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# Report of the Standing Committee on Public Accounts

LEGISLATIVE ASSEMBLY OF ALBERTA

February 2008

Report on 2007 Activities



**Standing Committee on Public Accounts**

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**MEMBERS OF THE  
STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**26th Legislature, Third Session, 2007**

Hugh MacDonald, MLA  
Chair  
Edmonton-Gold Bar (L)

Ray Prins, MLA  
Deputy Chair  
Lacombe-Ponoka (PC)

Bill Bonko, MLA  
Edmonton-Decore (L)

Dr. Neil Brown, MLA  
Calgary-Nose Hill (PC)

Mike Cardinal, MLA  
Athabasca-Redwater (PC)

Harvey Cenaiko, MLA  
Calgary-Buffalo (PC)

Harry Chase, MLA  
Calgary-Varsity (L)

Alana DeLong, MLA  
Calgary-Bow (PC)

Clint Dunford, MLA  
Lethbridge-West (PC)

Dave Eggen, MLA  
Edmonton-Calder (ND)

Heather Forsyth, MLA  
Calgary-Fish Creek (PC)

Denis Herard, MLA  
Calgary-Egmont (PC)

Art Johnston, MLA  
Calgary-Hays (PC)

Rick Miller, MLA  
Edmonton-Rutherford (L)

Dave Rodney, MLA  
Calgary-Lougheed (PC)

Ivan Strang, MLA  
West Yellowhead (PC)

Len Webber, MLA  
Calgary-Foothills (PC)

## I. INTRODUCTION

The mandate of the Standing Committee on Public Accounts is to review the Public Accounts of the Province of Alberta (Ministry Annual Reports) by asking questions with respect to expenditures in Government Departments, and to review the Auditor General's annual and other reports.

The Standing Committee on Public Accounts comprises a Chair who is a Member of the Official Opposition, a Deputy Chair who is a member of the Government Caucus, 11 Government Members, three Liberal Opposition Members, and one New Democrat Member.

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the Annual Report of the Government of Alberta and the annual reports of each of the 20 Ministries.

The **2005-2006 and 2006-2007 Annual Reports of the Government of Alberta** contain an accountability statement and the consolidated financial statements of the Province. The *Measuring Up* report provides a comparison of the actual performance results and the desired results as set out in the Government's business plan.

The annual reports for the **Ministries for the years ended March 31, 2006 and March 31, 2007** contain Ministers' accountability statements, the audited consolidated financial statements of the Ministries, and a comparison of actual performance results and the desired results set out in the Ministries' business plans.

## II. COMMITTEE ACTIVITIES

In 2007 there were several changes made to the scope and mandate of the Standing Committee on Public Accounts. A House Leaders' Agreement signed on March 7, 2007 made changes, which will continue to be in effect for the remainder of the current Legislature.

- **The mandate of the Public Accounts Committee shall be expanded and include reviewing and reporting on the Public Accounts of Alberta, all reports of the Auditor General of Alberta and any other matter referred to it from time to time by the Legislature. Its mandate extends to all public entities funded by Government including agencies, commissions and regional health authorities.**
- **The Committee may call and question Ministers, senior department officials or officials of agencies, boards and commissions of Government and such others as may be necessary for the full pursuit of its duties.**

These changes are important, since the Committee had previously met only with Ministers of the Crown.

- **The Committee shall set its own agenda and may sit whether or not the House is in session.**

Previously the Committee did not have the budget to meet outside of session.

- **Necessary resources will be provided for staffing to ensure adequate support for the Committee's expanded mandate.**

The Committee now has an in-house Research Coordinator, who looks after research requirements, including Committee briefing materials.

## II. COMMITTEE ACTIVITIES (continued)

- **All reports of the Auditor General shall stand permanently referred to the Public Accounts Committee.**

Previously these reports were used by the Committee in its work, but they were not automatically referred to the Committee.

- **The Committee may report to the House, and the Government shall respond to a report of the Public Accounts Committee within 150 days of the date on which the Committee reports.**

Previously there was no requirement for the Government to respond to the Committee's recommendations.

Another change to note this year has been that Deputy Ministers and departmental officials have appeared before the Committee without the Minister in attendance.

The Auditor General and his staff continued to attend and participate in all Committee meetings, as well as assist with Committee briefing sessions. Committee members appreciate the Auditor General's advice and input as they work through procedural changes.

During the Spring 2007 sitting of the Alberta Legislature, the Public Accounts Committee held an organizational meeting and 10 meetings with Ministries on the 2005-2006 Public Accounts and the 2005-2006 Auditor General's Report.

The 2006-2007 Annual Report of the Government of Alberta was released in June.

The Ministries' annual reports for 2006-2007 were released in September. According to Temporary Standing Order 53(1) in effect for the 26<sup>th</sup> Legislature, these documents - and all reports of the Auditor General - are automatically referred to the Public Accounts Committee.

## **II. COMMITTEE ACTIVITIES (continued)**

The Report of the Auditor General for the fiscal year ended March 31, 2007 was released in October.

The Committee held out-of-session meetings with four regional health authorities in September and four universities and colleges in October: East Central Health, Northern Lights Health Region, Capital Health, Calgary Health Region, Mount Royal College, Grant MacEwan College, University of Alberta, and University of Calgary.

During the Fall 2007 sitting of the Alberta Legislature, the Public Accounts Committee held four meetings on the 2006-2007 Public Accounts and the 2006-2007 Report of the Auditor General. This brought the number of meetings held in 2007 to 23, compared with 12 meetings in 2006.

### III. SCHEDULE OF STANDING COMMITTEE MEETINGS

The meetings of the Standing Committee on Public Accounts in 2007 were held as follows:

<u>Meeting Date</u>	<u>Appearance/Topic</u>
March 14, 2007	Committee Organizational Meeting
March 21, 2007	Mr. Fred Dunn, FCA, Auditor General
April 4, 2007	Mr. Geoff Dubrow Director of Capacity Development Canadian Comprehensive Auditing Foundation
April 11, 2007	Hon. Mr. Rob Renner Minister of Environment
April 18, 2007	Hon. Mr. David Hancock Minister of Health and Wellness
May 2, 2007	Ministry of Education
May 9, 2007	Ministry of Advanced Education and Technology
May 16, 2007	Ministry of Sustainable Resource Development
May 30, 2007	Ministry of Finance
June 6, 2007	Ministry of Employment, Immigration and Industry
June 13, 2007	Ministry of Infrastructure and Transportation
September 11, 2007	East Central Health
September 11, 2007	Northern Lights Health Region
September 12, 2007	Capital Health
September 12, 2007	Calgary Health Region
October 16, 2007	Mount Royal College
October 16, 2007	Grant MacEwan College
October 17, 2007	University of Alberta
October 17, 2007	University of Calgary



### III. SCHEDULE OF STANDING COMMITTEE MEETINGS (continued)

November 7, 2007	Minister of Agriculture and Food
November 14, 2007	Hon. Mr. Ray Danyluk Minister of Municipal Affairs and Housing
November 21, 2007	Ministry of Children's Services
November 28, 2007	Ministry of Seniors and Community Supports

The Committee did not have the opportunity to meet with the following Ministries in 2007:

Energy

Executive Council/Office of the Premier

International, Intergovernmental and Aboriginal Relations

Justice and Attorney General

Solicitor General and Public Security

Tourism, Parks, Recreation and Culture/  
Associate Ministry of Sport and Tourism Promotion

Treasury Board and Service Alberta/Associate Ministry of Capital Planning

The proceedings of the Standing Committee on Public Accounts are open to the public. There is gavel-to-gavel coverage of the audio of Committee meetings live on the Internet, and all meetings are recorded in *Alberta Hansard*. Copies of the transcripts may be found on the Committee's website at [www.assembly.ab.ca/publicaccounts](http://www.assembly.ab.ca/publicaccounts) or in the Legislature Library.

#### IV. CONFERENCE ATTENDANCE

##### **Report on Attendance at Joint Canadian Council of Legislative Auditors (CCOLA) and Canadian Council of Public Accounts Committees (CCPAC) Conference Victoria, British Columbia from August 19 to 21, 2007**

This report is submitted on behalf of the following Members and staff of the Legislative Assembly of Alberta who attended the Canadian Council of Public Accounts Committees (CCPAC) Conference in Victoria, British Columbia from August 19 to 21, 2007:

From the Standing Committee on Public Accounts:

Hugh MacDonald, MLA, Chair  
Ray Prins, MLA, Deputy Chair  
Philip Massolin, Committee Research Coordinator  
Corinne Dacyshyn, Committee Clerk

From the Standing Committee on Legislative Offices:

Denis Ducharme, MLA, Member

The Canadian Council of Public Accounts Committees Conference was attended by parliamentarians, researchers and Committee Clerks from across Canada and the Canadian House of Commons. This conference is held at the same time as the Annual Conference of the Canadian Council of Legislative Auditors (CCOLA), and the two groups shared a full-day business session.

Mr. Fred Dunn, FCA, Alberta Auditor General, and Ms Ronda White, Assistant Auditor General from Alberta, attended as CCOLA delegates.

The CCPAC Conference topics were:

**Joint Business Session One: John J. Kelly Forum:**

**Topic: Comparing the Progress of Commonwealth Public Accounts Committees**

**Presenters:** Rick Stapenhurst, World Bank Group, Washington, DC  
Kerry Jacobs, Australian National University, Canberra  
John Cheyo, PAC Chair, Tanzania  
Md. Khorshed Alam Khan, Additional Deputy Comptroller and Auditor General, Bangladesh  
Thosaporn Sirisumphand, National Legislative Assembly, Thailand

**Joint Business Session Two: John J. Kelly Forum:**

**Topic: The Vision for Public Accounts Committees 10 Years Hence**

**Panellists:** Public Accounts Committee Chair Perspective: Hugh McDonald, MLA - Alberta  
Auditor General Perspective: Sheila Fraser, Auditor General of Canada

**Joint Business Session Three: John J. Kelly Forum:**

**Topic:** Maximizing the Auditor General's relationship with the Public Accounts Committee: How CCPAC and CCOLA Work Together - International Delegates' Perspective

**Leaders:** Carol Bellringer, Auditor General, Manitoba  
Jim McCarter, Auditor General, Ontario

**Joint Business Session Four: John J. Kelly Forum:**

**Topic:** International Organization of Supreme Audit Institutions (INTOSAI): Independence of Auditors General

**Panellists:** Fred Dunn, Auditor General, Alberta  
Sarshar Ahmad Khan, Department of the Auditor General, Pakistan

**Joint Business Session Five: John J. Kelly Forum:**

**Topic:** Oversight Role of the Global Organization of Parliamentarians Against Corruption

**Presenter:** John Williams, MP, Canada

**Business Session Six: Committee Activity Reports**

**Business Session Seven: Review of CCPAC Constitution**

**Overall Impressions**

"It was very interesting to attend the 2007 CCPAC conference in Victoria, BC. It was the first national public accounts committees conference that I have attended since becoming Chair of the Standing Committee on Public Accounts in Alberta in 2001.

I was honoured to participate as a panellist, along with Sheila Fraser, Auditor General of Canada, to discuss the vision for Public Accounts Committees 10 years hence.

I found the conference very useful and would encourage anyone who has the opportunity to attend to do so. I would like to thank the organizing committee in Victoria for their excellent hospitality."

Hugh MacDonald, MLA  
Edmonton-Gold Bar  
Chair, Standing Committee on Public Accounts