

January 13, 2022

CONFIDENTIAL

Via email

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Shannon Phillips, MLA  
Chair, Standing Committee on Public Accounts  
5th Floor, Legislature Building  
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Dear Chair:

**Public Account Committee, December 14, 2021**

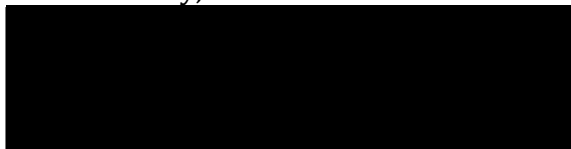
I thank the committee for its questions and engagement to ensure follow through on our reported recommendations. I am pleased to provide the written response to questions requested of us at the December 14, 2021 meeting of the Standing Committee on Public Accounts.

In relation to certain questions requesting information sourced by those we audit; we are including as much information as is readily available from public reporting to respond to your questions. The scope of information within our files is limited, designed only to support audit objectives, and do not represent complete financial records or explanations on matters which the committee is seeking a response to.

We also acknowledge principles of independence and our statutory obligations surrounding confidentiality of information within our files. The *Auditor General Act* prohibits disclosure of our working papers and other information subject to waiver of those protections by those we audit. Accordingly, to the extent information is not *prima facie* available from public organizational reporting, we respectfully note that some information sought is most appropriately provided by the responsible organization.

Thank you for the opportunity to provide a written response to these questions.

Yours truly,



Doug Wylie FCPA, FCMA, ICD.D  
Auditor General of Alberta

Below are the questions with our corresponding responses to page PA-645 to PA-655 of the transcript:

- “On page 54 of your report you talk about the recommendations for Alberta Children’s Services. Do you have an estimated timeline of when we will get a report back on these specific ones for Alberta Children’s Services, when you will report back on that?”

*We have an estimated timeline of reporting in September 2022 for the recommendations for Alberta Children’s Services.*

- On page 26 it outlined the expenses recognized March 31, 2021. I’m wondering if we could get a breakdown of the critical worker benefit, the \$365 million, which sectors, a breakdown by sector and what amount went to what sector.

*The Government of Alberta Annual Report does not include a breakdown of critical worker benefits (CWB), nor does the Ministry of Health Annual Report separately disclose the amounts of CWB expended. Further information regarding the breakdown would have to be requested from the respective departments.*

- Also, under the Health-related programs. For the mental health and problematic substance abuse, \$45 million: if we could get a breakdown of where those funds went and what kind of oversight is in place.

*The Ministry of Health Annual Report does not include a more detailed breakdown of this amount; thus, more detailed financial information would have to be requested from the Ministry of Health.*

- As well, vulnerable populations, \$147 million: a break-down of where those funds went, which departments. As well, testing, contact tracing, data management.

*The Ministry of Health Annual Report does not include a more detailed breakdown of this amount; thus, more detailed financial information would have to be requested from the Ministry of Health.*

- \$264 million: a breakdown of where those funds went, how they were used, and any oversight that the AG’s office can tell us about.

*The Ministry of Health Annual Report does not include a more detailed breakdown of this amount; thus, more detailed financial information would have to be requested from the Ministry of Health.*

- Also, a question is: if there's a valuation of the rapid tests that were provided by the federal government, if that's included in that \$264 million.

*The Ministry of Health and AHS annual reports do not provide further detail on the amounts included within the \$264 million. More detailed information would have to be requested from the Ministry of Health.*

- Finally, again, for the personal protective equipment, the \$539 million: if we could get a breakdown of what is included in this and where that was distributed.

*The Ministry of Health Annual Report does not include a more detailed breakdown of this amount; thus, more detailed financial information would have to be requested from the Ministry of Health.*

- The first question is to continue on Municipal Affairs. Pages 121 and 122 of the Auditor General's report contain recommendations to Municipal Affairs, all of which are focused on emergency response. Regarding the recommendation to implement a system to develop and maintain a provincial hazard assessment: was this recommended because no system was in place before, or was this to replace an existing system?

*We found that Alberta Emergency Management Agency (AEMA) has elements of a provincial hazard assessment system. For example, it has processes to review local authority emergency management plans and it meets with its emergency management partners annually to prepare for the upcoming hazard season. However, AEMA needs to make improvements for the provincial hazard assessment system to be effective.*

*AEMA drafted a preliminary provincial hazard assessment in collaboration with various ministries in 2014 and 2015. However, the assessment faced various challenges, including a lack of available information and concerns raised by ministries.*

- Second question. On the recommendation to improve monitoring and reporting of recommendations from post-incident disaster reviews: what were the specific deficiencies in the existing reviews that prompted this?

*Our review of the post-incident reports found weaknesses in AEMA's systems to monitor the status of outstanding recommendations from those reviews. Specifically, we noted:*

*It is not clear who must ensure that recommendations are implemented. The status of recommendations are reported to the ADM and DM committees periodically, but it is not clear if they are supposed to ensure implementation. Their terms of reference do not refer to the post-incident disaster review recommendations or their role. For example, the 2016 Wood Buffalo wildfire post-incident report recommended the province scale the hazard assessment model to understand cumulative risk. Progress on this recommendation stalled. We found no documented evidence that the committees followed up to assess what AEMA was doing to implement the recommendation.*

*AEMA classifies each recommendation into one of five status categories—completed, underway, under review, under discussion, or evergreen. Evergreen means that the work will recur or be a standing function within an existing program. In other words, it is a system or process that will continually improve. Of the 66 recommendations arising from the disaster reviews, 37 have evergreen status. For the evergreen recommendations, it is not clear what outstanding actions are required to implement the recommendation.*

*For most recommendations, there is no estimated completion date, so it is not possible to tell if implementation is on track.*

*The post-incident disaster reviews are public, but there is only limited public reporting on the status of recommendations, actions taken, and actions outstanding.*

- Three. The third recommendation to the ministry has been outstanding since before the NDP were in office. Given the significant delays on this recommendation, has your office identified the specific obstacles to making progress on this item?

*The department's implementation plan stated that a Floodway Development Regulation would be drafted and implemented with exemptions for certain communities. The department has asserted to us that the draft regulation was developed in 2017, but to date has not been completed. The department has asserted this recommendation is not ready for follow-up.*

- My next two questions revolve around Labour and Immigration and Transportation. On page 119 of the Auditor General's report, it highlights the outstanding recommendations to the Ministry of Labour and Immigration. As noted on the same page, the recommendation to the ministry is: ready for an assessment. Can the Auditor General please describe what their office will be looking at to determine if this recommendation has been implemented to a satisfactory level?

*Our assessment of the implementation of any recommendation is done by looking at what the entity has changed with its process relative to the criteria we applied in the original audit. We are currently examining the process improvements the department has implemented and plan to report the results of that in 2022.*

- Then, also, on pages 125 and 126 of the Auditor General's report it outlines the outstanding recommendations to the Ministry of Transportation. I noticed that these are outstanding recommendations even though they were only identified in June of this year and the ministry is working away at this. I'm just wondering what the time threshold is for a recommendation moving from new to outstanding. Then, I guess, just a quick supplemental to that: if the recommendation is outstanding, is that because your office would expect it to have been addressed already?

*We do not separately distinguish between new and outstanding recommendations. Any new recommendations are identified as outstanding once we issue our report.*

*Ministries prepare implementation plans for each of our recommendations that contain the actions they will take along with targeted timelines. We use the timelines in the implementation plans to establish our expectation for when the recommendation will be implemented so we can plan our assessment of implementation work.*