

Title: Wednesday, March 19, 2003 Public Accounts Committee

Date: 03/03/19

[Mr. MacDonald in the chair]

The Chair: I would like to call this meeting of the Standing Committee on Public Accounts to order, please. We are pleased to have the hon. Mr. Boutilier, Minister of Municipal Affairs, and members of his staff with us. We also have the usual delegation from the Auditor General's office and the Auditor General himself, Mr. Dunn. While members are getting settled, perhaps we could start with the minister. If he could be so kind as to introduce the staff that are accompanying him this morning, please.

Mr. Boutilier: Thank you, Mr. Chairman, and good morning to you all. My name is Guy Boutilier. As minister I'd like to introduce Brad Pickering, the Deputy Minister of Municipal Affairs; Denis St. Arnaud, who is our assistant deputy in public safety; as well, my executive assistant, Laurent Auger; Lothar Hellweg, who is our chief financial officer; and Brian Quickfall, who is ADM of local government services.

The Chair: Okay. And your other staff as well? Is there anybody behind you, Mr. Boutilier?

Mr. Boutilier: If I have more staff that I'm not aware of.

The Chair: Okay.

Mr. Dunn, could you please introduce the members of your delegation.

Mr. Dunn: Okay. Fred Dunn, Auditor General; Ken Hoffman, Assistant Auditor General; and Jim Hug, Assistant Auditor General. Joining us at the back is Phil Minnaar, who is a principal in our office who works with Municipal Affairs.

The Chair: Would he like to join you?

Mr. Dunn: No. I believe we're okay.

The Chair: Okay. Thank you.

Ms Blakeman, could you start our introductions.

[The following members introduced themselves: Mrs. Ady, Ms Blakeman, Mr. Cao, Mr. Cenaiko, Mrs. Jablonski, Mr. Lukaszuk, Mr. MacDonald, Mr. Shariff, and Dr. Taft]

Mrs. Dacyshyn: Corinne Dacyshyn, committee clerk.

The Chair: Thank you.

May I have approval of the agenda, please. Thank you.

Minutes have been circulated from the March 12 meeting. May I have approval of those minutes, please. Okay. Thank you.

Now, Mr. Boutilier, it has been a routine of this Public Accounts Committee to give the minister some brief opening remarks on the year regarding your department. Then we usually allow a few minutes for Mr. Dunn if he has anything he would like to point out in his report, and then there is a series of questions from the members. The questions should be fairly brief. There's a main question and a supplementary question, and we rotate between opposition members and government members. Okay? Welcome.

Mr. Boutilier: Very good. Thank you, Mr. Chairman and ladies and gentlemen. Indeed, this is my first opportunity to present to Public Accounts, and in actual fact this is my first meeting of Public Accounts in my six years as an MLA, having celebrated our anniversary just awhile back. I introduced my staff, and certainly this morning it will be my pleasure to answer any of your questions. If we're unable to, certainly we'll endeavour to get the answers.

I want to first of all say that you may or may not be aware that within the Municipal Affairs ministry we have 359 municipalities that ultimately fall under the Municipal Government Act in the province of Alberta. From that, key areas within Municipal Affairs that ultimately from an accountability perspective we deal with are, of course, not only our department but our Municipal Government Board as well as our Safety Codes Council, our Special Areas Board, the improvement districts, and as well delegated administrative organizations. Specifically, those organizations are the Alberta Boilers Safety Association, the Alberta Elevating Devices and Amusement Rides Safety Association – anytime you're in an elevator in the future, think of me – the Alberta Propane Vehicle Administration Organization, the Petroleum Tank Management Association of Alberta.

Really, our ministry's core businesses for the 2001-2004 business plan are made up of three key areas. Local government services, which I may refer to in the future as LGS, of course deals with our policies and legislation and support for sustainable, accountable, responsive, and effective local government. The second core area is our safety services and fire protection and, of course, the safety system, that includes appropriate safety codes and promotes fire protection. The third area was referred to previously as disaster services, and in this past year we have of course made a change in that term "disaster services." If I could, learning since September 11, the word "disaster" indicates that something has happened as opposed to what we're referring to now as EMA, which is Emergency Management Alberta. We, obviously, have received some significant recommendations from the Auditor General which we are incorporating, and during the course of this morning I look forward to talking about some of the progress that we have made dealing with EMA, which is what I referred to it as, Emergency Management Alberta.

If I could, Emergency Management Alberta is about preparing for, responding to, and recovering from. If I were to provide to you the best summary of EMA, it's preparing for, responding to, and recovering from. Ultimately, in 2002 we had a plethora of initiatives, but I'd like to just briefly, Mr. Chairman, touch on, at 30,000 feet, some of those initiatives, and then I look forward to getting to, ultimately, ground level in your questions relative to from 30,000 feet to ground zero.

One of the key initiatives, I want to say, was what is called the three Rs: roles, responsibilities, and resources. It's a minister's council that is made up of people from all walks, shall I say, of municipalities, including the presidents of the AUMA and AAMDC; the mayors of both Edmonton and Calgary, being the two largest cities; as well as a member of Alberta Economic Development; and three MLAs. It was established in 2001. It is the first of its kind in Canada in terms of developing what we believe to be a stronger relationship between provincial and municipal governments.

The approach that we have taken is quite simply that we believe in a framework that looks at the theory that there's only one taxpayer. You will often hear me say that I do not believe in referring to governments as levels of government. I believe that we ultimately are orders of government serving the same taxpayer. In light of the fact that we don't have higher or lower levels of taxpayer, we believe that governments, be they municipal,

provincial, or federal, are orders of government in terms of serving that same taxpayer. The minister's role and responsibility and that of the resource council is indeed providing a framework towards that end, and I'd like to say that I look forward to continued progress on that.

Our Ministerial Task Force on Security, of which Municipal Affairs of course is an integral part, has played a key role and took the lead with a provincial crisis management plan and refocused the Alberta emergency preparedness partnership on terrorism and the threats of terrorism.

One of the key areas, I want to say, that the Auditor General had recognized is pertaining to business resumption planning. I think that's a key component. Now, many people are really wondering what resumption planning is, but it is after the fact that government does go on. At one point I made a comment that the government never sleeps. Then, needless to say, someone indicated to me that we had never woken up, and that was a supporter, I might add. But then I used the same line on a lawyer, and the lawyer came back and indicated: well, if the government never sleeps, that's why you must have difficulty thinking sometimes. I don't know what to say to that, but business resumption planning is a key component relative to our goals regarding any kind of disruption within our government, and we want to restore it quickly, efficiently so we can continue to provide to Albertans. Our objective during the past year, of course, was completing 10 departments relative to ministries and business resumption planning, and in fact we actually achieved 13. So I was very pleased with that, and we will continue, of course, to complete our plans by March of 2004.

8:40

Regarding disaster recovery plans, though, I'd like to just briefly say that we paid nine rural municipalities a total of \$356,000 for emergency operation costs associated with the wildfires that took place during this past year. We also paid Albertans in north-central Alberta a total of over half a million, \$545,000, for uninsurable losses because of overland flooding due to extraordinary rainfall that, as you are aware, insurance does not cover. Our municipal sponsorship program, which I'm very proud of, provided \$12.8 million for projects that promote innovation, co-operation, and excellence in our municipalities. We funded fire service training in 225 municipalities with just under half a million dollars, and we funded disaster services training for over 1,200 municipal staff, with a cost of about \$350,000. We also funded training for almost 1,400 search and rescue volunteers, which I know are very active in many of our communities.

What I would like to say is that in the municipalities that we deal with, the 360 mayors and the 2,197 councillors are what make up, ultimately, our Municipal Affairs ministry from the perspective of who we work in partnership with.

Many of you would have witnessed our municipal awards for municipal excellence. During that time I made a decision in partnership with the AUMA and AAMDC that rather than the minister speaking for a half hour, I've chosen to recognize what we call best practices among municipalities. Of course, we have the municipal excellence award at both conventions each year, and I think it's a wonderful way to recognize one of our partners as an order of government in the good things they do. The three awards each year – innovation, partnership, and outstanding achievement – are the three key areas, and I'm very proud to say that municipalities from each corner of our province have participated.

With our capital region governance review, which was done by Lou Hyndman, the final report of the review was released to municipalities for comment in April of 2001. The final report was

endorsed in February 2002 and called on ACRA, the Alberta Capital Region Alliance, for a plan, which we're working closely with, of course representing the 22 municipalities in the capital region.

As well, I want to say that our staff reached an agreement, I'm very proud to say, with Parks Canada and Jasper residents to form a specialized municipality. It's many years that we've been in discussion, well before my time. So I want to compliment both the federal officials and provincial officials for coming to this agreement reached with Parks Canada, which ultimately again gives greater authority to the local elected leaders in the Jasper area.

In terms of regional partnership initiatives we grew from five to 16, including 146 municipalities. We paid about \$1.4 million in grants during that time, and we will continue to encourage regional partnerships and benefit residents and businesses while increasing effectiveness.

If I could, I want to share with you that when we see types of applications coming in for sponsorship programs, the first question we're asking is, "Are you working alongside your neighbour in terms of the adjoining municipality?" which is very important.

Finally, let me just end by saying that my colleague Albert Klapstein from Leduc played a key role as a former reeve, but he played a key component in our dispute resolution team, where municipalities maybe are not getting along or working together and sometimes a third party is required to be a mediator. I want to say that Albert Klapstein was a key architect, shall I say, of the dispute resolution – and this would have been during Minister Evans' time – and I can say that it has helped many, many municipalities in being that third party. Peace River is just one example of where that took place.

Richard Marz is continuing with our farm property assessment review for 2002, that was just completed. He, of course, advised the committee to present public information sessions on recommendations prior to our implementation, which is where we are today.

Other key areas that I'd like to just briefly conclude with, Mr. Chairman, include initiatives dealing with private sewage disposal systems, where we established a project to improve private sewage disposal systems and how they're managed. As well, providing conditional grants to what we refer to as the Alberta Onsite Wastewater Contractors Association in partnership with the AAMDC and the Safety Codes Council amounted to \$617,000. We also, again at 30,000 feet, with an electronic permitting system developed a system to help municipalities manage the data for permit applications and approvals and monitor compliance, as well as also having system links of data from development activities to municipal tax assessment data. Of course, many of you by now would have received your assessment notices. I might add that if you are going to be appealing them, you have a deadline, and make sure you do your proper notification in advance or you're out of luck. I found that out during my six years as mayor when I was paying for a developed basement even though we just had curtains on the windows in the basement, but I at the time didn't think it would be appropriate for the mayor to be appealing his own taxes, so I decided to waive on that.

Safety review system. I'm very proud of the completed stakeholder review of the safety system in partnership with the Safety Codes Council. The stakeholders, obviously, have indicated strong support for our existing system, which rivals any jurisdiction across Canada, and certainly the recommendations for improvement are something – Dr. Ken Sauer is the chair of our safety council and continues to do a good job with our staff.

Economic cross-ministry initiatives. Just briefly, we've encouraged municipalities to explore regional partnerships, with

over a million dollars in grants. I've indicated that I do not believe in forcing amalgamations; I'd like to believe that municipalities within their own wisdom can come to that conclusion. But I would like to say that we're focusing in on the 95 percent, what we call the unromantic services of municipal government. Five percent is the true cost of what mayors and Reeves and councillors get paid in the governance structure; 95 percent is the unromantic underground services and public service, shall we say, requirements of a municipality. So I'm trying to focus in on the regional partnerships, on the 95 percent, so that ultimately someday the invisible hand may come to be where maybe governance structures would change.

With that, from an aboriginal policy initiative we've monitored and mentored Métis settlements in administering the safety code. There were about 46 First Nations communities where we established emergency operations plans, which each municipality is required to have.

From our Corporate Service Centre we provided leadership and direction in developing our ministry service level agreements and implementing our Alberta Corporate Service Centre across government.

We've also encouraged staff development and succession planning, which, I do believe, is very important, and also to have enhanced service recognition and orientation plans, which we've done.

From a financial results perspective, in 2001-02 we reported \$15 million in total revenues. A transfer of \$12 million, of course, was from our lottery fund, lottery money funds, with various grants to municipalities under the municipal sponsorship program. We reported \$168 million in operating expenses and \$2 million in capital expenditures. The grants totaled \$130 million and account for 77 percent of our total operating expenses.

I could conclude by indicating that our key grants, unconditional municipal grants where municipalities determine how they can best be used, were \$38 million. Underground petroleum storage tanks were \$36 million, again the only program of its kind in Canada. Twenty-seven million dollars was in GIPOT, which is, of course, grants in place of taxes; \$13 million in municipal sponsorship; and \$10 million in municipal debenture interest rebates.

Let me just conclude by saying that our operating expenses came in under the \$203 million budget by about \$35 million. But don't rush to any quick conclusion on that, as \$33.7 million lapsed in the underground petroleum storage tanks remediation budget, the main reason the ministry significantly came under budget.

The reported \$32 million in accounts receivable on March 31 are mostly federal government dollars from outstanding disaster recovery. I can say that we're working very closely with our federal counterparts, and it's a very important partnership that we have with them regarding disaster recovery.

We did report \$55 million in accounts payable and accrued liabilities as of March 31, mainly due to underground petroleum storage tanks grants of \$47 million.

Let me just conclude by saying that I look forward to questions this morning, Mr. Chairman, and at this time would be prepared to be guided by your wisdom. Thank you.

8:50

The Chair: Thank you. That was a brief overview of your ministry, to say the least.

Mr. Boutilier: I learned that word "brief" in the Legislature.

The Chair: Yes.

Mr. Dunn, do you have any comments at this time?

Mr. Dunn: Yes, and I'll be brief here. Our comments related to the Municipal Affairs ministry are contained on pages 217 to 230 of our 2002 annual report. We have made one unnumbered and two numbered recommendations related to this ministry. These three recommendations result from three systems audits which we completed last year on this ministry. Recommendation 46, which the minister has referred to in his opening comments and which is on page 220, speaks to "procedures to promote and coordinate emergency preparedness plans." Also, we speak to the "suitability of the existing Government Emergency Operations Centre" to meet the ministry's needs in the event of a major disaster. This recommendation deals with the ministry's ability to deal with a disaster when the disaster strikes.

Last year we made a recommendation, as the minister referred to, concerning the promotion and co-ordination of the departmental business resumption plans. We followed up on that recommendation this year, and we're pleased to report that by July 2002, 12 of the major departments have prepared business resumption plans, and the remaining departments have plans in various stages of development. I believe that the minister updated that to 13 of the plans now being in place.

Recommendation 47 is a very comprehensive recommendation arising out of a managing-for-results systems audit. We examined the ministry's systems for developing business planning, performance information, human resource management, and governance.

Both of these recommendations are very important, as both arose from our systems auditing mandate, through which we challenge our department's efficiency, effectiveness, and economy in its operations.

These are my opening comments, and I and my two assistant auditors general will answer any questions that the committee wish to put to us during this meeting. Thank you.

The Chair: Thank you. We will start the questioning this morning with Ms Blakeman.

Ms Blakeman: Thanks very much. To the Auditor General and his staff and, of course, to the minister and the staff accompanying him and our fun seeker at the back there, thanks very much.

I am going to follow up on the first recommendation, which is recommendation 46, appearing in the Auditor General's report on page 220, in which they are discussing improving the "procedures to promote and coordinate emergency preparedness plans developed by Alberta government departments and municipalities" and recommending that "the Ministry reassess the present and future suitability of the existing Government Emergency Operations Centre." In fact, there are three different parts to that, and I'm going to concentrate on the government emergency operations centre, which acts as the command centre for relevant government agencies to operate from to facilitate the sharing of information and co-ordination of resources.

This is somewhat offhand, but I'm sure you'll take it in the manner in which I intend. Your comment earlier about the government never sleeping could possibly be because there is no place for them to sleep in the government emergency operations centre. There are a number of deficiencies that have been identified: an inability to physically house the personnel that would be required – I think there are four workstations for 26 departments – proximity to refineries and rail yards, poor security, and no provision for sleeping accommodation. This recommendation, as I understand it, is arising out of a review of a previous recommendation, so I'm wondering what the problem is. Is this a conscious choice, that there's been some difficulty in implementing this recommendation,

or what are the problems that the ministry has encountered, then, in being able to fully implement it?

Mr. Boutilier: Thank you, Mr. Chair. Through you to Ms Blakeman. You raise some important points, and you're absolutely correct. Sleeping on a chair like what you're sitting in is what would be the sleeping accommodation. Since September 11 – not that that's the panacea of all of our problems. Our emergency operations centre has been in the past called GEOC, the government emergency operations centre. We now call it the EMA, the Emergency Management Alberta op centre. That is what the new term is, based on, again, a reprofile of what it is we're doing.

As well, I might add, I'm pleased to say that we're working with Alberta Infrastructure on where we're going to be having an entirely new op centre. Where we're located on the south side – I don't know if where the operation centre is located is confidential or not. Let me just say this. The issue has been raised by the Auditor General – and I certainly concur – that traditionally the GEOC would be cubicles coming together, literally, to deal with forest fires and flooding. Traditionally that is what the purpose of the GEOC has been. Since September 11 things have changed, of course, with the Premier implementing our new security council that was put in place, and ultimately it's really changed. As I say, we're no longer disaster services responding to a disaster. It's about planning for, responding to, and recovering from.

Ultimately in this past year, based on recommendations from the Auditor General, one, we are moving. The renovation is taking place now. It's now on the west side of Edmonton that the new op centre is going to be. It's going to be able to accommodate over 40 full-time staff. Right now many of our people in Disaster Services are located in Commerce Place, and they're going to be relocating to the actual new operations centre. So we're moving them out of the high-priced real estate of Commerce Place and moving them into – correct me if I'm wrong – Fish and Wildlife. It can accommodate over 40 people. It's quite an impressive building, and I look forward to inviting you all to the opening when it takes place, by early summer. From a secure perspective as well, if you get the opportunity, I can say that you're going to be really pleased.

I've concurred with what you've identified, and I want to say that we're taking action. Clearly, we'll be able to sleep well over 50 people in that place if you really had to. I don't know if you'd want to, but if you had to, it's going to be available for that and also for the committee as a whole, the committee put together by the Premier.

Ms Blakeman: Okay. A follow-up question to this then. Part of what I'm seeing is that we hadn't anticipated previously that we would need to continue to upgrade or update or revisit this issue of emergency management. So have you now integrated into your process planning for periodic upgrades and re-examining the situation? On what kind of a basis? Yearly? Every five years? Is it in your planning process, and how often?

Mr. Boutilier: You raise a very good point, and it was identified by the Auditor General when it came to the point of resumption planning. Of course, the ministry is responsible, yet I deal with the other 20-some ministries in ensuring that their toes are to the fire of meeting the objectives of what you're asking. We have a tracking system in place. When I indicated 13 this morning – the Auditor General indicated 12; we've moved to 13. We're tracking that very closely, as opposed to in the past when we left every ministry the initiative to do their business resumption planning. I want to say today that we have a tracking system and a better and improved and enhanced accountability system from each ministry reporting back

to my ministry on that type of resumption planning.

So I want to say that I believe that we have a very good framework in place in terms of review, and in fact even within our ministry now we have a review on a timely basis, monthly, relative to the progress. So I'm tracking the progress of every ministry. What we have set are milestones on a quarterly basis of where ministries are and where they should be relative to resumption planning. As you know, we still have 11 ministries that are not there yet and are scheduled to be there by March of 2004.

The Chair: Thank you.

Mr. Shariff: Mr. Minister, I'd like to thank you and your staff for coming before Public Accounts today and to thank you for the presentation you made. As well, I appreciate the Auditor General's report.

My questions pertain to recommendation 47, sub 4, which the Auditor General refers to as: "Review the methodology for two performance measures." As you know, the measurement tools are very important, and the two references that the Auditor General has made refer to the following two performance measures. One is "percentage of assessed accredited municipalities, corporations, agencies, and delegated administrative organizations administering the Safety Codes Act that achieve a satisfactory rating." The second performance measure he is referring to is "percentage of municipalities meeting the Ministry's criteria of financial accountability." I'd like to begin by maybe asking the Auditor General to comment on these two and particularly the second one, where he's identifying some time lag of 15 months, and how it has impacted the minister's reporting. What I'd like to know from the minister is how he is going to address this recommendation.

9:00

Mr. Dunn: The comments that Mr. Shariff was reading from are on page 227 of our report, the second paragraph down. What we commented on to the ministry was their ability to try to obtain on an annual basis the most current information from the various municipalities. The ministry did explain that it's sometimes difficult to get the municipalities to report on an annual basis. We wanted to know if they could pressure the municipalities to provide the information on an earlier basis, even if it was unaudited, even if it's a more current one.

Jim, do you have any supplemental comment?

Mr. Hug: No. I think that covers it fairly well, Fred.

Mr. Boutilier: Mr. Chairman, if I could, I want to say that we also agree with the Auditor General's recommendations on the ministry's business plan process and also human resource practices, but we also agree to review the methodology of the performance measures used in determining the satisfactory level of administration of, for instance, the Safety Codes Act.

The ministry will be reviewing the recommendation that we use more of what's referred to as current data in developing performance measures for a "percentage of municipalities meeting the Ministry's criteria of financial accountability." Implementing the Auditor General's recommendation at this time would mean that the ministry would have to calculate the measure by using the financial data that had not yet been checked or validated.

So we're in somewhat of a catch here. You know, we want to input the results considerably ahead of time so that we can ensure that the database is accurate when we go forward to make an ascertainment of who is meeting the actual standard level that we're

setting. What we are contemplating is a computer change which, if implemented, may improve the timing of receipt of municipal financial data to a limited extent, and the ministry, of course, is going to continue to be working towards a continuous improvement plan. But I do agree that in terms of measurement, as was recognized by the Auditor General, and in working with the 360 municipalities, it continues to be a full-time job.

Thank you.

Mr. Shariff: My supplementary, Mr. Minister, refers to the Municipal Affairs annual report, page 33. Under Analysis it says:

This key performance statistic gives an indication of the overall health of the safety system by measuring the degree to which accredited organizations are effective in administering safety programs.

So my question is once again directed to the Auditor General and asking for your comments following his remarks. If this performance measure measures the overall health of the safety system, even the flow in the information or the current information that is used for assessment, is our safety system's overall health positive or negative?

Mr. Boutilier: Without any fear of contradiction, I believe . . . I'm sorry. You were asking the Auditor?

Mr. Shariff: Yes.

Mr. Boutilier: Sorry. I apologize. I will yield to the Auditor and wait before I make any further comments.

Mr. Dunn: Indeed, I'm going to pass that over to Ken Hoffman.

Mr. Hoffman: Your question was: is the system healthy? I think the minister is in a better position to answer that particular question. In the context of our recommendation, we were looking at the underlying technique used to calculate this number. It's a bit technical, and perhaps the ministry can provide more detail on how that works, but it really looks at a series of audit processes that are carried out on these accredited agencies. There's a checklist that they prepare.

If I remember correctly, where the checklist is completed, it's measured as satisfactory if 70 percent of the items are okay on that particular checklist. So that means that 30 percent could be not okay. That was where we thought they could look at their methodology, that and the idea of whether each one of those checklist items were of equal importance, because it's all based on equal value. So there are some items that are more important than others. There's a process in place to check the quality of the work of those individual accredited organizations, but inasmuch as this is based on, at its core, 70 percent being okay as opposed to a lot higher being okay and we thought safety was of such a nature that you might want it to be higher than that, that's what we wanted them to think about. So that was at the root of our observation.

As to the health of the safety system itself, that's probably best answered by the ministry.

Mr. Shariff: I'm sorry. Maybe I should clarify. The point that I was trying to reach was this. My understanding from the response of the minister was that you are not using the current information to provide the results of the assessment because you have not verified the data, and therefore you are using a little outdated information or maybe past-dated information.

Mr. Hoffman: If I could. I misunderstood. The 15-month delay relates to the municipal government performance measure, not the safety measure. That's fairly current.

Mr. Shariff: Okay. Well, in that case, the minister doesn't have to respond.

The Chair: Okay. Thank you.

Dr. Taft, followed by Mr. Cao. If I could remind all members, please, that there's a long list. We have a couple of other items on the agenda to deal with at 9:45, so if we could keep our questions brief, please.

Dr. Taft: I'll try.

Yesterday as I was leaving my house, I bumped into my neighbour who's an oil field worker. He had just heard the news on the radio about Iraq and was very concerned about the water supply, the safety of the city of Edmonton water supply, which got me to thinking about what actual precautions have been taken in the event of some, say, major terrorist strike to ensure sufficient supplies of things like drinkable water, heaters if power lines went out in midwinter, food, and fuel.

Mr. Boutilier: You raise a very important point. Over a year ago the issue was the water supply, not only drinking water but safe drinking water, and also from a threat perspective. As you know, if you were to go to any water treatment plant here in Edmonton, you will find that it's a lockdown in terms of security, of getting in, with security codes, and in the city where I was a former mayor, in Fort McMurray, totally perimetered. The issue is not in the larger centres like Edmonton or Calgary or midsize cities. It is in smaller communities where, in fact, their facilities are not perimetered, based on perhaps their size. It was identified, and actually every municipality has worked on an emergency operation plan to achieve the objective you describe in terms of safe, reliable drinking water. So relative to that, I can say that regarding our disaster services planning, that's part of the emergency management plan.

Dr. Taft: Okay. Well, I'm feeling pressed for time here. I wanted to go in other directions, but I want to follow up on that. Let me be very direct. Does your government have major stockpiles of drinkable water, food, heaters, fuel, other necessities of life if there was, for example, regardless of the safety precautions at Edmonton water treatment plants, a major breach of that security or of other security, of a power line, and it's creating a situation in which hundreds of thousands of people might be hanging onto a few days of life?

Mr. Boutilier: The short answer is that, yes, we do.

Dr. Taft: Okay.

The Chair: Mr. Cao.

9:10

Mr. Cao: Well, thank you, Mr. Chair. Thank you, Mr. Minister, for a thorough presentation, and to the Auditor General for the reports that provide us with information.

My question is quite simple. You were talking about the disaster services branch, and you explained all that. But with the operations aspect, have you prepared through exercises in those – and how many times? – so that we feel assured it's not just planning but actually dry runs of those things?

Mr. Boutilier: Thank you. That's a good question, and I didn't even suggest that you ask that. That's a very good question. I want to say, as I indicated, that we're relocating our op centre from the south side of Edmonton to the new EMS location, and that exact point is going to be taken. We're going to have a dry run, regarding resumption planning, where we congregate at the operations centre. It's basically a mock. We have mocks throughout Alberta now. In fact, there was one just recently in Sherwood Park. Of course, I like to try to participate in as many of them as possible to see how the local municipal operations and emergency plans are working.

Yes, it is our intention from a provincewide perspective to deal with business resumption planning, even to the point of access to the operations centre, the security of it – the government, as I indicated, never sleeps, so ultimately the Legislature never sleeps – and where the plans would be to be able to accommodate something like that if, in fact, it was necessary. So with that, it is our intention and that of every municipality in the province to continue to have mock runs.

Mr. Cao: Thank you. That's my question.

The Chair: Mr. Mason, followed by Mrs. Ady.

Mr. Mason: Thank you very much. Mr. Minister, I noticed that you talked in your presentation about regional government.

Mr. Boutilier: Yes.

Mr. Mason: Do I take it, then, that your ministry has no plans for regional government in Alberta unless it's a voluntary association of the municipalities and they initiate it?

Mr. Boutilier: Well, I know, Mr. Mason, that you were probably at – in fact, I'm certain you were because you attend both AUMA and AAMDC. In my first week as minister two years ago I indicated that I would not force amalgamations, and part of it was an initiative that we worked on in northeastern Alberta. But I do believe that neighbours need to come to the table on their own. I think that ACRA, the Alberta Capital Region Alliance, is a wonderful example. I believe that for communities that have pride in their name, such as St. Albert or Sherwood Park or Fort Saskatchewan or Leduc, that's a strength in our province, but the key is: how do we ensure that regional delivery of service?

Just so you're aware, we're looking at an initiative with ACRA right now with a transit system to Beaumont. Our government is going to be providing some funding to assist in that kind of regional thinking. I'm a huge advocate of regional thinking, but I believe we can do it in a nonthreatening way rather than as a hostile takeover, more as a friendly merger. That has always been my approach.

Mr. Mason: Thank you.

Mr. Chairman, then a supplemental. I would assume, then, that if you're going to encourage smaller municipal entities to give up control over certain aspects of their operation and you're not going to mandate it through legislation or some other form of pressure, then the government is going to have to put some significant money on the table as an incentive. Do you have that in your business plan? Are you prepared to significantly sweeten the pot for reluctant municipalities?

Mr. Boutilier: You raise an important point. It's almost like dangling the carrot to arrive at the desired result. Our program right now under regional sponsorship – and my deputy just whispered in my ear that we have a 25 percent bonus, which I failed to mention.

For those who come to the table for regional partnerships, they get a bonus because they're coming not on their own but are coming because they're working with their neighbours.

What I would do is ask my deputy to just briefly supplement further to your question.

Mr. Pickering: Sure. We have two programs to try and facilitate regional thinking. In the municipal sponsorship program municipalities put forward a project, and if that project is put forward in conjunction with three or more other municipalities, then the value of the program is bonused up by 25 percent for the fact that they're working together. The second is the regional partnership program, where if three or more municipalities come together, establish a forum to look at regional issues, there are exploration grants that the minister provides, and once they've worked through an issue, there are also dollars for implementation. Those are used to facilitate that regional thinking and bringing the parties together.

Mr. Boutilier: Just one example. In Plamondon we had a dissolution. We went through the process of the dissolution, and in the restructuring, where we have one less municipality today but they're working together, we provided a restructuring grant of over \$903,000 in the last week to provide that incentive of working together.

The Chair: Thank you.

Mrs. Ady, followed by Ms Blakeman.

Mrs. Ady: Thank you. I don't know if you're aware, but my husband is a firefighter, and he often says to me, "You know, if I were going to take out the city of Calgary," and he gives me ideas. I won't repeat any of them in case, you know, somebody who wants to take out the city of Calgary actually reads our records. I'm the mother of four sons, and I know: give them a good idea and watch it come to fruition. When you talk about your emergency preparedness, on page 223 I notice that the Auditor came and said that there had been no testing of the provincial department plans. The follow-up answer today has been that you are doing some mock work and some planning. A question was also asked about whether we as government have stockpiles of water and emergency supplies. My question is more directed towards what your department is doing to help citizens in their own preparation. I was watching the news last night, and they talked about homeland security and how they were actually helping citizens understand their role individually. For example, we have always stored food and water and those types of things. I'm wondering: in this planning that your department does on emergency preparedness, what kind of work or plans are being enacted to help actual citizens do their own preparation? I'm not saying to go dig a bomb shelter in your backyard yet, but what are the simple things, and do you have any plans for that?

Mr. Boutilier: You raise a good point. I'd just draw on my municipal experience as a former mayor. As public officials we have a responsibility to keep calm within our communities and our society. I recall when, I believe, there was a particular television agency that showed up from Ottawa to talk about the huge fires in Fort McMurray but at the time chose to say that people were hoarding and you couldn't buy gas and you couldn't get this. You know, there were six different grocery stores, but they had to find the one where there were no cucumbers, and that was the shot on television that night.

Mr. Mason: No cucumbers?

Mr. Boutilier: Yeah.

The point, though, is that our role is to continue to create an awareness with our citizens. We are using Access, Channel 13, where we're coming out with a public awareness campaign in dealing with it. In fact, what we're going to be doing – and again this was based on some recommendations from our Auditor General – is implementing from a marketing perspective, creating that awareness for citizens. What I mean is that on Channel 13 we're going to be showing examples of what citizens should be doing, but we want to do it in a calm, collected manner as opposed to – in light of what's taking place in the world today, we want to remain calm.

Just yesterday a question was asked: "So what's happening? What threat level are we at?" That seems to be the order of the day: threat levels. My comment was that it's business as usual. People, go about your business wherever you are. Well, in certain parts of the world you probably are not, but in Canada and in Alberta we want to provide calm but at the same time provide assurance that we will be there to help.

In terms of what you do at home, what would you do at home?

9:20

Mrs. Ady: Well, thank you.

My supplemental question. I know that our church organization two years ago came out with an inventory list, and they asked us to list what kind of heaters we had, emergency supply materials that we might have, and we collated that list and prepared a bit of a plan as a neighbourhood, if you will, within our church congregation. So I'm just wondering if there is a role that government can play in helping people organize in those ways so that it is not all dependent on government, so that you actually have that fanning out and that helping of neighbours.

Mr. Boutilier: Well, ultimately, in the provincewide co-ordination of emergency management, you know, we work very closely with our local councils relative to their operational plans. For instance, in Calgary, be it the southeast, northeast, whatever quadrant, Calgary has its emergency operation plan, where they've divided up the city and actually have a very comprehensive plan. They are what we call first responders to a situation and, clearly, know their community and the quadrants better than someone up here in Edmonton. So we provide the framework, but ultimately within the operational plan of the city of Calgary the points that you raise are exactly what are in that plan.

Mrs. Ady: Okay. Excellent. Thanks.

The Chair: Ms Blakeman, followed by Mrs. Jablonski.

Ms Blakeman: Thanks. I'm on more or less the same topic as Mrs. Ady was in that I'm looking at pages 222 and 223. This is sort of part 2 of the question that I started with: "Cross-department coordination of emergency preparedness is being adversely affected because of the failure of many Provincial government departments to prepare adequate plans." You've already talked about 13 of them having now submitted plans.

The second issue that's being raised in here – and I'm wondering if this has been addressed as well. It's noted that the branch was typically dealing with EPOs – I'm really not good at these abbreviations – emergency planning officers, rather than the deputy ministers. Later it notes that, in fact, co-ordination of planning activities was hampered because these emergency planning meetings were not consistently attended by the designated emergency planning officers. So what has been done to address that particular issue?

The Chair: Mr. Dunn has expressed an interest in responding.

Mr. Dunn: Yes. Maybe I can just help in clarifying here, and maybe the minister or the deputy minister could take a moment just to explain the three phases of the plan, because we're starting to mix up our plans here. We comment on the three phases, which really are emergency preparedness, crisis management, and then disaster recovery. Ms Blakeman, what we commented on in the preceding year was the business resumption planning, so the latter point of the three; that is, if you've had a disaster and the business is down, how soon can you recover that business? The plan that we talked about this year is in preparing for the disaster to happen, so the front end of it. Possibly we could talk about the three phases of it and where we are, because we're starting to mix up our plans here.

Ms Blakeman: I understood that I was asking about the first part, the preparation, the planning for it. Is that not clear?

Mr. Dunn: Okay. Then I misinterpreted that. Sorry.

Mr. Boutilier: You're making reference to EP officers.

Ms Blakeman: Yeah, and to attending the meetings and whether all of that had changed.

Mr. Boutilier: Some have not been attending.

Ms Blakeman: Which department is not sending their EPOs?

Mr. Boutilier: I know that the Auditor General had made clear reference to that, and I remember being asked that very question. I will defer to M. Arnaud.

Mr. Arnaud: To be honest with you, I don't recall who it is. The difference, though, was the distinction of the responsibilities between EPOs and the BRP people, and that's one of the things that we've developed, sort of like job descriptions for the different responsibilities. In the process of our BRP people working with the departments, what they've done is establish the different roles in the department. So they understand the different roles.

Mr. Pickering: Maybe just to further that a bit. I think the Auditor General is right: we are mixing our plans a bit. The emergency planning officers are assigned when there's a disaster that the government of Alberta is assisting in responding to. The business resumption planning is to get the government's business back into action.

With respect to your specific question on resumption planning and the attention that departments are putting into it, it is something that's in all of the ministry performance measures and the deputies' contracts, and this year there's been tremendous effort put into getting those up and running. We have 13 plans completed, as the minister has mentioned, and a number of those now are into the testing phases. Basically, the remaining ones we couldn't do all at once, so we had to rank them in order of priority, and the highest priority ones were completed this year and are in the process of testing.

The other thing I will say is that from Alberta's perspective, notwithstanding the recommendations that the Auditor General has made, Alberta is head and shoulders above other provinces and in fact leads throughout North America, I think, in our crisis management, which is the preparation for. There's always room for improvement, but we're tremendously well prepared in Alberta as

compared to other areas.

Ms Blakeman: I would expect it to be.

The Chair: That was your second question.

Ms Blakeman: Okay. Now you've got me confused.

The Chair: That was your second question in that exchange, I'm afraid.

Ms Blakeman: It wasn't, but all right.

The Chair: Mary Anne Jablonski, please, followed by Dr. Taft.

Mrs. Jablonski: Thank you, Mr. Chairman. Good morning. On page 71 of the minister's annual report there is a debt owing to this government from the government of Canada of about \$31 million. This is reported in note 4. Can you tell me what they owe us the money for?

Mr. Boutilier: Yes. Of the \$31.8 million in accounts receivable about \$31.3 million, or about 98 point some percent, relates to amounts due from the federal government. Essentially, just so you're aware, in 1995 we had southern Alberta flooding, which was about \$11.2 million. We had the '96 Lesser Slave Lake flooding, which was about \$2.3 million. In '97 we had the northern and central Alberta flooding, which was almost \$13.4 million, and central Alberta flooding, \$2.7 million, in '99. Then we had our Pine Lake tornado, which was about \$1.5 million, totaling \$31.3 million. Now, the reimbursement by the federal government will be made upon the completion of their final program audit, which they, of course, are required to do. But I can say that they're certainly well under way, and we're currently awaiting the federal government's response to our formal request to begin the final 1999 and 2000 disaster recovery program audits.

Mrs. Jablonski: I think I heard you say that we're owed about \$11 million from a 1995 disaster. I find it interesting that in my previous role as a small business owner it was considered a very high priority to pay any amount owing to Canada Customs and Revenue by the deadline or suffer agonizing penalties and interest. Seeing as the government of Canada has owed some large amounts for their share of disaster recovery claims for long periods of time, can you tell us generally what the normal time line is between finalizing a disaster claim and recovery from the federal government and if we charge similar penalties and interest on amounts owing?

Mr. Boutilier: Obviously, it depends, Mr. Chair, on the nature and the complexity of the disaster recovery claim. The federal government requires that all disaster recovery programs be closed before a final audit can begin, but the recovery from the federal government would then be realized after the completion of the final audit. The majority of the claims would generally be closed within 12 months after the start of any disaster recovery program. So as you can see, we go back to 1995 – I think I was in grade 8 at the time – but the fact is that we're trying to make progress on that. Okay; I'm a little bit older than that, to some who looked this way.

Mrs. Jablonski: And interest and penalties?

Mr. Boutilier: Interest and penalty. I'm sorry. I have to defer, other than the fact that I'm trying to do the actual value of what was \$11.2

million back in '95, of what that would be today.

Mr. Pickering: No. They wouldn't pay interest or penalties on it.

Mrs. Jablonski: A double standard. Thank you.

The Chair: Dr. Taft, followed by Mr. Cenaiko.

9:30

Dr. Taft: Thanks, Mr. Chairman. Communications during an emergency, especially a major public emergency, are crucial. I've gone through the report two or three times, and normally in a government annual report I can find a line in the budget for communications. It may be in there; I didn't see it. I'm quite prepared to be corrected on that, but it does raise for me the question about plans for emergency communications. Again, I'm thinking of being prepared for a major event. What planning is occurring for emergency communications, and where is your communications budget?

Mr. Boutilier: Well, let me just say that you're looking at the communications person, not budget. Let me just say first of all that reaching every Albertan in the time of an emergency, as you rightfully point out – we have what's referred to as an early public warning system. In fact, I participated in the one down in Red Deer, and we're going to be opening up one in northeastern Alberta so that every quadrant of our province is covered, because we did not have them. Edmonton and Calgary were the first with that. Through Access television an early public warning system comes on television, and it says that this is a public warning system. This is free-time public broadcasting. Through the co-operation of the media throughout Alberta, they are partnering with us. In fact, just the other day I met with officials from CKUA. In northeastern Alberta we are opening a new warning system, and ultimately we'll also use it for Amber Alert. In fact, if you were watching CNN this morning, you'll see that Amber Alert is in Congress right now, where they're using the public warning system as well as Amber Alert within the first 12 hours when the danger for a young child is critical, they have indicated, and that is part of our system.

So we are not covered in all parts of Alberta right now, and the last component of that is northeastern and northwestern Alberta. But I would defer, in terms of the report, relative to Dr. Taft's question.

Mr. Hellweg: Well, communications can be reported in different sections, but if you refer to page 78, the communications division itself, although it's funded primarily by the Public Affairs Bureau, is under support services. It's under the ministry support services, so it's included in that \$9 million budget.

Dr. Taft: Under operating expense. Okay.

Mr. Hellweg: Correct. But the public warning system, that the minister just referred to, is included under disaster services on the same page, page 78, the disaster services branch management and operations and costs related to that. In fact, the \$954,000 in capital investment relates to the capital cost for the installation of that warning system referred to.

Dr. Taft: Very good. Okay. Thank you. In responding, the minister makes me worry about relying so heavily on Access. I don't know who ever watches Access, but it's . . .

Mr. Boutilier: I do all the time. I like watching you on television.

Dr. Taft: Okay. Good. You brought in Access. You brought in the Amber Alert, which is under the Solicitor General. There's your own department. There's the Public Affairs Bureau, probably involved in communications, which really gives me fear about confusion among the mandates frankly. So my supplemental question is: what is the order of pre-eminence of these various departments during a major emergency? I think, for example, that the medical officer of health has legislative powers. The police would have powers. You people would have powers, and I just picture all these power mandates arriving at a scene, a major scene, and the result being real confusion. What is the order of pre-eminence?

Mr. Boutilier: Well, it lies within my ministry. Specifically, if I could use an example, there was an incident in Fort Saskatchewan just about two years ago, and I recall meeting with the mayor afterwards, asking about the emergency operation plan that they had in place. At the time, an official from within the police department decided to go on the radio and to publicly announce that if you're at the south end of where the wind is blowing, you'd better evacuate. He did not follow the protocol of what the Fort Saskatchewan emergency operation plan was. In fact, I remember the mayor indicating that he learned about it in a grocery store.

The bottom line is that, you know, it's good to have good plans, but people have to follow those plans. If there were a plan in place, regarding each individual municipal operational plan, in terms of communicating, where there was a public address system that they can access through radio – we have a system they can dial into, and I'm not sure who would like to respond to the technology of our capital investment. But you can access it at our operations centre. Any municipality can dial in to access the actual immediate radio station for a public warning address, because it can happen so quickly, as you pointed out.

Dr. Taft: Yeah. I guess. I don't know who knows about that.

Mr. Boutilier: Every emergency operation plan in this province is mandated to know about it.

Mr. Pickering: All the municipalities are aware of and have access to the early public warning system. There's a coding system. What that does is it goes through CKUA and is broadcast by all of the broadcasters that have agreements, so it's not just restricted to those radio stations. A lot of the radio stations allow the message to go out directly, so it's not filtered before it goes out.

Mr. Boutilier: But then they do feed – I just learned this. Since CKUA covers every corner of Alberta, CKUA then feeds to them all, be it radio stations in Red Deer, Lethbridge, Medicine Hat, Grande Prairie, or Fort McMurray.

The Chair: Mr. Cenaiko, followed by Mr. Mason.

Mr. Cenaiko: Thank you very much. Just to add to the last question from Dr. Taft and just for your information, the structure is in place regarding those emergency procedures, where the fire chief in each of those municipalities actually is the commander or the on-scene commander at those situations. The police, the emergency medical responders, the EMS, and ambulance all report to the fire chief. So there is a structure in place – and it's sort of a continuum throughout the province – where the fire chief is sort of the commander at the scene, and they look at building the structure around that. The police are called in for security of the scene, which allows the EMS

personnel to go in and look at individuals that are injured and/or require assistance, depending on the emergency and the level of seriousness of injuries at the scene.

I just wanted to add that, Kevin.

Dr. Taft: Okay. Well, we could carry on, but I don't want to burn up your question for you.

Mr. Cenaiko: My question to the minister is similar to what we're discussing. I think it's been sort of talked about in one format or another in some of the questions, Minister, but can you advise us what your ministry has done to address the concerns about the potential terrorist activities that became a part of the North American reality after September 11, 2001?

Mr. Boutilier: Well, let me just start by saying that you know that after September 11 our Premier established the first ministerial task force of its kind in the country, and it's a credit to him for establishing that and recognizing that key infrastructure within Alberta could be potentially at risk. What we have done in going forward is that we, with some of our other ministries, recognize the critical infrastructure relative to potential targets. You recall reading in the *Calgary Herald* as well as within other newspapers where they talked about the Calgary Stampede. Really, you didn't have to be a rocket scientist to figure that where there's a group of 20,000 or 30,000 people, that would be potentially a risk.

But in terms of where we are and what we're doing, it's a very important partnership, as the Auditor General indicated. In the planning for, the Solicitor General's office is really the intelligence collector. The intelligence collector brings to our security task force, that the Premier established, key intelligence. That actually took place during the G-8 that took place last year. Once the intelligence is in place, we then have to filter that out to all of the first responders and second responders within individual municipalities, because ultimately we've got to draw from the strength of what our municipal infrastructure is within, you know, sophisticated cities like Edmonton and Calgary and others.

9:40

We also refocused on emergency preparedness, though, to focus on the threat of terrorism. Municipal Affairs actually provided a grant of over \$450,000 to the seven major municipalities in the province – you would have read about this in the newspaper – for the purchase of equipment that ultimately identifies and detects chemical, biological, as well as radiological or nuclear threats. The municipalities were Edmonton, Calgary, Wood Buffalo, Red Deer, Grande Prairie, Lethbridge, and Medicine Hat.

Let me just conclude by saying that we also assumed the lead, though, on business resumption planning relative to ensuring that all of the Alberta government departments are developing, testing, and co-ordinating their business resumption planning. As I mentioned or the Auditor General did, we're at 13 already, and they were viewed as the key, critical ministries to be prepared.

Can I conclude? In your constituency in Calgary we had the crisis management conference where both the federal Solicitor General as well as first responders – we had over 500 people. It was the first crisis management conference of its kind. Our Premier spoke at it and really identified the idea of planning for, responding to, and recovering from the potential of terrorism.

Mr. Cenaiko: Thank you.

The Chair: Thank you.
Mr. Mason.

Mr. Mason: Thank you, Mr. Chairman. Mr. Minister, on page 11 of your 2001-2002 annual report there's a reference to the election and appointment of regional health authority members. It states at the bottom of that paragraph:

In October 2001, 118 RHA members were elected and eight seats were acclaimed for a total of 126 seats. There were no court challenges to the results or the process. This project won a silver Premier's Award of Excellence for 2002.

Now, if this is an award-winning project, that the Premier himself awarded a silver award – I'm sure you know my question – then why have the elected health boards been eliminated?

Mr. Boutilier: I think that within the jurisdiction of my ministry and under the Local Authorities Election Act, as you're quite familiar with, I'm responsible for ensuring that elections are carried out in an efficient, fair, and impartial manner. I continue to be responsible for the Local Authorities Election Act. I would suggest that I'd probably best have that question deferred to the minister of health for maybe a further comment.

Mr. Mason: Okay. So the answer basically is that if there has to be an election, you do it. You do a good job and get silver awards, but if they don't like the results, then another minister changes it.

He doesn't have to answer that, Mr. Chairman. Thank you.

The Chair: Okay. Thank you. I think we're going to give the minister at this time a silver medal for . . .

Mr. Boutilier: Remember, Mr. Chairman, that the enemy of excellent is just average, so average is silver.

The Chair: Well, perhaps next year when you return to Public Accounts, we will have a gold medal for you.

Mr. Boutilier: We'll work towards that end. Thank you.

The Chair: I would like to thank you for coming this morning, and on behalf of all members I wish you well as you go forward with your plans for the next fiscal year.

Mr. Boutilier: Thank you.

The Chair: At this time we have other items on the agenda, so if you would like to excuse yourselves, we'll see you next year.

Mr. Boutilier: Thank you.

The Chair: Now item 6 on the agenda. The first item is Delegate Selection, Canadian Council of Public Accounts Committees Conference. The conference will be in Winnipeg this year from September 14 to 16, and there has been information circulated to the committee members. To date the chair has only heard back from one member, and that's the hon. Member for Redwater, Mr. Broda, who has expressed an interest in attending this conference along with the committee clerk.

Ms Blakeman: Is he on this committee?

Mrs. Ady: Yes, he is.

The Chair: Yes, and certainly the chair is willing to designate the hon. member in place of the chair to attend this conference. There is certainly a budget, as I understand it, for one more member to attend this conference, and if anyone in the next week or so would like to express an interest in going in the middle of September, then just let us know.

Dr. Taft: I would consider that. I'll give it some thought. I'll let you know by next week then. There might be others.

The Chair: Okay. Thank you.
Are there others as well?

Mr. Cenaiko: I'll look at my schedule as well.

The Chair: Okay. Thank you very much.
Now, are there any other items?

Mr. Shariff: On this one I guess we'll need to deal with the approval of the delegates, and I understand that, yeah, it's nice to see some more interest in this. So we'll need to have a motion, and as we have done in the past, we have had the motion that the chair or his designate, the deputy chair or his designate, and the clerk attend the Public Accounts conference. As the chair has indicated, right now we only have Dave Broda who has shown interest, and if there's somebody else who expresses interest, then that person, with David Broda and the clerk, Corinne, can go on our behalf to the Public Accounts conference. So I'm just making a motion, as we have done in the past, approving that

these three individuals – the chair or his designate, the deputy chair or his designate, and the clerk of the committee – go to the Public Accounts conference in Winnipeg, September 14 to 16.

Mrs. Ady: I'll second that.

The Chair: Okay. Thank you.

Dr. Taft: Do we need to vote on that? Then we don't have to bring it back and take up time on the agenda. Right?

The Chair: Right. Okay. All those in favour?

Hon. Members: Agreed.

The Chair: Okay. Now, are there any opposed?
Are there any other items? Yes, Mr. Shariff.

Mr. Shariff: Yes. I have one matter to bring before this committee. At our first Public Accounts Committee I had proposed a motion asking the chair to rescind two letters, one addressed to the President of Executive Council and one to the members of Executive Council. Since that motion was approved, we did go back and we checked again on what had transpired. I learned from the clerk of the committee that the letter was written to the President of Executive Council based on a request from his office that an invite come in writing. So I am very apologetic to the chair for having brought that particular aspect out. At that time I didn't have the information. So I'd like to move that

any reference to the January 27 letter to the President of Executive Council be removed from that particular motion.

Mrs. Ady: I second that.

The Chair: Well, there's no need at this committee to have seconders to motions.

Are there any questions regarding this motion? Yes, Mr. Mason.

Mr. Mason: Not a question, but I appreciate the hon. member bringing this forward, and I certainly think that this is the appropriate thing to do.

The Chair: Okay. Are you withdrawing your first motion, Mr. Shariff?

Mr. Shariff: I'm withdrawing the reference to the January 27, 2003, letter written to the President of Executive Council.

The Chair: Well, I would like to reference *Beauchesne* 578(3): "An amendment approving part of a motion and disapproving the remainder is out of order." So the chair is forced by *Beauchesne* to rule that motion out of order.

Mr. Shariff: Well, then, let the motion stand as it was.

The Chair: Fine. Or would you like to withdraw the entire motion?

Mr. Shariff: No. I think the second one is very important, that that remain, and that's to do with the letter of January 29. You know, that's a procedural matter. As I've indicated, it's a decision that has to come from this committee. The committee had not authorized the chair to proceed with writing such a letter, so that particular reference has to remain. On the first one I guess the information came to light after the fact, that that was written at the request of some member of the staff at the Premier's office.

So I do apologize that I had brought the two together in one motion, and it was not the chair's fault. I wanted members to know that it was not the chair's fault that he wrote the letter to the President of Executive Council. I'm not expecting you to rescind that particular letter.

9:50

The Chair: Are there any other questions in regard to this matter?

Mr. Mason: Could the chair refresh my memory on what the other, the second, letter was about: who it was to and what it was about?

The Chair: The second letter was to all cabinet ministers. The second letter had a very broad circulation. It was copied to whips of various caucuses and certainly to members of this committee as well. The chair has had a great deal of difficulty in the past – and this is documented – in scheduling meetings, a great deal of difficulty. In fact, at one point a cabinet minister just simply got up and left this meeting when we first started. The chair has had a great deal of difficulty, and in order to facilitate scheduling, the chair decided to write the cabinet ministers a letter and quoted a 1991-92 recommendation from then Auditor General Donald Salmon's report that suggested that perhaps ordinarily we just have at this committee senior members of the department, and if it was thought necessary, then the minister could come along, because these ministers are very busy. I thought this would speed up the processes around Public Accounts, and that is the basis of that letter, Mr. Mason.

Mr. Shariff: Brian, my position was that I wasn't commenting on the content of the letter so much as the procedure and that this committee maybe should set some time aside to talk about that. You know, if you want to change the format that we currently have, then

we should be giving directives to the chair to follow on our behalf in writing to those ministers. So that was the part, the second letter, that is referenced in that motion.

Mr. Mason: Just so I'm clear, the letter written by the chair indicated that the committee would not necessarily require ministers to appear when dealing with accounts?

The Chair: No. The letter had an enclosure, which would have been the recommendation from the Auditor General's report going back 10 years ago. It was a suggestion, asking them for their opinion and their feedback, and I have not heard from anyone as to: how do you feel about this?

I consider that motion that was presented to be a vote of nonconfidence in the chair and his ability to organize these meetings. I think that perhaps this is an appropriate time for the committee to discuss in the absence of the chair. Perhaps Mrs. Jablonski. She certainly was able and capable, Mr. Mason, when you and I and she and Mr. Lukaszuk were members of the FOIP committee last summer. I would suggest that perhaps I withdraw and she chair the rest of this meeting, and you can decide yourselves what direction and role you want the chair to continue in, because the chair, I will tell you right now, is not going to sign one or two letters. It doesn't matter.

Mr. Mason: Mr. Chairman, before you withdraw – and I think I still have the floor – you know, if your characterization of the second letter is correct and it basically asked government members for their opinion on an Auditor General's letter, then I don't think that that's making any decision on behalf of the committee. If it had been a motion or a letter on the chair's behalf, without reference to the committee, telling cabinet ministers that they didn't have to appear and they could send their deputies, I would have taken strong exception to it, but if that's not what it is, then I think it is something that is more within the chair's purview. If you're just asking cabinet ministers for an opinion, I don't honestly believe that you need the approval of committee to do that.

The Chair: Well, I was just trying to improve how this works. We have a lot to do, as you are well aware, Mr. Mason, and it is quite frustrating. It's also quite frustrating for the clerk, who works very hard to organize these meetings so that we have the ministers that are willing to come before us.

Mr. Shariff: Mr. Chairman, I think it's appropriate for me to go on record. Never in raising the motion did I have the intent of raising a vote of nonconfidence in the chair. I think the chair is doing a good job as chair. I have full confidence in your ability to chair this committee, so I would not want you to put any words in my mouth. That has never been my intent, and I'm not raising any vote of nonconfidence in the chair.

The Chair: Thank you.

Mr. Cenaiko: I'll second that.

The Chair: Yes, Mr. Dunn.

Mr. Dunn: Could I take a moment, if that's all right? If we can have two minutes or less.

The Chair: Yes.

Mr. Dunn: I just wanted to ask the committee if there's an opportunity for my office to provide some service to the committee. As many of you are aware, there's a lot that's been written today in the private sector about the role of audit committees, and in many respects you are the equivalent to the audit committee. To assist you in developing questions and getting more value from your time and your participation on this committee, we can provide members of this committee with information on performance reporting and what today's boards' best governance practices are. In addition, we could explain to the committee how it could get better information and how it could use that information better. Would the committee consider allocating some time to allow us an opportunity to make this presentation to you? I don't believe it would take us more than about a half hour.

The Chair: In the middle of April the Minister of Innovation and Science is to appear; I believe it's the 16th. Would the committee be agreeable if we were to notify the Minister of Innovation and Science and his department to come between 8:30 and 9:30 a.m. and set aside that half hour to deal with this matter? I think this is an important issue, and I think we could improve the committee and its functions. This half hour may be very well spent.

Mr. Cernaiko: Could we reverse that? Could we have the Auditor

General at 8:30 and have the minister come in at 9? I would hate to run out of time for the Auditor General. You know, if we go from 9:30 to 10 – I'd prefer to have it from 8:30 to 9 to ensure that we have the Auditor General, because we can always quit asking the minister questions anytime we want, but we can't do that with the Auditor General.

The Chair: Okay. Does anyone have any objections to that? Okay; 8:30, and then we have Mr. Doerksen at 9. Is that agreeable to everyone? May I have a motion to that effect from Mary Anne Jablonski?

Mrs. Jablonski: So moved.

The Chair: Okay. So at 8:30 on the 16th we will have a discussion, and perhaps it would be advisable to have this discussion in camera so that everyone could feel free to ask questions and seek direction from the Auditor General.

Mr. Dunn: Thank you very much. Yes. We agree.

The Chair: Okay. Thank you.
The meeting is now adjourned.

[The committee adjourned at 9:59 a.m.]