

1:08 p.m.

Monday, January 14, 1991

[Chairman: Dr. Carter]

MR. CHAIRMAN: Welcome back, ladies and gentlemen. The tentative agenda is before you. Any additional business to be put on there?

Edmonton-Highlands.

MS BARRETT: Mr. Chairman, I don't have anything additional, but I see that the Member for Calgary-Millican is here now. Would it please the meeting if we moved item 5(b) at least in advance of the budget estimates?

MR. KOWALSKI: I'd sure agree to that. If he's here, there's no sense in hanging around the whole day.

MS BARRETT: Yeah, no sense in hanging around for the whole thing.

MR. CHAIRMAN: So it would then become 4(d), and 4(d) would become 4(e). Is that basically what I'm hearing?

MR. WICKMAN: Yeah. That's perfect.

MR. CHAIRMAN: Okay. All those in favour, please signify. Opposed? Carried.

Okay. I'll take that, then, as approval of the agenda. The agendas can then be distributed to the media. Perhaps Robert could do that. The media can take note of the fact that the item dealing with Calgary-Millican becomes 4(d).

All right; item 3(a), Approval of the Committee Meeting Minutes, December 17.

MRS. BLACK: Motion to approve as circulated.

MR. CHAIRMAN: Thank you, Calgary-Foothills. Any questions? All those in favour of the adoption of the minutes of December 17, please signify. Opposed? Carried. Thank you. Item 3(b), December 18. Calgary-Foothills.

MRS. BLACK: Motion to approve as circulated.

MR. CHAIRMAN: Thank you. Questions? Most of the items should be picked up as we go along. All those in favour of the approval of the committee meeting minutes of December 18, please signify. Opposed? Carried.

Item 4(a), Clerk, with respect to the GST, I believe.

DR. McNEIL: Just further information. I have sent a memo to all members, and the director of administration has sent a memo to all chiefs of staff, caucus staff, and constituency office staff, relating to the impact of the GST on the operations of the Legislative Assembly. So people on your staff should now be in a position to understand what the implications are. If there are any questions that do arise, they should get in touch with the director of administration.

We received a fax December 20 with respect to the province's position on the GST with information as to what the appropriate disclaimer clause was on our invoices and so on and a list of the various government entities that should be exempt from the GST. As it turned out, the Legislative Assembly Office had been inadvertently omitted from the list of Alberta government related entities which should be exempt from the GST which was

developed and sent to Ottawa, so we've requested that they include the Legislative Assembly Office on that list. They have also provided us with a list of items that are sold by the Legislative Assembly Office as to their GST status, whether they're exempt or whether it applies. We have a question on a couple of those items, namely the sales of *Hansard* and Votes and Proceedings, which were suggested as being subject to the GST. We still have a question as to whether or not that is the case, because we consider them to be regulatory items.

MR. McINNIS: So if you buy five *Hansards*, they're taxed, and six are not taxed.

MR. CHAIRMAN: The first questioner is Calgary-Foothills, thank you.

MRS. BLACK: Thank you, Mr. Chairman. Just as a follow-up on it, have we got an anticipated date when the tax number will be available? If in fact we do, are the purchase orders going to be reprinted to reflect the exemption?

DR. McNEIL: The tax number only relates to items that we sell. Anything that we purchase requires a disclaimer on the invoice, and we have already communicated that disclaimer to everybody and their staff. The registration number is what a buyer has to have if they're purchasing a product or services from the Legislative Assembly. It's not something that our invoices require.

MRS. BLACK: So we won't get an actual number like the federal sales tax number exemption when we go to purchase?

DR. McNEIL: You don't require one. All you require is the disclaimer clause on the invoice.

MRS. BLACK: Okay.

DR. McNEIL: But we do have a registration number that would be provided to somebody, let's say, who comes to the library and makes lots of copies and therefore at some point in the future has to account for that GST that they paid.

MR. CHAIRMAN: The Member for Cypress-Redcliff.

MR. HYLAND: Thank you, Mr. Chairman. Are we going to get copies of this disclaimer on tabs or peel-off tabs or something?

DR. McNEIL: Yes.

MR. HYLAND: A lot of us deal with small suppliers in various things. To them, they're following the rule of the law, and the GST has to be charged, and a lot of them aren't dealing with many people that are exempt.

DR. McNEIL: We provided all your staff with that disclaimer as of January 9, when the memo went out.

MR. HYLAND: Yeah, but not in any form that . . . If we have to write it all on there, the way most of us write, you're not going to be able to read it anyway. Are we going to get some sort of peel-off form or stamp or something?

DR. McNEIL: Yes. We're recommending that it be typed on until we finalize the actual disclaimer statement, because there are still some questions about that. So right now we're recommending that it be typed on or that a stamp be made for it. Once we've finalized it, we'll generate these peel-off labels and purchase a large number of stamps, which we'll distribute throughout the constituency and caucus offices so that everybody has the same wording. But as the memo indicates, it's an interim disclaimer clause until we're certain that that's exactly what the feds require.

MR. HYLAND: I'm thinking mostly of our purchase orders that we handle.

DR. McNEIL: Yes. What we'll do is overprint those or print those. We'll generate a new batch with that disclaimer clause on it.

MR. HYLAND: Send the feds the bill for the ones that we have to shred to recirculate.

MR. CHAIRMAN: Additional? Barrhead.

MR. KOWALSKI: David, just so I really completely understand this, the process will be adjudicated through your office and go back to the federal government. I'll give you an example. I bought gas the other day and committed a mortal sin by buying it from Petro-Canada. Anyhow, I didn't think gas was supposed to be subject to the GST, but he basically then put \$1.96 GST on the bill, whatever the global figure was. I said, "Well, that's added to the bill." He said, "No, that's part of the price." How would that be calculated back? Obviously, we the taxpayer paid for that. How do we get it claimed back?

DR. McNEIL: On your expense claim form it has to be listed separately and then . . .

MR. KOWALSKI: But I don't have it. I used the PHH card.

DR. McNEIL: Well, with PHH we work through PHH to claim the GST back just as we've done in the past for federal sales tax. In the past we received the federal sales tax rebate through PHH, so it will be the same process on the gasoline credit card.

MR. CHAIRMAN: So everybody keep using PHH; don't use your other company cards. It makes it easier.
Calgary-Glenmore.

MRS. MIROSH: Well, just on that same issue. With regard to the airline tickets, if you use the enRoute card, then you already have that calculated out. When we fly in, there's that extra tax on our enRoute card. Do you have that itemized?

1:18

DR. McNEIL: We're suggesting that anything the GST is paid upon has to be itemized separately so that we can then reclaim it one way or another.

MRS. MIROSH: Because they itemize it on our receipt that we receive, but I don't know that you get that.

DR. McNEIL: Yeah, well, we wouldn't receive a copy of that. It's very important to maintain that so GST charges are obvious

on any invoices that you get. What we're trying to do is maximize the purchases we make through the Legislative Assembly Office and not pay that in the first place rather than have to have the government recover the money through another process that's managed by Treasury. So we're trying to minimize the amount of GST we pay on our purchases.

MR. CHAIRMAN: Additional on this topic? Thank you. No doubt we're going to hear about it for some time.

All right. Moving on to item 4(b), Communication/Constituency Allowances Guidelines, the subcommittee. The Member for Edmonton-Whitemud.

MR. WICKMAN: Thank you, Mr. Chairman. I have a verbal report to give. The subcommittee met this morning, so there wasn't opportunity to prepare a written report.

There were three items we dealt with. The question of caucus budgets: it was agreed by the four of us there that we would ask the three chiefs of staff to get together and discuss it and come forward with some recommendation for our consideration. That'll happen fairly quickly.

We had a discussion on the constituency budgets, and it was agreed that we wanted a bit of time to think about it, do some research within our own caucuses and such, and talk to our caucus colleagues. We'll be discussing that again at our next meeting.

The third item, the guidelines for mail-outs and ads: we're requesting that an analysis be done on other jurisdictions – the House of Commons, other provincial governments – as to how they handle this particular matter. That analysis would include research on the appeal mechanisms that are used within these other jurisdictions. That would then be reported back to the Members' Services Committee. It's our recommendation, Mr. Chairman, that your office oversee that analysis with the assistance of Robert Day.

MR. CHAIRMAN: Okay. Clerk.

DR. McNEIL: This is an analysis beyond the report provided to the members of the committee that we'd already done as to what other jurisdictions do in this regard?

MR. WICKMAN: Mr. Chairman, it has to address two things principally. One, how do other jurisdictions handle it on a provincial basis and also a federal basis? Secondly, what appeal mechanisms do those other jurisdictions have?

DR. McNEIL: So you're saying that the information we already provided you on this topic as to what other jurisdictions do is not sufficient?

MR. WICKMAN: No, because it didn't really go into a province-by-province breakdown as to how each provincial Legislative Assembly handles it. It really didn't address the question of appeal mechanisms that may apply at that particular level.

We're familiar, for example, with the House of Commons, that the Speaker of the House ultimately rules on those types of decisions, but what happens in the province of Ontario? What happens in the province of B.C.? From the subcommittee's point of view we don't have the research staff at our disposal to carry out that type of research. That's why we felt it would be

appropriate for the chairman of the committee to conduct that analysis.

DR. McNEIL: Might I suggest that I meet with you, Mr. Wickman, and go over the report that we've already generated and see where the gaps are that need to be filled in? Is that appropriate?

MR. WICKMAN: First, Mr. Chairman, I think this committee has to either disagree or concur with the way we're going. Or does the committee simply want to drop the matter?

MR. CHAIRMAN: Committee members, it's the recommendation of the committee, therefore a motion, that those things take place. Are you prepared to discuss that motion, or are you prepared to ask for the question? Question.

MR. WICKMAN: The motion specifically coming from the subcommittee, Mr. Chairman, would be that your office assume responsibility for preparing the analysis as to how the other jurisdictions deal with this matter, including their appeal mechanisms. Then if David wants to discuss it with me further, that's fine.

MR. CHAIRMAN: Okay, that's the initial part of it. Then I assume the material goes back and you reconvene a meeting of the committee.

MR. WICKMAN: That's right.

MR. CHAIRMAN: Okay. Discussion?

MR. KOWALSKI: This motion, Mr. Chairman, is to look to see what's happening in mailing?

MR. WICKMAN: No, no. It's dealing with the guidelines on advertising and mail-outs, the question we dealt with at the last meeting. Ken, maybe you weren't here.

MR. KOWALSKI: I wasn't here; sorry. It's okay if you dealt with it.

MR. WICKMAN: It's got nothing to do with the mail-outs or the amounts of the mail-outs or that type of thing.

MR. CHAIRMAN: Okay. Those in favour of the motion, please signify. Opposed? Carried unanimously. Thank you.

Item 4(c) is the subcommittee to review the matter of mail-outs. Edmonton-Highlands.

MS BARRETT: Well, we too met today, at 12 noon, and recommend to the committee as follows: that a review of the actual expenditure in the upcoming fiscal year and for the last quarter of the current fiscal year be considered by the committee just after the spring session adjourns. We also recommend that we review the mailing costs for the last two years, including the upcoming fiscal year, of seven departments to see if there's a corresponding increase or decrease. The departments that we recommend reviewing are Environment, Family and Social Services, Health, Education, Labour, Agriculture, and FIGA. This is the method by which we feel we can see if increases such as the 33 percent increase are expected to be an ongoing item

or in fact are quite related to increases felt by other departments, sometimes generated on an issue-by-issue basis. That would be the first recommendation.

The second recommendation is something that would at first blush seem unrelated, and that is that we contemplate the method for householder MLA reports used by Manitoba and Ottawa, at least in those two jurisdictions, which are centrally printed and centrally mailed. The context in which that would be contemplated would be (a) optional and (b) on the assumption that part of a member's communications allowance, a certain percentage or a certain actual number, would have to be forgone for those members wishing to subscribe to the in-house control of production.

I'm not sure that we would want to put a time line on looking at this, but I think that probably our subcommittee would like to get together before we meet in the summer to have a look at the preliminary figures. Perhaps at that point we could look at recommendations thereon.

MR. CHAIRMAN: Are these two motions or one?

MS BARRETT: You can separate them.

MR. CHAIRMAN: Okay. What do you take to be the wording of the first motion?

MS BARRETT: That we review the actual mail costs from the Leg. Assembly, in the summer after the House adjourns, and that we do so having also reviewed and formally requested of the seven departments that I mentioned a look at theirs from last year, this year, and the coming year, because they have to separate their mailing costs as well, to see if the increases correspond roughly.

MR. CHAIRMAN: Thank you. That's the first motion. Discussion? Cypress-Redcliff.

MR. HYLAND: Mr. Chairman, I think the question we had was: is there an increased cost in all government for communication? Asking the other departments would give us a better idea if it's just our area or if all departments are experiencing additional costs.

One thing I should say, and I neglected to say it at the meeting, is that we should make sure – and I'm just assuming everybody does it – that all the mail has the stamp of the sender on it so that the Leg. Assembly can continue what they've started in trying to track where the information is coming from to help us come to our decision in three, four, five, or however many months it's going to be.

1:28

MR. CHAIRMAN: Additional comments?

MR. KOWALSKI: Well, wouldn't public accounts just have a statement in it about what has been paid to Canada Post? I mean, isn't this just information quickly retrievable out of the public accounts documents that are already published on an annual basis?

MS BARRETT: Yes, but you can't get it broken down. It's easy for each department to supply the information because they have to do it in any event for their own internal accounting purposes under a very specific code number. So each depart-

ment could do that. It is as simple as photocopying this one page.

MR. KOWALSKI: I appreciate that.

MR. HYLAND: Question.

MR. CHAIRMAN: A call for the question. Those in favour of the motion, please signify. Opposed? Carried unanimously. Thank you.

The second part.

MS BARRETT: The second part is, I guess, asking for permission for this subcommittee to later on look at the way bulk householder mailings are done in other jurisdictions and contemplate making an option available which might imitate some of the other jurisdictions that do a more central version of both printing and mailing. So I guess it's a mainly a permissive motion, Mr. Chairman.

MR. HYLAND: Different binders to look at.

MS BARRETT: Right. We could report on that, again, in the summer.

MR. CHAIRMAN: Again, a request for the Clerk's office to do the checking into the other areas and give information back to your subcommittee.

MS BARRETT: That would be very helpful, although it's not a rush in terms of time.

HON. MEMBERS: Question.

MR. CHAIRMAN: Those in favour, please signify. Opposed? Carried unanimously.

All right. The next item was under New Business: 5(b) is now moved up to 4(d), in regard to the Member for Calgary-Millican. Thank you, Mr. Shrake, for responding to the request of the committee for appearing today. On December 21 I received the following letter from the Member for Edmonton-Highlands:

The recent revelations concerning Mr. Gordon Shrake's alleged misuse of his Legislature-issued credit card has cast a cloud over all elected Members of the Alberta Legislature.

As elected representatives, we must show the taxpayers that their trust in us is not misplaced. The allegations against Mr. Shrake may have caused the public to question the integrity of all elected representatives.

Will you order an immediate investigation into Mr. Shrake's use of his Legislature-issued credit card? Thank you for your consideration of this matter, and I look forward to your response. On December 28 my letter back to the same member was:

Thank you for your letter of December 21, 1990 which was received in my office on December 27, 1990.

On Wednesday, December 19, I instructed the Clerk of the Assembly . . . to initiate a complete review of Mr. Shrake's use of his PHH credit card, issued by the Legislative Assembly.

I also acknowledge receipt of your telephone request to have this matter reviewed by the Members' Services Committee when it next meets in January.

Subsequent to that, a registered letter was sent by the Clerk to the Member for Calgary-Millican on December 21:

To assist the Legislative Assembly Office in its review of the situation surrounding the use of your gasoline credit card, I am requesting that you provide me with the originals or certified copies of all receipts for gasoline and related products charged to the

Legislative Assembly through your PHH-Canada credit card since March 20, 1989.

Again, the letter was sent by my office to Mr. Shrake to inform him about this meeting. So that's been complied with, and the receipts have been received by our office.

Now, any further comment? First, the Member for Edmonton-Highlands.

MS BARRETT: Yes, perhaps I could just ask if the Clerk's review has indicated anything that would be of relevance to this portion of the meeting.

DR. McNEIL: Only in terms that I reviewed all the original slips against the PHH billing for which Mr. Shrake has certified that the expenditures were related to Legislative Assembly business, and they all match up. So in terms of the information PHH provided us for which Mr. Shrake has certified that those expenditures were under the authority of the relevant Members' Services orders, they're all consistent.

MR. CHAIRMAN: Calgary-Millican.

MR. SHRAKE: Yeah. First of all, I never thought I was doing anything wrong at the time. I feel bad if I've brought a problem back before members of the Legislature.

The other thing is: at the time I've ever used my credit card, I've always been there. But through the last few years my own personal vehicle has been on the whack at the odd time. Early in '89, as soon as we came into this term, due to some unfortunate things that happened in Calgary my motor and transmission seized in the old Oldsmobile I have. It's a 1981, and it's a great old car and all. So I had to put a rebuilt into her, engine and transmission. I had a little help somewhere along the way on those going out; they seized from something in the gas tank, but that's neither here nor there. Since then I have had the odd problem with this 1981 Oldsmobile.

Since all of these problems have arisen, I have some very definite plans. First off, I will be getting myself a new car so I don't have occasion to have the car in service. I'm afraid my old '81 Oldsmobile is a bit of a gas guzzler. I am definitely going to get one of these nice little guys that gets 35 or 40 miles a gallon or whatever.

I don't know if any of you heard the news in Calgary. It was pretty awful. At one point they said I was buying gas for friends, which was not true. One of them even had on the news network: Gordon Shrake, Calgary Tory MLA, blah blah blah, admits he bought gas for party workers. That was not true. I did phone and ask them where they got that, and they said, "Oh, we're sorry, we misunderstood." After running it half the day, they finally pulled the thing off. But it did sound pretty awful. I've been appearing anywhere I can through my area to try to explain. It's a pretty difficult thing to do.

Anyway, I am willing to do whatever this committee recommends. If I've done anything wrong anywhere, anyhow, I will reimburse anything, anywhere that's out of line or so on. I guess that's all I can say at this time.

MR. KOWALSKI: Mr. Chairman, obviously we're here because of a letter that came to the committee and because there were some news reports about a certain situation. But I am not clear - I'm still not clear; it's not clear in my mind - what this issue is all about. I remember walking down the halls of the Legislative Assembly one day and a bunch of people threw a bunch of

microphones in my face, saying, "Did you hear about this, and what about this?" And you make comments theoretically.

But what is it that we're talking about? I've never had a chance to discuss this matter with the Member for Calgary-Millican. This is a meeting of this committee today. There's *Hansard* here. The member is already saying he's sorry for this and he's sorry for that. But I don't know what it is we're sorry about or what we're sorry for. Now, if we're going to have this discussion this afternoon, I'd like to know the who, what, when, where, why, and how: what this is all about.

All members have a card that allows them to purchase fuel in the pursuit of their duty. Where do we go from there? What's the issue we're talking about today? That's what I'd like to know.

1:38

MR. SHRAKE: Maybe I can shed further light on this. I think it was December 17. My old Olds had been stalling, and I had it in the shop. So I had my assistant in Calgary, Dave Jones, who works in my constituency office – we used his old Malibu automobile. This was right before Christmastime, when we got out of the Legislature here. I was really chasing around a lot that day, so at the end of the day he said, "I'm a little low on gas." So we went to the service station – and I've dealt with that same station for quite a number of years – and I bought \$25 worth of gas. This was the day before the cold spell hit and the Christmas season and all.

He said, "Could I get a car wash?" If you buy over \$20 worth of gas, it's only \$2.75. So I said: "Well, sure. Why not?" We got a car wash and \$25 worth of gas. I've been onto this thing of wanting to always put my licence plate number when I sign. He said, "No, we shouldn't do that." I said: "No, no, I'm supposed to. I have to put my licence plate number on it." So the young fellow there said, "Well, okay."

Anyway, this triggered a response. They phoned the news media, and in turn the news media came wandering by the next day. I was not feeling well, unfortunately. I'd been up early in the morning, and I had decided I'd lie down around lunch hour for about half an hour. I got a knock on my door. I went to the door, and there was CFCN television. They had a camera going, and the reporter there questioned me. So I did explain, "Well, look, I would like to get dressed." He said, "Well, it'll only be a minute." So I got the most horrible run of me sitting in my T-shirt, with my hair messed up, not looking well at all. I didn't feel well at the time; I have a little problem with some things that have happened.

So this triggered it all. It came down basically – I think I've been at fault. If I was not using my car, I still put my licence plate number on it. I understand that is wrong, and I will never do that again. The other was putting gas in a car which was not my vehicle. Then that raised the question: was I buying gas for friends and party workers and these things? You know, I'm suspect. I guess that is the crux of the problem. I have not done this. This basically has only been the person who has worked for me. I've had different people work for me in the last couple of years. I had one fellow, and then he went on to better things, and I have Dave Jones at present. But those were the only people, and it was only when my car was out of service.

MR. CHAIRMAN: Thank you.
One supplementary.

MR. KOWALSKI: Let me repeat this. So we're talking about an event that occurred on December 17, 1990, when you went

with an individual. For whatever reason, that individual was taxing you about. We all understand the difficulty you've had, Mr. Shrake, with your eyes; we understand that completely. You purchased \$25 worth of gas at a self-serve service station.

MR. CHAIRMAN: No.

MR. KOWALSKI: No? Okay. That's immaterial anyway, I guess.

You paid for it by using your PHH card. When you had the card given to you, you put down your personal auto licence on the receipt.

MR. SHRAKE: Yes.

MR. KOWALSKI: Okay. And the car in question was not a car owned by you but by an associate who was assisting you in the conduct of your duties. That's the issue. That's what we're talking about.

MR. CHAIRMAN: His assistant.

MR. KOWALSKI: Okay. Well, I just want the fact clarified in terms of that. I'll let other members ask if there's anything further they need to know about it.

MR. CHAIRMAN: Okay.

Edmonton-Highlands, Edmonton-Jasper Place.

MS BARRETT: Thank you. Mr. Chairman, I appreciate that this is able to come forward to this committee. Ultimately, I'm not sure that we have any power; we may want to look and see if our guidelines need clarifying ultimately. But the question in that context that I'd like to pose to Mr. Shrake is related to a news report I did not hear firsthand which implied or stated, whichever would be more true, that on repeated occasions you refused to use the licence plate of the car you were using on that date. It occurred to me that that is where the potential trouble may lie. Would you want to talk about that?

MR. SHRAKE: Yeah. This would be over a period – well, through the last two years. I would estimate roughly six different times I had been using a vehicle other than my own, and this was because for one reason or another that my car was not in service. The person whose vehicle I used . . . It wasn't my assistant. He was being paid by the constituency association. We were using his car, and I would replace whatever gas I figured we'd used during the course of running around.

MS BARRETT: But in each instance you put your own licence plate down.

MR. SHRAKE: Yes, I put my licence plate on it, which was an error. At the time I thought that's what I was supposed to do, but I guess it's definitely not the thing to do.

MR. CHAIRMAN: Okay.

Edmonton-Jasper Place, and then Taber-Warner.

MR. McINNIS: Well, my question is similar. I understand that the volume of gasoline that you use on the PHH card is quite a bit larger than any of the other Calgary members. I just thought maybe you can give the committee some idea of what kinds of things you would use the card for in Calgary.

MR. SHRAKE: Well, I guess we all probably go to a lot of these types of things similar to mine, but basically I have driven to Edmonton and back on some occasions. I drive quite often downtown to the McDougall Centre to pick up material that's been shipped down.

MR. S. DAY: A point of order, Mr. Chairman. It's been made clear already that the member has been questioned and asked if these expenses were for bona fide government use. He has said they are, and now what we have is an interrogation going on into all the things he does. I'm just wondering if that's really in order.

MR. McINNIS: It's a pretty simple question.

MR. HYLAND: But the hon. Member for Edmonton-Jasper Place said, too, that it was a greater amount than other Calgary. Is that true? We don't know, from our point.

MR. CHAIRMAN: Who knows it?

MRS. MIROSH: And so what if it is?

MR. S. DAY: And if it is, what's the issue? Do we look at the NDP and see who's using the most gas there?

MR. CHAIRMAN: No. Whoa, whoa.

MR. SHRAKE: Maybe I could finish up a few of these and then . . .

MR. CHAIRMAN: A comment has been made about what a member's gas has been. Can we back that up?

MRS. MIROSH: Mr. Chairman, a point of order.

MR. CHAIRMAN: We're still on the one point of order. If you're speaking to the same point of order, that's fine. Are you on the same point of order?

MR. S. DAY: My point of order, just to remind the members: it has been the information at the table today, which I wasn't aware of until today, that Mr. Shrake's costs and claims on the PHH card, have been analyzed to some degree at least, from the Clerk. It has been asked if they are bona fide government service; he has indicated that they have been. Now we have another member appearing, at least, to question the validity of that process.

MR. McINNIS: Did I?

MR. S. DAY: You're asking him for a further explanation of places he's gone and things he's done. I'm asking if that's in order.

MR. McINNIS: Well, if I may, Mr. Chairman. My question is very similar to the one raised by Mr. Kowalski at the very beginning. I, too, want to know what this is all about.

MR. HYLAND: On that same point. At the start, John, I thought you said it was higher than others. The only part of it I was questioning was that part relating to: is it or isn't it? And someone said: so what? But I . . .

MR. CHAIRMAN: Okay; that's a separate issue.

MR. HYLAND: Yeah.

MR. CHAIRMAN: The first issue is him having the question to explain what he does in terms of his MLA duties. And you're right; it's out of order. The member has a large geographic constituency.

MR. McINNIS: Okay. Well, perhaps I could ask another question.

MR. SHRAKE: I wonder if I could finish off on that one. No?

MR. CHAIRMAN: No, that's been ruled out.

MR. SHRAKE: Okay.

MR. McINNIS: I'm unclear as to how many different people for whom the card was used, how many different automobiles. At first I thought you said David Jones and one other person, but then I thought I heard you say six different times. Is that six occasions with those one or two people?

1:48

MR. SHRAKE: I'm trying to recollect. Roughly over a two-year period, '89 and '90. Back in '89 Ron Knitschild was my assistant. So there was the odd time, including very early in the game. He came up to get me one time. I was up near Red Deer. That's when I was coming to Edmonton and my motor and transmission seized. Actually, I had to take my car to Eckville Motors. He came up and got me and drove me back to Calgary, and we did use his car a few times in '89. He went on to better things. I didn't pay him that much money, so he found a job that paid a lot more as an executive assistant in a constituency association. So I got a fellow named Dave Jones, who presently is with me, a very nice chap. He had a horrible old beater of a '69 Ford, and then later he got this nice '78 Malibu, which is the current vehicle he has. We happened on a few occasions - and it's not many - to use his Malibu.

As far as the amount of gas I use, I think I would average it that I don't make it a full week on a tank. I use about one and a half tanks a week or thereabouts. But I do wander about a bit sometimes.

MR. McINNIS: So it was only those two individuals. Nobody else's car was filled up with gasoline.

If it's constituency assistants, have you considered having your assistants put in for mileage rather than using the government credit card for travel that they're involved in in their line of duty?

MR. SHRAKE: If I ever had occasion to use it again, which I won't, I would do that. Actually, I haven't used my credit card since December 17. Coming to this committee today, I felt I'm going to be very, very careful on things. It's a pretty embarrassing thing to get blasted. It seemed like the more I explained, the worse it got.

MR. CHAIRMAN: Okay. On that particular point we'll come back. No, we'll deal with it right now, hon. member. You have the right to carry out duties as an MLA in your constituency, and you have the absolute right to be using your credit card for

legitimate constituency business. So for Pete's sake, use your credit card for the legitimate purchases. Don't be harassed.

Taber-Warner, Calgary-Glenmore, Edmonton-Whitemud, Calgary-Foothills.

MR. BOGLE: My question, Mr. Chairman, is directed back to you or through you to David McNeil, and it relates to what requirements we have in our guideline for indicating a licence number on the receipt. Is that tied in with our guideline, or is that a service station requirement?

DR. McNEIL: It's not at all tied in with our guideline nor our contract with PHH. It appears to be a requirement of the service station, but I'm not sure for what purpose. Maybe Mr. Ritter can comment further.

MR. RITTER: Mr. Chairman, I examined the requirements of the PHH contract very carefully, and there was no reference whatsoever as to how the forms were to be filled out, the requirements of the information, except that the credit card number and the member's signature appear on it. It seems that each different service station uses a different form, and in some cases some service stations may not require the licence plate number. For those that do, it's strictly for their own procedures and, from our point of view, would only be supplied by the member as gratuitous information. There's no contractual obligation to supply a licence plate number in either Members' Services orders or in the PHH contract.

MS BARRETT: How about the Auditor General?

MR. RITTER: I'm sorry?

MS BARRETT: The Auditor General. Is there a policy there?

MR. RITTER: For the Auditor General, I couldn't speak authoritatively if they have a policy or if there's a Treasury Board directive. Our agreement is dictated by the actual terms of contract with PHH.

MR. CHAIRMAN: Along that line, however, perhaps you could check with Treasury to see if they have any other comparable guidelines. Thank you.

Calgary-Glenmore, Edmonton-Whitemud, Calgary-Foothills.

MRS. MIROSH: Mr. Chairman, I appreciate the fact that Mr. Shrake has come before us and explained details that I don't think really relate. The specific details certainly do not relate to the issue, and the issue is policy. It seems to me that that specific policy has not been broken by Mr. Shrake. He has every right to use whatever automobile he pleases to do his constituency work. As many of us know and should be aware, he has had a medical problem. I think the press should have done more homework on this, too, with regards to his health. I've never ever known anyone to express any detail about what licence plate should be on the chits, but maybe this is something we should clarify and circulate to all Members of the Legislative Assembly so there is some clarification with regard to that policy.

MR. CHAIRMAN: Thank you.
Edmonton-Whitemud.

MR. WICKMAN: Mr. Chairman, I have a question first. My question would be: is there any policy at all, anything in the guidelines that may relate? Is there an accepted practice that relates to the issuing of a licence plate number on a receipt? The reason I raise that is that I can see the situation, more so than for an urban member, where a rural member is being driven distances by somebody else, and that person has to be compensated. Now, we have to look at the economics of it. The economics may very well be that you say to a person, "You drive me 200 miles or whatever, and I'll pay for the gas." That's a lot cheaper to government than turning around and hiring some other means of public transportation.

However, what concerns me, and I say this to the Member for Calgary-Millican, is putting a licence number on that receipt that was not the licence number of the vehicle that was getting filled. I think that was wrong, Mr. Chairman. Do we not have a policy on that?

MRS. MIROSH: No. It was just stated by the legal counsel.

MR. CHAIRMAN: As legal counsel has just pointed out, the answer is no.

MR. WICKMAN: Mr. Chairman, I believe that the guidelines that are used allow – and before the media go searching out what I'm doing, I've only ever used my own car for that reason, so I'm not referring to myself. But I believe instances occur where people use more than one vehicle – they may be driven by another person for whatever reason – and that's acceptable; there is nothing wrong with that. I think we should make clear that there is nothing wrong with that. However, I think it should be written down very, very clearly that the licence number of the vehicle that is being filled up should be recorded. If that's not policy, I think it should be policy.

The second point that concerns me is the process that we have to subject this member to. I sympathize somewhat with him being in this particular situation, almost like we're the judges or whatever casting some doubt upon him. He's made a statement. Unless somebody from the Clerk's office or from your office, Mr. Chairman, tells me differently, I have to accept that. Now, I have to assume the Clerk's office would run tallies on amounts of gas used by different members, and if something was way out of whack, I'm sure the Clerk would go to you and tell you something was out of whack. Would the Clerk not?

MR. CHAIRMAN: It's all within the administrative process, yes.

MR. WICKMAN: Is there anything out of whack?

DR. McNEIL: No. You know, in light of the different nature of driving that members do, the different cars that various members drive, I have not observed anything out of whack. But, you know, it's a very difficult judgment to make, because you're talking about quite a range of vehicles that are driven and quite a range of distances and types of driving as well.

MR. WICKMAN: In conclusion, Mr. Chairman, I'd like to see it be formal policy that the licence number of the vehicle being filled or serviced, whatever the expression is, be recorded. I think that service station erred somewhat in going along with that request. I don't think they should have.

MR. CHAIRMAN: Okay. A motion such as that would transpire later in the meeting, after the Member for Calgary-Millican has left.

One thing about this process is that it allows the member to be able to state his case.

Okay. Calgary-Foothills.

MRS. BLACK: Thank you, Mr. Chairman. Most of my questions have been answered, although I'd like to say that I do appreciate the member appearing before the committee. I do think it's a disgrace that an aspersion has been placed upon him and other members of the Legislature for something that is strictly within the guidelines. I would hope that if an incident like this occurred in the future, we would be able to make some sort of a statement from the Legislative Assembly Office very rapidly to stop this and nip it in the bud before any kinds of further allegations are placed within the press. I think they've done a tremendous disservice to not only this particular member but to all members of this Assembly, and I think it's disgraceful if in fact he has done nothing wrong.

MR. S. DAY: I think we need a clarification of the policy. As we've heard today, there was no wrongdoing. I share the concerns of the Member for Edmonton-Whitemud and also Calgary-Foothills. What we've heard today, from the member's own admission before this committee, is that about half a dozen times in the last two years he was driven around on government business. He had some gas put in the car, and since there was no guideline saying which licence number he had to put down, he put down his own to indicate that it was clearly coming back to him, I guess.

1:58

The first thing I realize here is that a credit card for gas is a public trust. I think we all recognize that. We need the policy clarified because an attendant at a gas station seeing one licence number of the vehicle in which the gas is going and seeing another one written down - there is the potential that their own trust could be undermined, so the policy does need to be clarified. I think it'll be interesting to watch - and we have no bearing with that - how this issue is treated today and tomorrow, especially in light of Mr. Shrake, if it is reported with the same degree of sensation and in the highly charged manner in which the original instance was reported. Because that in fact appears to be what's happened. Six times over the last two years this member had gas put in a tank and he put down his own licence number rather than the licence number of the car, not knowing there was anything to the contrary. So we do need the policy clarified just to avoid this type of what I see as a highly unfortunate and very damaging incident to the member.

MR. CHAIRMAN: Thank you.

Additional comments? Edmonton-Jasper Place, Edmonton-Highlands.

MR. McINNIS: Yes. Mr. Chairman, I don't think there's any mystery as to why there's a spot for a licence plate number on a gasoline credit card form. Everybody knows it's there so that there's a paper trail, so that somebody, an auditor, at some time can tell where the gasoline got to irrespective of who paid for it. For most people that means that if you lose your wallet or somebody steals your credit cards, there's a chance that they can find out who got the gasoline if it's used improperly. It's a way you can check back. Sometimes a person who's improperly

receiving gasoline has their licence number recorded, and it's possible through the paper trail to find that out. That's why that feature is on there. I think most people would look at that and they would see that that's legitimate. That's part of the audit function. I think in part what we're talking about is an audit function.

I think there's perhaps some discrepancy in terms of how different people perceive this thing. The member says that the credit card was used only for government business and that the number of occasions on which the wrong licence number was put was somewhere around six to eight and that it was for two different people, both of whom were employees. If that's the case, then I don't see anything wrong with that, but I do think we have to keep that element in the paper trail, there in the audit for anybody who looks at it and attempts to reconstruct after the fact what happened to the gasoline, which is billed ultimately to the taxpayers. That has to be on there regardless of whether it's in the contract with the supplier. That's on there for a very good reason. It's the paper trail, as simple as that.

MR. CHAIRMAN: Thank you.

Edmonton-Highlands.

MS BARRETT: Thanks, Mr. Chairman. John said most of what I was going to say except that I don't know if it showed that I was asking Parliamentary Counsel to put the question to the Auditor General. I think that is where the crux of the issue rests. I for one would like to see the Auditor General's assessment on one technical question, which is: when faced with a chit, which licence plate number? Is it assumed or is it explicit in the rules of the Auditor General that you do whichever? When we have that report, we can make that known to all members so that no other incident like this occurs. I think it's a technical, legal question, I expect.

MR. CHAIRMAN: Thank you. We'll deal with that when we deal with the motion from Edmonton-Whitemud as well.

Public Works, Supply and Services, probably the final comment.

MR. KOWALSKI: Mr. Shrake, could I very specifically ask you a question? You put the licence number of your personal vehicle on a chit at a service station on December 17, 1990. Now, you were in somebody else's car. You put your own automobile licence number on that chit because you thought you had to do that?

MR. SHRAKE: I thought I was supposed to. Somehow in my mind I thought that definitely I must put my licence plate number on this. I later found out no, that's not the case, and I would have been much wiser to put the licence plate of the vehicle we were using, not my personal licence plate number. Somehow I thought, well, it's my credit card; it must have my old DLL 633. I thought, God, that's got to be on there. Somehow I had that conception in my mind, but that is not the situation.

MR. CHAIRMAN: Okay; thank you.

Anyone else? Yes, Edmonton-Whitemud.

MR. WICKMAN: I intend to make a motion at the appropriate time.

MR. CHAIRMAN: Yes; I've got that noted, thank you. We'll do that after we take a five-minute break.

Member for Calgary-Millican, would you like to come down and just confer with the Clerk for half a moment, please? Thank you.

Okay, we might as well say we're adjourned until 2:15.

[The committee adjourned from 2:04 p.m. to 2:15 p.m.]

MR. CHAIRMAN: Okay, it's 2:15. We're now back to our motion, Edmonton-Whitemud.

MR. WICKMAN: I'm going to move, Mr. Chairman, that upon the use of a PHH or appropriate credit card, the licence number of the vehicle being serviced be recorded.

MR. CHAIRMAN: Thank you.

Discussion? Cypress-Redcliff.

MR. HYLAND: Just a question, Mr. Chairman. Maybe it wouldn't be true for any personal vehicles, but what about a licence number or registered unit number? It might not apply at all.

MS BARRETT: What's a registered unit?

MR. HYLAND: Well, some run a unit number on a fleet.

MS BARRETT: They all have licence plates. When I use a fleet, I use that licence number.

MR. S. DAY: Yeah. Anything can still be checked back through a licence plate.

MR. CHAIRMAN: Legal counsel.

MR. RITTER: Mr. Chairman, just so some members are aware now, a lot of service stations are switching over to the automatic credit card receipt voucher, which has no space to record licence plate numbers.

MR. CHAIRMAN: Petro-Canada's been doing it.

MR. RITTER: Most of them have been doing that.

MR. WICKMAN: Mr. Chairman?

MR. CHAIRMAN: Just a moment, Edmonton-Whitemud, because you'll sum up the debate.
Taber-Warner.

MR. BOGLE: Well, I wanted to speak in favour of the motion. Even if a member is using a card other than PHH – and I think on occasion I've had to use my MasterCard – and the kind of receipt is not the normal gas receipt so there is not a place on the card for a licence number, write the number in. You can write it in almost anywhere on that card as long as the number appears. If the motion passes, I assume the Speaker would so notify all the members of the Assembly, and it's something we'll have to remind ourselves to do.

MR. CHAIRMAN: Thank you.
Red Deer-North.

MR. S. DAY: Just in reference to the last bit of information, Mr. Chairman, is this a growing phenomenon among gas

stations? Are we going to be faced, then, with not being able to buy gas? With this new information, which is news to me, we can't indeed sign our number because gas stations increasingly aren't requiring it: is that what's happening? Or do we require the number on our own receipt that we put back in our pocket? Is that what we're saying?

MR. BOGLE: Well, just for clarification. Some of the Shell service stations, for instance – I think one in Red Deer is now on that system. While it is correct that there is not a place on the receipt for a licence number, there's still the requirement for your signature. Before you sign your name, you write the licence number on the receipt in some spot. I've done that on several occasions.

MR. S. DAY: Thank you.

MR. CHAIRMAN: Edmonton-Whitemud.

MR. WICKMAN: Mr. Chairman, that was the point I was going to address. The motion is worded in such a way: the vehicle being serviced be recorded. It doesn't state it has to be recorded specifically in that little box like you get on those fleet cards. They use the type of receipt that Bob's talking about. Yes, I've seen those, and they can be recorded on there. Just simply record it. I would leave it up to the attendant and say, "Would you mind jotting down the licence number?" or jot it down myself before I sign the slip.

MR. CHAIRMAN: That concludes the debate. All those in favour of the motion, please signify. Opposed? Carried unanimously. Thank you.

Parliamentary Counsel, how many years must one keep one's receipts to satisfy the requirements of income tax or this committee?

MR. RITTER: The income tax requirements are usually that the receipts be kept for seven years.

MS BARRETT: I send mine to the Clerk's office. His office is getting filled fast.

MR. HYLAND: The last time I tried that he sent them all back.

MR. CHAIRMAN: Edmonton-Highlands, there was a direction to the committee for Parliamentary Counsel to consult with the Auditor General to see what guidelines they have. Do we need that as a motion, or do we just take it as a general request for information?

MR. RITTER: I'll take it as a request, Mr. Chairman, and report back at the next meeting.

MR. CHAIRMAN: Thank you.
Edmonton-Jasper Place.

MR. McINNIS: Well, there is a specific problem in that this committee doesn't have any capacity whatsoever to do any type of investigation about anything. We're not that type of a body; we're a policy-making body. The motion that was put earlier was to change the policy in respect of recording licence numbers. I would like to move that this committee request the Auditor General to seek information from the suppliers of gasoline and

related items to the Member for Calgary-Millican regarding how many different vehicles were supplied on how many occasions since March 20, 1989.

MR. CHAIRMAN: Well, we have a motion, but before that a comment was made which is not entirely factual. Parliamentary Counsel, the role of the committee, certain powers under the Legislative Assembly Act, Standing Orders, and so forth?

MR. RITTER: Yes, Mr. Chairman. The Members' Services Committee does have certain powers to investigate any matter it feels touches upon members' services. This can even go so far as to recommend disciplinary action and so forth. Like any committee in the Legislature it has a full complement of powers, specifically so in this case because there is no description or mandate of the Members' Services Committee enumerating the exact powers that they're only authorized to exercise. So it's pretty wide open in the case of this committee.

MR. CHAIRMAN: All right. Nevertheless, we have a motion before the committee. Speaking to the motion, first, the mover, or have you made your . . .

MR. McINNIS: Well, it's simply to refer this matter to the Auditor General to determine what exactly happened.

MS BARRETT: Well, I speak in favour of the motion. I think it's a good idea. It's nice to have an independent agency look at something like this. I know that Gord came here and told us things, but we're all colleagues in a way. Don't you think it's better if you have somebody whose job it is to do things like this all the time, to look at these specific instances and give us a report back? I don't think he would shy away from it.

MR. CHAIRMAN: Any discussion? Taber-Warner, Calgary-Glenmore.

MR. BOGLE: Well, Mr. Chairman, I'm extremely disappointed in the motion. The member came and told us what happened. If the hon. member wants an investigation of how the credit cards have been used by all members of the Assembly, then that's the motion that should be on the table, and let's look at all members. But I'm opposed to singling out a member. The member appeared before the committee. We heard the explanation. No rules of this committee were violated. We have since accepted a motion unanimously to amend our rules somewhat. Clearly, if we want to go back and review how all 83 members have used their cards for a period of time, let's do that, but to single out one member on a witch-hunt is totally inappropriate.

MRS. MIROSH: My comments exactly, Mr. Chairman. I can't believe this kind of a motion is on the floor.

MR. KOWALSKI: Mr. Chairman, I would concur exactly with what my two colleagues on the government side have said here, and in fact I'd even go one step further. Let's throw air travel in here. I never use my air credit card, but I'd sure be interested in knowing what opposition members do with that. So if we want to have a thorough investigation, let's do it. Let's make it as complete as possible. I understand some people even use Greyhound bus passes.

There's been no allegation here of any wrongdoing. There may have been a question of perception. Very specific questions

were asked of Mr. Shrake. He responded to them, I believe, in a way that I have to accept his responses, and unless there's an allegation of wrongdoing being put forward here, I think it would be a waste of money to undertake this. I think the Auditor General certainly has more important things to do. On the other hand, if the committee feels we should have an investigation of one, let's do it with all 83, and let's broaden it and make sure that we keep somebody working for four years.

2:25

MR. WICKMAN: Well, Mr. Chairman, I do have some difficulties with the motion. It is singling out a member. He appeared in front of the committee. I'm satisfied with the response I got from the Clerk that nothing is out of whack. If you haven't got that mechanism in there right now that the Clerk's office or the members' services Assembly office isn't able to keep tabs on various things as it relates to expenditures of MLAs, then we've got to revamp our whole system. But I would just assume it's there and that if something was out of line, you'd be the first one that would know about it and you would take corrective action to ensure that that member was made aware that something is not proportionately correct, whatever. But surely all these years it's not been operated just on a blind basis that an MLA goes out there and does whatever.

MR. CHAIRMAN: Thank you.

Additional comments? Summation, Edmonton-Jasper Place.

MR. McINNIS: I'm not here on a witch-hunt. In fact I had nothing to do with this matter coming before this particular committee, but it does seem to me that it has come before the committee and some people around the table have different impressions as to what we've found in our deliberations and what we haven't found. I don't think we've found anything at all. What we've found is that we're not sure whether it's necessary to put the correct licence number on the chit or not, so we passed a motion saying yes, we're certain that has to be done. Beyond that we haven't done anything at all. Now, if we're going to let the matter drop, fine; let's vote on it. But I think if we want to say and if the Member for Calgary-Millican wants to say that the matter has been investigated and we've got to the bottom of it, then we have to do just that. We have to follow through. That's what my motion is.

MR. CHAIRMAN: Thank you. All those in favour of the motion, please signify. Opposed? It fails.

MR. BOGLE: Could we have it recorded, please?

MR. CHAIRMAN: Recorded. Those in favour: Edmonton-Jasper Place, Edmonton-Highlands. All the other members were opposed. Thank you.

Next item of business, 4(e), the estimates. In particular here we're dealing with the estimates of the three caucuses. Is it your wish to proceed with all these items now?

MR. WICKMAN: Mr. Chairman, that was the item I made reference to this morning in the report from the subcommittee, that the three chiefs of staff will get together and they'll discuss the caucus budgets for the three parties, and they'll report back at the appropriate time with a recommendation.

MR. CHAIRMAN: Thank you. Yeah. We did have that earlier in the meeting, and I needed it for clarification for some

of our observers. So hopefully that will transpire and we'll hear back from them perhaps as early as some indication tomorrow or at the next meeting in February.

MR. WICKMAN: If not tomorrow, the meeting in February for sure.

MR. HYLAND: Sylvia isn't here.

MR. BOGLE: Well, I think they're meeting.

MR. CHAIRMAN: All right. Well, we'll get an update on that one tomorrow then. Thank you. With regard to Legislative Assembly budget estimates, the envelope, we'll hold that until we've had a report back from the three caucuses.

We now are at item 5(a), Security and Internal Control of Computer Systems. The Member for Calgary-Foothills wished this item brought forward, and in that regard we also have Bill Gano from our office here. So Calgary-Foothills, if you'd like to speak to the issue, please.

MRS. BLACK: Thank you, Mr. Chairman. We've been going through an upgrading within the constituency offices and the Legislature. It's planned – I think it's about a two-year upgrading of computer equipment. I have some concern with the system, not the hardware but more so the software, that possibly we need to build in some additional controls within the system. I've experienced a couple of situations both in the actual computer and in the way systems have been dealt with that lead me to believe we need to upgrade our controls within our software.

I'll use an example. I had occasion to have my own personal résumé upgraded, and I was utilizing my legislative office and my constituency office, using the modem between the two. Fortunately, it was only a personal résumé, but my résumé ended up in both opposition parties' offices. Certainly I didn't want either to feel I was applying for a job, but it led me to believe that possibly we need a send and receive control built within the software because it could very well have been a confidential constituent document that may have gone astray. These things sometimes are a blessing in disguise because they alert you to potential weaknesses or flaws that can exist. I know we can blame it on our staff, but I do feel that our staff is excellent up in the Legislature and in our constituency offices; I know mine are. The error was not really noticed until the time of filing the hard copy, when it showed the staff of the two opposition parties as receiving this document.

I don't know whether December was the month when I was going to be on the warpath on systems or what, but I had another occasion through faxing. I received in my constituency office in Calgary a member of the Official Opposition's constituency office expenses for the current month. Now, I know that is public record and becomes part of public accounts down the road, but again I promptly phoned him and alerted him to this concern I had that it could very well have been one of his constituent's confidential documents which should not be coming directly to my office over the fax. It came out of government services.

I have some concern. I know that internal controls can be built within software packages quite easily and I think could really avoid any problems we could have between information going back and forth between offices on the electronic mail system and over the fax. Simple things such as pass and receive words can be put into the system. At present I have remedied

the situation because I have disconnected the modem; the modem will not be going back into my office until there is some form of control mechanism put in place in the software.

So that is why I requested that it come to this meeting. I feel it's something that affects all parties and the Legislature as a whole. I don't feel that we can take the chance of information going over faxes that could go to God only knows whose office – it may not even be a member of the Legislature's office – or over the modems without an internal control being put in place. That's why I requested that this item come forward.

MR. WICKMAN: I have a couple of questions unless Bill wants to make a statement now.

MR. CHAIRMAN: Well, let's get all the questions out.

MR. WICKMAN: Well, if I'm understanding this correctly, when we flash something through our system where our constituency offices pick up that information, the other members can scroll that out. Is that what you're saying, Pat?

MRS. BLACK: No. What you should have – okay, an opinion.

MR. WICKMAN: Yeah.

MRS. BLACK: As a member of the Conservative caucus, my office here and in Calgary should have general access to that information. If I then want to communicate, say, with an opposition party, then I should have to override the system to make that communication possible.

MR. WICKMAN: But at the present time you don't have to override the system?

MRS. BLACK: Not really. It's all on the menu, and I feel . . .

MR. CHAIRMAN: All right. Let's have the questions coming to Bill. He's the problem solver.

MR. WICKMAN: So, Mr. Chairman, if one had a research staff member or a staff member doing some programming, and they pushed the wrong . . .

MRS. BLACK: I could get it.

MR. WICKMAN: So there's no password requirement at all, then, eh?

MRS. BLACK: Well, yes.

MR. CHAIRMAN: Okay. Bill, how would you like to deal with what's been initially raised here? I think that's the only way we're going to do it.

MR. McINNIS: Can I just clarify one thing? You can have that system quite easily on electronic mail, but on the fax that's just sort of like dialing the wrong number, isn't it?

MRS. BLACK: Well, no. You can get a built-in control where the fax number will print out to where you're sending prior to the document going. It's an extra control mechanism within the fax. We had it in the oil company all the time. You never sent anything out or a fax when you didn't know exactly where it was going because of the confidential nature. You can have a

printout. It's a little slip that comes out, and you staple it to the piece of paper.

2:35

MR. McINNIS: Well, a piece of paper, okay, because the fax machine does display the number it's going to.

MRS. BLACK: Well, then you could have a little slip come out that tells you exactly where it's going before it goes.

MR. CHAIRMAN: Okay. Now we're going to tell you exactly where it's going before any more questions happen to arrive.

Mr. Gano, please.

MR. GANO: Okay. I guess maybe we'll address the fax issue first. As one member pointed out, currently it is just like dialing a wrong number. Especially with the new fax machines and the autodial buttons and everything else, it's quite easy to simply go in, put your fax in, press the wrong-numbered button, and the autodial takes it out to the wrong fax machine at the other end. True, you can put devices on these things that would print out the telephone number prior to sending and would require a confirmation. Human nature being what it is, most people would choose simply to confirm it without looking at that number. That's been my experience to this point.

In terms of electronic mail, I guess it isn't quite as simple to send to another caucus office as has been alluded to. First off, there are two different ways to send electronic messages. First, you can simply type in the name of the person you want the message to go to, and it will go to that person only. No other person can intercept it or get in the way of it and have it go off into another area of the system. The second way of sending messages is to go into a list of names and choose from that list which people you want it to be sent to.

When the system was initially installed, the list was a general list that contained everybody's name in the Assembly. Now that list has been broken down into four separate lists: each caucus office and administration. If you are in your caucus list, you cannot send a message to another caucus.

Let's back up a bit here. You can get out of your caucus list and go into the other caucus list and then send a message to another caucus office, but that takes a conscious effort on the part of the operator to do that.

MRS. BLACK: How did we do that?

MR. GANO: Pardon?

MRS. BLACK: How long have we had that in place?

MR. GANO: We've had that in for about four months now.

MRS. BLACK: Does that work on both 5.0 and 5.1?

MR. GANO: Yes. Just to clarify it a little bit, 5.0 and 5.1 have nothing to do, really, with the electronic mail. The electronic mail is a separate system altogether.

MRS. BLACK: Well, I've been unplugged for quite a while on mine.

MR. GANO: Yes. Just to clarify there as well, unplugging your modem would not prevent someone from sending one of your

messages to the wrong spot. Okay? The modem only allows your person in Calgary to pick up that message.

MRS. BLACK: Yes, I appreciate that.

MR. CHAIRMAN: So in your opinion, Mr. Gano, there are sufficient checks in the system at the moment?

MR. GANO: In my opinion, yes. I guess the electronic mail systems are exactly that: they are electronic mail systems. When you say "mail," really what you're saying is that you should be able to send your messages to anybody in that system the same as Canada Post, for example. There's no built-in system for your mailman to come back to you and say, "Did you really mean to send this message to this person?" The same type of thing is happening here. At some point we have to rely on the operators of the system to understand what they're doing.

As I indicated, there are those separate lists that you can send messages from. But even if you choose a wrong name, for example, when the system comes back, that name is listed right up top, and the operator again has a chance to say, no, that's not the person I want it to go to.

MRS. BLACK: Unless you scroll forward to another page.

MR. GANO: No. Even then it's still sitting there at the top.

MRS. BLACK: Are you sure? I think it disappears.

MR. GANO: Before the message is sent. After the message is sent, then it will scroll up. Okay? But before the message is sent, you still have the opportunity to look at the top of the screen and see who that message is going to. After the message is sent, if you realize that it's gone to the wrong person, you still have an opportunity to retrieve it before that person has read it.

MS BARRETT: How?

MR. GANO: You simply go in and indicate that you want to delete the message. It comes up and asks if you want to delete it from this mailbox or from the other mailboxes. You say, "Delete from the other mailbox," and it's no longer in that person's mailbox unless that person has already read it.

MS BARRETT: Oh, wow. I didn't know that.

MRS. BLACK: How much time do you have to do that?

MR. GANO: You have until that person reads it.

MS BARRETT: Oh, but you don't know. They might just press control enter and keep working and decide to look at the message later.

MR. GANO: Or that person could be away on holidays. It could be two weeks and you'd still be able to retrieve it.

MS BARRETT: Yeah. I never realized you could do that.

MR. CHAIRMAN: Now, Calgary-Foothills, in the occurrences you had, was this you doing the machine?

MRS. BLACK: No.

MR. CHAIRMAN: Was it your secretary?

MRS. BLACK: No, not her.

MR. CHAIRMAN: Our understanding was that it was your secretary working one day before she was trained on the equipment, and that's how one of these incidents occurred.

MRS. BLACK: Well, I guess what I'm saying is that my secretary has been on the computer here since we've had the computers. As far as I'm concerned, I've probably got the best secretary in the whole shop. What gave me concern is that it in fact could happen. I'm not concerned about the event per se, because it was simply a résumé. My whole purpose for bringing this to your attention was that I think it's important that if in fact we can go into menu selection and have a read in/read out process on the second selection, those controls all be in place immediately, because I think things can go askew. That's one of the concerns I have about the system. There's no point in putting systems into shops without people knowing what they're doing with them, if that's what we're getting back to.

I think that before we go and hook them all up, we'd better have them all trained if that's the rationale that's coming back, that it was one day before my secretary was trained. My secretary's fully qualified on computers, so I don't buy that argument.

MR. CHAIRMAN: It wasn't an argument. I just wanted to lay it out on the table because it's a . . .

MRS. BLACK: Well, I'm not buying that that's an excuse for this happening. Let's put it that way. I think internal control on the system has got to be there. It happened both on the computer and then on the fax machine, and that gave me some concern about information going out of this Legislature, possibly to the wrong hands. I guess it's my accounting background that says there's got to be a really solid internal control placed within systems.

MR. GANO: I indicated that these separate lists were implemented. Also at the point that that occurrence happened, we were able to figure out basically what that person was doing in terms of use of the system. Basically, what happened was that the message went inadvertently to the first person in the general list, and that first person in the general list happened to be a member of another caucus. What we have done is replace that first name so that any messages that are inadvertently sent would come to my office as a neutral party, if you will. In that way, if there is someone out there that is unfamiliar with the system and not sure how to use it, we would deal with it right away because we would see that message come in, realize it's not for us, and be able to get to that person and indicate to them what they are doing in terms of not using the system appropriately.

MRS. BLACK: Well, just on that point. I understood you to say a minute ago that a person from my caucus would go through my caucus list first, so they would not be able to have the potential of an opposition name on that list. Is that correct?

MR. GANO: That's right, if the person knows how to use the system properly. But if there's a person out there that doesn't

know how to use the system properly – in other words, does not know how to get into that individual caucus list – then . . .

2-45

MRS. BLACK: Well, why would that not be the first thing that came up on the menu, and then you'd have to go secondly to a general listing? That's the control I'm looking for. That's the first step. You go automatically into your caucus listing, and anything outside of that, you have to override the system to get to.

MR. GANO: The software was acquired from a third-party vendor. The way they wrote the software was in this manner. We have no ability to get in there and change their software.

MRS. BLACK: Can you not front-end program control like that?

MR. CHAIRMAN: Excuse me a moment. This is not just a hassle back and forth, hon. member.

MRS. BLACK: I'm sorry.

MR. CHAIRMAN: In response to the question, Mr. Gano, followed by Public Works, Supply and Services, then Edmonton-Jasper Place.

Public Works, Supply and Services.

MR. KOWALSKI: Well, Mr. Chairman, this matter seems to be of rather significant importance. Perhaps the easiest way of dealing with it is trying to get to the bottom of it all to ascertain the facts. The way this committee is so well-known for doing this, what it does is strikes a subcommittee, undertakes research, and then that subcommittee reports back to the committee. I think it'd be very helpful in this case if a subcommittee were to be struck to investigate this matter to deal with security. I've never had any complaints provided to me by anybody, but I'm sure this is a very important matter. I recognize as well that there is an agenda, and I'm sure this matter can be dealt with in a more appropriate way. Some of the technical wording in here – I got lost on 5.01 and 5.02. I'm sure this is very, very important, but . . .

I'd like to make that as a suggestion, that it be followed up in such a manner, Mr. Chairman. And I'm not volunteering to be a member of the subcommittee.

MR. CHAIRMAN: Edmonton-Jasper Place, followed by Edmonton-Whitemud.

MR. McINNIS: Well, it's certainly prudent to be concerned about security, and I think it's also prudent for the member to get her résumé ready before the next election. I would hate to think of us becoming so security conscious that we can't receive messages. If we make it too difficult for people to communicate with us, they're going to stop trying sooner or later. The object of the system, as I see it, is to facilitate communication rather than prevent it.

I don't see that we have a serious problem. But I think that if information services worked with the member, the safeguards could be built into her office. The concern seems to be about outgoing rather than incoming in any case, so I think a little adjustment in protocol there and you could probably get it solved without having to go the subcommittee route. I'm going

to join the member in not volunteering for any group they create.

MR. WICKMAN: Mr. Chairman, being a member of a very open party that believes in freedom of information, I have no problem with what's happening. I don't want to be part of Ken's subcommittee.

MR. HYLAND: Mr. Chairman, I'm like the Member for Barrhead. When it got beyond the first five whatever number, I was lost. If the concern the member has is valid, then the only way to do it is with a subcommittee of people who understand it. The rest of us could sit here, and you could tell us something and we would have to believe it. We wouldn't know. I wouldn't, anyway. I wouldn't have a clue what you were talking about; I'd have to take you at your word. I think we'll never solve it with the full committee, so I think we should have a couple or three or whatever look at it that understand it. I know Percy's reluctance. Being the Liberal member, he is waving his hands and waving his hands. But even if it needs to be the Member for Edmonton-Highlands and the Member for Calgary-Foothills, I think you should have them.

MS BARRETT: Mr. Chairman, I propose that Pat and I and Bill get together and talk about this and see if we can resolve it.

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Carried unanimously. Thank you.

Two other items of business. One is that we should invite the chairmen of all the committees to appear before this committee to defend their budgets when we next meet in February. We had this back in the November meeting, so I assume that's the time to bring it forward.

MR. BOGLE: Do we invite the chairmen and vice-chairmen of all the committees?

MR. CHAIRMAN: Okay.

MR. McINNIS: Chairman "and" or chairman "or"?

MR. BOGLE: Chairman "and." We have a couple of committees that are opposition/government.

MR. CHAIRMAN: Okay. Those in favour of that motion? Opposed? Carried.

One other notification to the committee is that as of April 1, thanks to the benevolence of the Minister of Public Works, Supply and Services, visitor services will be transferred to the appropriate umbrella of Legislative Assembly.

MR. HYLAND: Did he send money with it?

MS BARRETT: Sure. He gave us 50 percent of his budget for it. It's obvious, isn't it?

MR. CHAIRMAN: Yes. Plus the money.

MS BARRETT: Does this mean that we don't have to meet tomorrow?

MR. CHAIRMAN: Well, we're in the hands of the committee. I understood that perhaps we were going to be hearing back from your subcommittee.

MR. BOGLE: I think that there may be an opportunity for the subcommittee which Percy chairs to meet following this meeting, but unless otherwise notified, the meeting tomorrow should be on.

MR. WICKMAN: Bob, can we take one of those famous five-minute breaks and just have a discussion?

MS BARRETT: Yeah, let's do that.

MR. CHAIRMAN: We're adjourned till 3 o'clock.

[The committee adjourned from 2:51 p.m. to 3:10 p.m.]

MR. CHAIRMAN: All right, ladies and gentlemen. We're back in business. We meet tomorrow morning starting at 9:30. Hopefully we will be finished by noon. Lunch will not be served tomorrow.

In addition to that, the committee will meet on February 19 at 1:30. Does that give enough time, or do you want to make it 2 o'clock?

MR. WICKMAN: No. Mr. Chairman, we talked about that. Between 1 and 1:30 is sufficient time for the subcommittee.

MR. CHAIRMAN: So February 19 the subcommittee will meet at 1 o'clock. We will have our meeting here from 1:30 until 4:30, and if additional time is required, we will meet again on February 20. As per your earlier request, we will meet from 3 in the afternoon until 7 in the evening, and we'll arrange to get supper of some kind sent in.

MR. S. DAY: February 19 was 1 to 4:30?

MS BARRETT: It was 1:30 to 4:30.

MRS. BLACK: Why are we meeting that late?

MR. BOGLE: Because of some members' commitments earlier in the day.

MRS. MIROSH: Monday is a holiday.

MR. S. DAY: Family Day.

MR. CHAIRMAN: Tuesday, February 19, and again on Wednesday the 20th. Good.

The meeting stands adjourned until tomorrow morning at 9:30.

MR. WICKMAN: I'm sorry.

MR. CHAIRMAN: I guess the committee does not stand adjourned.

MR. WICKMAN: I'm sorry, Mr. Chairman. The subcommittee dealing with constituency allowances and such met again, and we've agreed that we're going to meet at 1 o'clock on February 19.

MS BARRETT: That was obvious.

MR. WICKMAN: Yeah, that was obvious.

Secondly, the caucus budget issue will be dealt with tomorrow morning, and we'll have the chiefs of staff here to fill us in with their information.

MR. CHAIRMAN: Thank you.
Motion to adjourn?

MRS. BLACK: So moved.

MR. CHAIRMAN: Calgary-Foothills. Those in favour, please signify. Adjourned. Thank you.

[The committee adjourned at 3:12 p.m.]

