

Twenty-Seventh Legislature Second Session

Report of the Standing Committee on
Public Accounts

Report on 2008 Activities

February 2009



COMMITTEES
OF THE LEGISLATIVE ASSEMBLY

Standing Committee on Public Accounts

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February, 2009

To the Honourable Ken Kowalski
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 to submit this Report relating to its 2008 activities for consideration by the Legislative Assembly.

(original signed by)

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

**MEMBERS OF THE
STANDING COMMITTEE ON PUBLIC ACCOUNTS
27th Legislature, First Session, 2008**

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Edmonton-Gold Bar (AL)

Doug Griffiths, MLA
Deputy Chair
Battle River-Wainwright (PC)

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Edmonton-Mill Woods (PC)

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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 expenditures in Government Departments, and to review the Auditor General's semi-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, 12 Government Members, two 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 its Ministries.

The **2006-2007 and 2007-2008 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, 2007 and March 31, 2008** 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 2008 previous changes made to the scope and mandate of the Standing Committee on Public Accounts were kept in place by temporary amendments to the Standing Orders. Pursuant to Government Motion 23, passed on November 27, 2008, the expanded scope of the Committee will become permanent. Including:

- **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, boards, 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.**
- **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.**

The practice of Deputy Ministers and department officials appearing before the Committee, without the Minister in attendance, has continued.

The Auditor General and his staff continued to attend and participate in all Committee meetings, and played an active role in Committee briefing sessions.

During the Spring 2008 sitting of the Alberta Legislature, the Public Accounts Committee held an organizational meeting and six meetings with Ministries on the 2006-2007 Public Accounts and the *Annual Report of the Auditor General of Alberta 2006-2007*, and the *Report of the Auditor General April 2008* when appropriate.

The 2007-2008 Annual Report of the Government of Alberta was released in June, 2008.

The Ministries' annual reports for 2007-2008 were released in September, 2008. The release of the semi-annual Report of the Auditor General followed in October, 2008.

The Committee held out-of-session meetings in October with ATB Financial and with three school jurisdictions: Edmonton School District No. 7, Calgary Roman Catholic Separate School District No. 1, and Livingstone Range School Division No. 68.

During the Fall 2008 sitting of the Alberta Legislature, the Public Accounts Committee held seven meetings on the 2007-2008 Public Accounts and *Report of the Auditor General of Alberta April 2008* and *Report of the Auditor General of Alberta October 2008*.

III. SCHEDULE OF STANDING COMMITTEE MEETINGS

The meetings of the Standing Committee on Public Accounts in 2008 were held as follows:

<u>Meeting Date</u>	<u>Appearance/Topic</u>
April 23, 2008	Organizational Meeting
April 30, 2008	Energy
May 7, 2008	Advanced Education and Technology
May 14, 2008	Health and Wellness
May 21, 2008	Solicitor General and Public Safety, Alberta Gaming and Liquor Commission
May 28, 2008	Education
June 4, 2008	Service Alberta
October 7, 2008	Edmonton Public Schools
October 7, 2008	Calgary Roman Catholic Separate School District
October 8, 2008	ATB Financial
October 8, 2008	Livingstone Range School Division
October 15, 2008	Auditor General
October 22, 2008	Justice and Attorney General
October 29, 2008	Finance and Enterprise
November 5, 2008	Tourism, Parks and Recreation And Culture and Community Spirit
November 19, 2008	Children and Youth Services
November 26, 2008	Executive Council
December 3, 2008	Sustainable Resource Development

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 found on the Committee's website at: www.assembly.ab.ca/committees/publicaccounts or in the Legislature Library.

IV. CONFERENCE ATTENDANCE

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

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 Whitehorse, Yukon from September 7 to 9, 2008.

From the Standing Committee on Public Accounts:

Hugh MacDonald, MLA, Chair

Doug Griffiths, MLA, Deputy Chair

Philip Massolin, Committee Research Coordinator

Corinne Dacyshyn, Committee Clerk

From the Standing Committee on Legislative Offices:

Len Mitzel, MLA, Chair

Robin Campbell, MLA, Committee Member

The Canadian Council of Public Accounts Committees Conference was attended by parliamentarians, researchers, Committee Clerks and other professionals 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 Mr. Doug Wylie, CMA, Assistant Auditor General from Alberta, attended as CCOLA delegates. Ms Lori Turdgeon, Communications Manager, attended as an observer.

The CCPAC Conference topics were:

Topic: Overview of the Findings from CCAF-World Bank-KPMG-PAC Survey

Presenters: Geoff Dubrow, Director, Capacity Development, CCAF-FCVI
Rick Stapenhurst, Senior Public Management Specialist, World Bank Institute

Discussants: Carol Bellringer, Auditor General, Manitoba
Harry Van Mulligen, Chair, Saskatchewan PAC
Kerry Jacobs, Professor of Accounting, Australian National University,
Canberra, Australia

Topic: Good Practices in Issuing Recommendations and Following Up

Panellists: Sheila Fraser, Auditor General of Canada
Norm Sterling, Chair, Public Accounts Committee, Legislative Assembly of Ontario
Vincent Auclair, Vice-Chair, Public Administration Committee, Quebec National Assembly

Topic: Presentation on Report by Newfoundland Supreme Court Justice Derek Green

Stemming from the Auditor General of Newfoundland's 2005 and 2006 Reports on Spending by certain Members of the Legislature and House Officials.

Topic: Presentation on Performance Reporting – including Alberta Public Performance Reporting – Report on User Consultation Groups

Geoff Dubrow, Director, Capacity Development, CCAF-FCVI

Trends and Opportunities in Performance Reporting

John Doyle, Auditor General, British Columbia

Business Session: Report from Geoff Dubrow, Director, Capacity Development, CCAF-FCVI

Business Session: Report from Craig James, Executive Director, CCPAC

CCAF'S Western Canada Symposium:

Improved Public Performance Reporting in Western Canada-Past, Present and Future

This report is submitted on behalf of the following Members of the Legislative Assembly of Alberta who attended the CCAF's Western Canada Symposium in Vancouver, British Columbia from September 10 to 11, 2008.

From the Standing Committee on Public Accounts:

Hugh MacDonald, MLA, Chair

Doug Griffiths, MLA, Deputy Chair

Mr. Fred Dunn, FCA, Alberta Auditor General, and Mr. Doug Wylie, CMA, Assistant Auditor General from Alberta also attended.

Symposium sessions included:

Session: Showcasing Recent Western Canadian Initiatives in Performance Reporting

Moderator: Carol Bellringer, Auditor General, Manitoba

Session: Case Studies: International Experiences in Citizen Engagement and Innovative E-Performance Reporting

Moderator: Lee McCormack, Director of Research, CCAF-FCVI

Session: Keynote Speaker

Donald G. Lenihan, Senior Associate, Public Policy Forum

Session: Towards the Principles for a Performance Report of the Future

Facilitator: Geoff Dubrow, Director, Capacity Development, CCAF-FCVI

Overall Impressions

“It was a pleasure to represent the Legislative Assembly of Alberta at the Canadian Council of Public Accounts Committees (CCPAC) and Canadian Council of Legislative Auditors (CCOLA) Annual Conference in Whitehorse, Yukon in September 2008. The sessions were all very interesting. Two sessions, however, stand out: the presentation by Newfoundland Supreme Court Justice Derek Green stemming from the Auditor General of Newfoundland’s report on legislative spending, and the report by Mr. John Doyle, Auditor General of British Columbia on trends and opportunities in performance reporting.”

“The dialogue with legislators from across Canada was informative. The work carried out by the Alberta Public Accounts Committee is different than the work of other provincial committees.”

“As Chair of the Alberta Standing Committee on Public Accounts, I look forward to hosting the Canadian Council of Public Accounts Committees (CCPAC) and Canadian Council of Legislative Auditors (CCOLA) Annual Conference along with Mr. Fred Dunn, FCA, Auditor General of Alberta, in Edmonton in 2009.”

Hugh MacDonald, MLA

Edmonton-Gold Bar

Chair, Standing Committee on Public Accounts

Overall Impressions

“The Canadian Council of Public Accounts Committees Conference was a very valuable experience. It is evident that Alberta, as a jurisdiction, has made tremendous headway over recent years in improving the effectiveness of public accounts, and actually stands well ahead of its counterparts across the country when it comes to the existence and use of tools, such as the Ministry Business Plans, Performance Measures, and the very valuable document, Measuring Up.”

“The CCAF conference was incredibly valuable. Presentations on improving performance measures, improving public reporting of performance measures, moving to dynamic reporting on performance over static year end reporting, were all valuable presentations that gave me a lot of new ideas and raised a host of new issues. I must point out that an exceptional presentation was made by Doug Lynkowski, Alberta's Controller, on what Alberta's document, Measuring Up, which is a valuable tool for the Public Accounts Committee and the public at large.”

“There was a lot of information to absorb at this conference and it was very forward thinking and visionary.”

“I understand this conference is in our home province next year and I encourage all public accounts committee members to attend the conference.”

Doug Griffiths, MLA
Battle River-Wainwright
Deputy Chair, Standing Committee on Public Accounts

Standing Committee on Public Accounts
2008 Annual Report