

2:35 p.m.

Monday, October 28, 1991

[Chairman: Mr. Bogle]

MR. CHAIRMAN: I'll call the meeting to order and go to item 2, approval of the agenda. The agenda has been moved as approved for both today, Monday, October 28, and tomorrow, Tuesday, October 29. All in favour?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Carried.

We'll then go to the minutes of our October 15 meeting: page 1, page 2, page 3, page 4, page 5, page 6, and page 7. Any errors or omissions in the minutes? A motion, Jack?

MR. ADY: I move.

MR. CHAIRMAN: Approved as presented. All in favour? Opposed? Carried.

MR. TANNAS: Does that include appendix 1 on the very back of the last page, page 8?

MR. CHAIRMAN: No. This is not part of the minutes.

MR. FOX: Is that everybody, Bob?

MR. CHAIRMAN: Yes, thank you.

MR. FOX: Sorry we're a little late.

MR. CHAIRMAN: Louise advises that appendix 1 should in fact be part of the minutes, so could we have an amendment? Don, is that your motion?

MR. TANNAS: Yes. I would so move.

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

At this time I'm pleased to welcome Mr. Patrick Ledgerwood, the Chief Electoral Officer for the province, who's here to spend some time discussing the current budget for his office and talking a bit about projections into the next year. As members of the committee know, we're going to deal this afternoon with the three officers. In addition to Mr. Ledgerwood, we'll be dealing with the Auditor General and the Ombudsman. We'll conclude our business today with a report on the COGEL Conference, which was attended by both Jack and Don.

Remember, we start tomorrow morning at 8 o'clock sharp. It's important we start at 8 o'clock sharp because we're limited to two hours because of a heritage fund meeting at 10 o'clock.

MRS. KAMUCHIK: It's in room 312.

MR. CHAIRMAN: And we're in room 312 tomorrow. Thank you, Louise; otherwise I would have been here.

At that time we'll review the Ethics Commissioner position with Grant Nicol and Karen South, who have been working on the terms of reference as we directed them at our October 15 meeting. We'll also be dealing with the senior administrative position, and I've been dealing on those terms of reference with Louise.

It's imperative as well that you bring along your calendars so we can set aside days for our next meetings. We'll need to set aside days for meetings not only relative to budget preparation but

also on the selection process for the Ethics Commissioner and the administrative position. We'll be going into January, February and, based on my discussions with Grant Nicol, I believe March in order to have the position fully in place by the beginning of the new fiscal year. So please bring your calendars tomorrow morning so we can do that work as well.

MR. TANNAS: Not only this year's but next year's calendar?

MR. CHAIRMAN: That's right. Thank you.

Okay. We'll now turn to Mr. Ledgerwood. Pat, welcome to the committee.

MR. LEDGERWOOD: Thank you, Mr. Chairman. I think you've all received copies of the 1992-93 budget estimates for the office, and in that you will see what was budgeted for our fiscal year '91-92 and our forecast for '91-92, as well as the estimates for '92-93. Where would you like me to start, Mr. Chairman?

MR. CHAIRMAN: Could you back up first before we get into proposals for '92-93 and talk a bit about '91-92?

MR. LEDGERWOOD: Okay. I can tell you that overall we are well within the budget that was approved by this committee, and our forecasts are such that we will not be required to come back for any supplemental increase in our '91-92 budget.

MR. CHAIRMAN: Any questions for Pat?

MR. NELSON: I've got one question. Mr. Ledgerwood, considering the effort we went through with your budget last year in trying to bring it into some context to help balance the overall budget, there was some sign of difficulty on your part as far as reaching that objective, and now I see your forecast is considerably lower than your budget. What has transpired between then and now that would do this, other than the fact that enumerations are considerably lower than what was actually budgeted for? Your administration costs are \$25,000 lower than what was anticipated.

MR. LEDGERWOOD: I think if you're interested in it, we should be very specific on these things rather than generalize. What are you particularly interested in? The administration element itself?

MR. NELSON: Well, your salaries, for example, are \$20,000 lower than your original budget was. Considering the effort we went through last year, I'm just wondering what caused that to be \$20,000 less.

MR. LEDGERWOOD: Okay. I think there are three main factors there. One is that my deputy resigned this summer; I was not able to replace the individual until this fall, so there was a period when we did not have a deputy. Also, I was able to hire the new deputy at a lower rate than I was paying the previous deputy. I think you're also familiar with the fact that most, if not all, of the managers averaged an 8 percent salary increase last year, and as you are aware, I did not. So those are the three factors.

MR. CHAIRMAN: Anything else on that, Stan?

MR. NELSON: No.

MR. CHAIRMAN: Okay.  
Anyone else? Don.

MR. TANNAS: Pat, you said you did not. What was your salary increase?

MR. LEDGERWOOD: Six percent.

MR. TANNAS: So you did not receive 8.

MR. CHAIRMAN: Anyone else? Any other questions members wish to direct to Pat relative to budget? Yes, Derek.

MR. FOX: Well, Mr. Chairman, perhaps in this context we need to sort of revisit an issue. We did make a decision at a previous meeting with respect to enumerations in this calendar year and, as well, next calendar year, and I think we passed a motion saying that the enumeration would be considered in the first six months of 1993, if that was the correct term.

MR. CHAIRMAN: That is correct.

MR. FOX: You know, Tom and I had our own position on that particular issue, but that was the decision of the committee. I'm just wondering if we shouldn't have some discussion about how the redistribution process is going and what that implies for the office and maybe what Pat sees as . . . Maybe some things have changed in terms of the degree of readiness that you need to respond to, because that meeting was sometime in . . . Was it a summer or spring meeting even?

MR. CHAIRMAN: I think it was summer.

MR. LEDGERWOOD: June.

MR. FOX: June? Okay. Would that be a productive line of . . .

MR. CHAIRMAN: As long as all committee members recognize that today we are not dealing in a detailed way with the proposed '92-93 budget.

MR. FOX: Yeah.

MR. CHAIRMAN: This is a preliminary visit to see (a) how the officers are doing with their current budget and (b) what projections at this point in time they have for the next fiscal year. Derek, you're right in that the motion the committee passed leaves to the discretion of the Chief Electoral Officer the actual setting of the enumeration, and that will depend on when the information is available to him so he can go about doing the enumeration in the new ridings. It's either in the last three months of the upcoming fiscal year, the 1992-93 fiscal year, or it will be in the first three months of the following fiscal year. So one of the issues we'll have to decide as a committee is: do we build into a budget what is proposed here, a sum in excess of \$4 million, on the anticipation that the enumeration will take place in the first three months of the fiscal year? Do we leave that item so that it can be dealt with by either special warrant or a supplementary budget in the House if, indeed, the House is sitting? One of the challenges we have because of the way the motion was worded, because the motion straddles two fiscal years, is how we deal with that. But I think it's very, very appropriate to . . .

2:45

MR. FOX: Maybe I could put it in the form of a question then, Mr. Chairman.

MR. CHAIRMAN: Sure.

MR. FOX: The last chance we as members had for an opportunity to deal with this, we passed an amending Bill that extended the deadline of the committee so the interim report would be due sometime in December, with the final report sometime in June. All I really know is that since that time there was a period of time when there was not a chairman. There was a new chairman appointed, and I'm just wondering if Pat can give us some idea of how the work is going. Are the deadlines likely to be met? Has there been any change to what we knew previously?

MR. LEDGERWOOD: Mr. Chairman, I can give you a briefing. We have decided that the chairman will be the spokesperson for the commission, so I will not be able to give you too many details. I can tell you that we've moved the meetings from the Leg. Annex out to my office. This has provided the commission with the logistic support they need in that we did not have the capability in the Leg. Annex to complete the work required. One problem we had is that we did not have the technicians required to validate the numbers and help commission members as they drew the various lines, so with my staff and, as a matter of fact, myself leading them, we have been working a great deal of overtime. As a matter of fact, on Thanksgiving weekend - I ran support staff to the point where they couldn't assist me - I brought in my wife to run the calculator. I can tell you that we've made excellent strides and will have the report tabled by the end of December as required. As a matter of fact, at this very moment I have four of my staff working on support work for the commission.

MR. FOX: Okay. Does that change anything you'd offer to the committee by way of advice in terms of your proposed budget for the '92-93 fiscal year?

MR. LEDGERWOOD: I think there is a requirement in fiscal year '92-93 to do an enumeration. Whether or not the enumeration will be conducted in September of '92 on the new boundaries or whether it will be in the calendar year '93 will depend on how the public hearings go and when we're able to table our revised report and, of course, what happens in the Legislature after it's tabled.

MR. CHAIRMAN: Anything else you want to add at this time?

MR. LEDGERWOOD: No, that's fine. It's okay.

MR. FOX: I'm just dying to ask him if there's still a riding called Vegreville, but I'll have to wait till the end of December to see that.

MR. CHAIRMAN: Alan.

MR. HYLAND: Pat, without asking what's in the report, in the time frame you've outlined, if the final report is in June, then the Bill will have to be into the Legislature. Did you say the end of June or the first of June?

MR. LEDGERWOOD: The way the current legislation reads is that we will be required to table our amended report by the end of June. I can tell you that all the commission members are working very hard on a team concept, and they hope to beat that June 30 deadline by a significant amount.

MR. HYLAND: Even with that scenario, we'd be looking at either a really long spring session or a session in late summer or fall to deal with the report, which puts us awfully close to the September enumeration deadline.

MR. LEDGERWOOD: If you recall the June meeting, I think we went through various scenarios and the fact that the Election Act will require amendments. I can tell you that the government has a member looking after this, and it's my understanding that there will be amendments introduced at the spring sitting of 1992.

MR. CHAIRMAN: Thanks, Pat. I don't think we should go any further. I think it was appropriate to talk a bit about the time frames relative to enumeration as it impacts on our budget, but it was not an attempt by any of our members, Pat, to lead into the work the commission is doing.

Any other information you wish to give us relative to the budget process or any matters relative to the fiscal situation?

MR. LEDGERWOOD: No. The committee members have my proposed budget for fiscal year '92-93. If on initial examination there are some areas I should be reviewing prior to coming back and meeting with this committee for approval of it, I'd appreciate knowing their concerns at this time.

MR. SIGURDSON: Mr. Chairman, if we could just turn to tab B under the Election Element, in the 1991-92 budget year we had proposed \$12,000. We're now at \$12,738. The following year we have an increased amount of \$225,000. I take it that that's contract services for returning officers in the constituency?

MR. LEDGERWOOD: No, the returning officers are paid their honorarium and that is charged to the enumeration. Under the Election Element those contract services are basically for supplies.

MR. SIGURDSON: I see.

MR. LEDGERWOOD: Remember that any amendment to the Election Act or the Election Finances and Contributions Disclosures Act would mean that we will require new forms, new guides for enumerators, candidates, campaign workers, and election officials. We'll require new brochures, new pamphlets, new training aids for the returning officers and, of course, new training manuals for the returning officers. So the big expense is the forms we require for the election.

MR. SIGURDSON: I'm just curious to know what . . . I'll speculate a little bit if I may, Mr. Chairman. While we've been told that we will not have an election before '93-94, in the event that an election were sprung upon us earlier than that, what have you in the way of supplies to conduct an election?

MR. NELSON: Oh, they wouldn't do that.

MR. SIGURDSON: I don't know, Stan. You know better than I if they would. But I am curious to know: what have you in the way of supplies in the event that an election were called early in 1992? What have you got?

MR. LEDGERWOOD: As you know, this committee has not given me any money since the 1989 general election to purchase either enumeration or election supplies. I currently have enough election supplies to conduct two by-elections and nothing more.

MR. SIGURDSON: Well, there's a good indicator. Boy, if we see some special warrants fired out over to the West Chambers Building, we'll know something's up.

MR. CHAIRMAN: It's important to put that response by Pat in context . . .

MR. SIGURDSON: Sure it is.

MR. CHAIRMAN: . . . of an earlier question and answer of a year ago or more. In anticipation of changes being made to the Act, we were advised by the Chief Electoral Officer that it would be inappropriate to buy supplies on an Act that soon would be redundant. The real issue is if the Act is to be revised and supplies are then ordered.

MR. SIGURDSON: I just wanted to know how prepared he was.

MR. FOX: That was going to be my question, Mr. Chairman. Is somebody else next?

MR. CHAIRMAN: Go ahead.

MR. FOX: I'm just wondering if you can refresh our memories. There was some talk about possible revisions to the Election Act and that new forms would be ordered based on those changes. Are there some things that you understand will be dealt with prior to creating new forms, or are you recommending that we go ahead and get a sufficient supply of existing Election Act forms and supplies?

MR. LEDGERWOOD: We don't have any money in the current budget for supplies and materials. The '92 budget, of course, does not come into place until April 1. I think by April 1 I will have a very good idea as to whether or not the Act will be amended and hopefully have a pretty good idea of what the amendments will be if it is going to be amended. I hope that if the Act is going to be amended, the amendments are passed early in the spring sitting.

2:55

MR. FOX: In terms of process, then, is it correct that you work directly with the Attorney General in the Attorney General's office with respect to legislation, and we have input into that only if you request that or if we're asked to provide some sort of assistance? Is that the way it works?

MR. LEDGERWOOD: The Attorney General is my entrée to cabinet. The government caucus has selected a member who will sponsor amendments to the Election Act and Election Finances and Contributions Disclosures, the other Act I administer, through the House.

MR. FOX: Right.

MR. SIGURDSON: Just one other area and a couple of questions. Do you ever have the opportunity to go out and meet with any number of groups about your role as the Chief Electoral Officer in Alberta? Are you ever invited out, as our Ombudsman is, to address groups about, I suppose, the role of your office? School groups?

MR. LEDGERWOOD: We make ourselves available to school groups. We also make ourselves available to political parties. The only group we deal with on an annual basis is the Forum for

Young Albertans. We provide two lectures to that group each spring.

MR. SIGURDSON: I see. Under what element would I find costs for that, or is it built into your budget?

MR. LEDGERWOOD: It's just built into the budget. There is really no cost. For example, the Forum for Young Albertans meets in Edmonton, so there's no expense involved in that. I'm also a past chairman of the group and still a trustee, so when I meet, there's no expense to anyone. It's a voluntary service that I provide.

MR. SIGURDSON: I guess the reason I asked, Mr. Chairman, is that when I see the level of turnout at election time, I don't know if that's because the public is disenchanted with the offering the political parties are giving them on polling day or perhaps because people aren't aware of the process. I was just wondering if there's an educational role the office might play, as the Ombudsman's office is trying to provide to a number of Albertans. I just toss that out.

MR. LEDGERWOOD: I have offered to the Department of Education a package that could be used as a training vehicle in social studies classes to teach young adults the electoral process. I was advised that there was not time on the current curriculum to include it; therefore, they didn't want our services.

MR. HYLAND: Don't feel bad, Tom. We tried the same thing in agriculture and were given the same answer.

MR. SIGURDSON: Is that right?

MR. CHAIRMAN: Under Manpower, Salaries and Wages, which fall under the Administration Element, and relative to the work you, Pat, and your staff are doing, in particular overtime work on the Electoral Boundaries Commission, how are you dealing with that?

MR. LEDGERWOOD: With the nonmanagement staff, I'm giving them an opportunity to take time off in lieu of being paid. If they choose to be paid, then the Electoral Boundaries Commission will pay them. There's no provision for management staff. I think it's just an obligation on the part of managers to work overtime. I'll try and give them some time off when I can, but I think it's a management responsibility to work overtime.

MR. CHAIRMAN: And yourself?

MR. LEDGERWOOD: Well, as you know, I've put in a lot of extra time, but I think that's part of my mandate as well. As a commissioner and as the Chief Electoral Officer, I feel I've a vested right to get this commission work done.

I can anticipate a very, very busy summer and fall, particularly if we amend the Election Act and the Election Finances and Contributions Disclosures Act and at the same time introduce new electoral division boundaries. You may recall that one problem we have is that the returning officers are political appointees and must live within the electoral division boundaries, so many of the returning officers we have now will have to be replaced. We're currently short nine returning officers, and I think we'll have at least 25 that will require training. If we build a scenario wherein we complete our work early in the summer and the legislation is passed later that summer and we go ahead with the enumeration

in September, you can see that we're going to be extremely busy as we train returning officers.

One of the things Stan was talking about is mapping. I will use my own staff to create polling subdivisions rather than wait until the new returning officers are appointed, because we have an updated polling subdivision map from the current returning officers and it will basically be those areas where the new boundaries are intercepting the proposed polling subdivisions. So I can see a very, very hectic time in my office late next summer and early fall, particularly if we're going to do an enumeration in September. There are many factors I don't have control over, but I certainly must be ready for an enumeration in September.

MR. CHAIRMAN: Well, that depends on whether or not the Act is amended next spring.

MR. LEDGERWOOD: Oh, yeah. There are many factors.

MR. CHAIRMAN: The recommendation of this committee – and that recommendation has gone to the Attorney General – is that the legislation be amended so there not be an enumeration in the fall of 1992.

MR. TANNAS: Which is also a municipal election year, so you don't want them occurring at the same time.

MR. LEDGERWOOD: The municipal election is the third Monday of October.

MR. HYLAND: We're around September . . .

MR. LEDGERWOOD: September 15 to 30 is the normal enumeration period, with the revision period in October.

MR. CHAIRMAN: Yes, Alan.

MR. HYLAND: Just a question and/or comment on the Chief Electoral Officer laying down hard and fast boundaries on polling subdivisions. I've found that sometimes it might have to be varied, because there may be something that happens in that area that gets people going one way. It looks like it should be a line, but sometimes there's something in an area that changes people's minds. I think of the example of my own constituency; there are some areas where you may draw a line straight across. That may cause more problems than having a little nick in it, because people are used to going somewhere. In mine some of the polling stations look pretty big but there isn't a whole lot of people in them, and they can be larger rather than a bit smaller.

MR. LEDGERWOOD: Each of the returning officers is trained in the selection of polling places, and generally the polling place, particularly in the area you're talking about, determines the size of the polling subdivision. The only restriction in the Act is that it should not contain more than 450 electors, certainly not a problem in your area. What we have asked the current returning officers to do is give us an updated polling subdivision map gained from their experience at the 1989 general election.

MR. HYLAND: Just transpose it.

MR. NELSON: May I just ask a quick question?

MR. CHAIRMAN: Yes.

MR. NELSON: Just a very quick one, Pat. The estimate of your salaries from 1992-93: what have you built in there as incremental increases on that?

MR. LEDGERWOOD: Okay. I think the fact that the union contracts expire on March 31 of 1992 means we don't know exactly what union settlements are going to be. Similarly on the management, we have no idea.

They have been averaging 5 percent across the board. Inflation is running currently at just over 5 percent, so as an arbitrary figure I simply selected 5 percent.

3:05

MR. NELSON: Okay. Thank you.

MR. CHAIRMAN: Anyone else? Yes, Derek.

MR. FOX: I'd just like to thank Pat for providing figures to us. It makes it a lot easier for us to think ahead. I think this preliminary look is very helpful. With the exception of the out of the ordinary items that have to be dealt with, elections and enumerations, just the standard portion of the budget is maybe a 3 percent proposed increase overall over last year. That looks like a pretty thorough job has been done ahead of time thinking about all the aspects.

MR. LEDGERWOOD: Thank you very much.

MR. CHAIRMAN: Anyone else? Okay. Thank you.

MR. NELSON: Thanks, Pat. That was excellent.

MR. CHAIRMAN: We'll take a short break. Don Salmon will be here at 3:15, so we've got about 10 minutes, a short break.

[The committee adjourned from 3:06 p.m. to 3:12 p.m.]

MR. CHAIRMAN: We'll reconvene, please. A special welcome to our Auditor General, Mr. Don Salmon, and to Andrew Wingate from the office. We're always happy to have you join us. As you know, the purpose of today's discussion is to review your current 1991-92 budget. If you would give us just a snapshot as to where we are and how you anticipate you'll complete the year, then you can give us any advance information you wish relative to the next budget for '92-93. We won't be going into that in any detail, although there may be some questions members would like to ask. So as you are aware, the purpose of today's meeting is to see where we are with our current budget and then look ahead and see what your projections are at this point in time for '92-93.

MR. SALMON: Okay, Mr. Chairman. What I'd like to do is hand out a potential forecast for the current year. Then we can chat a little bit about that, and that might start the questions.

Mr. Chairman, we have had now seven months of actual expenditure and are aware of our status as of today. We'd like to maybe mention a few things which sort of stand out as to some of the things that have occurred in the last seven months and how we're doing with the current year. We have been through the process of management raises, and that's all reflected as actuals within the forecast figures. We have a potential of approximately \$59,000 that was budgeted to use that we will not use because, for one thing, we revamped the way in which we give students salaries and, with the new policies, there's a bit of a saving there. Also, with management salaries the current guideline for '91-92 is

that you do not give anyone more than 5 percent. So it wasn't possible to really manage the money like we'd done in the past, where you can work out inequities and solve the thing and still keep it under 5 percent. We're a little less on those as well, coming in around 4.4 percent, so there's some money there that we won't use as well.

In the travel budget you can see that we're going to be under. The reason for the under is because with a lot less turnover in staff we had some relocation money for hirings and will not use that. That's about \$25,000.

With respect to Other Professional Services, which goes the other way, we had budgeted the previous year to have a practice review, which the Institute of Chartered Accountants does on any firm, or our office as well because we have students, every three years. They didn't do it in last year's budget, so that money lapsed, and we ended up having to expend it this year because they came in August. So we've expended \$11,000 there. Then we had three employees this current year who we felt were not performing well, and we proceeded to have them leave. That's cost us some money, because under the process we established some consulting replacements kinds of costs. That means that they're no longer with us, but those consulting costs have come all at once, and you have to pay them up front. So we're exceeded on that particular one within that figure of expense category, although we're okay overall.

The only other thing we've mentioned is that you go down a little lower at the bottom, where we were asked to keep NovAtel separate and not include it in the Agent Fees budget, and you'll see an estimate for the previous year of \$350,000. There have been a few changes taking place. One thing that has occurred is that NovAtel commissioned an audit of some interim financial statements recently. Because it was not directly related to our responsibility as statutory auditor, we have said to go ahead. They have hired the agent that we use to do those statements, and they will pay them directly for the costs of that work, yet some of that work will benefit us come the year-end or whenever that is. Therefore, in looking at the costs, we've estimated that we'll probably be able to manage with \$200,000 in the current year, hopefully, rather than the \$350,000.

The only other odd thing within this year is that we had a former employee who left us many years ago, in '87, and when employed with the federal government, came back and applied again. He went on long-term disability, then he went with the federal government, and then he applied again to Alberta long-term disability. They awarded him a retroactive settlement, and under the old provisions of LTDI the prior employer, which was us two times ago, was stuck with the cost of some retroactive employment contributions of some \$10,000 that's in our Manpower element. This will be a \$4,000 cost every year because he'll be on full-time, long-term disability, and because we were the former employer, we don't seem to be able to get out of it. Although I did write some fairly strong letters to PAO and a few others, I haven't been able to figure a way to get out of this one. That \$10,000 is reflected in there because it was a retroactive amount we paid, and it looks like about \$4,000 in each of the years coming as long as he's on LTDI.

So that's basically the way in which we've gone. Generally speaking, we're pleased with the ability we've had to maintain our complement at the level we had budgeted with. It varies a bit month by month, but we're budgeting on a monthly basis and watching it monthly. We're approximately operating with between 162 to 165 people at the present time. It varies because those things change with the students and so forth. Based on last year's budget, where we are presently sitting, we thought we had 11

students writing this year and we've now got 14 who have written. We will know those results in December. That will make some major decisions in our office as to what happens with those people as they move up into a senior supervisor role or whatever we feel they're capable of doing. Some probably will end up leaving as well, and that will be taken into account as we manage our staff as best we can.

As far as the future is concerned, a lot of it depends on what happens in December, and we'll certainly be prepared to make some recommendations to the committee as to our next year's budget as soon as you're wanting us to do that specifically. We certainly have done some planning and some considerations, with probably nothing specific that we need to raise at this time.

I'm open to questions.

MR. CHAIRMAN: Thanks, Don.  
Alan.

MR. HYLAND: Two questions. First, the one you said about the person on long-term disability. Because of the retroactiveness, he would have received a full wage from another employer plus a full disability from you, or from the office?

MR. SALMON: Alberta's LTDI. He was on Alberta LTDI; he left them, went with the federal government, actually. Then when he left them, because of illness again, he went on their LTDI. They must have restricted his LTDI to the period that he was with them, so it would probably be a lower salary, because he was topped up with Alberta's at that time because it was lower than what he was getting here. Now he comes back, and they've gone back some two years or something. We're giving him a fairly hefty sum. The insurance company made the decision after he got all his medical information. What I didn't like is that under the new rule - we wouldn't have got stuck if he'd been someplace else under the old rule - I'm still caught, so we're caught. I mean, it's all the red tape that I'm not too happy with. So I don't how to get out of it, and I think if the same thing occurred today, LTDI would pick up the benefits as well. But under the old system, where he first came into LTDI, the employer picks up the benefits; not the salary itself, just the benefits.

MR. HYLAND: The other question is related to . . . Last year we talked about, in several budget proposals you had, where the sequence that you had would happen: what if we did this, and what if we did that? We opted for one that gave you some flexibility in mixing and moving of people, and I just wonder how that's worked out. You said you've got 14 students writing when you thought you'd have 10. How has that mix worked out?

3:22

MR. SALMON: Well, that's the decision come December, when we find out whether they passed. We'll know within the next six weeks. We're right there at that curve. They wrote in September, so they're just waiting.

MR. HYLAND: How has your mix in the staff complement worked out? Was there enough flexibility in the way . . .

MR. SALMON: It will work out. If we get a reasonable number of passes, then we'll be able to make that shift come December.

MR. WINGATE: For the purposes of the forecast, we are projecting six promotions, but out of 14 that's a fairly conservative estimate.

MR. SALMON: We've got more now than we had anticipated.

MR. WINGATE: If we have more, then we'll move more towards the staff mix that we're after.

MR. SALMON: The reason we have so many - this is an unusual number for our office - is because the Institute of Chartered Accountants have changed their whole policy, and now they have an entrance exam. If you pass that entrance exam, it gives you the right to write, so four of them were able to write one year sooner. Now, they may be taking a high risk on that one try, but they're in because they passed the qualification course. So we're just waiting, but we're on top of it and are prepared to make whatever moves necessary at that time.

MR. CHAIRMAN: Any questions? Well, just to put it on the table, when we do come down to the 1992-93 budget, I want to take you back to our last discussions when we were finalizing the 1991-92 budget. At that time the committee indicated that it was easier to cancel vacant positions than to cut positions that are filled, but depending on how the government handled itself, there could well be an impact on offices that report to this committee, including the Auditor General's. I haven't looked at any numbers at this point in time. I'm just refreshing the memories of committee members and yourselves that when we do get to the detailed budget crunching for '92-93, that's going to weigh into our calculations.

Yes, Alan.

MR. HYLAND: We had looked at a list of charges this year for groups we would charge that hadn't been charged before.

MR. SALMON: Commercial or quasi-commercial.

MR. HYLAND: Yeah, quasi-commercial. How has that come? Is it too early . . .

MR. SALMON: No. We've actually issued all the letters, and we've had no repercussions. There were two or three where we felt that rather than just send the letters out cold, we would actually go and meet with them. Those meetings were well received, and they seemed to understand where we were coming from, from the committee's direction, so it looks like we're on target.

MR. HYLAND: Maybe we didn't set them high enough then.

MR. SALMON: Anyway, they're in. Some of that will be split though. Some will come this year and some will come next year, depending on their budget years.

MR. WINGATE: I was personally surprised. I thought we would get some reaction. Everyone saw the logic of it, I guess, and thought that it was reasonable.

MR. CHAIRMAN: Well, I think the fact that you went out and spoke with them in advance helped explain the rationale for it.

MR. SALMON: Yeah, that helped. On our budget time we could certainly show some of that. When we get into the revenue side, we could show some of the changes and how it'll affect us.

MR. CHAIRMAN: Good.  
Anything else on '91-92? All right.

MR. SALMON: Is that the end of the meeting?

MR. CHAIRMAN: Unless you have something for . . . [interjection]

Louise has just reminded me that we should ask relative to the audited financial statement as prepared by Kingston Ross Pasnak for the office for the fiscal year ended March 31, 1991. Any observations you had on that?

MR. SALMON: No, we were pleased with the audit. They found no matters to report, which makes us, as an 'auditee' rather than an auditor, happy. I mean, you have to put a different hat on when you have your auditors. Certainly we feel that they've done an adequate job, so we're quite pleased with that.

Then the practice review. As Andrew indicated, we're quite pleased with these results as well, as they've come through for our office, looking at what all was going on.

MR. TANNAS: I have a question. It would seem that at one time the idea of the audit firm auditing the Auditor General was that they would ultimately become sufficiently acquainted with your style and so on that they might themselves become contracted to you and could no longer audit you. Was that not part of our understanding?

MR. SALMON: That occurred in the past where one of the firms that was working for us wasn't eligible to be the auditor of the office and vice versa: those that were the auditor were not part of the list of agents.

MR. TANNAS: How long does that process take? Would we be seeing them asking us – or am I maybe asking the wrong person the question? – that they would want to become a contractor to you and therefore drop their contract with us?

MR. SALMON: Of course, the question is whether or not we have an audit that they could actually do for us, and that's the outside of it.

Historically, the first auditors of the office, which all started in '78, went about six years. Then the next one went three, but there was a merger and they went with an agent who was employed by us. That's why they became ineligible, because they merged with a large firm. Then this is the next round. They've done it three times, I think, so unless the committee wants a change, certainly there's nothing wrong with them going two or three more years.

MR. HYLAND: I don't know why we'd want to change. It took us a year to get them to sign the agreement with us.

MR. SALMON: There's always a learning curve when you change auditors.

MR. CHAIRMAN: Thanks very much, Don and Andrew.

MR. SALMON: Thank you, and you will be letting us know the timing of future budget meetings? I mean, whether it's before Christmas or not. Do you have any ideas?

MR. CHAIRMAN: I think it would be our intent to start the process before Christmas.

MR. SALMON: Okay. Thank you.

MR. WINGATE: Thank you.

MR. ADY: Are we going to break, Mr. Chairman?

MR. CHAIRMAN: Yes.

MR. NELSON: Mr. Chairman, considering the time – it's half an hour before Harley's due – maybe we could just take a 15-minute break.

MR. CHAIRMAN: And when we come back, possibly we could move on to the COGEL Conference presentation. Could we do that? All right. So we'll take a 15-minute break.

[The committee adjourned from 3:31 p.m. to 3:49 p.m.]

[Mr. Nelson in the Chair]

MR. DEPUTY CHAIRMAN: I'll call the meeting back to order here. We're going to hear from Don and Jack in regards to the conference on government ethics in Hilton Head.

Don, do you want to proceed?

MR. TANNAS: Thank you, Mr. Chairman. We had the privilege of attending the 13th annual conference of the Council on Governmental Ethics Laws in Hilton Head, South Carolina. The council, in case you're not familiar, is a professional organization for agencies and individuals with responsibilities in governmental ethics, elections, campaign finance, and lobby legislation.

A few points that maybe a person could highlight. There are some others that I would prefer not to have on record, when they got into some of the specifics, investigations and that kind of thing. It was noted that a typical U.S. ethics committee, whether it be state or national, spends about 90 percent of its time dealing in information, information for elected people and governmental officials and that kind of thing, and perhaps 10 percent of its energy on investigation. In the news media it's completely the reverse. They focus on the 10 percent, on the investigation part of it, but there is a lot in terms of information. This becomes a little more clear when you think that a few years ago, when we had Adam Clayton Powell and some of the situations that evolved there, there was almost no legal conduct, no code of conduct for legislators or politicians. Today it is becoming increasingly complex, so as the rules become ever more technical to pin this down and tie that down, there is the concern by people who are involved in this sort of thing that honest people will inadvertently get caught in the jungle of rules and regulations.

I think maybe another one I might just spend a moment in reviewing is the whole issue of campaigning and negative advertising. Curtis Gans spoke on that and talked about although election expenses, particularly as concerns television advertising, have gone up a considerable extent in the last three decades, the voter turnout has gone almost consistently down. He was speaking in terms of the cost of television advertising. From 1974 to 1984 the expenditure multiplied 30 times in the United States, again for a decrease in turnout.

There's some concern when you get into negative advertising that you can portray, as in the case of one Senator . . . His opponent had a bloodhound out and tried to seek him everywhere: "We're looking for Senator X and we can't find him." The implication was that he was a poor attender when in fact he had a very high rate of attendance, but you can be so effective in your negative. Another one was the little old lady, a sweet little old lady. Show her doing a few things and then, not to give you people ideas, you hit them with "Senator X wants to take social welfare away from your mother," or from this lady kind of thing.

[Mr. Bogle in the Chair]

MR. ADY: That was invented you know where in Alberta.

MR. TANNAS: Anyway, negative advertising, it was felt, stifles debate, turns voters off, gives rise to further negative ads, adds little to the quality of the political discussion, and, in a sense like rifle bullets, can't easily be turned back before it inflicts mortal wounds. In some people's minds maybe it's a rational act not to vote when you get a bunch of negative ads thoroughly discrediting everybody. In the last U.S. presidential election 16 percent of the eligible voters 30 and under voted, only 16 percent. The only area where there's a high voter turnout is in the seniors.

MR. HYLAND: Say that again.

MR. TANNAS: Sixteen percent of those eligible to vote who were 30 or under – or the under-30s, if you will – turned out to vote in the last U.S. presidential election.

One of the areas related to that is the whole area of interest group advertising. In Canada we have limits to election spending, but what's going to happen with interest group advertising during elections? That needs to be considered. Should it be prohibited, restricted, whatever? Does it violate campaign expenses, that kind of thing?

As I say, I want to thank the committee for extending me the privilege of attending; I found it exceedingly interesting. I have quite a few books and materials from both the United States and Canada, including the ethics commissioner reports for the last two years for Ontario. I think that particularly the '90-91 report – there are some actual cases in there – would be interesting. So I'll provide those two to members. I've built up a bit of a library for the incoming Ethics Commissioner or the chairman or anybody who wants to see it.

MR. CHAIRMAN: Thanks, Don.

MR. TANNAS: Thank you.

MR. CHAIRMAN: Just before Tom, is there anything you'd like to supplement in the report, Jack?

MR. ADY: Just briefly. To the committee: you do have in your folders a typed up report on my visit to this conference, and I appreciate the committee allowing me to go. It was a very busy convention. They had lots of things going on, concurrent sessions. We split up and tried to cover most of them. There were very few where we attended the same session.

There was a lot of emphasis and concern over fund-raising, where it came from, and a lot of effort to get public fund-raising away from the politicians so there could never be any indication that the person who donated to his campaign fund would have bought time with the politician. They spent time trying to be innovative with ways that this could be done and reviewing the status of certain states who have moved in that direction. The direction was to make the politician aware of what might be a conflict of interest, so that there could be no question in his mind, and to keep a tight rein on him and the lobbyists at every level of politics to ensure that they're not influenced in a manner they shouldn't be and that people are not able to obtain favours from them they're not entitled to.

An interesting thing in California: there has been some legislation passed. I'm not clear exactly how broad it is, but it has to do with limiting the terms of politicians, how many terms they

can run, similar to the presidential one. That was immediately challenged in the courts, and that's where it is at the present time.

They had some sessions there that I thought were almost negative in respect of spending a long time talking about every politician they had been able to prosecute in a given state, how many they were able to get out of how many had been accused. It was like 26 convictions out of 27, that sort of thing, which I guess is all right.

By and large it was a good convention, and there were some constructive things there. One interesting session had to do with the Navaho nation. They gave an overview of the self-government they have, how it works with the state government, and that was interesting. It seems to be working, at least from the perspective of the presenter.

Again, I appreciated the opportunity of going; it was interesting. The thrust of the convention seems to be a growing thing. They appear to be gaining ground in accomplishing their goal, their mandate of enlightening the politicians and protecting the public from politicians and lobbyists doing things that are not acceptable.

3:59

MR. CHAIRMAN: A further supplement, Don.

MR. TANNAS: I was just going to say that I didn't think all the ethics commission work of different American states and cities and indeed in the provinces dealt only with politicians, who presumably are the elected officials; also the appointed officials and the normally sort of assigned public officials. They also dealt with people in higher places in office that aren't necessarily elected. I remember we were saying that they got 26 convictions out of 27, but only 16 of those were elected. There are also the civil service type positions.

MR. ADY: That's true.

MR. CHAIRMAN: Thank you.

Tom, and then Alan.

MR. SIGURDSON: Just as a comment to Jack's report is that I'm not bothered by the fact that they only got 26 convictions out of 27. I'm really saddened to learn that they had to have 27 charges laid against people in high public office in the first place.

But I'm wondering. Without having seen the list of participants or the agenda you had, I know there's a maritime province, and I don't know if it's New Brunswick or Nova Scotia, that funds through general revenue the campaign costs – and again I don't know what the criteria are – for political participants, the political parties. Was there anybody attending from those provinces that might have made a report with respect to the campaign funding?

MR. TANNAS: There was campaign funding I think . . . Is my note going to be concluded, then, in some future agenda? Is that it, or . . .

MR. CHAIRMAN: No.

MR. TANNAS: Okay. What I was going to say is that there was a report on several countries, particularly some of the countries in Europe in which there's a high subsidization rate – going from 75 percent in Germany, 70 percent in Sweden, 60 in England, and 40 in Austria – where there's public money going to political parties. I've got the list of people who were attending. There were some from the maritimes.



MR. CHAIRMAN: Don, pardon me. That's the letter you handed me this afternoon?

MR. TANNAS: That's right.

MR. CHAIRMAN: I'll have it distributed to members of the committee.

MR. TANNAS: Okay.

MR. ADY: That one I don't believe was reported to the convention.

MR. TANNAS: Not from Canada, no.

MR. SIGURDSON: It would be interesting to see what problems those folk have with respect to corruption in public office and high-appointed office as well and try to do some kind of comparison.

MR. CHAIRMAN: Alan.

MR. HYLAND: Jack, on page 2 of your memo you say, "George" whatever his name is, "Assistant Deputy Registrar General of Canada . . ." Assistant deputy registrar general of what?

MR. ADY: Of Canada. There is an office of the federal government that's called that.

MR. HYLAND: What does he do? That's to do with . . .

MR. ADY: I'm not familiar with the office. He was there under that title, and he gave a report to one of the concurrent sessions of the convention. I'm sorry, I can't tell you what his responsibilities are at the federal level. He didn't tell us that.

MR. HYLAND: The session had to do with conflict of interest?

MR. ADY: Yes. It had to do with conflict of interest legislation and examples of politicians being found to be in conflict of interest in Canada. He gave a pretty extensive overview of that from the Canadian perspective.

MR. FOX: Sounds fantastic to me. I guess that won't translate into *Hansard*.

MR. CHAIRMAN: Few of the things you say do.  
Anyone else? Darts, anyone? Derek.

MR. FOX: I just appreciate the report from the two members. Having attended this conference last year on behalf of the committee, I just want to say I found it to be fascinating. I learned a lot, and I think there are some things we can take from those conferences and apply directly to the situation in Alberta. The Chief Electoral Officer talked about possible amendments to the Election Act and the contributions and finances disclosure Act. That's the very meat of the discussions at a lot of these COGEL meetings, and I'm just wondering if either of you had any recommendations to make to us in Alberta about ways we could improve our electoral process, our process of enumeration, or election contributions, disclosure, or anything like that based on what you heard people say there?

MR. ADY: Well, I don't have any recommendations other than to say that with the process we have we seem to be getting along a lot better than many states are. Albeit there was some difficulty in British Columbia, I don't recall anything of any import in Alberta or most of the other provinces. Our legislation does vary from province to province. It would seem that we must have pretty good legislation in this province or we've got very honest politicians from all parties.

MR. FOX: Just to add to that, my impression talking to American legislators and members of the American ethics commissions was that they have a lot of trouble making their democratic system work, that it doesn't encourage participation, that their voter turnout is very low at almost every level of government. Although some people in Canada look to the American system, I think there's a much greater degree of involvement in our process in Canada, and I think we can be proud of that.

MR. NELSON: Do like the Australians do. It's compulsory. They get about a 98, 99 percent turnout.

MR. TANNAS: So does the Soviet Union.

MR. FOX: I'd like to see us discuss that sometime. I think that's worth discussing.

MR. HYLAND: It would be interesting to see the same figures that Don used on any of our elections on those between 18 and 30 if it was possible to pull that out to find out what sort of percentage votes there, because it might not be a whole lot different. If you get from 30 on voting at 60 to 70 percent turnout, it could carry the others at a lot lower rate. We may not be a whole lot different than they are, because you said 60 percent; you didn't say the total turnout.

MR. TANNAS: Well, they're running - what? - below 50 percent is normal there. A number of speakers referred to Canada in a variety of ways. One, there was comment that party discipline then doesn't open up the kinds of avenues for lobbyists that the American process does. So in that sense party discipline is a useful thing in combating corruption. A state like North Carolina has over 900 registered lobbyists, who spend in excess of \$10 million - that's what's recorded they spend, kind of thing - influencing 170 state legislators. Well, then you know there are some things going on. What is it? You can have four meals with the same firm or interest group, but if you have a fifth meal, that's corruption.

MR. FOX: That's indigestion.

MR. TANNAS: Well, then we got into the whole issue of - I don't know. Here, to my knowledge politicians do not receive money, cash, and walk around with it. Certainly in the state we were in, they talked about it as walking-around money.

MR. SIGURDSON: What is it?

MR. TANNAS: Well, you see, there you've got an election every two years, so you're almost always preparing for the next election in a sense. The politician, the candidate, can accept money for that campaign. The only restriction is that he/she must declare it by the end of the year, that they received it for that purpose. So a lot of their legislation is looking at: what are they spending; where are they getting it? It isn't filtered in any kind of way like

ours, where we have some strict rules and so on. We have a Chief Electoral Officer who goes after people, and if you breach some little rule or regulation kind of thing, then you're on the carpet and you may forfeit your election. There, an individual politician or candidate can accept countless amounts of money. They don't care how much. It's: what's his personal income at the end of it; how much is he personally taking? That's how they're getting into some of it. That kind of thing, the lobbyists, works very well at the municipal level as well; there's a whole different set.

MR. CHAIRMAN: Okay. Briefly. Yes, Derek.

MR. FOX: One thing just for the record. When we talk about rate of turnout at elections, 50 percent of eligible voters in Canada and in the provinces, an eligible voter is someone who's a citizen and resident of the electoral division, but in the States it's someone who has actively gone out and registered themselves as a voter, and often it's only about 50 percent of the people who register. So when you get a turnout of 50 percent, in fact you're having 25 percent of the electorate. So it's never close to even 30 percent of the population voting.

4:09

MR. CHAIRMAN: One of the observations I have just sitting listening is how enthused Don and Jack are now that they've been to this conference on ethics in government. I guess that speaks well for the subject matter you're dealing with. It's good that you're able to come back and report to us in this particular way, so thank you both.

Harley, you and Dixie have been very patient. A special welcome to you, first, as the Ombudsman of our province, and Dixie as a member of the staff.

MR. JOHNSON: Thank you, Mr. Chairman.

MR. CHAIRMAN: As you know, today we want to look at your current budget just to see how you're coping with the dollars as approved for the fiscal year. Then if you wish to project ahead, we'll look at that, recognizing that this is just a general discussion today.

MR. JOHNSON. Mr. Chairman, members, Louise, the forms that we're handing out now basically are our budget projections. We do appreciate that it is just a budget projection, but as an opening comment let me say how pleased I am that we're going to be within budget in all three groups and in fact have at the completion of the budget year approximately \$75,000 over. There are a couple of reasons for this, and I can go into those reasons fairly briefly.

Specifically, under group 1, Manpower, we are going to be in excess of \$65,000, and of course, that's the majority amount. The bottom line on that is that I had a solicitor, and I think most of you realize that I seconded to private enterprise for the purpose of developing managerial skills and skills that I couldn't give her within my own office, yet I saw a potential within this solicitor to move up within government circles. The position she vacated on a temporary basis was left vacant from January till April, and the position I filled on secondment with a professor of law from the University of Alberta between May and September was a fourth-fifths position completing her workload for one-fifth with the University of Alberta. So in effect that saved us, as the budget process with the Ombudsman's office, a fairly significant amount of money.

The second area in the salaries is that one of my Calgary investigators who was a lawyer as well decided to move on into private practice, and I have been operating without a lawyer in the Calgary office since June 1. We were able, because of the oral complaints being down in the Calgary area and the workload at that particular time, to not fill that position immediately, but as the workload increased, because it's starting to pick up again, I'm now in the process of filling it. So all in all that saved us \$65,000 or \$66,000 in total, which again reflects fairly handily on the \$75,000 total.

Wages were right; we didn't ask for any wages, so it's a zero there.

Payments to Contract Employees, 511D on the sheet that you have: we're going to be under budget again on that, strictly again because of the employer contributions on the two positions I've just described. We didn't have them filled; therefore, we don't have to pay in that area.

Employer Contributions: again, the same thing as in there are no benefits paid.

Allowances and Benefits: we are going to be over budget on this particular item by \$1,356. That is based on my approving special training courses that were not anticipated in the budget last year. These training courses made themselves available, and because we are going to be a little bit under on other areas, I authorized people to take those courses because I think we're all going to benefit in the long run on that.

The bottom line on group 1, Manpower, is that we're going to be \$72,849 over budget.

MR. HYLAND: Under budget.

MR. JOHNSON: Yeah; under. Thank you.

We are not asking at this particular time that any of those moneys be transferred for the purposes of trying to reduce our next year's budget.

Supplies and Services, group 2, the bottom line, the total: we're still going to be under budget again, by \$1,402. The biggest differences between the pluses and minuses - what we're authorized and what we're going to spend - comes under Contract Services, 512K, where we will be overspent by in excess of \$8,000. That particular bottom line is because of the fact that Mary Marshall, who is the lawyer coming back at the end of the year - during her secondment to a private law firm, we did have to bring her back for specific investigations, so we had to pay a contract fee for that particular amount. There were a couple of special investigations where I had to go out and get specific assistance. For instance, I won't give the specific investigation, but it dealt with one where I needed an engineering report that I was incapable of resolving within my own office. I had to go outside, but we still were able to cover it off in the total amount.

Running through very briefly again, Travel Expenses: we're going to have moneys left over in there of \$305.

Advertising: we expected to be spending more in advertising, but because of our contracting and contacting with different colleges and different people and different organizations throughout the province, we have been able to cut down our advertising dollar spent when I go on tour. For instance, Mr. Tannas is arranging for part of the tour through his offices in his constituency areas. In Vermilion-Lloydminster-Wainwright, which I just got back from on Saturday afternoon, a five-day tour in Mr. Drobot's area and others, Lakeland College picked up all the advertising costs as part of their community outreach program. So again, we're in a good position there.

Insurance: again, \$212, which is not going to be much over – sorry; underspent. I keep missing those; I say over and it's under.

MR. FOX: You were playing over/under on the weekend, right?

MR. JOHNSON: Over/under on the way back.

Freight and Postage: we're going to be right on the money.

Rental of Property, Equipment, and Goods, 512G: we will have money left over in that particular area. It's not going to be that inconsistent with what we've got.

Telephone and Communications: again, \$732. I think I mentioned to this committee last year that we were instituting more checks in terms of the type of calls we're using and the pushing of our investigators to ensure they justify long-distance calls. Again, not only did we ask for a decrease in amount of moneys for this budget, we're finding that we're even able to save more than we expected.

Repairs and Maintenance, \$20 over, really not that much.

In terms of Contract Services, 512K, I've already explained the reason for the overexpenditure on that particular one.

Data Processing: we're going to be under budget on that one by \$1,486. The bottom line is that I have to go back to Dixie on this one, and that's her sharpening of the pencil in negotiating with contract servicing companies which come in and service our computers and the programs we're instituting, so again a savings there.

Hosting: one more personal pleasure to report is that I'm going to be underspent in Hosting again. We asked for a decrease last year, and we're still going to be under in this particular year. Dixie tells me it's because I haven't had enough time to do any hosting; I'm out on the road all the time.

Other Purchased Services, 512N: we're going to be right on the money in terms of expected expenditures.

Materials and Supplies: we are going to have an underexpenditure of \$1,533.

The bottom line, as I pointed out, is \$1,402 in group 2; again, I believe, quite favourable in terms of where we're going. Two of those programs, as I've mentioned, are in fact supervised by Dixie in attempting to reduce costs.

Group 3, Fixed Assets. The first one, Purchase of Data Processing Equipment: we're almost right on the money. We're going to be up \$64 at the end.

Purchase of Office Equipment: we're going to be up by \$200.

Some of these moneys in total will in fact be requested of this committee at some future time to look at reducing the amount of money. I'm prepared to go into next year's projections, and they are wild projections in the sense that I've asked for what is required from all my managers and all the people, where they feel they are going to require things for next year. Their recommendations and their suggestions are included in here in what I've agreed to on the first blush, but certainly on first blush the next year's budget is not looking bad either.

Mr. Chairman, that's the report, basically, on the six-month projection, the total being that we are going to be underspent by about \$75,000.

4:19

MR. CHAIRMAN: Thank you.

Questions? Don and Derek.

MR. TANNAS: Harley, I will just ask you: under communications, do you have access to the RITE lines?

MR. JOHNSON: Yes, we do.

MR. TANNAS: So that cuts down on a lot of long distance.

MR. JOHNSON: It does, but remember that the RITE line cuts off at a certain time.

MR. TANNAS: Right. For evening and that kind of thing, yes it does.

MR. JOHNSON: And weekend work, and my investigators don't stop just because the RITE line stops kind of idea. So yes.

MR. TANNAS: Okay.

MR. JOHNSON: We also have access to the WATS line. The WATS is the federal government line to which I think you all have the same access.

MR. CHAIRMAN: Anything else, Don?  
Derek.

MR. FOX: Yeah, I have two questions, Harley. You indicated that you went for a period of time without a solicitor in the Calgary office and that that wasn't a problem because the volume of oral complaints was down somewhat but that that trend was changing again. Can you give us some insight into the relevant workload at the Calgary office and the Edmonton office compared to last year?

MR. JOHNSON: We're going to be up in numbers of complaints if we follow the same process we do right now. What happened in Calgary is that we got a couple of investigations that required some time away from their normal files. If I could have just left them alone to answer the phones and do the files that were coming through the front door, they still could have handled it, but when you get a fairly significant investigation, which occurred with the Workers' Compensation Board file that I just made a report to the minister on, that took quite a bit of the Calgary manpower time frame. So when that happens, then we start getting backlogged, and we're starting to get backlogged in the Calgary office now. I did mention "solicitor," but she was not acting as a solicitor even though she was a lawyer; she was acting as an investigator at that time, so I'm filling an investigative position.

MR. FOX: Okay. So you're not trying to hire a solicitor; it's an investigator.

MR. JOHNSON: It's just that the previous incumbent was working as an investigator, but she has decided to go into private law practice.

MR. FOX: My second question in terms of the Edmonton office, Mr. Chairman, would be that the solicitor you have working for you, as you said, is on secondment, brought back on a contract basis when required. What's your assessment of the need next year and in the future for a full-time solicitor on staff?

MR. JOHNSON: I would like one on staff. We are finding more and more caseloads that require a legal interpretation. Again let me refer to this recent Workers' Compensation Board file. While it seemed on the surface that it was a straight administrative review, once we got into it there was quite a legal issue, and the legal issue is based on interpretation under the Act of what, in fact, is an overpayment and what is an underpayment and when it can be re-collected or collected. So that is being investigated from

a legal standpoint, which again takes my lawyer quite a bit of research time. If we contracted that out, it would be very expensive, but having somebody on staff for those types of things, it is quite a bit cheaper. So no; I still require a solicitor within the office itself. Now, I did have a solicitor that was on secondment from the University of Alberta for a certain portion of this time, May till December 31. So it wasn't left vacant.

MR. FOX: Oh, I see. That's right too.

MR. JOHNSON: Yup, she was brought in.

MR. FOX: You explained that to us before, and I think time would be a consideration there as well. I know from some of the complainants I've referred to your office that sometimes they're hoping for a quick resolution, and if that's dependent on some legal interpretation and if you had to go through the process of contracting out, it might delay the work you're doing on behalf of Albertans.

MR. JOHNSON: It may delay it. I've been very pleased with the responses I'm getting from the outside contracts we are dealing with back through Mary. She likes it as well, because she's got five or six - I won't use the term grunt lawyers, but people who don't have the depth of experience she does that she can give work to to go out and find and bring back to her, whereas if she's in the office, she's a one-person. So sometimes I even get a quicker response by going to contract.

MR. CHAIRMAN: Anyone else? Derek.

MR. FOX: Did you want to look ahead, Mr. Chairman, at this point, or do we . . .

MR. CHAIRMAN: If there are no questions on the material presented for the current fiscal year, okay, if you'd like to do that.

MR. FOX: One of the obvious questions when you've got some money left in your budget: is there any opportunity for buying some things that you need next year out of this year's budget?

MR. JOHNSON: There is, Mr. Fox, in terms of where we're going. This budget that you're getting now does not reflect that but will reflect it at the time when I will come back to this committee and request moneys for movement within groups 1, 2, and 3 as required. This is a working document, so I do preface my comments with the fact that it is a working document.

In terms of Salaries, under 711A, Group 1: Manpower, I am looking at an increase of one staff at this particular time and coming to this committee next year with the potential and justification for that one position. What I'm finding, and I will explain this in more detail as we get into the actual budget process, is that I am being requested and have accepted numerous speaking engagements on topics which I don't have the time to go back and do a lot of research on. As long as the topic reflects a close proximity to what the role of the Ombudsman is and I can filter the role of the Ombudsman into the presentations, I think it's of value to me in terms of achieving one of the priorities of the selection committee, which I agreed to and this committee has subsequently approved, the priority of education, telling people what we can and cannot do.

Some of the topics I'm being asked to address are slightly afield of what the specific role is, and I want to work with somebody to use the information and roll it into the role of the Ombudsman.

I'll give you an example. I have been asked to address things such as accountability and ethics in a philosophical sense. Now, I can do that in terms of the role of the Ombudsman in specific, but to go out and research accountability and how it's seen by the public, how it's seen by other members of the bureaucracies does take some time. So I'm going to be asking for a position in there, which will be a part-time writer/researcher/analyst and a part-time investigator so that when I don't have this person doing research for me, I will have them doing investigations.

There's a second area there. We talked earlier in terms of some of the issues of change of legislation that I've brought back to this committee and will be bringing back to this committee; for instance, a complaint of protection clause. Again, I've got lots of information, but I need a collator to take that information and pull it all back together. With my public speaking engagements and the time frames I'm putting into achieving that objective, I don't have a lot of the research time, the developmental time I'd require to come back and make a proper presentation or at least a fuller presentation.

That's the first area. There will of course be wage increases, and there will be some reclassifications also within the Salaries - Permanent Positions.

Wages, 711C. This is the reincorporation of an item that I took out of the budget last year, and that was a summer student. I told the committee at that particular time that I would be reintroducing it this particular year, once my lawyer was back on staff and could properly supervise that summer student. I did not have anybody to properly supervise the legal student this year, so we took it out of the budget on my presentation to this committee, and it will in fact be placed back in.

Payments to Contract Employees. We will be asking for an increase on that particular one. Again, what I'm looking for is the sophistication of some of the legal issues that are coming in. There is potential for a couple of court cases involving the role of the Ombudsman and the jurisdiction. I say that as a potential at this particular time, because we haven't got to the finalized state where a department or a minister have in fact challenged to the point of jurisdiction, but there are hints and implications of a potential. That's fair game, because of course the role has to be defined, but it is defined back through the courts, the Court of Queen's Bench. So in terms of that area that would potentially be a payment.

4:29

Employer Contributions also does show an increase. A lot of the employer contribution areas will involve an increase in some of the prior pensionable services for some of our employees, who we will have to make payments into pension plans for.

Allowances and Benefits again will be an increase, and in terms of that there is an increase that I will be seeking.

Employee training. The courses themselves, especially quality courses, in our identification of them are more expensive than the run of the mill, those come-through-the-door type courses. We're looking at quality courses, and there is potential for us, through the Banff School of Advanced Management, to have some of our managerial staff involved, and that does not come cheap. It's a question of priorities and if in fact I can convince this committee when I do present the budget in total of the need for that type of training. So there will be an increase in terms of the total manpower of 12.3 percent. At least that's what we're looking at first blush, which again is still subject to manipulations on my part before I make the formal presentation to this committee.

Group 2: Supplies and Services. Travel Expenses. Of course, I think most of you are aware that next year being the fourth year

since the last international Ombudsman's conference, there will be one, and it will involve international travel. So travel expenses are in fact up.

Advertising. There will be no changes.

Insurance. There will be a minor change of a few hundred dollars.

Freight and Postage is going up all the time. There will be a minor increase there again.

Rentals. In terms of the equipment there will be some increased costs, we've been told by our suppliers, in terms of our xerox-type coping machines. There will be increased costs for some parking stalls, and that's a provincial government increased cost through the McDougall Centre parking in Calgary. So that will be an increase in that particular area.

Telephone and Communications. There will be no basic change.

Account 712J, Repairs and Maintenance. The reception chairs in the Calgary office are now 10 years old and are in need of recovering. This is one area where I will be looking at potentially using, as Mr. Fox suggested, moneys from this year's budget to offset and reduce next year's requirements. This is one area I will be coming back to the committee on. I think this is exactly what you're looking at, if I'm not mistaken, Mr. Fox.

Contract Services. There will be an increase in professional support to some of the investigations, and this of course is something you can't tell. I didn't know this year, in fact, that I was going to need that engineering report on one specific area, and we do know that the professions themselves are going to be costing us more. There will be an increase in outside legal opinions, especially if we do go to some court cases. There will be research involved. There is an increased expectation in the cost of Quicklaw, which is a computerized program allowing lawyers access to what the law is across Canada.

Account 712L, Data Processing. We are very pleased with our internal system, the LAN system, the local area network, and the WAN, the wide area network, and all the other fancy names that data processing people like to put on it, but some of our equipment, the Best computer which we use for the Quicklaw, is going to be in need of repair and replacement. Our data base program for the complaint system is now obsolete and is exceptionally slow. We've transferred it from the old system to the new system, which was authorized by this committee last year and the year before, but now the system itself is getting to the point of being old. Now, that's only the complaint system, not the local area network or the wide area network, the complaint system itself, the one where we go into the file and find out how many people have given so many complaints. It's now just not functioning to the same degree, so we're looking at doing a cost analysis, a benefit analysis, and a needs analysis within our data processing. The needs analysis portion of this we believe is another area where I can come back to this committee and look at utilizing moneys left over in this year's budget to offset and to decrease for next year, and that is being considered right now.

Hosting. I'm asking for no increase within the office although I do expect there will be some increased requirement in Hosting. Although, as I say, I've got money left over this year, there will be some increase in that next year represents the 25th anniversary of ombudsmanship in North America, which is the Alberta system, Alberta being the first office in North America to have an Ombudsman. So there may be some components involved in that, and that's something we're going to have to look at.

Other Purchased Services, 712N. There is really no basic increase in 712N, a minor increase of \$100. We're looking at potential memberships in different groups as just increasing costs as they come in.

Materials and Supplies. There is an increase under Materials and Supplies. The brochures, additional copies of the annual report: next year being the 25th anniversary, again I'm looking at having a special edition and within that special edition some changes to the actual format, to the extent of a biography and background on all previous Ombudsmen who, in fact, have served Alberta. Because of the 25th anniversary we're expecting there'll be more runs on the supplies, if you will, more people requesting copies of that particular report. Again, the increase in this area at this point, at first blush, is 26.1 percent. As I say, that is at first blush and will in fact be reduced.

Finally, Group 3: Fixed Assets. There is an increase at this time, Purchase of Data Processing Equipment. There is a requirement coming in for the Ombudsman to come on line with financing. At the present time we have not had to do that. That is our payroll thing. That is going to be a requirement of our office at no choice to our office. We'll have to have another computer linked in to in fact deal with payroll processing and documents such as that. That is not going to be a choice. The finance department is coming down, and we have actually gone back to them saying it's going to be a very expensive system because we are a very small office. However, we've been told it will in fact be put into play.

There will be some changes in our software accessibility of the Edmonton user files from Calgary. An increase will be looked at. We're going to be looking again at Mr. Fox's suggestion and recommendation that we try to get moneys out of the leftovers this year to reduce next year's request.

Purchase of Office Equipment. Basically, there are two pieces of equipment that I need within the office. The first one is a shredder. The one we currently have is just too small and can't take the amount of shredding we've got and is starting to break down on a continual basis. We're to the point now of having to replace it as opposed to fixing it. It's almost not fixable anymore.

MR. FOX: Why don't you shred it?

MR. JOHNSON: Why don't we shred it? Excellent idea. We'll take it under advisement.

MR. TANNAS: Hopefully recycle it.

MR. JOHNSON: We can recycle it, possibly, to an MLA's office where they don't have as much shredding as the Ombudsman's office.

Telephone recording devices: one permanent, fixed, in terms of a floater for investigative need. What's starting to happen on so many cases is that we are getting, on specific types of callers, people who say, "I told you that; why haven't you investigated it?" Or they get on with one of my investigators, and there is a continual bantering back and forth, if you will, as to what they have said and what they have not said. So for some of the more difficult cases I would like to look at a telephone recording device.

The representation is a fairly significant increase: 15.6 percent in total at this particular time. However, without the extra employee that I'm considering requesting and the summer student, that would be reduced to a 10.9 percent increase.

I might make just one quick comment before questions. We've already found, as of this afternoon at 2 o'clock, \$3,000 that we don't need next year, and that has not been reflected in this. So it's a continual process; it's not just a one-time shot.

MR. CHAIRMAN: If there are questions, could I ask members to keep them general? Because this is a working paper, we are not

going into it in detail at this time, but if there are general questions or observations . . .

Yes, Don.

MR. TANNAS: Mr. Chairman, could I ask a question based on appendix 1 of the last minutes?

MR. CHAIRMAN: Does that relate to the budget?

MR. TANNAS: Yes.

4:39

MR. CHAIRMAN: All right.

MR. TANNAS: Okay. It has been suggested that consideration be made with the ethics commission coming into place that they might utilize some of the facilities of the Ombudsman, not to be under the Ombudsman's wing or anything. You were just saying that the payroll setup you're going to have is going to be greatly in excess of what you need. That would be just one instance.

MR. NELSON: What's the question?

MR. TANNAS: In which case my question would be: would you see any saving to having another officer sharing financial, clerical functions?

MR. JOHNSON: There's a potential for a significant decrease in total use. If you were establishing a total new office, of course, it's very expensive. There is potential for sharing of secretarial assistance. There is maybe potential for sharing legal assistance. As I say, that would have to be investigated. There is potential in terms of reception type areas and very definitely in terms of the payroll processing. The question is: who would be responsible for entry? Those are all details that could be worked out. Yes, to answer your question very specifically, there is potential.

MR. TANNAS: Okay; thank you.

MR. CHAIRMAN: Anyone else?  
Yes, Jack.

MR. ADY: I just have a question. I hope you categorize this as being general. On the public speaking tours you're embarking on and have done, could you give us some idea of how many people you feel you're reaching with those?

MR. JOHNSON: It's a difficult one to answer directly. In our public presentations we have had zero to 300 people show up. We don't know until we get there. The 300 people is a bit of an anomaly in that in Grouard, which is a community probably of one Alberta vocational centre, they sent all the buses out to the reserves and said, "We've got a special presentation from the Ombudsman," and they all jumped on the bus and showed up. So we had 300 people from a number of different reserves in this community.

MR. HYLAND: Did you give a good speech that night?

MR. JOHNSON: I thought it was. Well, excuse my language. It was a very good speech, sir. That's self-serving when I say it.

The zero was in an area that I did not expect. It was Fort McMurray. Nobody showed up. Even the person that came in to set up the microphone for us put the microphone in and then

tootled off to a Newfoundland band which was going on next door. So after waiting for 15 minutes, I also tootled off and went next door and listened to the Newfoundland band.

The majority of public presentations run between 15 and 20, 25 people. What I do is give a very brief overview of what it's all about, and then I meet with individual complainants afterwards and advise what the process should or should not be and how best they can handle their specific concerns.

In addition, I try and link up my public presentations with a pile of private presentations. For instance, in your jurisdiction, in the Cardston area, there was a public presentation, a number of private presentations, a meeting with the media in Cardston. Radio people from the Lethbridge area and a number of the TV stations basically operating out of Calgary all were involved in that process. So even though not everybody came to the presentation, they at least had access to the presentation and should have heard in advance of my coming and a report in the local paper after I was there and some of the issues.

It's a long-winded way of saying it's difficult to say how many people we actually reach, but I do know a number of complaints are in fact coming in from people saying: "We heard about you through such and such. We heard you. We read about you. We saw you on television. I didn't come to the meeting because . . . but here's my complaint." It's difficult to come out with a categorical statement.

MR. CHAIRMAN: Okay.  
Anyone else?

MR. JOHNSON: May I ask a question back, sir? Your jurisdiction of political boundaries in St. Paul was similar. I've just finished out there. I've done Calgary. Have you heard feedback that implies whether it's positive, negative? Are we reaching people? I know you get letters when I'm going in to do a public presentation, not a private presentation but a public one.

MR. ADY: Actually, all I've had is a comment from one person that you were there, but I haven't had any direct input about it.

MR. DROBOT: Your visit to St. Paul was just last Thursday, so there hasn't been time.

MR. NELSON: I'd just like to make a general comment. I think we're looking at a pretty tough budget again, and I guess I would be rather than generous if I didn't offer this observation: when you bring your documents when we sit down and hard-nose this budget, the document we deal with should be lean and mean. I think we're all going to be dealing with a similar circumstance. If you're talking 13, 14, 15 percent increases, I think we're going to have to do some slicing with you with those kinds of things. As a first go-round here, if you brought this thing back as it is presently, I think we would have some extremely good discussions.

MR. JOHNSON: Tough negotiations?

MR. NELSON: Well, I don't know whether it would be negotiations. I think there would be a bit more discussion than that, because my tentative inclination presently is that the government is not going to be overly generous to a lot of these things next year.

MR. JOHNSON: I accept that. As I pointed out in my opening remarks, Mr. Nelson, this is a first blush, one that represents all

those that I have been convinced have merit, but I haven't prioritized the merit. Is this committee in a position to come back and say, "Keep it within 10 percent; keep it within 5 percent"?

MR. NELSON: I think you might be well advised to prioritize your needs and maybe use an A, B budget type of scenario to do that prioritization so we can assist you and you can assist us.

MR. CHAIRMAN: I think as we draw towards the end of the calendar year, we'll be in a better position to give you some guidelines as well.

MR. JOHNSON: I am very confident we won't be coming in with this high a figure. I'm very confident. I mean, it's the same as last year. As you'll recall, in our October discussions we discussed something like 20-some-odd percent - this one is lower - and we ended up with almost a zero percent increase after all our machinations even before it got back to this committee.

MR. CHAIRMAN: Anyone else?

Well, thank you very much, Harley and Dixie.

MR. NELSON: Well done.

MR. CHAIRMAN: Just a reminder to committee members: bring your calendars with you tomorrow so we can finalize dates. Louise, you did circulate material for the Ethics Commissioner position? Tomorrow morning, 8 o'clock sharp, in room 312.

Don, you've got something you want to distribute?

MR. TANNAS: Yeah.

MR. CHAIRMAN: Could I have a motion to adjourn, and then we can do that? Motion to adjourn, Don. All in favour? Carried. Thank you.

[The committee adjourned at 4:48 p.m.]

