the requirements for reporting. We have the understanding of the creation of a new model which will accommodate the new entity. The system is robust, and we want to make it convenient for all the political participants to be able to do their filing and everything. All of this has been embedded in the cost, and we have an idea of what it entails. We have talked to our vendor, and we have reviewed the changes, and we know what is to be incorporated in the system. All of these costs have been incorporated.

**The Chair:** Are there any other questions? Going once, twice; sold.

Thank you very much for your time. Really appreciate the work that you folks are doing. Again, now you can get a couple of hours of sleep, hopefully, after the elections are over.

**Mr. McClure:** It was a late night.

**The Chair:** Thank you so much.

Next we have the Auditor General. This might give us an opportunity to take a quick three-minute break, grab some coffee, let the room reset, and we'll have the Auditor General come in if that works for everybody.

Thanks.

[The committee adjourned from 9:19 a.m. to 9:22 a.m.]

**The Chair:** Well, welcome back, everyone.

At this point I'd like to welcome our guests from the office of the Auditor General to the meeting. The committee has received a request for supplementary funding from the office for 2025-26. As with our previous guest, we'll turn the floor over to Mr. Wylie for the opening remarks, up to 15 minutes, and then we'll have an opportunity for the members to ask any questions.

With that, Mr. Auditor General, the floor is yours. Please introduce yourself and the team.

**Mr. Wylie:** Well, thank you, Chair and committee members. It's great to be with you, so thanks for your time this morning. Joining me this morning I've got two members of the leadership team with me. Loulou Eng, on my right, is our senior financial officer, and Eric Leonty, on my left, is the Assistant Auditor General, who has oversight of the health portfolio.

Before I begin the presentation, I'd like to just provide some context of leading up to today. If you'll recall, we indicated in our budget on December 6, 2024, that I provided two caveats regarding our original budget submission for '25-26 fiscal. First, our budget submission did not include any amounts for the financial statement audit work that would be required relating to the four new provincial health organizations, and secondly, the submission did not include replacement costs for our end-of-life audit software.

Separate from this, subsequent to our budget presentation, my office announced the commencement of an examination into the procurement and contracting processes at the department of health and Alberta Health Services. We made that announcement public on February 6, 2025. On March 31, 2025, the Public Service Commission announced a 3 per cent general increase for management, opted-out, excluded, and union-exempt employees within the Alberta public service, and those changes were effective

April 1, 2025. Both the examination and the general increase also represent a postbudget approval request, which leads us to today's discussion.

My office is here today to present the first of two supplemental budget requests for '25-26 fiscal. Ahead of today's meeting you should have received a copy of my letter outlining the first supplemental request.

Chair and committee members, this is going to be a brief presentation. We'll touch on the highlights of the more detail that was provided to you in the attachment to the letter, and, as indicated in that letter, a second forthcoming request will cover the estimated costs for the financial statements of the audit work related to those four health care organizations that I referred to as well as the replacement for the end-of-life audit software that I, again, previously discussed. We expect to be able to submit that request to this committee once the necessary RFP, or request for proposal, processes are complete. We want to bring back accurate numbers to this committee.

All of that said, today we are here bringing forward an immediate supplemental estimate that's required for three items. They are the examination of the procurement and contracting processes at Alberta Health Services and Alberta health; the addition of a new health agency, which is Recovery Alberta; and a general increase as per the Public Service Commission.

Let me begin with the first item in our letter, which was the procurement and contracting examination at Alberta health and Alberta Health Services. The examination relates to chartered surgical facilities, medication, and COVID-19 personal protective equipment. The scope and complexity of this examination requires the assistance of professionals who possess specialized tools and skill sets. We also require external audit support to effectively execute the volume of work required for this examination. In addition, assistance from external legal services is needed to support the examination.

Now, committee members, this is a one-time request totalling \$990,000. As you are aware, there are more details included in the attachment to the letter that build up to that \$990,000 amount. I'm not going to get into those in this presentation, but you are aware of those.

I will reread, just for the benefit of the committee, what I publicly stated on February 6, 2025.

I recently commenced an examination of the Procurement and Contracting Processes at the Department of Health and Alberta Health Services... The examination pertains to Chartered Surgical Facilities, Medication... and COVID-19 Personal Protection Equipment.

The examination is looking at the effectiveness of management and control processes – including governance and oversight – ensuring value for Albertans while addressing concerns or allegations related to contracting and potential conflicts of interest.

[The] results of this work will be made available to all Albertans when the [report is] tabled in the Legislative Assembly.

Moving on to the second item, Alberta Health Services reorganization. This initial health care restructuring brings additional unanticipated costs related to staff resources required to complete the necessary financial statement audit work. Again, Chair and committee members, this represents a one-time cost of \$275,000 in support of auditing the desegmentation of Recovery Alberta, one of the new organizations, out of Alberta Health Services operations, and that was done as part of our March 31, 2025, year-end financial statement audit of Alberta Health Services. There were additional costs associated with auditing that.

As well, the request includes the audit cost for the actual audit of the financial statements of Recovery Alberta itself for the period

ended March 31, 2025. I believe the organization was in operation from September 1 through to March, so it would be a short-period audit, but those are additional costs that we will need funding for, that we have paid our agent, and we will need to seek resources for.

The final item for consideration is the unplanned general increase as per the Public Service Commission. At the time of our December budget submission we were unaware of and we did not include any amounts in our budget for the commission's general salary increase for certain public-sector employees. I would just remind the committee that on March 31, 2025, the commission announced a 3 per cent general increase for management, opted-out, excluded, and union-exempt employees within the Alberta public service, and that was effective April 1, 2025. That decision had a direct impact on our office costs.

Now, while the cost of the implementation to our office was around \$500,000, we were able to absorb approximately half of that with the existing budget. However, we have reached our limit of what we can manage internally. Additional funding is required to recover the remainder of that cost, and that's the \$250,000 amount that's included in the letter to the committee.

9:30

In closing, Chair and committee members, our supplemental estimate for fiscal '25-26 totals \$1,665,000, and that is inclusive of a 10 per cent contingency.

Committee members and Chair, that concludes our opening comments. We'll be pleased to provide answers to any questions you may have.

**The Chair:** Appreciate it. Very much appreciated.

The first one I have on the speaking list is MLA Eremenko. Please go ahead, MLA Eremenko.

**Member Eremenko:** Thank you. Thank you, Chair. Any luck on getting that visual going for those of us calling in? Oh, look at that.

**The Chair:** Oh, we can see you. Yeah. If that's working, can you see us?

**Member Eremenko:** Okay. I can now see you, yes. Unfortunately, the commissioner wasn't on camera for any of his presentation.

Thank you so much, Chair. Thank you, Commissioner.

**The Chair:** He's in the room. I can attest he's here.

**Member Eremenko:** Okay. I can rest assured.

Thank you so much for the opportunity to ask a couple of questions, and to the commissioner: thank you very much for being in attendance today. Thank you for reading into the record your February 6 statement. I did have a question right off the top in regard to that. You did mention in the statement on February 6 that, "if necessary, the examination may extend to other organizations." It's been four and a half months since that statement was initially released, and we know that there are now two additional investigations that are under way. You know, each of the three investigations is kind of tackling a certain piece of the broader procurement concerns that have been raised over the last number of months, so I appreciate that you have a particular focus on procurement related to those three categories of medication, chartered surgical facilities, and the COVID PPE.

As far as the consideration of additional departments that may be included in that investigation, to the extent that you're able to share with us, have you, in fact, been able to determine whether or not other departments are required to be included in your investigation,

and does the \$990,000 you're asking from us here include that increased potential scope of additional departments?

**Mr. Wylie:** We have not started a separate examination. Our focus continues to be on what I indicated on February 6, 2025. Having said that, as through our work, the nature of the examination is considering evidence as evidence is brought forward, but at this point we have not expanded the examination.

**The Chair:** You have a follow-up.

**Member Eremenko:** Okay. So it is still exclusively the department of health and Alberta Health Services?

**Mr. Wylie:** Yes. Yes, it is.

**The Chair:** Any other . . .

**Member Eremenko:** Okay. Thank you.

Mr. Chair, may I have a follow-up?

**The Chair:** I'm just checking the room here, MLA, to see. I think MLA Shepherd may be indicating, but I'm not sure.

**Mr. Shepherd:** Yes.

**The Chair:** Okay. We'll go to MLA Shepherd, and we'll come back to you. I'll throw you back on the list.

**Member Eremenko:** You bet. Thank you.

**Mr. Shepherd:** All right. Well, thank you, Mr. Chair, and thank you, Mr. Wylie and your team, for being here today. We truly appreciate the work that you're doing.

Following a bit, I guess, on the questions raised by MLA Eremenko, just wondering: could you provide a bit of clarity, then, when it comes to this just under a million that you're asking for for your investigation into this procurement and contracting with Alberta health, AHS? Just curious: is this largely due, I guess, to an expanding scope of investigation – that is to say that once you began investigating and looking into this, you discovered that the amount of material that was there was more than was initially anticipated – or how much is due to other factors? I know, for example, you're still working on your examination of the privatization of lab services through DynaLife, and you did indicate in some public comments that that had extended due to, I guess, some challenges with booking interviews, obtaining data. Is the additional funding due to encountering similar challenges, or is this largely just that you, in looking into this, have discovered this goes deeper and further than you might have anticipated and you need more resources to get through the full amount?

**Mr. Dyck:** Point of order.

**The Chair:** A point of order has been called. Go ahead, MLA Dyck.

**Mr. Dyck:** Thanks very much, Chair. Point of order 23(b). The member opposite is just asking a line of question that is well outside the scope of this committee; going outside, talking about DynaLife and various other things. It's outside of scope. I encourage just to bring this back into the scope. We are talking about budget and procurement and contracting, examination of Alberta health and Alberta Health Services. I'm all for giving extra money here for this – I think it's important work that he's doing to make sure that we can get those processes out there – but I think his line of questioning is outside of the scope of what we are here to do today.

**The Chair:** Did you want to respond?

**Mr. Shepherd:** Yes, Mr. Chair.

This is not a point of order. I can appreciate that members of the government may be sensitive about questions around areas of this government's waste, but I will say that this is entirely relevant to the question that I asked. I am asking the Auditor General about his request for just under \$1 million and asking for the parameters of what those dollars are going to be spent on. Referring to the DynaLife situation is referring to another investigation, and the Auditor General on the record has extended the context and the length of that investigation, which directly relates to cost. So I think these are perfectly reasonable questions to be asking the AG, and certainly he is free to choose to answer them how he wishes. This is not a point of order.

**The Chair:** Members, not a point of order at this time. I don't see that it is, but I would caution: just try to keep it tight to the items at hand. Oftentimes when members start going a little broad to make their statements – MLA Shepherd, you're a wonderful orator and legislator. There is no question on that. You understand the latitudes. MLA Dyck, you do have to allow a little bit of latitude on either side.

To the Auditor General, and for the sake of the rest of us, if we can keep it as tight as possible to the items without using a ton of illustration or alliteration to the questions at hand today, that would be very germane, I think, to making sure that we have a timely response and we can get to the matters later on, which would be putting the question of the recommendation of the committee to approve the funding that's being asked for here today. With that, I'll allow you to proceed, Auditor General. The floor is yours to respond.

**Mr. Wylie:** Thank you very much. With respect to this specific request the money that we're seeking is going to be used to pay external contractors' costs. Those are individuals with, as I said in the presentation, specialized skill sets that we need for this examination. The reason for that, quite frankly, members, is the nature of the work: the volume of the information we have to get through, the nature of the information we're looking at, the use of technology, and the specialized skill sets to be able to effectively get the information we want out of volumes and volumes of materials in written form and in other form to help us complete our work, essentially a specialized skill set. We do not at this time have that skill set within the office, so we are having to contract that out, quite frankly. It's an important piece of this work, and it's something that we need to do. That's the nature of this request before the committee.

**The Chair:** I appreciate that.

Do you have a follow-up, MLA Shepherd?

**Mr. Shepherd:** Yes. Thank you, Mr. Chair. Through you, then, to Mr. Wylie: if this additional funding was denied, what impact might that have, I guess, on your ability to complete this investigation?

**Mr. Wylie:** Well, I mean, quite frankly, simply I'd have to take that back to the office and discuss, but practically we just do not have the resources. Practically it would mean that we would have to stop the work, evaluate where we're at, and determine what we would do after that. We simply do not have the resources. As this committee will recall, over the last two years we have received only 2 per cent; '24-25 we got zero. We had to make some structural changes to this office, which impacted our workforce, and last year we got 2 per cent. Our agent costs alone last year went up 7 per

cent. So we just do not have the budget to pay for agent costs. Quite simply and practically, being fully transparent with this committee, we would have to stop the work.

**The Chair:** Thank you, AG.

MLA Eremenko, the floor is yours.

Anyone else who wants to get on the list, please get my attention. I'll throw you on.

Go ahead, MLA Eremenko.

**Member Eremenko:** Thank you very much. Yeah. You know, speaking to some of the comments that the commissioner made in regard to some of these contracted services that are required, it looks like, I believe if I'm reading the attachment A correctly, you've got three different firms identified to be able to provide some additional support in this project of investigating procurement processes by Health and Alberta Health Services. To your point, I can imagine that those are highly specialized and not necessarily readily available services and skill sets that you require for this very sensitive issue.

9:40

I'm curious about if there is kind of a premium on some of the rates being charged and that you are needing to allocate for those firms based on timeline. Certainly, one, we know that rates can increase when it comes to contracting services because of the level of specialization, and then depending on the kind of expedited needs required, that can also bump up the services. So is time of the essence here, Commissioner? Is that a consideration in the costs that are currently requested for those services because we're trying to get this out in a reasonable timeline? What timeline is that, please?

**Mr. Wylie:** Time is of consideration. I would suggest, though, that it did not significantly impact the rates. We did significant due diligence, and we had a number of referrals to deal with this specific piece of work. There were some alternatives that we looked at, and the firms and the rates that we are paying are very reasonable given the due diligence we did.

**The Chair:** Do you have a follow-up?

**Member Eremenko:** Yes, please. Thank you.

Yes, I appreciate that the office of the Auditor General is certainly very prudent when it comes to fiscal due diligence in that regard, so thank you for that.

I suppose that my follow-up, then, is also pertinent to the legal fees listed in attachment A, between costs accrued in the last fiscal year and what you are expecting to require for '25-26. We're looking at a total of roughly \$266,300. Commissioner, through the chair, is this legal analysis that is contributing to your investigation, or is it legal advice to your office?

**Mr. Wylie:** Both, and they are, quite frankly, an integral part of the team. Given the nature of the work that we're doing, I would describe them as an integral part of the team. They're providing ongoing advice, and they are doing specific pieces of work as well with very specific deliverables.

**Member Eremenko:** Okay. Thank you.

**The Chair:** MLA Shepherd for a second question.

**Mr. Shepherd:** Thank you, Mr. Chair. Through you to Mr. Wylie, there is the request here, then, for additional funding. There is the one-time cost to look into the desegmentation of Recovery Alberta and the additional cost now of taking on that mandate.

Now, we know that there has been desegmentation of a number of areas of health care, so we basically have four new pillars. Similarly, I would anticipate you will be assigned as the auditor for each of those divisions, so I would anticipate that probably we may be seeing some similar costs then to look at the desegmentation for each of those pieces and perhaps some additional costs in terms of establishing your work on those fronts. I just want to ask, then: within this \$990,000 that you're asking, do you anticipate this will be enough over the course of the next year to be able to cover what may be some additional costs to look into those pieces?

**Mr. Wylie:** The \$990,000: I should clarify that is specifically for the contract procurement piece of work.

**Mr. Shepherd:** Oh, pardon me. Yes, of course. My apologies.

**Mr. Wylie:** The other amounts that we have built in here – you're correct. We have added in \$275,000 that relates to the one-time costs associated with the restructuring. That is only for the part of the fiscal period March 31, 2025.

As indicated in the preamble, we will have to come back to this committee because we have been asked to be the auditor of the other organizations, and I have accepted that subject to funding. We will need funding to audit those new organizations, and we will go through a request for proposal process because we will have to agent that work out. We simply do not have the resources, manpower internally, to do that audit work with our own staff, so we will contract that work out to one of the firms or maybe a couple of the firms. We'll see how that plays out, but there will be additional costs with that, yes.

**The Chair:** A follow-up, MLA Shepherd?

**Mr. Shepherd:** Yes. Thank you, Mr. Chair. So what I hear you saying then, Mr. Wylie, is that, I guess, as a result of the desegmentation and the restructuring there is going to need to be a significant increase in the resources to be able to audit those entities, and it sounds like that would be on an ongoing basis.

**Mr. Wylie:** There certainly will be additional resources. I'm not too sure of the magnitude until we go through the RFP process, but certainly there will be incremental audit costs because we are now auditing four organizations instead of one notwithstanding that the size of the one was significant. But, again, the nature of the auditing and looking at the work we do, understanding the controls, the governance structures, all of those things are part of an audit. When you have four organizations, you have four governance structures, you have four different control environments, et cetera. So it does magnify the amount of audit work that is required, yes.

**Mr. Shepherd:** Thank you, Mr. Wylie.

**The Chair:** Are there any other questions? Once, twice.

**Mr. Shepherd:** Mr. Chair.

**The Chair:** You almost caught me there. Go ahead, MLA Shepherd, and then I have Eremenko, who just raised her hand as well, so I guess we have two more.

**Mr. Shepherd:** Thank you, Mr. Chair. In regard to your request, then, Mr. Wylie, for the additional funding for the unplanned general increase that's mandated by the Public Service Commission. As you noted – I guess this is something we've discussed previously here at committee; government members chose not to provide that funding previously – you have managed

to find about \$500,000 of that. Again, I commend you on that. Your office has always been excellent, I know, in trying to find every possible way to work within the mandate, the budget that you have, and on behalf of taxpayers.

But I'd note that the amount you're asking for here today, \$500,000, is not an insubstantial amount, probably about half of what you're asking to supplement your investigation into procurement on health. In some respects you've answered this, but I just want it to be clear for the record. If you are not provided with this additional funding, will this have an impact on your ability to complete some of the other work that you've been talking about here today?

**Mr. Wylie:** If I could, Chair, just clarify for the record. The total cost to our office was calculated to about \$500,000. We were able to absorb \$250,000 of that, so we are asking for \$250,000.

Back to your question. Yes, if we do not receive the funding, that will have an impact on the work that we do. Let me just provide you context, committee, and a direct response to the question. Over the last three years – so context, again. The last two years, we have received 2 per cent. We've asked for more; we've received two. We've made structural changes, as you said, committee member, to respond to the will of this committee to live within our budget. We've made structural changes. I just want to let the committee know, though, that in my view our staff have gone well and far beyond because over the last three years in addition to essentially holding the line on our budget, we have absorbed \$2 million worth of additional costs in relation to additional work that is being conducted for those that we audit.

Let me give you an example. The public postsecondary institutions have independently changed their year-ends to coincide with our busiest time of year. Fair enough; we've responded. But what that meant is that we had to hire agents to do that work because we just did not have the resources. That's an additional cost. There are other new organizations that have created other new audits for us to do. Alberta Treasury Branches has created subsidiaries. We have absorbed the costs, those new audit costs, within our existing budget.

Committee member, I just come back to the heart of your question. If we do not receive the funding, will it have an impact? As I said earlier, Chair and committee members, we are at a point where we cannot absorb anymore. So these requests are serious. We don't take coming to this committee asking for additional funds lightly. They are real needs. We have no built-in contingencies or slush funds anywhere here. Loulou has gone through our budget line by line. So you're receiving a verified and validated request for money that we are committed to spend. If we don't get it, as I said, we will have to make some tough decisions on some of the audits that we're doing.

**The Chair:** Excellent. Thank you for the great response.

MLA Eremenko. Oh, you're on mute. There you go.

9:50

**Member Eremenko:** There we go. Thank you. Yes, I'm mindful of the 30 performance audits that you had mentioned in our last conversation here in December, and the status of those, I think, is really worrisome when it comes to some of those tough decisions that you've just alluded to. That's work that I think, ultimately, is incredibly important for us as decision-makers and members of the Legislature as well as for the general public and, of course, for our public service as well.

Just a pretty quick question, I think. You're asking here for \$990,000 to investigate Alberta health and Alberta Health Services.

That is new dollars to be allocated to that investigation. Are there allocations that are made with your current staff complement to support the investigation? Should you be approved for this \$990,000, is the total cost to your office for the investigation greater than that given an allocation of existing resources you already have?

**Mr. Wylie:** Through you, Chair: yes, we do have internal resources allocated to this. As I tried to indicate earlier, the request that's before you is for the hiring and work of individuals with specialized tools and skill sets to do one aspect of – well, more than one, but several aspects of our work. But there are other elements to this examination as well that are being conducted by our staff.

**Member Eremenko:** Do you have a dollar figure for that or some kind of a budget for what that demand is on your existing resources?

**Mr. Wylie:** We certainly would, but I don't have that today, Chair. We're doing that with existing resources within our existing budget; this is additional money that we're seeking outside of that, so I don't have that information.

**Member Eremenko:** Okay.

**The Chair:** Great response again and good questions. Committee members, not being mindful of time, but I'm always mindful of time. If there are any other questions that haven't been asked, I'm more than willing to take them. I think that we've run almost to the end of our rope. Personally, I would love to see us get into the next part of the agenda, where we can talk about the dollars and cents and, hopefully, not to predicate anything that the committee may make, but to make a decision so that these folks know if they can keep the lights on, keep doing the good work they're doing, or have to pivot and adjust. So with that, I'll throw it out for the last ask for any questions.

Seeing none, AG, you and your team, we appreciate your time in coming down here today for giving us this, and if you can we'll go into considerations now on the next part of our agenda, so thank you so much.

**Mr. Wylie:** Again, I sincerely thank you for your time this morning and consideration. Thank you.

**The Chair:** At this point in the process the committee does have to make some decisions regarding the two requests for supplementary funding that we viewed today. I'll throw it out for questions and comments.

MLA Shepherd, you've got my attention.

**Mr. Shepherd:** Thank you, Mr. Chair. I would like to make a motion if I could.

**The Chair:** Yeah. I guess that's okay. All right.

**Mr. Shepherd:** Excellent. I would like to move that the Standing Committee on Legislative Offices approve the request from the office of the Auditor General for supplementary funding in the amount of \$1,665,000 for the 2025-26 fiscal year and that the chair, on behalf of the committee, forward that request to the President of Treasury Board and Minister of Finance.

**The Chair:** Okay. Let's get that on the screen to make sure we have it. Okay. And we did go a little bit out of order today, but there are no issues there. The chair didn't specify if we're going to do elections first, so we're jumping to the second one first, for those following along at home. And does that make sense from what you've said, Member? Does that read correctly?

**Mr. Shepherd:** Yes, Mr. Chair, that captures the spirit of what I want.

**The Chair:** Okay. Perfect. We'll open up that for discussion. MLA Petrovic, you've caught my attention. Then MLA Dyck, you've just raised your hand. Go ahead, MLA Petrovic.

**Mrs. Petrovic:** Thank you, Chair. I'm going to say that for maybe once in a very long time, I agree with the Official Opposition on this. I think that by approving these additional funds, we are ensuring that the critical work of the Auditor General can continue to be implemented. For once I agree with the opposition. Thank you for that.

**The Chair:** For those following along at home, the system does work occasionally. This is great to see. It makes the chair smile. MLA Dyck, and then back to MLA Shepherd.

**Mr. Dyck:** Excellent. Thank you, Chair. In prior meetings we did request that for any supplementary supply, they would come and make these requests. I do agree with the process, that it is working. I do just want to pinpoint that this is good, for them to come back to request extra funding. This was something that we did press for in budget deliberations, too, for them to come back, so I'm thankful for that.

I agree. This brings clarity; it brings transparency. I'm thankful for the Auditor General doing that work. I, once again, do agree with this motion and will be voting in favour of it.

**The Chair:** Excellent. MLA Shepherd.

**Mr. Shepherd:** Thank you, Mr. Chair. Just to have an opportunity to speak to my motion; perhaps don't need to motivate as it seems to be that we are all onboard. I will just say that I agree with the members of the government that indeed this is important funding for the Auditor General. We heard from him quite clearly today what the implications of a lack of this funding would be. I do want to note again for the record the due diligence that the OAG has consistently shown in trying to meet the stringencies of the budgets that have been given to them by the committee previously and just the importance of this current investigation. As the Auditor General noted, this has proven to be a significant investigation, broad reaching, and I think it's incredibly important on behalf of Albertans that we empower him to be as thorough and complete in this work as possible.

I thank the other members of the committee, hopefully, for their support of the motion.

**The Chair:** Excellent. I see MLA Miyashiro. Hopefully, I got that right. I'm still new here.

**Member Miyashiro:** Thank you, Mr. Chair. I just want to make a comment. Based on what the Auditor General has explained to us this morning, the fracturing of the different departments and spreading out of the work for his department, of course I would be in favour of this allocation to the Auditor General's office. My concern is that it's actually not enough money, based on what he said, and there may be some shortfall down the line as well.

**The Chair:** Okay. Anyone else want to speak to it? I'm prepared to call the question if we're all good. We seem to be having group hugs here today. This is great.

**Ms Lovely:** Question.

**The Chair:** Call the question. All those in the room in favour of the motion, please say aye. Any opposed? All those in favour online, please say aye. Any opposed?

Motion carried.

The next item that we have to talk about is Elections Alberta. There was some discussion there, and we pre-emptively may have seen a motion that was put forward. With that, I'll open it up to discussion. MLA Petrovic, you caught my attention.

**Mrs. Petrovic:** Thank you, Chair. I'm just going to jump right to it and put a motion on the floor that

the Standing Committee on Legislative Offices approve the request from Elections Alberta for supplementary funding in the amount of \$1,903,016 for the 2025-2026 fiscal year and that the chair, on behalf of the committee, forward the request to the President of Treasury Board and Minister of Finance.

**The Chair:** Excellent. I see that's onscreen. I anticipate that from your end you're seeing the same thing. Just please take one chance to read through that to make sure – if there are any changes that you may want versus the verbiage we have there for you.

**Mrs. Petrovic:** I think it looks good to me, Chair.

**The Chair:** Perfect. Thanks, MLA.

With that, I'll open up the discussion.

**Mr. Shepherd:** I'll be brief, Mr. Chair. I'll thank Mrs. Petrovic for putting forward this motion. I think myself and I'm anticipating my colleagues on the opposition side are in agreement with this. This is incredibly important work being done by the Chief Electoral Officer. There are a significant number of changes under Bill 54 that were imposed, so I think it's right and appropriate that we provide the funding that's going to be necessary to ensure we are keeping Albertans well informed and well protected in the electoral process.

**The Chair:** Thank you. Appreciate that, sir.

Any other comments, questions for discussion?

Seeing none, I'm prepared to call the question. In the room here, all those in favour, please say aye. Any opposed? Online, all those in favour, please say aye or indicate so. Any opposed?

Motion carried.

Great work, folks.

Other business. Are there any other business items to be brought forward for the committee? Going once, twice.

The next meeting date will be at the call of the chair.

The next part of the agenda is everyone's favourite part. It's the adjournment. Would a member like to move to adjourn? MLA Dyck.

**Mr. Dyck:** I move to adjourn the meeting.

**The Chair:** Excellent. All those in favour, please say aye. Online, all those in favour, please say aye. Any opposed, either in person or online? Seeing none.

Thank you very much, everybody. If I don't get a chance to see you prior to that, enjoy a well-deserved summer and break, and thank you for coming back again to take care of this most important work for the people.

With that, meeting adjourned.

[The committee adjourned at 10 a.m.]



