

Standing Committee on Public Accounts

Report on 2015 Activities

Twenty-Ninth Legislature
(June-December 2015)

March 2016



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OF THE LEGISLATIVE ASSEMBLY

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LEGISLATIVE ASSEMBLY
ALBERTA

STANDING COMMITTEE ON PUBLIC ACCOUNTS

March, 2016

To the Honourable Robert Wanner
Speaker of the Legislative Assembly
of the Province of Alberta

The Standing Committee on Public Accounts of the Legislative Assembly of Alberta has the honour of submitting this report relating to the Committee's activities from June to December 2015 for the 29th Legislature, for consideration by the Legislative Assembly.

[original signed by the Chair]

Mr. Derek Fildebrandt, MLA
Strathmore-Brooks
Chair, Standing Committee on Public Accounts

**Members of the Standing Committee on Public Accounts
29th Legislature, June to December 2015**

**Derek Fildebrandt, MLA¹
Chair
Strathmore-Brooks (W)**

**Christina Gray, MLA
Deputy Chair
Edmonton-Mill Woods (ND)**

Members:

Drew Barnes, MLA
Cypress-Medicine Hat (W)

Manmeet Bhullar, MLA²
Calgary-Greenway (PC)

Scott Cyr, MLA
Bonnyville-Cold Lake (W)

Lorne Dach, MLA
Edmonton-McClung (ND)

Richard Gotfried, MLA
Calgary-Fish Creek (PC)

Grant Hunter, MLA³
Cardston-Taber-Warner (W)

Rod Loyola, MLA
Edmonton-Ellerslie (ND)

Brian Malkinson, MLA
Calgary-Currie (ND)

Barb Miller, MLA
Red Deer-South (ND)

Brandy Payne, MLA
Calgary-Acadia (ND)

Marie Renaud, MLA
St. Albert (ND)

Dr. Robert Turner, MLA
Edmonton-Whitemud (ND)

Cameron Westhead, MLA
Banff-Cochrane (ND)

¹ Substitution by Mr. Mark Smith, MLA on October 27, 2015 pursuant to S.O. 56(2.1 – 2.4)

² To November 23, 2015

³ Substitution by Mr. Prasad Panda, MLA on October 20, 2015 pursuant to S.O. 56(2.1 – 2.4)

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I. INTRODUCTION

The mandate of the Standing Committee on Public Accounts is to review the public accounts of the Province of Alberta and ministry annual reports by asking questions with respect to the expenditures of 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 (Wildrose) and a Deputy Chair, who is a member of the government caucus (New Democrat in 2015). The composition of the remaining 13 members is proportionate to the number of seats held by each party in the Assembly.

The public accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Management Act*. The public accounts consist of the annual report of the Government of Alberta and the annual reports of each of its ministries.

The 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 included 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. MANDATE AND SCOPE

Pursuant to Government Motion 23, passed on November 27, 2008, an expanded scope and mandate of the Standing Committee on Public Accounts became permanent, including the following:

- The mandate of the Public Accounts Committee includes 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, boards and commissions.
- 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.
- The Committee shall set its own agenda and may sit whether or not the House is in session.
- Necessary resources will be provided for staffing to ensure adequate support for the Committee's expanded mandate.
- All reports of the Auditor General shall stand permanently referred to the Public Accounts 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.

III. ACTIVITIES

In 2015, the practice of deputy ministers and department officials appearing before the Committee without the minister in attendance continued for the most part. The Auditor General and his staff continued to attend and participate in all Committee meetings.

The 2014-2015 annual report of the Government of Alberta and the ministries' annual reports were released in June 2015. The release of reports of the Auditor General during the 29th Legislature occurred in July and October 2015.

The Public Accounts Committee held seven meetings during the 29th Legislature in 2015 from June to December.

Further to the Committee's decision in 2014, the template sent to invitees outlining any outstanding recommendations from the Auditor General of Alberta, has been working well to provide insight into the status of outstanding recommendations and allow committee members to better focus their questions.

The Public Accounts Committee continued to receive research briefings from Research Services, which provides non-partisan research support to this and other committees of the Assembly. The briefings contained background information on the agency, board, commission, or Ministry appearing before the Committee but also focused on various program areas, the knowledge of which the Committee may find useful for its meetings with the Government of Alberta entities. The briefings satisfied Committee research requests or were reflective of Research Services' efforts to single out areas that warranted further investigation. Based on the information gathered, Research Services' briefings also suggested questions which Committee members may have wanted to ask of the Government officials who appeared before the Committee.

Prior to each Public Accounts meeting in the fall, the Auditor General and Research Services continued to provide an *in-camera* briefing concerning their respective reports and the entity appearing at the forthcoming meeting. In these briefings, both the Auditor General and Research Services highlighted notable areas of concern and inquiry and recommended particular lines of questioning to Committee members.

The Committee also continued its practice of requesting that questions unable to be answered at the time by those appearing at the meeting should be followed up on in writing. Written responses were directed to be sent to the committee clerk for distribution to committee members.

IV. SCHEDULE OF STANDING COMMITTEE MEETINGS

The meetings of the Standing Committee on Public Accounts during the 29th Legislature in 2015 were held as follows:

<u>Meeting Date</u>	<u>Appearance/Topic</u>
June 25, 2015	Organizational Meeting
September 30, 2015	Office of the Auditor General
October 20, 2015	Alberta Environment and Parks Alberta Municipal Affairs
October 20, 2015	Office of the Auditor General
October 27, 2015	Alberta Education Northland School Division
December 1, 2015	Committee Business Meeting
December 8, 2015	Alberta Advanced Education University of Alberta University of Calgary Olds College

The proceedings of the Standing Committee on Public Accounts are open to the public. Gavel-to-gavel coverage of the audio of Committee meetings is streamed live on the Internet, and all meetings are recorded in *Alberta Hansard*. Copies of the transcripts may be accessed via the Committee's website at www.assembly.ab.ca/committees/publicaccounts or in the Legislature Library.

V. CCPAC/CCOLA CONFERENCE

Joint Conference of Canadian Council of Public Accounts Committees (CCPAC) and Canadian Council of Legislative Auditors (CCOLA)

This report is submitted on behalf of the following Members of the Legislative Assembly of Alberta who attended the Canadian Council of Public Accounts Committees (CCPAC) conference in Winnipeg, Manitoba from August 23 to 25, 2015.

i. Attendance

From the Standing Committee on Public Accounts:

Derek Fildebrandt, MLA, Chair

Christina Gray, MLA, Deputy Chair

Lorne Dach, MLA, Committee Member

Sarah Amato, Committee Researcher

The Canadian Council of Public Accounts Committees conference was attended by parliamentarians, researchers, committee clerks and other professionals from jurisdictions across Canada and the Canadian House of Commons, and included international guests and observers. This conference is held at the same time as the annual conference of the Canadian Council of Legislative Auditors (CCOLA), and the two groups share several business sessions.

Mr. Merwan Saher, FCPA, FCA, Alberta Auditor General, and Mr. Eric Leonty, CPA, CA, Assistant Auditor General from Alberta, attended as CCOLA delegates.

ii. Conference Topics

Joint Sessions:

- **Opening Remarks**
- **Keynote Speaker:** *Deputy Convener of the Scottish Public Accounts Committee – Mary Scanlon, MSP: Discussion on the unique aspects of the Scottish Parliament’s Public Accounts Committee, its practices, and the relationship between the Public Accounts Committee and the Legislative Auditor.*
- **Business Session 1:** *Building and Maintaining Effective Relationships between the Public Accounts Committee and the Legislative Auditor*
- **Guest Speaker:** *Olivia Dorey, www.whyitmatters.ca*
- **Business Session 2:** *Enhancing Public Accounts Committee’s Impact: Getting Action Through Public Accounts Committee Recommendations and Follow-Up*
- **NWT Invitation to 2016 CCPAC-CCOLA Conference**

CCPAC-only Sessions

- **Chairs/Vice Chairs and Other Public Accounts Committee Members:** *“Speak your Mind/Open Dialogue Session”*
- **Clerks/Researchers Meeting**
- **Business Session 3:** *Effective Questioning*
- **Business Session 4:** *Issuing Recommendations: HOW TO Workshop*
- **Business Session 5:** *Improving Parliamentary Oversight: The Future of CCAF Programming*

