

10:02 a.m.

Thursday, October 25, 1990

[Chairman: Mr. Bogle]

MR. CHAIRMAN: We'll officially call the meeting to order. While we're waiting for two of our members, we can proceed with the agenda and review of the minutes of our July 20 meeting.

If we first look at the agenda for today's meeting, we do have some business arising from the minutes. Derek, I thought we'd try to deal with that discretionary power, the matter which you had raised.

We do have a review of the hosting of a conference - Louise, am I right? That relates back to the question of whether or not there should be a registration fee for conferences rather than the host province spending the full amount.

MRS. KAMUCHIK: Well, if you remember, at the last meeting you were just discussing the possibility of registrations being imposed and the cost that a province has to bear when they host it entirely.

MR. CHAIRMAN: Yeah. It related back to the most recent auditors' conference in Newfoundland, where Newfoundland is expected to pay the entire costs and some provinces send as many as seven and eight delegates. There was some discussion at that time that possibly provinces should be contributing to the cost of the conference through a registration fee. I thought we should have a fuller discussion at this table. Obviously, the host province is reluctant to raise that as an issue, yet you can see the burden it places on a smaller jurisdiction.

Then, under New Business we have reporting from a couple of conferences. We want to get into our budget in a very preliminary way, and we're going to be going over and meeting with the Auditor General today and reviewing his budget. We have a dinner planned this evening at 5:30. Depending on how full our agenda is, we may take a break late in the afternoon before reconvening for dinner. We do have a reservation made at the Yeoman. Everyone knows where the Yeoman is? It's 107th Street and 100th Avenue.

MR. FOX: It's named after Tom.

MR. CHAIRMAN: All right.

Then it's important to note that tomorrow morning when we convene at 10 a.m. we do so in the office of the Chief Electoral Officer over on Stony Plain Road. Again, this is a repeat of what we began last year: going through the offices, meeting the staff, looking at their arrangements, and then coming back and spending time looking at their proposed budget. Just in an overview way I'll mention that while it's important that we ask questions for information of the officers on their proposed budgets, we're not at this point in time making decisions on the budgets. This is merely our first look at what they're proposing. We will come back at a subsequent time to actually review the budgets in detail with the officers present and then determine what the final figure shall be. So this is our first overview look at the budgetary process.

A couple of members have indicated that they need to be away for portions of the meeting. Don, you're away tomorrow. Jack, I think you have a commitment for about an hour this afternoon?

MR. ADY: Yes.

MR. CHAIRMAN: Alan, you may be away this afternoon after 2 o'clock?

MR. HYLAND: Yeah.

MR. CHAIRMAN: Yes, Derek?

MR. FOX: Mr. Chairman, I have to attend a memorial service for a constituent in Vegreville this afternoon. So I'd leave at our adjournment and then try and get back for the latter part of the afternoon.

MR. CHAIRMAN: Good. Are there any others who . . .

MR. HYLAND: Will that give us a quorum problem? Don isn't gone until 5.

MR. CHAIRMAN: No. Don is gone tomorrow. Today, as I understand it, Jack will be away for - one hour?

MR. ADY: Three till 4.

MR. CHAIRMAN: Three to 4. Alan, you're leaving after 2, and Derek, you are leaving . . .

MR. FOX: At noon.

MR. CHAIRMAN: Oh, at noon. We should be all right.

MR. FOX: We don't need a quorum to visit the Auditor General's place.

MR. CHAIRMAN: No. We should be all right. I think the important thing is that we try very hard to have all of our members present when we're dealing with major issues, so I don't see any significance.

MR. HYLAND: And I'll be back all day tomorrow.

MR. CHAIRMAN: All right. May I ask: is the agenda as outlined acceptable? Any additions or changes you see? Alan?

MR. HYLAND: I was going to move that it be accepted.

MR. CHAIRMAN: Okay. Alan moves that the agenda be accepted as presented. All in favour? Opposed? Carried.

We move on, then, to item 3, the minutes of our July 20 meeting: pages 1, 2, and 3. If there are no errors, may I have a motion to accept the minutes as presented?

MR. TANNAS: I would so move.

MR. CHAIRMAN: Thank you. All in favour? Opposed? Carried.

Business Arising from the Minutes: 4(a) Chairman's Discretionary Power. This is a matter which you, Derek, raised some time ago as to whether or not there should be the ability of the chairman to approve smaller transfers. My own feelings on that matter are that we should not do that, that if a matter arises - we're primarily looking at the end of a fiscal year. We all are here at that time, and I'd be much more comfortable in calling a special meeting, even if the meeting is a 15-minute meeting, so that we can discuss it and deal with it as a full committee.

MR. FOX: Well, I'd be happy to withdraw the suggestion, Mr. Chairman. I just thought when I made it that it might help expedite things in matters of relatively minor significance. The Chair could certainly be trusted to act on behalf of members of the committee, but I realize the instances would be few and far between, and perhaps it's good for the committee to have that contact with the officers.

MR. CHAIRMAN: I think it's important as well that whoever is proposing a change in budget, moving from one element to another, can then explain to the entire committee why. Okay? So we don't require a motion on that matter.

Hi, Yolande.

MRS. GAGNON: Hi. Good morning. I'm sorry I'm late. The airbus was a little late.

MR. ADY: Oh, sure. I'd already used that one.

MR. TANNAS: They were being a little Liberal with the timetable.

MR. CHAIRMAN: We're on item 4(b); 4(b) is merely an example of what it cost the people of Alberta to host the 1989-90 meeting of the Public Accounts committees from across the country. You can see that the actual figure was \$33,160. We're discussing this in light of a suggestion which came up at the meeting that Jack Ady and I attended in Newfoundland, where it was noted that some provinces, primarily larger provinces, had quite large delegations, and if the host province is paying the entire cost, that's quite a burden, particularly on the smaller provinces. While there was reluctance by Newfoundland to suggest that we move off the traditional approach, when you look at any of the Commonwealth Parliamentary Association meetings held, whether they're within Canada or outside Canada, it's clearly recognized that the jurisdictions sending delegates will send a registration fee to cover the associated costs so the host country is not bearing the cost of all of the Commonwealth delegates who are attending, or in that case the host province. So the thought was that we should review it and, if this committee felt it was in order, pass a motion and notify other jurisdictions that possibly it's time for a change in approach.

MR. HYLAND: Well, Mr. Chairman, other conferences get charged a registration fee. I notice the comprehensive audit conference: there's a registration fee on it, and I was surprised that they all don't.

MR. CHAIRMAN: Yeah, I think Alan is quite right. This is the only conference where there is not a registration fee charged. Any other discussion?

Welcome, Stan. We're on 4(b).

MR. NELSON: I'm sorry I'm late, Mr. Chairman. I . . .

AN HON. MEMBER: The airbus was late? Yolande used that one already.

10:12

MR. NELSON: Actually, I was in another meeting.

MRS. GAGNON: That's okay.

MR. NELSON: I was elected president of the Lawn Bowls Association of Alberta last Saturday, and I wanted to get briefed.

MRS. GAGNON: That's really important.

MR. NELSON: It's more important than this.

MR. FOX: Sock it to 'em, Stanley.

MR. CHAIRMAN: All right. Well, bowling right along . . .

MR. TANNAS: As long as we're on a level playing field. I think that's what we're really talking about here: that the provinces that have less magnificent budgets than others find hosting these kinds of things a real burden. I would certainly be in favour of each province paying its own way, so if some province wants to send 10 delegates to a particular conference, they can do so if they can afford it or if they feel that that particular conference is of particular interest to them. Whereas if you're the host, when you invite company, you can hardly tell how many people each province can send. So you can send according to your means. I think that's a better way to go.

MR. SIGURDSON: Hotels are listed at \$12,700 plus dollars. As the host province we picked up all of the hotel?

MR. CHAIRMAN: No. I think that's for food, is it not?

MR. SIGURDSON: Just food?

MR. CHAIRMAN: Yes. The individuals representing different jurisdictions paid for their hotel rooms, but any catering . . . Were the meetings held at the hotel?

MR. SIGURDSON: Perhaps I should have asked how many delegates attended this conference.

MRS. KAMUCHIK: It wasn't the conference I looked after, so I don't have any of the details, Mr. Sigurdson.

MR. SIGURDSON: Oh, I see. Okay.

MR. CHAIRMAN: It seems to me that the cost of hosting the conference in Newfoundland was about \$40,000. Jack, is that right? Because we did ask the question about the cost.

MR. ADY: As I recall, yes. That was a lot of money.

MR. CHAIRMAN: It cost Newfoundland about \$40,000. Again, if each province was sending two delegates, it would be one thing, but as I said, we saw delegations of seven and more.

MR. NELSON: Mr. Chairman, if a particular province sends X number of people on a consistent basis to the province that they wish to go and share information with or what have you, how can you really restrict them from doing so again without having the normal hosting policies that we would have in place or they would have in place? There are times when I think people might be more interested in going to Alberta than maybe another province for different reasons, because they want to end

up going to Banff on a little holiday after the conference. But I don't know how you can restrict.

MR. CHAIRMAN: Yeah. The suggestion was not that you restrict the number of delegates but that the province sending seven delegates pay for seven.

MRS. GAGNON: How about a compromise which would be that the hosting province would always pay for two, and if you wanted to send more, they you were on their own? Then there is a sharing aspect of it that kicks in. But at least it doesn't deprive a province at all.

MR. CHAIRMAN: All we would be doing if we were to pass such a motion is, first, consult with our Public Accounts Committee to see if they feel the same way, and if they did, then circulate with the other provinces and the two territories that feeling and get something moving in terms of a discussion, so that at next year's Public Accounts conference the matter could formally be placed and discussed.

MR. ADY: Mr. Chairman.

MR. CHAIRMAN: Don first, and then Jack.

MR. TANNAS: If that's the case, if it's going to go for further discussion, then perhaps we could identify two or three possibilities of what to do – the status quo and then the other kinds of suggestions – so that we don't necessarily have to make decisions, but just identify them.

MR. ADY: Can someone tell me how come the Public Accounts conferences have come up as an anomaly in the system? Further, I see no reason for it to continue that way. I don't see it as a hardship for provinces to send their delegates and pay a registration fee; it's the fairest way of all to do it. I just don't see any reason for it to be the way that it is. I would certainly favour a registration fee similar to those used in other conferences.

MR. CHAIRMAN: Tom?

MR. SIGURDSON: That's fine, thanks, Mr. Chairman.

MR. CHAIRMAN: Okay. Well, we've had the discussion. Does anyone feel that a motion is in order, or would you rather discuss it further?

MR. ADY: I would be prepared to make a motion that there be a registration fee instigated for Public Accounts conferences and that that be a recommendation from our committee.

MR. CHAIRMAN: All right. Now, let's debate the motion. Any further debate on the motion? Keep in mind that if this motion were to pass, our next step would be to discuss the matter with our Public Accounts Committee, and if there's concurrence from that committee, then a joint proposal could be circulated with the Public Accounts committees across Canada. It could be placed on the agenda for next year's meeting and discussed. Any further discussion? Are you ready for the question?

AN HON. MEMBER: Question.

MR. CHAIRMAN: The question's been called. All in favour? Opposed? Carried.

You're not in a voting mood today, Derek?

MR. FOX: I abstained.

MR. CHAIRMAN: Yeah. You've been abstaining on everything.

MR. FOX: I wasn't a participant in the previous discussion on this issue, so I left it in the hands of my fellow . . .

MR. CHAIRMAN: Is that a precedent? Can we use that?

MR. FOX: You don't want to count on it.

MR. CHAIRMAN: All right. Thank you.

MR. FOX: It's called discretion.

MR. CHAIRMAN: All right.

New Business. We have a report from Yolande and Tom on the Ombudsmen conference.

MR. SIGURDSON: Would you just go ahead?

MRS. GAGNON: Okay, thank you. First of all, I would like to thank the committee for supporting and approving my attendance at the conference. It was extremely interesting, a very friendly group.

The Albertans there, I think, were quite prominent. We did make an impression on them because from a Conservative province there were two opposition attendees: a unique situation. Most of them don't have any MLAs going to the conference at all. It's strictly administrators and key officials. So I think that was something that was very good to realize on my part, that we were unique there and that we had more openness here than elsewhere.

Tom has done some excellent notes, and I think I would just want to highlight and ask, first of all: was the speech given by Roberta Jamieson duplicated and circulated?

MR. SIGURDSON: No. I've got it, and I wasn't going to circulate it unless people requested it.

10:22

MRS. GAGNON: Well, Roberta Jamieson, who's the Ombudsman from Ontario, and M. Jacoby, the Ombudsman from Quebec, gave an excellent session on aboriginal rights and the Oka situation. They were perfectly able to do so because Roberta Jamieson is a native woman lawyer and Jacoby, of course, had been very closely involved. I asked him a question about his involvement in the Oka situation. He said that he was contacted by a number of people on all sides and knew that once this crisis was over he would have a lot of work to do and a lot of investigations to do. Coming out of his response to my question, I would just say the one thing that stayed with me is that he said that natives are the neediest clients of Ombudsmen there and probably across the country. I think that was something we should all note.

There were other excellent sessions. Tom has them in his report, and I really don't want to duplicate the information he's given you except to say that I have considerable notes. If anyone is interested in any of the specific sessions – for instance,

the fact that the Ombudsman type of office is spreading throughout the world; it's becoming more and more prominent; the fact that the Ombudsman will be more and more involved in environmental issues and so on. I have notes on each session, so if anyone is interested, I would love to share those. Also we received a picture yesterday of the conference attendees, and we'll circulate them so you can all look at the Alberta delegates. Thank you.

Tom.

MR. SIGURDSON: Thanks, Yolande. I've circulated a written report. I don't propose to read it to members of the committee, but I just want to add a couple of points.

Yolande and I were the only two members of a Legislature from any province attending the conference. In fact, I had a number of delegates to the conference come up and inquire why we were there and what role we had. When I explained the role of Legislative Offices and the process that we have in our province, they were quite impressed.

Yolande, I'm going to tell the story - I think you're probably too polite to tell the story, having met the Ombudsman of Newfoundland. There the appointment was purely political; the Peckford government appointed their Ombudsman on patronage grounds. When Clyde Wells became the Premier, he was trying to get rid of the Ombudsman and couldn't do it and seemingly didn't want to buy out the existing contract and let the chap go. Rather than go through any number of channels, allow the contract to expire, they propose to shut down the office of the Ombudsman. So Newfoundland will, in short order, have no office of Ombudsman.

There were some delegates from Ontario that were concerned about their jobs. Don't forget that we had recently seen a change of government from the Liberals to the New Democrats. There were a number of delegates there that were representing certain offices, and they were concerned that their appointment would be quite delayed. It was interesting. I pointed out that the irony in here is that here we were going off to a conference of Ombudsmen, an individual who is there to ensure that there's a degree of fairness and justice in the land, at a time when every night you turned on the television news you'd see the Oka situation. The Nova Scotians were extraordinarily upset about the appointment of John Buchanan, their Premier, to the Senate. There was just some real irony there.

I do want to report briefly on the session that our Ombudsman was involved in, and that was a report on whistle blowers. He and John Grace concurred in their position. What they were trying to do was get people that would take opposing views on all of the panels, but they ultimately pretty much concurred that there ought to be stronger laws in place to protect those people that report but that whistle blowers, those people that do report on violations, not be faceless accusers. If somebody is charged with having done something they ought not to have done, you can see the accuser; you know who your accuser is and you've got the right to defend yourself to that individual. Perhaps the way to get around that to protect the complainant is to allow the Ombudsman to level charges after the investigation if the charge is serious enough. Then the Ombudsman would act on behalf of the individual or the province or the state.

I have got Roberta Jamieson's report. Yolande is absolutely right; the Ombudsman in Ontario is a lawyer. She's native. She has a very different perspective on native rights than probably all of us have and some very different insights that go back to the 1760s. Her paper is not that long; it would probably take 10, 15 minutes worth of reading time, and it certainly is worthwhile

reading. For those committee members who want it, I'll make copies, and if you want to have other copies made to pass out to people, I'll make sure you get them.

MRS. GAGNON: Could I just add, Bob, in regard to Harley's presentation? The only negative reaction he got, I believe, was in the next session which was given by Carl Lewis, Toronto, who is the public complaints commissioner for the Toronto metro police department; he had some concerns about Harley's proposal. So I think when we discuss it again, I would maybe raise some of these things. They basically were the same things that we had questioned Harley about and that I think will be resolved.

Just to emphasize something else that I learned from Roberta Jamieson. It was that natives never feel that they own land; they only have use of it, that the land belongs to the great creator or the great spirit. So they cannot give it away in a treaty settlement because it's not theirs in the first place. They believe they are sharing it with you, not that they have given it to you. For me, that was quite an insight into why it is that - you know, when we have a signed treaty, we now think we own this land. They don't see it that way, because nobody owns the land; it's there just for our use. So that was a good insight.

Thank you. We had a great time too. It was a lot of fun. I should add that.

MR. SIGURDSON: I want to also thank the committee for allowing me to go. I found it most interesting and really appreciated the opportunity to attend.

MRS. GAGNON: My husband and I went to P.E.I.: Charlottetown and Green Gables. I had this big lump in my throat the whole time I visited Green Gables, and Dan just said, "You'd think this was the Holy Land or something." My girlhood memories of reading all those books were wonderful.

MR. CHAIRMAN: Our Canadian background.

Any other questions? Yes, Jack.

MR. ADY: I had a question. I was not clear on how this whistle blower thing would really be resolved by allowing the Ombudsman to lay the charge. In that case, would the accuser remain a faceless person in it? What is resolved by letting the Ombudsman lay the charge through all of this?

MR. SIGURDSON: The Ombudsman would be the primary plaintiff. He may very well end up having the other people as witnesses.

MR. ADY: Okay, but the accused in that case would never know who the accuser was?

MR. SIGURDSON: The Ombudsman becomes the accuser after investigation. The Ombudsman would be able to take and lay the charge against the individual.

MRS. GAGNON: It gets around that natural justice way of laying charges, in that if you accuse someone, that person has to know who is accusing him or her and so on, has a right to respond. This gets away from that, because the Ombudsman is doing this on his own initiative, based on investigation. Now, ultimately maybe the accuser would have to have the right to know who it was who laid the first charge, and that was part of the dispute, I think, with Carl Lewis.

MR. ADY: I just have one question.

10:32

MR. CHAIRMAN: Go ahead.

MR. ADY: Yolande talked about the native position on land ownership and how they feel about it, and that just because they signed a treaty doesn't mean they ever gave up the land because the land is for everyone. Did they go on to say that they feel the same way about reservations?

MRS. GAGNON: She didn't really talk much about reservations at all. I think she is an urban native person and doesn't live on a reservation.

MR. ADY: I understand.

MRS. GAGNON: She didn't really talk about it.

MR. ADY: Thank you.

MR. CHAIRMAN: Don, and then John.

MR. TANNAS: I must be missing something on the whistle blower. As I understood it, the whistle blower might be an innocent third party. They see some oppression by person A on person B type of thing; they're an observer to it, and they blow the whistle. So they really aren't the plaintiff then. You know, it would be a little bit like our Crime Stoppers witness to something. I'm not saying this is a crime, but they would be just an informant and don't want to get caught up in the whole thing. Because if you're in a bureaucratic structure, if your name is trotted out, that will go with you for a long, long time, I would think, as a whistle blower. So in order to protect the innocent witness, this is being . . .

MR. SIGURDSON: It also could be that suppose you've got a person that is working for an employer and the employer is dumping effluent knowingly and exceeding all kinds of regulations. The employee, for fear of their job, may not want to report it and come public with the information they have. So there may have to be some kind of body that can intervene and take the complaint, investigate the complaint, and then go and lay the charge.

MRS. GAGNON: I think the thing is that the person needs protection, not anonymity necessarily. But you do get into this whole thing about natural justice.

MR. SIGURDSON: And there is retribution. That's part of the problem with some of those people that have laid complaints.

MRS. GAGNON: But Harley's response to that, as far as the Alberta situation, is that the fear of retribution is based on perception and on myths, not on fact. In their investigation and in the research done at the U of A there is no retribution action taken by anyone, but there is that perception out there. It's the perception that has to be changed.

MR. CHAIRMAN: Thank you.
John, Stan, and then Al.

MR. DROBOT: Would there not be a concern that the Ombudsman becomes a prosecutor?

MR. SIGURDSON: That was not one of the concerns that was expressed, John. To the best of my recollection, that wasn't one of the concerns that was expressed by any of the delegates that participated after the panel session.

Do you recall, Yolande?

MRS. GAGNON: I'm just rereading my notes.

MR. SIGURDSON: In fact, if anything, the Ombudsman from British Columbia was more inclined to accept the role of prosecutor as well. Remember Stephen Owen getting up there and almost chastising the two panelists for not going far enough in the protection?

MR. CHAIRMAN: Okay.
Stan.

MR. NELSON: Are we in a full-blown discussion on this now, or are we going to do it at some later date?

MR. CHAIRMAN: Well, it's coming back as part of the legislative package we will consider. What's happened is that it is part of the report, and there are now questions and answers being given on it.

MR. NELSON: I'd like to enter the discussion on this, but I'm not sure now is the time. I think we're going to be discussing it at a later date. I'll reserve my comments till that time, because I have some real concerns about any additional unwieldy powers to the Ombudsman, which he already has.

MR. CHAIRMAN: All right.
Alan.

MR. HYLAND: One quick comment on that and then a question on something else. It's interesting of you to have said that the two opposing views on this come from people with similar backgrounds in the policing, that they would think of things differently. Maybe that's why some of Calgary hasn't had so much of a problem in their policing with the amount of different populations they have and Toronto has.

But on the Ombudsman and the possible losing of a couple - it sounds like one for sure and one maybe - in the provinces . . . You know, they may well come up with something different. I understand what you're saying, Tom, on the way they were appointed, but it seems to me that . . . Was there much discussion about the . . . You know, it's moving throughout the world and we're losing it in Canada.

MR. SIGURDSON: I want to give you some clarification. Ontario isn't considering shutting down the office of the Ombudsman. There were some people there and they expressed a concern, as the individual that was to be appointed to a position, that their appointment may not go through because of the change in government. It is Newfoundland that is shutting down the office of the Ombudsman. And yes, there was a great deal of concern, Alan. In fact, there was a meeting of the executive on the Thursday afternoon of the conference. They passed a motion that they sent to Newfoundland more or less

condemning the action the government is taking. They were hopeful the government would reconsider their order, but goodness only knows if Clyde Wells will do that.

One of the topics that was raised, Al, just further, was the role of the worldwide Ombudsman and the role Canada might take. Certainly Stephen Owen and D'Iberville Fortier spoke on the need to extend the role of the Ombudsman to Latin American and Third World countries. They talked about the changing role of the offices inside some of the jurisdictions that currently have Ombudsman offices. For example, British Columbia now has a children's Ombudsman or a person, a deputy, that is assigned to look after children's rights. Apparently Norway has their own children's Ombudsman separate from the role of the Ombudsman; so does the city of Jerusalem. So there were discussions about the changing role and the need to increase the number of Ombudsmen worldwide. They'll be going to External Affairs looking for some [inaudible] to try and assist in establishing Ombudsman offices around the world.

MRS. GAGNON: There was also a plea for a federal Ombudsman from the provincial Ombudsmen present in that they have no one to relate to federally. They can relate to the five commissioners which exist, like the Commissioner of Official Languages, the corrections investigations commissioner, and so on, but they can't relate to a federal Ombudsman. That may be something to look to from the federal government in the future.

MR. CHAIRMAN: All right. Well, thank you.

Any other questions of the two delegates? Go ahead.

MR. HYLAND: I suppose we just couldn't ask this question because we were the only ones there with politicians, so you couldn't ask what the feeling would be from those representing the province of Newfoundland, why they couldn't figure a different way out than doing away with the office per se. Especially from a party that . . . I've heard him speak of how he supposedly is supportive of individuals' rights, and then to tear the Ombudsman position out from underneath him regardless of who's sitting in that chair . . .

MR. SIGURDSON: The rationale that was used, Alan, from the government of Newfoundland was that all Members of the Legislature serve as Ombudsmen, so therefore the office was redundant. That's why Prince Edward Island has never established an office of the Ombudsman. They've got, you know, a few hundred thousand people - I don't know what the population is - and 32 Members of the Legislature that serve their constituents as Ombudsmen. Newfoundland thought they would be able to justify the closing of the office on the same grounds.

MR. HYLAND: You and I could argue the same thing.

MR. SIGURDSON: Indeed.

MR. CHAIRMAN: Anyone else?

10:42

MRS. GAGNON: I would like to - well, I can do it on my own; I don't believe I need permission from the group - advise you that I will find out what the status is, if the government there maybe has backed down in light of the motion that went forward from the conference. I would write to the Premier of Newfoundland even as an individual who attended the con-

ference, asking him to desist. If he needs to remove an individual, that's one thing, but not to remove the office, because it's essential and is part of a progressive, democratic society, that kind of thing.

MR. HYLAND: Will you let us know?

MRS. GAGNON: Sure. I'll let you know what happens.

MR. HYLAND: Good. Okay.

MR. CHAIRMAN: Well, on behalf of the committee, thank you, Yolande and Tom, on your very comprehensive report on the conference. As you know, there are not many jurisdictions in Canada where the Ombudsman reports back to the full Legislature through an all-party committee. This is a unique process. That in itself may explain why there aren't as many MLAs who attend these meetings. In many cases the Ombudsman reports directly to Executive Council.

All right. If we could move on, then, to the government ethics conference, Derek, which you attended.

MR. FOX: Thank you, Mr. Chairman. The Council on Governmental Ethics Laws' 12th annual conference was in Anchorage, Alaska, this year from September 12 to 15. It was my privilege to attend on behalf of our Legislative Offices Committee. Again, I would have to say that I was the only Canadian legislator present, and I think that's something we can be proud of. It reflects the involvement our all-party committee has with our Chief Electoral Officer and provides not only an important contact with the committee and the officer, but we were dealing with so many things at that conference that are directly relevant to things we as legislators are doing. We currently have an Electoral Boundaries Committee in the province of Alberta. The Premier appointed a three-member commission to review conflict of interest legislation in the province. There's a federal commission on electoral reform. All these things are going on, and what this conference dealt with are subjects directly relevant to all those concerns, so I found it not only very interesting but very informative as well.

Travel arrangements to Anchorage are difficult, as Louise will surely know. You can either fly to Vancouver and then to Seattle and Anchorage or go through Fort St. John and Whitehorse and then to Anchorage. I chose the latter route. It gave us the opportunity to spend half a day in Whitehorse, and it was my pleasure to have supper with the Premier of the Yukon Territory, the Hon. Tony Penikett, that night. I wouldn't want to suggest that we didn't pay more than a little bit of attention to the results of the Manitoba election that were coming in that evening as we had supper, but I certainly had a very good discussion with Premier Penikett and the next day had the opportunity to visit the Legislature buildings in the city of Whitehorse and get some sense of what life must be like in our northern territories.

If I could put in a little plug as well for Alaska, the state of Alaska has much in common with Alberta, being a state that is large and diverse and resource wealthy. Whenever there was an opportunity, I took it upon myself to have a chat with state officials from the state of Alaska. I met with one of the state Senators, Senator Pourchot, and the state Governor, Steve Cowper, and discussed items of mutual concern. They're well aware of the province of Alberta, and some of them recalled meeting with members of our Heritage Savings Trust Fund committee to discuss . . . They have a fund that's similar in its

intent to our Heritage Savings Trust Fund, so there's a lot in common.

The city of Anchorage is a remarkable place. It was a city of some 40,000 people in 1970, 100,000 in 1980, and now there are close to 250,000 people living there. The climate, even though it's a northern city, is more moderate than the midwestern United States in the winter, and it's almost as far west as Hawaii. You'd never realize that, being part of North America. It was quite a remarkable place, and certainly a place I want to visit when I've got time to travel.

The conference was, as I said, very interesting. A number of topics were covered. One of the frustrations I have when I go to these conferences is that you can't take it all in because the sessions are concurrent, so you have to pick and choose which ones you want to attend.

The first of the concurrent sessions I attended dealt specifically with campaign finance. It's a major topic not only in Canadian provinces and federally but within the United States. A variety of different approaches to campaign financing dealt with disclosure, limits to contributions, sources of contributions, the degree of public financing. We have some measure of public financing, as you know, in effect at the federal level in our political system. I'm not aware of any provinces that do. But it's becoming an issue in the United States, and I think it all relates to the growing concern – a legitimate concern – that electors, citizens have with regard to the conduct of their elected officials. There's a real trend to designing better and more effective ethics laws that not only provide assurance to the citizens that their elected officials are acting in their best interests but protect the people who serve in that capacity. That session was very interesting. Our Chief Electoral Officer, Pat Ledgerwood, was one of the panelists and not only represented the province very well but did an excellent job in his presentation. A couple of the examples he was able to provide of abuse, one that is currently before the courts in the province of Alberta, certainly didn't take a back seat to some of the more intriguing stories of people abusing campaign finance and contributions in the United States.

The next session that I attended dealt specifically with ethics and the drafting of conflict of interest laws and rules, dealt a lot with examples of real or perceived violation, and a lot of discussion about where you draw the line between public responsibility and personal benefit. It was interesting at the time . . . Tom and Yolande talked about news of the day having an influence on people's perceptions. Well, as we were discussing this, the headlines were filled with the most recent controversy involving Premier Vander Zalm in British Columbia, about entertaining people at public expense who were buying things from him personally. So a lot of discussion: where do you really draw the line between what is your public responsibility and where you benefit personally?

The following morning the breakfast was even a working breakfast. They called it the model law breakfast round table. Now, the Council on Governmental Ethics Laws has put a lot of effort into trying to draft a model law against which jurisdictions can evaluate their own laws with regard to campaign finance disclosure, conflict of interest, access to information, and things like that. They have a model law drafted that was submitted to the delegates and given tentative approval. We spent time at the breakfast – we could pick tables depending on our topic of interest, whether it was campaign finance, ethics, lobbying, registration of lobbyists. I sat at one on public financing and ended up having breakfast with Pierre Coté, the chief electoral officer from the Province of Quebec, and Pierre Lortie, the chief

commissioner of the federal Royal Commission on Electoral Reform and Party Financing, which I believe is coming to Alberta . . .

MR. CHAIRMAN: They've been here.

MR. FOX: They've been here recently?

MR. CHAIRMAN: They may be back.

MR. FOX: Yeah. Okay. They may be back in the last few days. And some officials from the federal elections commission in Washington and a couple of officials from New York City. So it was a most interesting exchange.

10:52

Later on, the plenary session we had was on civil versus criminal enforcement. How do you deal with people when charges are filed? When are charges laid? Trying to draw a distinction between knowing and willful violation of laws. Sometimes people without any malice aforethought end up being in violation of laws. How do you deal with those?

Then there was a follow-up session on legislative immunity and peer review, and it was very interesting. Marcel Pelletier, the Parliamentary Counsel from the House of Commons, was a participant along with Senator Patrick Pourchot from Alaska, and they dealt with various examples of situations where you would either expel members, exclude members, punish, or censure in different situations.

There was a concurrent session that I really wanted to go to, but I felt that was more important to my work in the province of Alberta.

New York City made a presentation on their first experience with public campaign financing. You wouldn't think of it, but the municipal elections in the United States in some cities are much larger undertakings than our federal elections. I mean, there are just about as many people in the city of New York as there are in the entire nation of Canada, and they've got some enormous problems trying to deal with matters of campaign finance. They're moving toward a system where the only contributions allowed in campaigns are those that come from individual voters. That means no corporate contributions, no union contributions, no political action committee contributions, only contributions from individuals, with limits on amounts of contributions, limits on amounts that candidates are allowed to spend in elections: strict controls.

They also get into identifying sources of contributions. In the province of Alberta, for example, if you contribute over \$375 to a campaign, your name is recorded and it's on file for the public to see at the Chief Electoral Office. But some jurisdictions where they have banned contributions from sources other than individual voters found that to be inadequate, because what they'd find is that the president of a company or the president of a union may decide to funnel all kinds of money through individuals and get them to contribute on their own. So people have to be identified in terms of not only their name and address but their place of employment and contacts. There are enormous problems in trying to sort out how you safeguard the public trust and at what point the regulations are becoming so cumbersome that people neither understand nor want to take part in them. So it was very interesting.

The lunch on the Friday afternoon featured Pierre Lortie, the chairman of the Royal Commission on Electoral Reform and Party Financing from Canada. He gave a very good presenta-

tion. Stuff that we take for granted was very enlightening for the American participants, I can assure you, because there are some dramatic differences in our political systems and the way we approach things; I'll get to this at the conclusion of my report. There were many times over the three days that I enjoyed my contact with American elected officials but was so thankful to be a Canadian and to be able to take part in the system we've got, because there are many things that commend our system of government in Canada.

Some of the people I had the pleasure of sitting with at the table – and again, as any of you who've been to conferences know, the conversations sort of outside the formal agenda are almost always the most enlightening ones. Jean Marc Hamel, the former Chief Electoral Officer for Canada, was at the table, as was Donald MacDonald, the chairman of the Elections Finance Committee in Ontario. He was just in a delightful mood. It was a real pleasure to meet the gentleman. He was a member of the Ontario parliament for some 27 years and leader of the NDP for, I think, 15 of those years, so all his friends who were there and who know his background certainly gave him more than a little bit of light-hearted ribbing based on the results of the election in Ontario. He wanted to remind everybody that as a neutral public official he was in a state of euphoric neutrality after. But it was very interesting talking to these people who have had so much experience.

There was a lot of lobbying going on among conference participants regarding the site selection for the 1992 conference. There was a big delegation from the big island in Hawaii because they wanted to have the conference in Kona, Hawaii. They had all kinds of things to try and entice delegates to vote for them. Then there was a delegation from Toronto because they were in the bidding for the selection as well. I was happy to see that Toronto won the vote, which indicated to me that the conference participants were looking at more than just sort of where they wanted to be. They were looking at the . . .

AN HON. MEMBER: Baseball.

MR. FOX: Yeah, the Blue Jays' stretch drive. That was going on at the same time too.

There was a Canadian election officials workshop that I attended. Our Chief Electoral Officer was a panelist there along with George Allen, commissioner from Elections Canada, and Donald MacDonald, as I mentioned, the chairman of the Commission on Elections Finances in Ontario. There was perhaps a thin participation from Canadian delegations: a lot of people from Ontario, a lot of people from the federal government in Ottawa, Mr. Ledgerwood and myself from Alberta, nobody from Manitoba – they were in the middle of an election, so I'm sure we can understand why – and nobody from B.C. or Saskatchewan because elections were pending. The people who attend on behalf of Canadian Legislatures are election officials, so the ranks were a little thin in terms of Canadian participation.

The Saturday morning session, a plenary session, was very interesting. It was called global electoral evolution. They'd invited panelists from Czechoslovakia, Romania, Bulgaria, and Hungary. Only two of them were able to show up, Marina Bucatura from Romania and Emilia Drumeva from Bulgaria. It was fascinating listening to their accounts of the process of evolution in their countries and realizing how limited we are in many ways in Canada. Of course, both of these women spoke their own languages, Bulgarian and Romanian, fluently. They spoke English with a rare elegance and fluency. They felt shy and embarrassed about their English, but I assured them it was

superb. They both spoke French fluently. They both spoke German and Russian. They speak five or six languages with genuine fluency, and it was quite remarkable to have contact with them.

There was a concurrent session on the role of international election advisers, much like Yolande and Tom said in terms of Ombudsmen in Canada feeling some obligation to assist jurisdictions elsewhere in the world in setting up these offices. The Canadian and American electoral officials put a lot of effort into helping in the international scene, and I believe some officials from Alberta. Michael Clegg went to – was it Namibia? – for the elections there, not only to observe but to try and help people who've never had experience with the democratic process bring in some proper sorts of processes right at the beginning.

I attended as well a session on the crisis in public financing – I alluded to that earlier – the problems they're experiencing getting people to . . . If they want to get rid of contributions from sources other than individual voters, then they have to get into public financing, and there are some problems that go along with that.

I'd have to say that the things that sort of stay most clear in my mind are in terms of trying to distinguish between the American and the Canadian system – we often look to the Americans as examples in various things, certainly in talking about having an elected Senate instead of an appointed Senate. They have an elected Senate. It's useful to point out that though their Senate may be elected, it certainly is not representative of the American people.

Out of the 100 Senators, I think all 100 of them are white, and they're all male, and they're all millionaires. Now, I don't have anything against white male millionaires, but I think we could agree that that's not reflective of the American cultural milieu. So their system, though noble in intent, has become quite perverse over time, I think.

11:02

The other thing that was really apparent to me about the differences in our systems is that the American political system is so enormously cumbersome and complicated. They vote for absolutely everything there – even dogcatchers are elected by the people – and the public just gives up in frustration. In many states they have a process of voter registration that is active; ours, I would say, is passive. We want to register the voters, get their names on the lists and encourage them to vote, and if they don't get their names on the list, well, they can come on election day and sign up anyway. Our Chief Electoral Officer conducts that process, goes out and encourages people to get their names on the list. Certainly we know that efforts have been made in areas of the province where voters are reluctant to register.

But in the United States in most jurisdictions people have to register on their own. They have to go and register, and if they don't register, they can't vote. One official that I spent a lot of time with from the state of Florida, Donald Rhodes, said that in his state they have 50 percent of the eligible voters registered. That means only 50 percent of the people are allowed to vote on election day, and the rate of participation in elections is 20 percent. Now, when you add that up, that means that 10 percent of the people in Florida eligible to vote take part in the election. If you get a state governor elected with 60 percent of the vote – which would be a fairly dramatic majority, 60-40 – then 6 percent of the people in Florida chose that person to be their governor, and they call it democracy. It's really unfortunate. When I told them that in the Vegreville constituency we had a 75 percent voter turnout, they could not believe it and that our

average in Alberta is . . . We think 50 percent is not good enough and we seek to improve that, but to them it looks like a dream.

The other thing that was a real shock to the American officials there was to learn that we have turnover in our elections, that once you're elected to office in a Legislature or Parliament, you submit your name to the people on a fairly regular basis and they can turf you out of office. That's a foreign concept in the States, I guess. They said that the odds favour you dying in office rather than being replaced once you're chosen. The rate of incumbency is well over 90 percent. Once you're elected, you're as good as elected until you decide you don't want to run again. When we told them that quite regularly, in spite of the enormously high calibre of all MLAs and MPs in the country, we experience a turnover rate of anywhere from 30 to 50 percent in our elections, they just could not believe it.

So I thought that in spite of the imperfections in our electoral system and the need to try and improve it, when you measure it point for point against the American system, we have a level of participation and a level of public accountability that dwarfs the system that's in place there.

MR. NELSON: You can't blame the system for that. The people are to blame. If they're not interested, you can't go and drag them by the nose to vote.

MR. CHAIRMAN: Well, let's let Derek finish his report. Derek, finish your report; then there'll be an opportunity for questions.

MR. FOX: I'm not sure that Americans are that much different than Canadians, but there are dramatic differences in the levels of participation in elections, and I think there's some systemic or problems in the structures there that contribute to that.

I enjoyed the conference immensely. I'd be happy to try and answer any questions, even from the president of the Lawn Bowls Association, and I'd like to thank the committee for sending me. I don't feel guilty about enjoying myself there. I did enjoy myself and saw enough of Alaska to know that I'm certainly going to go back. But in terms of my work here as an MLA, I learned a lot. I believe it's useful to the people of Alberta, and I think it's a real shame that elected officials from other provinces don't take the same degree of interest in the functions of the Chief Electoral Officer, the Ombudsman, and the Auditor General as we do here, because that work is very important on a day-to-day basis for the people that we represent. If we want to do a good job, we'd better make sure we know what's going on.

MR. ADY: It was really visionary of our government to set that system up.

MR. FOX: I thought it was Ernest Manning that set that up, but I don't know.

MR. CHAIRMAN: Thanks, Derek.
Stan, and then Yolande.

MR. NELSON: Mr. Chairman, I just wanted to make the comment that I was to attend that conference also, and due to some personal things and a death in the family, I had to back out at the last moment. I just want the committee to know that I appreciated the opportunity to be able to go, but unfortunately,

due to personal things and family matters, I was unable to attend.

However, I appreciate the report. But as I made a comment on a few moments ago, I question the comment about blaming the system because of a 6 percent turnout at the polls to vote for the governor of Florida, as an example. I don't blame the system for that; I blame the people for not taking an interest. It's the same in Alberta: I had a 32 percent turnout at the polls. I can assess many of the reasons for that, but you can't blame the system. You have to blame people for not taking the interest, which I think they have the right to do. Many of the people who do come and vote – and I'll refer to my constituency in particular – are people who have come from countries where they have not had the opportunity to vote, who have lived in an oppressed, depressed state where they've been dictated to, and who now take, when they're able to, once they become Canadian citizens, that opportunity to participate in the electoral process. They take that opportunity, and many of them don't even look at it as their right, but their privilege. Of course, in Canada it is their right, and I would think that where we have those rights, we need to protect them with a lot of vigour because it's an important process. But in any country that has the western philosophy of proper electoral processes, it is my opinion that it doesn't matter what their system is as long as it is an honest and up-front system, which I believe the Americans have as well as the Australians, New Zealanders, Canadians, et cetera. I don't blame the system. I don't feel that we should blame the system when in fact it's the people, not the system.

MR. FOX: I should clarify. I didn't mean by my comments to absolve anybody of responsibility because, like you, I feel very strongly that our democratic freedoms are fragile and precious, and if people don't use it, we run the risk of losing it, and people have a responsibility to take part.

What I did try and illustrate, though, is that there are things in the American political process that frustrate, confuse, and inhibit people's participation rather than encouraging it. One very simple example is the process of active registration. You have to go out and register. They only have two political parties, and you have to be a paid-up, registered member of one or the other to take part in the primary process to win a nomination. It's just enormously cumbersome and complex. Plus the habit of voting for so many things. I mean, we see it in the city of Edmonton or the city of Calgary, where you vote for a mayor, councillors, school board trustees, et cetera. It can get quite confusing. But when you add to that list . . . [interjection] I beg your pardon?

MR. NELSON: Occasionally you'll have a referendum. We had two in Calgary last year.

MR. FOX: Yeah, and occasionally that sort of thing. In the United States they have referendums for all kinds of things that would surprise you and vote for things like, in some jurisdictions, sheriffs, dogcatchers, prosecutors, and attorneys. People can't be bothered to try and keep up with so many things.

MR. NELSON: One final comment. Our process here, because of our provincial and federal elections, with the party process: is that totally fair? Because the electorate has to vote for a candidate chosen by a few people to run in an election, and unless you've got a party tag, it's very difficult, the same as in the United States. So our process is not a lot dissimilar insofar as selecting a candidate to run for a party.

11:12

MR. FOX: Well, that's true. I mean, I admitted there are problems with our system, and that's why we work to achieve electoral reform. But I would point to the stats that indicate the level of renewal at election time. Our system certainly does favour incumbency. Once you're elected, you have the opportunity to be better known, and hopefully, if you've done a good job, people will perhaps support you regardless of their opinion about the party you represent. That often happens. You guys better hope it happens.

But in the United States they made the statement that odds favour you dying in office once you're elected, because once you're there, it's almost impossible to replace you. I don't think that's healthy. I don't think any of us should be able to assume that our political careers will last beyond the next 28 days.

MR. CHAIRMAN: Okay.
Yolande.

MRS. GAGNON: I agree with Derek. I believe the need for the voter to go and register is probably one reason why you end up with so many white male millionaires holding office. Because of the history in the U.S. a number of people would not have felt that they had the franchise, really, to go and take part in that process. So there is, I think, an underlying structural reason for what is going on there.

I want to ask about the relationship of the census, then, to that process. Do they not still take census, and are not numbers of voters and so on based on a census, a national census or a state census? It has nothing to do – it's two separate things?

MR. FOX: Yeah. Voter registration is separate from census, and it varies from state to state.

In defence not so much of the American way of life but of their system, I should point out that one of the reasons in New York, for example, that they don't send people out to knock on doors to enumerate is because no one will answer the door. I mean, if you lived in New York City, would you open your door to some stranger who said he wanted to ask you some questions? People are paranoid and frightened, and with some justification. So, again, we operate in a relatively benign, perhaps at times naive, atmosphere that allows us to have contact with strangers, and I'm thankful for that, but in the United States it's very difficult to go out and enumerate voters if they won't answer the door and let you enumerate them.

MR. CHAIRMAN: Alan.

MR. HYLAND: I wasn't going to say anything until Yolande just said something about the predominance of white male millionaires in the American political system.

MR. FOX: I said in the Senate. I don't know what the percentage is in the House of Representatives. It might not be very high in the House of Representatives.

MR. HYLAND: Oh, okay. Because when you talk of the States, they're no different than us. I know some of those people in Montana and other states, and they're just like you and me; they're ordinary people. Some even have government jobs. In their system they're allowed to run for Senate and House of Representatives because of the time it takes there compared to our time. They're just ordinary people.

MR. FOX: Yeah. I had contact with some state representatives – as I said, one of the Senators from Alaska and a couple from the state of Minnesota – and I really enjoyed the contact with them. Their responsibilities are quite different from ours, and I think their jobs are part-time. The number and variety of responsibilities given to elected officials at the state level in the U.S. is very different than our system, but my comments referred specifically to the hundred people who are elected in this model that sometimes people in Canada look to as the Triple E Senate, and I was trying to make the point that it's really not. Though they may be elected, they're anything but equal and representative, and it has a lot to do with the kind of processes people go through in order to get elected. They're trying to cope with that by bringing in strict limits on campaign financing, limits on ancillary advertising, contributions and disclosures, and things like that.

MR. HYLAND: In Montana this time they lose one in the House of Representatives federally because of the drop in population, and they still keep their two Senators.

MR. FOX: Right.

MR. HYLAND: So at least that has helped stabilize their representation.

MR. FOX: Their House of Representatives is based strictly on rep by pop, isn't it?

AN HON. MEMBER: That's right.

MR. FOX: Rep by pop, and the ridings would be the same size.

AN HON. MEMBER: They must have a plus or minus factor.

MR. CHAIRMAN: No, they try to keep the constituencies as close to the mean as possible.

Obviously, in a state like California with its large number of House of Representatives members, it's much easier to do than in a state that has, say, two representatives or Montana, now going down to one. But they have the balance between the lower House, which is based on rep by pop, and their upper Chamber, which is a regional representation where, regardless of the population, the size, or the wealth of the state, each state is entitled to two Senators.

MR. HYLAND: I think, though, Montana – you can't lose the one you've got. They can't go below one.

MR. CHAIRMAN: No, they can't go below one; that's correct.

MR. HYLAND: They're at the one because of their population. This year the two that were sitting are running against each other because they lose one. There was one Democrat that was elected and one Republican, and they're running against each other in the election to see who wins.

MR. FOX: I'll provide an interesting little political tidbit because I just think it might be interesting to you. During my conversation with Premier Penikett in Yukon, talking about the electoral reform and redistribution that we're confronting here in Alberta, he talked about their situation there. Now, I think it's fair to say that in Alberta a majority of the members, overwhelmingly in rural ridings, are Conservative, and the New

Democrat and Liberal members are largely confined to the cities.

MR. CHAIRMAN: To the city of Edmonton.

MRS. GAGNON: Hey, hey. There are three Liberals in Calgary.

MR. CHAIRMAN: The majority, just to set the record straight.

MR. FOX: I said the majority of Liberals and New Democrats elected.

MR. CHAIRMAN: In the city of Edmonton.

MR. FOX: I didn't say we were the majority in Calgary.

MR. CHAIRMAN: Well, you aren't, nor are the Liberals.

MR. FOX: No, I didn't say that.

MR. CHAIRMAN: No. I'm just making sure that . . .

MR. FOX: I'll have to give you a lesson in semantics, Mr. Chairman, after this is over.

MR. CHAIRMAN: You've tried to give lessons before.

MR. FOX: In Yukon the situation is that the NDP government holds virtually every seat outside the major city of Whitehorse and the Conservatives have the seats in the city of Whitehorse. It was just interesting that it's a mirror image of our situation here.

MR. CHAIRMAN: Correction: it is not. There are what? Twenty-five cities in Alberta? In one city the majority of members are from the opposition parties. In all other cities the majority are from the governing party. So the analogy is not at all correct.

Yes, John.

MR. DROBOT: Derek, I'm wondering if it's a fair comparison, because the two systems are totally different, the British parliamentary system and the American system. We could question the function of the House of Lords and our Senate, et cetera, and that would look very odd and strange to the Americans as well. It's different, so how can we . . .

MR. FOX: Yeah, you can't compare it straight across; that's for sure.

MR. CHAIRMAN: Okay. Any other questions or comments?

MR. SIGURDSON: The majority of the opposition do come from the two cities: 18 out of 35.

MR. CHAIRMAN: Eighteen, but the majority of opposition members come from one city.

MR. FOX: I represent the city of Hairy Hill. I come from the city of Hairy Hill.

MR. CHAIRMAN: Let's move on, then, to item 5(c), the 1991-92 Committee Budget Estimates. Louise will lead us through the draft.

Stan and Yolande, I'm not sure if you were here when I mentioned the process earlier. Today we're going to be going through our committee budget and two of the three officers' budgets - well, one today and one tomorrow morning. We're doing that in a preliminary way at this point in time. We'll be looking at numbers, making some comparisons, asking questions for clarification. We will not be making the hard decisions today or tomorrow. We will come back and do that once we've heard from all three of the officers, because the Ombudsman is scheduled at a later time in order to accommodate his schedule. He wasn't available either today or tomorrow. So we're going to go through our budget at this point in time, and it's our preliminary first review of the committee budget.

Louise, would you like to lead us through it, please.

MRS. KAMUCHIK: The first item in the budget, Allowances and Supplementary Benefits, is to cover registration fees for both delegates and their spouses at various conferences. These are going up substantially from year to year, and our best guesstimate is that this figure will reflect the increase.

Travel expenses have decreased over last year because of the venues of the conferences. Two of them are in Winnipeg next year; the third one is always in the Ottawa-Toronto-Montreal region. The most expensive one, airfarewise, is in North Carolina, which is a global conference.

Insurance and repair are basically the same.

Professional, Technical, and Labour Services to cover the cost of the auditor to audit the office of the Auditor General: that is based, again, on an expected increase.

Hosting remains the same.

Pay to Members of the Legislative Assembly is slightly higher, but that's to take in the increased benefits to members.

11:22

MR. CHAIRMAN: All right. Page 1 for clarification. Yes, Derek.

MR. FOX: I was wondering if Louise would have some indication - we've got our '90-91 estimate but not the actual. I'm just wondering how we're doing.

MRS. KAMUCHIK: Actually, we're doing very well this year, mostly because two of the delegates who have gone to conferences used their travel bonus points to pay for the airfare. So we're going to be under our budget estimates at the end of this year if this goes on. In addition, the auditor's fees that we had estimated at \$12,500 came in at \$11,900.

MR. CHAIRMAN: When we come back to do the final number-crunching, not only for our Leg. Offices Committee but for the three offices, we will have actuals. They'll be as close to the number as possible so that we're not only looking at the estimates from year to year; we're looking at the actual for the current fiscal year and projecting ahead. We'll do that when we meet to finalize the budget at a later time.

Yes, Louise.

MRS. KAMUCHIK: I was going to say that when these budget estimates are prepared, it's based on economy, the cheapest

airfare we can go with. We can't anticipate using, for instance, airfare travel points because there are several restrictions. Mr. Sigurdson tried to use his, but we just couldn't do it. So we have to go with if we couldn't use the travel bonus points and the cheapest way we could go, hotel and everything. So that's the lowest possible scenario.

MR. SIGURDSON: Just for clarification. I had a constituency event and I couldn't fly out on CP. I had to fly Air Canada in order to accommodate the constituency event, and all of my bonus points are on the Calgary-Edmonton run.

MRS. KAMUCHIK: As well, the airlines only allow something like six seats per flight, and you have to book them months in advance, which we did this year, based on availability of course.

MR. ADY: Louise, perhaps I missed it in your overview. I'm not clear on what the insurance component covers. What insurance does this committee have?

MRS. KAMUCHIK: That's for the chairman's car.

MR. CHAIRMAN: Which is not used. Remember, we debated that last year, whether it should even be in the estimates because it's not used, and we decided as a committee to leave it in.

MRS. KAMUCHIK: In case you stepped down or whatever and the next chairman needs a car, then it'll be there.

MR. CHAIRMAN: But let's go through it page by page. Anything else on page 1? All right. We'll go to page 2. Louise.

MRS. KAMUCHIK: That's the registration fees?

MR. CHAIRMAN: That's the registration fees, yes.

MRS. KAMUCHIK: We haven't put one in for the public accounts yet because it's still not in effect.

MR. HYLAND: We haven't put any travel for that either.

MRS. KAMUCHIK: The travel goes underneath travel. This is just the registration fees.

MR. CHAIRMAN: One thing we may consider doing next year, when we go through the process of selecting members of the committee to go to various conferences, is to identify a backup so that if we have a situation arise where someone is unable to go at the last minute, there's someone else who might like to go. I think a number of members had expressed an interest in several of the conferences, and what we did was we selected our delegate list and that was it.

Tom.

MR. SIGURDSON: If we do that, because you can't transfer airline tickets from one individual to another if they're deep discounted as they have been, wouldn't our budget be much higher or our estimate much higher? You'd have to have air tickets almost at full cost, whether or not they're used, so the estimates will go way up.

MRS. KAMUCHIK: But because of the type of ticket we had - it was done through COGEL, who had a discounted rate through Delta Air Lines - and because we're using that system

as opposed to the point system, we were able to get the airfare back. So the only thing we lost on that one was the registration fee because we were too late.

MR. CHAIRMAN: Yet the registration could have been transferred?

MRS. KAMUCHIK: No. That was nontransferable.

MR. SIGURDSON: The registration fee?

MRS. KAMUCHIK: That's right; it wasn't, not for that particular conference. That isn't to say that the other conferences had the same . . .

MR. CHAIRMAN: You're saying if Don Tannas had gone in place of Stan Nelson?

MR. SIGURDSON: Don would look an awful lot like Stan.

MR. TANNAS: Especially at a government ethics conference.

MR. CHAIRMAN: Well, we'll deal with that in more detail when we get into it. Anything else on page 3, the detailed breakdown on the various conferences?

MR. SIGURDSON: Winnipeg is confirmed for the Ombudsman?

MR. CHAIRMAN: Winnipeg? Not totally.

MRS. KAMUCHIK: When I spoke with them, they were saying that it was based on getting financial approval.

AN HON. MEMBER: That isn't the accommodation, then, in the brackets?

MRS. KAMUCHIK: There is accommodation in the brackets for Winnipeg: two times four times \$125 a day for the hotel.

MR. CHAIRMAN: Okay. Then pages 4 and 5 deal with the automobile, which is not used.

Page 6: that's the audit of the Auditor General's office, and that's coming up as a specific item later on in our agenda. Yes, Derek.

MR. FOX: Yes, Mr. Chairman. I'm just wondering, given that there's been some degree of discussion centred around this budget item in the past, if it's a good idea for us to include - it seems like it would be a self-fulfilling prophecy. If the auditors that we hire know that we've budgeted for an 8 percent increase, then it's likely that they'll be requesting an 8 percent increase, which is certainly above the rate of inflation. I'm just wondering if there isn't some way we could indicate that we're not expecting any increase from them and do the negotiating that's required.

MR. CHAIRMAN: What did we base this 8 percent increase on, do you know?

MRS. KAMUCHIK: It was just expected, gentlemen, I suppose.

MR. CHAIRMAN: I think it's a very valid point.

MRS. KAMUCHIK: It's just that there's no way to predict the rate increases in that field, and they're going up on a yearly basis.

MR. CHAIRMAN: On the other hand, when we reviewed the budget last year from the firm of Kingston Ross Pasnak, there was an increase over what we had anticipated. The rationale the firm gave us was that it was their first year at it, and they expected the cost to either stay the same or go down.

MRS. KAMUCHIK: But this year they knew the cost would go down because they had gotten in their first year of experience in finding out what the system involved. This year when I called the firm to find out if their final invoice was definitely their final invoice and not like last year, they said that they had gone in later on in the fiscal year. Everything was ready, the individual they had worked with also had more experience, and they had everything ready and at hand. So their fee was greatly lower than even they had forecasted, but because of the increases that occur in salary levels on a yearly basis with members of their own firm . . .

MR. CHAIRMAN: Louise, on that basis I think we should take out the anticipated increase, leave the figure blank until we've had a chance to review it and decide, because I think it's a very valid point. We send a signal that this is what we're expecting and . . .

AN HON. MEMBER: We'll get it.

MR. CHAIRMAN: It makes it very easy.

MRS. GAGNON: Mr. Chairman, please refresh my memory. When we deal with the auditors, are we talking about a contract fee for the entire service, or is it always based on hours and time and that kind of thing?

MR. CHAIRMAN: It's open-ended.

MRS. KAMUCHIK: It's based on the number of hours they put into it.

MR. CHAIRMAN: It's a very difficult thing that we wrestle with. Normally, someone doing an audit is reporting directly back to the body paying for the audit. In this case, we pay the bill, but the reporting is primarily back to the Auditor General. We get a report on it, but it is not the normal auditor/client relationship which exists. We are a third party.

11:32

MRS. GAGNON: I wonder if we asked the Auditor General how complicated it would get or how difficult it would be for him to move to a contract base for the service – you know, whether that would be impossible or whether it's too big a change; that they would estimate their costs: this will be the cost, and that's it.

MR. CHAIRMAN: They give us an estimate. Remember, we went through this a year ago.

MRS. GAGNON: I know, but it can go up and down. It's not a set cost for the job.

MR. CHAIRMAN: No, it's not. What you're asking is: why don't we go out on a bid basis? I'm not sure if any audits are done . . .

MRS. GAGNON: No, I'm not suggesting that, because we want the very best and this is very serious and important. We don't want to base it on what it'll cost us. I'm still concerned about that leeway that exists that we have no control over.

MR. CHAIRMAN: Yolande, that's a good point to raise with the Auditor when we meet with him later today.

MRS. GAGNON: Okay. Thank you.

MR. CHAIRMAN: All right. Hosting meetings, page 7. And the final page, which is payments to MLAs.

MRS. KAMUCHIK: Based on 10 meetings of the committee, which is basically what it had last year, this covers expenses, which cover things like cab fares, mileage, conference attendance – when the members attend a conference, they also get their per diem – and the chairman's salary.

MR. CHAIRMAN: Again it will be important to have the actuals when we go through this in more detail.

MR. SIGURDSON: Expenses are way down: 83 percent. Covering taxis, et cetera: that's a big drop. So the actuals will help explain [inaudible].

MR. FOX: It seems that the combined meeting attendance and expenses figures are about the same, but there's a real shift between, you know, the estimate of expenses relative to meeting attendance fees from one year to the next. My understanding is that we're almost always well below that in terms of actual amounts, because it's not possible to have full attendance at every meeting because of other responsibilities that members have. It's wise to budget for that.

MRS. GAGNON: But also the actual for '89 should be high because of all those days we sat to interview Ombudsman candidates and so on.

MR. CHAIRMAN: No, that was dealt with separately.

MRS. KAMUCHIK: That's a different committee.

MRS. GAGNON: That's a separate budget?

MR. CHAIRMAN: Yes. You were dealing with it on a special committee.

Anything else on the budget? All right. We'll leave the budget item at this point in time. We are going to hold item 5(b) until this afternoon when we meet with the Auditor General, but we could go on to 5(e) and 5(f), the annual statement and the audit fee. So 5(e). Louise.

MRS. KAMUCHIK: This is the statement that was prepared by the firm of Kingston Ross based on their audit of the office of the Attorney General.

MR. CHAIRMAN: Maybe we'll just go through it. First, looking at the Auditor's report on page 1. Any questions on the

Auditor's report? Page 2, which is the year-end statement, revenue and expenditures? Jack.

MR. ADY: Louise, you worked out the percentage of increase of 1990 over '89?

MRS. KAMUCHIK: No, I didn't, Mr. Ady.

MR. CHAIRMAN: Is there anything else on page 2? Yes.

MR. SIGURDSON: Agent Fees under Supplies and Services, the \$2,035,906. That's what the Auditor's office pays out to other auditing agencies for their services?

MRS. KAMUCHIK: Yes, that's correct.

MR. CHAIRMAN: We have a list of those, which we'll review, which are contained within the Auditor's budget estimates, the list coming up.

MR. SIGURDSON: It's seemingly high, and everytime you contract out to another office, you're going to be paying them a fee, which they're going to be making a profit on.

MR. CHAIRMAN: Well, I don't want to get into it in any detail, but it is schedule 1 of his budget estimates, which we'll deal with later.

MR. SIGURDSON: Okay.

MR. CHAIRMAN: The rationale used, as I recall, was that for organizations based away from the staff or where there's some other extraordinary circumstances, they contract out.

MR. HYLAND: Isn't there corresponding - they charge some of those outfits, though, and some of that comes back.

MR. CHAIRMAN: You mean in revenue?

MR. HYLAND: Yeah. Like the irrigation districts; they pay the full cost, so that would show up in revenue somewhere, I think, but I'm not sure.

MR. CHAIRMAN: Audit Fees, Alan, of \$685,000.

MR. HYLAND: There's still a shortfall.

MR. CHAIRMAN: Yeah.

MR. SIGURDSON: You've got 28, 29 percent.

MR. CHAIRMAN: Well, we can discuss that when we get there. Anything else on page 2?

Page 3, Notes to the Financial Statement. [interjections]
We've reviewed the report. Are there matters in it that you'd like to raise with the Auditor General this afternoon?

MR. SIGURDSON: Well, just the one on the outside services.

MR. CHAIRMAN: Sure. I think a number of those will naturally flow from his report, from his budget estimates. So could I suggest that we just let the minutes show that it's been reviewed for information at this point in time, and we'll come

back and finalize our decision on it once we've met with the Auditor General?

SOME HON. MEMBERS: Sure.

MR. CHAIRMAN: All right. Then moving on to item 5(f), we do have a bill for \$11,900 from the firm for the audit of the Auditor General's office. Is the committee ready to accept that? Derek.

MR. FOX: I move that the committee authorize payment to Kingston Ross Pasnak for fees.

MR. CHAIRMAN: Okay. Discussion on the motion? Alan, did you have a point?

MR. HYLAND: No.

MR. CHAIRMAN: Anyone else?

MR. ADY: Question.

MR. CHAIRMAN: The question's been called. All in favour? Opposed? Carried.

I suggest that we break at that point. We're going to have lunch at noon here, and then at 1 o'clock we're going to walk over there.

[The committee adjourned from 11:42 a.m. to 2:49 p.m.]

MR. CHAIRMAN: We'll reconvene our meeting. Let the record show that we were at the Auditor General's office.

At this time we welcome Don Salmon, the Auditor General for the province of Alberta, and Andrew Wingate, the senior assistant Auditor General. We're going to proceed into the budget estimates. I've already mentioned, Don and Andrew, that today is a preliminary review of the estimates. We're here to gain information on your request, to ask questions to clarify matters, seek information. We will come back at a subsequent meeting in a final decision mode once we've reviewed all three of the offices which report to the Assembly through this committee. So again a welcome. First of all, thank you for your hospitality when the committee visited your offices earlier today and for the opportunity to meet with some of your senior managers.

I will now pause and allow you to make some opening comments, and we'll proceed right in. I'll also mention that, as was the case last year, if there are questions or if the discussion seems to be straying into an area with great sensitivity, we will go in camera either at the request of the Auditor General or at the direction of the Chair.

MR. SALMON: Thank you, Mr. Chairman. With the documentation that we have submitted for the committee to review beforehand, you will notice that the material is somewhat similar to last year's in presentation style. We have been very careful in the preparation of the budget and have done extensive work and can provide the details anyone would care to have in the way of explaining some of the items we have included in the budget. We've also included three charts to benefit the committee. One was a budget analysis showing some percentages, in another we forecast the budget comparison, and there's a chart on the staff mix using the dates October to October, which would give us a current figure rather than the fiscal figure. We

were aware of the current figure, so we felt it would be better to compare October to October.

There are some areas that we would probably explain to you, and that would probably be the reason for and the amount of the salary increases that are included in the budget. We would also be able to explain the anticipated agency fee increase – which basically looks the same – and why it's the same, which has some effect on the AGT and Telus situation and the way they will operate for the next year and the years ahead. Also, we will be able to give you any explanations regarding our fixed assets budget.

There are several other questions you'll probably have, and we don't want to prolong the question period, so rather than describe it – I think it's quite clear to you. We'd certainly be happy to answer any questions any committee members would have.

MR. CHAIRMAN: All right.
Andrew?

MR. WINGATE: No, I have nothing to add.

MR. CHAIRMAN: All right.

Don, let's go back, then, and would you lead us through it on a page-by-page basis and we'll discuss it as we proceed?

MR. SALMON: As you recognize, on page 1 is the comparison between last year's budget and the current year's budget with the forecast for the current year, which is the projected costs to the end of March, 1991. This means that we have taken it upon ourselves to forecast what it would cost us for the current year, which I think is a better way of looking at it than to just go from budget to budget. It has increased, as you can see, by 3.66 percent. You'll notice that the agents' budget remains the same, and that's what I've mentioned to you relative to AGT. Basically, this is the budget itself. The supporting pages are some explanations as to the vacancies. So maybe there would be some particular direct questions on the first page.

MR. TANNAS: A couple of questions. Looking at the budget for '90-91 and the forecast, it's approximately \$300,000 under the budget, and yet the next one is a jump from what you're forecasting of \$600,000. I'm just doing a head calculation. In percentage it seems that the . . .

MR. CHAIRMAN: It's \$800,000 from forecast to budget.

MR. ADY: Seven point seven to 8.5.

MR. SALMON: Yeah. It's about \$800,000.

MR. TANNAS: I must be looking at the wrong page then. I'm looking at the first one, Salary and Wages.

MR. SALMON: Oh, he's looking at the salary, top line.

MR. CHAIRMAN: Are we all on the same page?

MR. TANNAS: Page 1, manpower, salaries, and wages.

MR. SALMON: They were looking at a different line.

MR. TANNAS: Okay, sorry. Then I was also looking at the employer contributions. It seemed like there was a slight

percentage difference there. Obviously, if you're going to jump the salaries and wages in the way it's predicted there, there's going to be a higher employer contribution. But it seems to me there's a slightly higher percentage of increase, but maybe that's more apparent than real.

As I said, two questions: one, if you're well below this year's budget, what's changing there other than simply normal increase?

MR. SALMON: That's a good question. In fact, that would lead us right into the question of vacancies, which is probably a major area that we will be discussing here today anyway. Whereas the 1990-91 budget figure had a vacancy factor built into it of about 6 percent, our vacancy will run for the current year to approximately from, say, 11 positions to 18 positions, I believe it is. So we'll be much higher. That's why we've got less salaries and wages for the 1990-91 year. Now, based on something that is occurring at the present time with the recent hiring of 12 individuals, we've cut our vacancy factor down to approximately 10 percent at the present time and expect it to be about 4 percent come next April. Therefore, on that basis, we're saying that we'll need the dollars for the positions and, therefore, that's why you see that variation on the first line. Employer contributions, of course, are a percentage of that factor based on several factors, but it's basically a percentage, and as your salaries go up, your employer contributions automatically have to go up as well.

MR. CHAIRMAN: Anything else, Don?

MR. TANNAS: No.

MR. SIGURDSON: If you're filling those vacancies, would you still need the same number of agents? If I understand agents, that's the outside services.

MR. SALMON: What will come out of our discussion here today, of course, is something that you did sort of hear just a little bit as you were in our office, and that is – we'll talk AGT probably right now – concerning the fact that if we are no longer going to be doing the AGT attest audits, therefore, there are approximately six man-years in that particular attest audit that we had incurred for many years. And you say, "Okay, maybe that should be a reduction," but if we're going to try to get back where we would have been approximately five or six years ago, within the last . . . How many years is it we had that list?

MR. WINGATE: We're talking about since our numbers have been established since 1981.

MR. SALMON: Yes, when we established the 180 positions that we are sitting at, we have had since that an increase in audits of approximately 7,000 hours. And we have had to absorb that because we've not increased the 180. Now we're sitting here losing 7,500 hours of AGT audit, but we've never been able to recoup because of the loss through attest audits of these particular organizations that have been added to our mandate to perform attest audits on. Therefore, what we have projected in here: that we will be able to recoup some of that through some of our systems work with maintaining our levels and continuing the process of doing our audits and including the new audits – I mean, we have even had several that have come to us just this last year, such as the credit union development corpora-

tion and its subsidiaries, which we didn't have last year. So these things keep happening.

So while we're saying it's a combination of things, in order for us to maintain the level of audits that we've been trying to perform, we still need the dollars. If we can get the positions filled, well, we'll carry on and continue to do the work our mandate requires. We can get more specific if you'd like.

2:59

MR. CHAIRMAN: Anything else, Tom?

MR. SIGURDSON: Not at the minute, thanks.

MR. NELSON: Well, being a private-sector free enterpriser, I guess I want to come along. Maybe if you draw some conclusions - I have, but not in your favour.

First of all, you're looking at about a 6.7 percent increase over your forecasts as against the budget, and you're running at a certain level of staff now. You indicate that you're going to lose if not all, part of AGT.

MR. SALMON: Not all. Most of it.

MR. NELSON: Yeah, because half of that's still owned by the government. Alberta Mortgage and Housing Corporation are unloading a lot of their inventory and what have you, although I'm sure they need all the help they can get auditwise. I guess I'm a little concerned when I hear you say that we've got to get our staffing levels up to a level that was determined some years ago, when it seems that we're doing the work effectively and efficiently with the level of staff we have. There are likely to be some crunches on budgets this year. Why couldn't you maintain your 1991-92 budget at a similar level that you did in 1991 when you didn't reach that level of expenditures?

MR. SALMON: That's a good question. I think it boils down to the aspect of . . . You say we're doing our work well. Yes, I think we are doing our work well for what we have in the way of staff. We certainly didn't achieve this year all that we had expected to achieve. I guess it's pretty hard for an auditor to say that well, we don't really then ever have to do that. I guess that's really what it boils down to: because we didn't achieve what we wanted to achieve in the current year based on the vacancy factors and the loss of staff, we just don't do certain things. We do get our attest audit work because we have to do our attest audit work.

MR. NELSON: What wouldn't you necessarily do that . . .

MR. SALMON: Just different systems audits we had in the planning works that we just didn't get done.

MR. NELSON: This is the systems where you went from 19 to 20?

MR. SALMON: Yeah. We were expecting to get more of that done than we did do in the current year. Therefore, it really becomes exactly that: whether or not we are able to do it. Now, if we end up with a vacancy factor higher this year, we're in the same position, of course. We just never seem to be able to . . . If we were to cut it, then we're just saying okay, we're not going to do it. You know, that's the difference: are we going to try to do it or are we just not going to do it.

MR. NELSON: If I may?

MR. CHAIRMAN: Go ahead.

MR. NELSON: What impact negatively does it have on the operation of government to not have the opportunity to do some of these analyses? Of course, you'd have to spread yourself around to make sure you touch base each year on some that you may not have in the previous year. What negative impact would that have on the overall operation of government for checking these systems?

MR. SALMON: Probably a higher risk.

MR. NELSON: Risk of?

MR. SALMON: Probably the nonidentification of some of the weak areas where they're probably incurring costs beyond what's necessary because of some of the weaknesses in our systems that they could tighten up and haven't because we are not there to identify them. This kind of thing. The attest audits we'll still have to carry on and do. This office has always operated on that basis: that you do your attest audits and then you try to do the other part of your mandate as best you can. We haven't pushed extremely high to try to all of a sudden, say, go to 30 percent, because that would probably be very difficult to do. We've sort of just said, you know, we just try to keep pushing ahead at this and see what we can do. That's really what it boils down to. That will be the debate that this committee will have to make a decision on based on our presentation today.

MR. NELSON: You are deemed as an external auditor.

MR. SALMON: Uh huh.

MR. NELSON: How many departments actually do internal audits themselves?

MR. SALMON: Not as many as we wished. A number of years ago in our Auditor General's report we recommended internal audits in many areas where in recent times, as the crunches have come, there was a tendency to reduce internal audit. There may occasionally be something that becomes identified so that it's just almost impossible for a department to not have an internal audit.

MR. NELSON: The Department of Health, for example. Would the departments of Health, Education, and social services all do internal audits or not?

MR. SALMON: Social services has had an internal audit of a small nature, not nearly as much as they probably could do. The Health department has had an internal audit as well. Again, they have had cuts many times, because that's an easy way to pick on a reduction of a budget. You don't want to reduce the program so you cut back on the control through the internal audit aspect. Now, when the internal audits of the province become cut, then the reliance on us becomes more heavy.

MR. WINGATE: Just going back to those questions on systems auditing and what would happen if we didn't go forward with our planned expansion of systems audits. Obviously if we are successful in getting this budget, we can expand our numbers

and do more systems auditing, and that's the objective. As Don has explained, the loss of Telus enables us to restore the hours that were given to newer test audits that we'd inherited or acquired at the time.

I think the impact of the systems audit is not to be underestimated. I've been associated with them for a number of years, and I think the impact of our recommendations in such places as Energy, Treasury Branches - Mortgage and Housing we've already discussed - is very considerable. I think we can make a very large contribution to improving the financial administration of the province. We always concentrate on those areas where we think there's the biggest potential. In other words, we feel that when we go into an organization and look at a system, there's a very fair chance that our recommendations can then put in improvements. So what you'd be cutting out is that sort of activity. My own feeling is that that's one of the most beneficial aspects of the work of this office.

MR. NELSON: If I just . . .

MR. CHAIRMAN: Go ahead, Stan.

MR. NELSON: Have you been able to determine - and you may not be able to answer a question of this nature because it's somewhat speculative - as to what benefits the taxpayer would receive from doing some of these analyses insofar as the saving of dollars within a department by doing an analysis of the systems, for example? Is there a cost benefit in relation to those . . .

MR. SALMON: Yes. Many times there is. We haven't necessarily made those projections, but certainly before the departments act upon some of our systems recommendations, that aspect is taken into account. There is no point in making changes that are not going to be of benefit in the long run moneywise. I mean, that's really what we're after. We're really after savings. We're after control, of course, because you don't want to lose control. But that aspect is definitely considered. There's never anything published that way, though, because it's . . .

MR. NELSON: Yeah, I know. I understand that. Sometimes I wish there was.

Thank you.

MR. CHAIRMAN: Okay. Thank you.

I've got Yolande and then Don.

MRS. GAGNON: My question is really the same, but maybe I would word it a little differently. Is there any way you could show us that the filling of these vacancies in your department would result in long-term cost benefit because you would have people to do efficiency audits of these systems? Is there anything you could show to us that if you get four more people or whatever and they've got the time, the hours, to spend doing these efficiency audits, it will result in savings? Could you show us anything? I know it's difficult.

3:09

MR. SALMON: I think the measurement of whether or not there's a savings, and specifically in a systems audit, is probably difficult to show. The results, I believe - and Andrew can comment in a minute - of the work we do in the systems area are very clearly manifested through the work of our involvement

with management in the exit conferences and then our management letters, but publicly through the Auditor General's report. If you looked at what we have in the Auditor General's report and you can consider whether or not this is an indication of an improvement in the administration of the province, why then I think you're seeing it in the right light. I don't think the items we report in there are there to publicly criticize the government; they're there to show that there are some weaknesses and, if you do something, it will benefit in the long run.

So as we do the systems audits, we identify the problems and make the decision whether to publicly report that based on whether or not it's getting done and whether or not they accept the recommendations and so forth. But it's difficult to say: "Okay, here's something we can show you. This is it, and we save a million dollars." I don't buy doing it that way anyway. I do know that you'll find there are some internal auditors who publicly report - I don't want to mention any names - but tend to do that to get credit for something that . . . Maybe if you came right down to the audit evidence, I'm not sure they could really prove there is a saving. You could make the statement, but if somebody were to question the evidence, I'm not sure it's there.

MRS. GAGNON: I'm just thinking, following up on Stan's concern, that here are four salary positions that are costing so much, for instance, and would increase your budget by so many dollars. Again, the cost benefit on the other end.

MR. SALMON: Let me just reiterate. If we don't fill, say, the five or six positions that we aren't going to use at the present time with AGT audits, we could say, "Okay, could we still carry on and do the same as we did this year?" Probably we could, but we're not saying we're moving ahead to solve it.

MRS. GAGNON: Some work won't get done that you'd like to do.

MR. SALMON: Because we still have to do the test audit on the credit unions and a test audit on these others that we've picked up over the last years. They've taken time out of us. You know, we're just saying that here's an opportunity. Now, whether we want to go the full way, that's of course what we're talking about here today.

MR. NELSON: I think what he's saying, if I may, Mr. Chairman, is that we've got to do these test audits in any event. What they're trying to do is grow into the systems analysis to reach that level they've indicated to us previously.

MR. SALMON: Yeah. So if you'd look at section 19 of the Act, we're saying, you know, that this is a pretty important section you've got in here and yet we're not able to achieve a lot of this because of the other responsibilities.

MR. WINGATE: We feel that 20 percent of our resources is something that we'd like to see grow. In early meetings we were talking about over time going to 30 percent. What we're proposing here would enable us to move in that direction.

MR. NELSON: I understand.

MR. SALMON: It's not going to be 30, but it certainly would be better.

MRS. GAGNON: My second question. When we look at the agents that you employ, that is strictly on your fee for service, not on a contract basis. Is there any way you could save money in your budget if you contracted with outside agents and said, "This is the job, this is the negotiated price, we agree to this price, and that's it." It's fixed from there on. That isn't how it works now, I know, but could you go to that?

MR. SALMON: No, that's how it works.

MRS. GAGNON: It is how it works.

MR. SALMON: But you have to remember that the negotiated price changes yearly because their prices keep going up, and you can't get them to do the work for under a certain price.

MRS. GAGNON: But will it change within one budget year? That's what I want to know.

MR. SALMON: No. Once we've fixed our audit, the only way it would change would be if your scope were to change, and that can sometimes happen with the problems in a particular . . . It is based on fee for service, but we fix the price per hour, et cetera, before.

MR. CHAIRMAN: Let's be clear. Is there a global price?

MR. SALMON: We get an estimate as to what it's going to cost us based on the scope of the job, so we know the budget price for that job for this particular year. We know the average price of all the staff they're going to put on it, the kind of staff they're going to put on it. We agree to that.

MR. CHAIRMAN: But that's still an estimate.

MR. SALMON: That's still an estimate, but they cannot change that unless they can prove to us that there's a need to do additional work that we didn't know about when we did the scopes.

MR. CHAIRMAN: All right.

MR. WINGATE: It is essentially a quotation. I mean, you don't get quotations from CA practices . . .

MR. SALMON: No, you're not supposed to.

MR. WINGATE: . . . but it is essentially that.

MR. SALMON: So it would change if, say, we ended up with fraud or some other thing that caused some additional work.

MR. CHAIRMAN: I understand. If the scope changes, yes. But all things being equal, they stay within that price.

MR. SALMON: And they have to come back to us before they can do the additional work.

MR. CHAIRMAN: All right. That was your point, wasn't it, Yolande?

MRS. GAGNON: The contract changes, in essence, if you're . . .

MR. SALMON: We do that yearly. It's a yearly deal.

MRS. GAGNON: So there are no savings there, actually, because this is an estimate based on last year.

MR. SALMON: What we've got here is, you know, two million two . . . Well, we've got approximately \$100,000 or more - \$100,000, I think it was, with AGT. What this last payment is saying is that with the increases it will cost us this year - it's just that we don't have the AGT costs, and therefore it looks the same.

MR. CHAIRMAN: Don is next on the list, but Tom wants to supplement Yolande's question.

MR. SIGURDSON: Would you be able to save any money off that \$2.2 million agent's fee if you were to have more in-house staff to do some of the auditing?

MR. SALMON: Oh, you mean if you took some back?

MR. SIGURDSON: Yes.

MR. SALMON: Well, now you're getting into what it costs us versus what it costs the firms. We do know that there is a price difference between them and us. There's sort of something beyond just the cost in having them do it, and that is that we would end up in some cases adding to our travel costs because we're using local firms in some of the outlying areas. The other aspect that would occur would be . . . I mean, we probably - I hate to use the term - have been one of the first groups in the government to do straight privatization, and we've done this since 1978. So it's been a good thing from the point of view of practice.

MR. CHAIRMAN: Could I suggest we not get into this in detail while we're dealing with the general budget analysis but wait. There are other questions to be raised as well on the agents.

MR. SIGURDSON: Maybe what I'd like to have is a systems analysis or a systems audit of the office of the Auditor General to find out if there's value for money in that particular area.

MR. SALMON: I can comment in this way. If we were to take any of these audits over, it would be hours we would have to put into our test audit, which would also then eat into our systems audit.

MR. SIGURDSON: Okay.

MR. TANNAS: I see you're forecasting that you're going to be \$10,864,000 as opposed to - this is the bottom of that first page, the total - \$11,260,000. Is that a savings from budget? Does that go back into consolidated revenue?

MR. SALMON: It's unspent.

MR. TANNAS: It's unspent and therefore lost. You're to be commended for that.

As I understand the practice in certain areas, probably not in this province but in certain areas, when you get near the end and see that you've got this, you run around and buy equipment,

materials, whatever you can in order to match your budget. Is there any merit to some sort of carry-forward incentive so that won't be done? Obviously you don't do it but . . .

MR. SALMON: This is a matter of budget process . . .

MR. CHAIRMAN: It's a broader question.

MR. SALMON: . . . the government's policy, and how they want to budget.

MR. TANNAS: Okay.

MR. CHAIRMAN: I think there's a great deal of merit in what you're suggesting . . .

MR. TANNAS: But this may not be the place to explore it.

MR. CHAIRMAN: . . . this could be directed to the Provincial Treasurer.

MR. SALMON: Because it would be a whole policy change.

MR. CHAIRMAN: Yes.

MR. SALMON: We're following the processes the government presently has.

MR. CHAIRMAN: Are there any other general questions before we move into the more specific elements? All right. Could we then move on to page 2 under manpower. I realize that a number of questions have already been asked, and we may go through this very quickly.

MR. SALMON: This is just a general analysis of the change between the budget and the forecast and the new budget. We do have some details on the background of that that were needed. It's really a calculated change. I hope it's not confusing. If it is, we'll have to figure out another way of doing it.

MR. NELSON: Are the salary increases actual by contract or is that an assumption?

3:19

MR. SALMON: The salary increases are based on the fact that the contracts with nonmanagement have been established for two years, so there's a 5 percent increase there. There's also a 5 percent increase included for management. This is a difficult area because we are not subject to Treasury direction on this. The Public Service Commissioner has issued a letter that says that in the current year, which we have done, and in future years you can probably spend up to 3 percent of your budget for management as long as you can absorb it within your budget. Because that was done and that's the process that's been handled this year, we have actually spent 3 percent.

If for some reason there is a case that the Public Service Commissioner through cabinet approval increased that percentage that you could spend for management in the current year, that increase is not built into this budget. Now, for next year that 3 percent, again, which he has given by letter to all departments in the government is also 3 percent or up to 3 percent of your budget. This figure in here is a 5 percent figure, again projecting a possibility of . . . It's not probably as large as

it may be; it's just not known. So there is a slight amount in there that's . . . Again, you see, we don't have any direction. There is no direction, so we've used the 5 rather than 3.

MR. CHAIRMAN: Any question on page 2? All right. Page 3?

MR. SALMON: The first part is like we say, it's basically a calculation. That particular area includes various things associated: employer contributions and professional fees.

MR. CHAIRMAN: And page 4.

MR. SALMON: That's agents, and you'll notice we're a little over on the budget from the current year. The forecast is \$12,000.

MR. CHAIRMAN: There is a separate sheet on the agents, Schedule 1. Is this where members of the committee would like to raise questions on agents? I'll find Schedule 1. It's three pages over. You can see a list of . . . You can refresh our memories, Don, on the criteria you use for going to an agent.

MR. SALMON: Yes. All of our agents have been determined on the basis of a particular job we want to have done by an agent, partly based on location in some of the outlying areas such as Peace River, Red Deer where we've been using agents, Fort McMurray, Brooks, Medicine Hat this year again, and also Lethbridge. We are familiar enough with the firms to know some of their backgrounds and some of their abilities. For those larger audits that are done within the city, such as the University of Alberta and some of the larger ones, as you can see, we've used those firms that could do the job that we wanted them to do.

Our criteria has been basically the same over the last 12 years. We select on the basis of their ability to perform a job and do the work we're looking for, and they are subject to rotations. We rotate on a very slow process, though. It's five to seven years, because it's at a higher cost if you rotate quicker. We're saving money by staying with a firm for a number of years. The changeover costs us money in a learning curve. So we tend to try to not do that unless it's absolutely necessary. In the smaller communities we do very little rotation because there's not a lot of choice in the kinds of jobs we have and the size of jobs in some of the firms. When they're doing an adequate job, we are not really rotating them.

MRS. GAGNON: Is there allowance made for the competition factor? For instance, if you're in Brooks and there are now two capable firms and both wish to do service for your department, do you allow for bids or is it strictly sanctioned?

MR. SALMON: We haven't used bids, but through the rotation we've allowed for that. In one of the smaller cities in southern Alberta we were actually using more than two firms. We took two jobs; we wanted them switched and switched them. They allowed us to do that. We just switched the firms around so they were doing different work. It's been a good process. It's given them a new experience and a new opportunity.

MRS. GAGNON: But is there ever a problem? Like, are there ever complaints from the firm that is not selected: "Hey, what about us? We're here too."

MR. SALMON: Actually, it's interesting; we haven't got any complaints.

MRS. GAGNON: No? That's great.

MR. SALMON: No, unless you're going to tell some to complain.

We get applications sometimes – and this is where the problem is, and it's very difficult – from, say, a sole practitioner who doesn't have the staff or the background to do the kind of work we're doing because none of the jobs are . . . You know, if we went to a sole practitioner and asked him to do a 500-hour job, he just wouldn't have the time. A 500-hour job is small to us. So we are restricted as to the size. They have to be large enough to give them the flexibility for their staff to do the job when it needs to be done. For instance, we're using a firm in Peace River to do Northland School Division for us. The choices in Peace River are not large. We have used a different firm in the past; then they lost some staff and didn't have it, came to us and said, "We can't do it anymore," and we went to a different one. With our monitoring we feel that we're covering that aspect so that we don't get caught with poor quality or being unfair. We're not trying to be unfair at all; we're trying to give a fair share to everyone based on the ones that we can do. Of course, we're limited to our budget as well, and that helps to satisfy the larger ones who would like more of the pie.

MRS. GAGNON: I just think that if you could open up the process where possible, you would avoid the possible accusation of some type of favouritism or patronage.

MR. SALMON: Yeah, I realize that. But you know, there are also problems the other way. As I've seen bidding, in a sense, go on in some of the cities and some of the other aspects, sometimes there is some really ill feeling as a result of the decision as to who got the job. Maybe it's our relationship with them; we just haven't had the complaints.

MR. CHAIRMAN: Well, I'll ask the committee. Has anyone heard a complaint?

MR. SIGURDSON: No.

MRS. GAGNON: No, I never have.

MR. SALMON: We do the PR as best we can to eliminate that. Certainly you're free with any of them to come and talk to us.

MR. NELSON: I like the idea of negotiation anyway.

MR. SALMON: This way we can keep our rates down, because we negotiate with them.

MR. NELSON: Well, that's the other thing. I'm just concerned . . . The comment made is that in identifying these items that are going to be audited by outside auditors and, of course, then putting the price tag beside them, that basically tells me, if I'm an auditor being asked to audit ADC, you've got \$142,000 of your budget for me to do that. Now, I may be able to say, "Gee whiz, I've got a bunch of crackerjacks here; we can whip this off and our fee would probably end up about \$130,000, but we're going to nail them for \$142,000 anyway because that's in

your budget." Why would we want to even publish those numbers now?

MR. SALMON: They're not public – only to you.

MR. NELSON: They are. No, they're public.

MR. SALMON: I would expect that anything in this room is fairly confidential, plus we don't have any agents beside them so you don't know who the firm is.

MR. NELSON: It doesn't matter.

MR. SALMON: The other aspect I'll tell you about is the fact that this particular audit has been done for several years by the same firm. We already know the kind of work they're doing. We know the staff they're going to have on it. We already know basically what their scope is going to be and what their rates are. Therefore, it's a figure that we determine after we've established the contract. The only ones that are on here are the new ones we're rotating, and they're few because we don't do that many every year that aren't out there and solidly tied up, that we're estimating we're going to go. So it's an estimate that we determine in those cases.

MR. NELSON: Well, a company doing a particular audit on a consistent basis, because of the efficiency built into that audit . . .

MR. SALMON: We expect that efficiency to come back to us, because we analyze their staff.

MR. NELSON: So you do a cost analysis.

MR. SALMON: We analyze their files, analyze their staff, and analyze their hours and tell them if they're over their hours in a certain area. We may have absorbed costs too.

3:29

MR. WINGATE: One of the advantages we have, of course, is that we've done the audit. We know how long it should take. When we give it to the agent, we suggest that they can do it in a time that is generally less than the time we have taken on the job, because we feel that we look at systems a little more closely than agents traditionally.

So we give them a budgeted number of hours which is slightly less than the hours we'd perform the audit in, and we tell them also what sort of hourly rate we're looking for, an average hourly rate. I think it would be quite difficult for them to drive the coach and horses through that.

MR. SALMON: Usually what happens, just for Andrew's sake, is that if they ran into a problem and have failed to tell us, they're not too happy when we make them absorb the extra. We just say that we're sorry; you're going to have to take a cut on this. They look a little chagrined and say, "Okay, we'll take it." But they really would look hard at it next year, and sometimes maybe they try to grab it back the next year based on their hours or something else. It's one of those things, that it's the experience we've had with them, I think, that's helped us feel like we've got it fairly under control.

MR. NELSON: I hope I'm not in any difficulty here, because this is being recorded.

MR. CHAIRMAN: I think as long as we stay away from specific numbers.

MR. SALMON: We haven't talked any numbers.

MR. SIGURDSON: Can I just ask . . . I'm just trying to count down the list so as to not give anything away. The second one that's on the list: how many person-hours would that involve, or person-years?

MR. SALMON: Where are we looking? Agent list?

MR. CHAIRMAN: Under Schedule 1.

MR. SIGURDSON: I'm actually going to go through a couple, but I would like to know how many person-years might be involved in doing the audit.

MR. SALMON: What you're basically saying: how many hours?

MR. SIGURDSON: Yes. Right.

MR. SALMON: Have you got it?

MR. WINGATE: Well, I haven't got it right off the top, but if you divided it by approximately \$65 an hour.

MR. SIGURDSON: Approximately \$65. That's consistent throughout?

MR. SALMON: That's about what we are right now.

MR. WINGATE: Yes. That would be a ballpark figure.

MR. SALMON: Does that help you?

MR. SIGURDSON: Yes. Thank you. Okay.

MR. CHAIRMAN: Any other questions on the schedule?

Well, let me ask a question, if I may, and that is: are there any of these organizations which should come off the schedule?

MR. SALMON: What we've done: one particular one is a switch. We've dropped one from last year. One is . . . Do we want to comment on names?

MR. CHAIRMAN: No. Well, I'm specifically thinking of irrigation districts. We discussed that in the past. We were auditing irrigation districts because they received some grants from government.

MR. SALMON: Cost-shared.

MR. CHAIRMAN: Cost-shared. And those grants then are used along with moneys raised by the farmers within the district to do the improvement works. I believe that cost is totally recovered from the district, is it not?

MR. SALMON: No. The part we recover from the district is the attest audit.

MR. CHAIRMAN: That's what percentage approximately?

MR. SALMON: It's probably 60 percent or something like that that we'd recover. We absorb the grant part, the part the government gives. We do the audits, but I know we don't charge them for them.

MR. CHAIRMAN: Okay. We'll just go back to my original question then. Has the time come to drop the irrigation districts and treat them like we do the school boards, which receive grants from us as well?

MR. SALMON: Well, certainly there would be a policy decision maybe based on the recommendation of the committee, but it would also require a change in legislation.

MR. CHAIRMAN: I know. I'm merely trying to find out how you feel.

MR. SALMON: They are peculiar in that sense, and the Auditor General is named as the auditor within the Irrigation District Act. So we've been doing the irrigation districts ever since they were made. We could probably give you a summarization of - you've got what it is here. This is what the agents are charging us. Okay? Now, we then recover a much smaller figure. It's a figure based on our costs because of the decision of this committee.

MR. CHAIRMAN: Okay. I won't pursue it any further. I was just wondering about that.

MR. SALMON: Okay. But that's the situation.

MR. CHAIRMAN: Anything else on the agents? Are we ready to move on? We're now on page 5, Supplies and Services. There don't seem to be any questions on that page, Don. Page 6.

Yes, Stan.

MR. NELSON: I'd like to know, if I may, what the General Contingency is for.

MR. SALMON: In the Fixed Assets?

MR. NELSON: In the Fixed Assets. Sorry, yeah. That's on page 6. And if there's any point we need to go in camera, because I might want to discuss the other two . . .

MR. SALMON: Okay. We'll give a general answer first and then go from there.

MR. WINGATE: We had some difficulty finalizing this budget because not all the decisions are quite there as we'd like them. We decided eventually that the best thing to do was to put in a General Contingency of \$80,000 and call it what it was. There's a strong possibility that we'll want to acquire - they call them square tape drives; in fact, they're cassette tape drives. The government data centre is using these new tape drives. They have a much higher packing density and transfer rate than the traditional 6,250 bpi tape drives.

MR. NELSON: Excuse me. Can I maybe ask that we move in camera, because there might be a couple of questions sensitive to . . .

MR. CHAIRMAN: All right. I'll take that as a motion. All in favour? Carried unanimously.

[The committee met in camera from 3:36 p.m. to 3:46 p.m.]

MR. CHAIRMAN: Any other questions on Fixed Assets? All right.

Don, we've then got the graphs, which we've already looked at.

MR. SALMON: Well, these are a little bit different. Really, it's based on the budget. These are graphs on the budget, just to show you percents; that's all.

MR. CHAIRMAN: Okay.

MR. SALMON: The last one is the staff mix as of a year ago from mid-October, showing the vacancy rate for October 1990 which we now have at 14 positions. Our budgeted figure is 11 positions. It has been for a number of years.

MR. CHAIRMAN: Okay. Are there any other questions on the budget as presented?

All right, then, on behalf of the committee, Don, I'd like to thank you very much for coming, along with Andrew, and with it the request that when we next deal with the proposed budget for the office of the Auditor General, in addition to looking at what you've presented to us today, which is a budget which shows a 3.66 percent increase in the 1991-92 budget over the estimate for 1990-91, you also come back with a scenario to show what your numbers would be if we had a zero-growth budget over the 1990-91.

MR. SALMON: Okay.

MR. CHAIRMAN: Using \$11,260,563 as the figure.

MR. SALMON: Could you give us an idea of the time you're talking about when we would meet?

MR. CHAIRMAN: In all likelihood, we're in the new year.

MR. SALMON: Just so we know. That's fine.

MR. CHAIRMAN: We will work around holiday schedules for yourself and Andrew and members of the committee, but I'm assuming that with a fall sitting this year that will in all likelihood take us up to or beyond Christmas, we're probably into January or February or March.

MR. SALMON: Whenever it has to be done.

MR. CHAIRMAN: All right. Any other questions?

Well, again thank you so much for being with us and sharing these thoughts and ideas and for your hospitality earlier today in your own office.

MR. SALMON: Thank you for coming. We enjoyed having you.

MR. CHAIRMAN: Thank you.

As committee members are aware, we meet tomorrow at 10 o'clock with the Chief Electoral Officer. We begin the meeting in his office. We then come back to the Carillon Room for the budget presentation. Then we're meeting again on November

13 with the Ombudsman. That's again to visit the Ombudsman's office. [interjection] We're not visiting? Well, I think we should if we can work it in.

MRS. KAMUCHIK: He's going to be in Calgary for a speech at noon and he's gone then.

MR. CHAIRMAN: What have we got that afternoon?

MRS. KAMUCHIK: That afternoon the Ombudsman is meeting with the committee at 3:30.

MR. CHAIRMAN: That's right. We begin our meeting at 1, and the Ombudsman joins us at 3:30.

MRS. KAMUCHIK: That's right. And the next day was iffy because at the time the dates were set, we didn't know whether or not session might be called.

MR. CHAIRMAN: That's correct.

MR. NELSON: Why don't we change the date for the Ombudsman so we can have that?

MR. CHAIRMAN: Change the date to what? We're scheduled to meet him on the 13th.

MR. NELSON: Why don't we change it to the 12th or the 14th?

MR. CHAIRMAN: Well, we can't on . . .

MRS. KAMUCHIK: The 12th is a holiday.

MR. NELSON: For what?

MRS. KAMUCHIK: It's Remembrance Day, which falls on Sunday.

MR. NELSON: So what?

MRS. GAGNON: I would like to know, Bob: what would be the benefit of visiting his office? We were there last year. Have there been major changes?

MR. CHAIRMAN: It was merely a follow-up, a courtesy call back to the three offices.

MR. NELSON: I think it would be useful to visit the Ombudsman's office this year.

MR. CHAIRMAN: Yeah. Well, leave it with us, and we'll see what we can arrange. I've now forgotten. In the memo which went out, Louise, did we ask members to hold the next morning, the 14th?

MRS. KAMUCHIK: Yes.

MR. CHAIRMAN: Well, why can't we reschedule things so that we're over in the Ombudsman's office, then, first thing in the morning on the 14th? All right? So we'd still meet him in the afternoon at 3:30 on the 13th. Stan, is that all right?

MR. NELSON: No.

MR. CHAIRMAN: What's the problem?

MR. NELSON: I won't be here; that's the problem.

MR. CHAIRMAN: You're not here for either of those days?

MR. NELSON: Well, I could be here on the 13th. I mean, I can be. It's difficult.

MR. CHAIRMAN: Would you rather we try to squeeze the visit in late in the afternoon?

MR. NELSON: Well, that would be easier, and if we can do it in one day rather than stretch it to two, it would help really.

MR. CHAIRMAN: Well, I'm happy to accommodate the committee as long as we understand that if we meet him here at 3:30, we'll be . . .

MR. NELSON: We can't meet him any earlier, eh?

MR. CHAIRMAN: Our difficulty all along has been trying to work around his schedule. He's not back until 3:30 that day.

MRS. KAMUCHIK: He's doing a number of public speaking engagements throughout Alberta.

MR. CHAIRMAN: He's enhancing the office of the Ombudsman.

MR. NELSON: Okay. Well, that's fine. No problem with that.

MR. CHAIRMAN: Let's try to work in the visit to the office late that afternoon, recognizing that a number of the staff may be gone.

MR. NELSON: Well, can I make a suggestion?

MR. CHAIRMAN: Go ahead.

MR. NELSON: In dealing with the Ombudsman's budget, we only need him. Why don't we go over to his office first and then come here? It might be 6 o'clock or 6:30 or something before we're done, but at least we can do it. We get the visit and then come back here.

MR. CHAIRMAN: How would it be if we ask Louise to contact the Ombudsman and run that past him, with the suggestion that we meet him at his office at 3:30 on the 13th? That way we have a chance to meet the staff, we're there during working hours, and once that's been concluded, then come back here with the Ombudsman and go through his budget.

MR. NELSON: Sure.

MR. CHAIRMAN: It sounds like a good suggestion. Okay. Any other discussion today?

MRS. GAGNON: A question, please. The visit tomorrow morning to Stony Plain Road is strictly, again, a protocol courtesy? We were there last year, we saw the [inaudible].

MR. CHAIRMAN: That's correct. We'll come back here and begin our meeting right after we finish. So we should be starting convening the meeting here around 11. We should be there, plus travel, an hour or a little more than an hour. I assume we will be finishing tomorrow sometime between 12 and 1. We have lunch tomorrow? No, we don't have lunch tomorrow; okay. So we'll finish probably at 12, 12:30. Is that all right?

Let's have a motion to adjourn now with the understanding we're reconvening at 5:30 this evening.

MR. NELSON: I'll make that motion.

MR. CHAIRMAN: Stan. Thank you. Motion to adjourn. All in favour? Carried unanimously.

[The committee adjourned at 3:54 p.m.]

