



First Session, 40th Parliament

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REPORT OF PROCEEDINGS  
(HANSARD)

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# LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

**Victoria**

**Thursday, November 28, 2013**

**Issue No. 2**

HON. LINDA REID, MLA, CHAIR  
AND SPEAKER OF THE LEGISLATIVE ASSEMBLY

ISSN 1929-8668 (Print)  
ISSN 1929-8676 (Online)



**LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE**

Victoria  
Thursday, November 28, 2013

*Chair:* \* Hon. Linda Reid (Speaker of the Legislative Assembly)

*Members:* \* Hon. Michael de Jong (Abbotsford West BC Liberal)  
\* Eric Foster (Vernon-Monashee BC Liberal)  
\* John Horgan (Juan de Fuca NDP)  
\* Shane Simpson (Vancouver-Hastings NDP)  
\* Michelle Stilwell (Parksville-Qualicum BC Liberal)

*\* denotes member present*

*Other MLAs:* Douglas Horne (Coquitlam–Burke Mountain BC Liberal)

*Officials Present:* Craig James (Clerk of the House)  
Kate Ryan-Lloyd (Deputy Clerk and Clerk of Committees)  
Hilary Woodward (Executive Financial Officer)  
Randy Spraggett (Manager, Legislative Facilities)  
Russ Jones (Acting Auditor General)  
Malcolm Gaston (Deputy Auditor General)

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## MINUTES

# LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE



**Thursday, November 28, 2013  
1 p.m.  
Douglas Fir Committee Room  
Parliament Buildings, Victoria, B.C.**

**Present:** Hon. Linda Reid, MLA (Speaker and Chair); Hon. Michael de Jong, MLA; Eric Foster, MLA; John Horgan, MLA; Shane Simpson, MLA; Michelle Stilwell, MLA

**Officials Present:** Craig James, Clerk of the House; Kate Ryan-Lloyd, Deputy Clerk and Clerk of Committees; Hilary Woodward, Executive Financial Officer; Randy Spraggett, Manager, Legislative Facilities

**Others Present:** Douglas Horne, MLA; Russ Jones, Acting Auditor General; Malcolm Gaston, Deputy Auditor General

1. The Chair called the Committee to order at 1:09 p.m.
2. **Resolved**, that the Committee adopt the agenda as circulated. (John Horgan, MLA)
3. The Chair provided the Committee with an update regarding construction of a new ramp to facilitate access to the Legislative Library.
4. The Clerk and the Manager, Legislative Facilities, provided the Committee with an overview of the health of the Parliamentary Precinct, including a recent summary of the long-term maintenance and rehabilitation plan for the Legislative Assembly prepared in November 2013 by Zeidler Partnership Architects, entitled *British Columbia Parliament Building: Long-Term Rehabilitation and Asset Maintenance Plan*.
5. The Executive Financial Officer provided the Committee with an overview of the Fiscal 2013-2014 Second Quarter Financial Reports, including Expenses by Function, April 1, 2013 to September 30, 2013; Forecast Expenses to March 31, 2014; and the Second Quarter Capital Expenses Forecast.
6. The Clerk provided the Committee with a report from the Finance and Audit Committee summarizing the meeting of November 12, 2013 and making recommendations regarding the provision of iPads for Members of Parliamentary Committees, and clarification of the Members' per diem policy.
7. The Clerk provided the Committee with an update on the following items: the internal audit program; the business continuity, disaster recovery and earthquake preparedness plans; and the inventory and asset control policies for constituency offices.
8. The Deputy Clerk presented the Committee with a draft copy of the Committee's annual report entitled *Legislative Assembly Management Committee Annual Report, 2012-2013*.
9. The Committee agreed to defer final consideration of its draft annual report to the December 12 meeting of the Committee.
10. **Resolved**, that the Committee meet *in-camera* to consider a personnel issue. (Eric Foster, MLA)

11. The Committee met *in-camera* from 1:55 p.m. to 3:00 p.m.
12. The Committee continued in public session at 3:01 p.m.
13. The Committee adjourned to the call of the Chair at 3:01 p.m.

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**Hon. Linda Reid, MLA**  
**Speaker and Chair**

**Craig James**  
**Clerk of the House**

THURSDAY, NOVEMBER 28, 2013

The committee met at 1:09 p.m.

[Madame Speaker in the chair.]

**Madame Speaker:** Hon. Members, thank you for joining us this afternoon.

This is, indeed, the fifth public meeting of the Legislative Assembly Management Committee. I am welcoming all of you to join us for this debate this afternoon.

### Adoption of Agenda

**Madame Speaker:** Item 1, approval of the agenda. Any mover and a seconder, or any additions to the agenda? Moved, John Horgan; seconded, Michael de Jong.

Meeting agenda approved.

### Health of the Parliamentary Precinct

**Madame Speaker:** On to item 2, health of the parliamentary precinct. If I might begin today's discussion before allowing the Clerk to make some comments.

You will have noted that the library is going to undergo a renovation in terms of allowing ramped access to the library. You will know that our elevator is inconsistent at best and, frankly, does not allow us to accommodate all members.

[1310]

That, I trust, will be done in the next two to three weeks. Those wishing library access today, please enter from the first floor, and we will proceed as we go.

**C. James (Clerk of the House):** In front of you, Members, today is a binder of information, and the covering letter that's attached to it indicates that the binder is for consideration of the different pieces of material on December 12 — both by the finance and audit committee and by the Legislative Assembly Management Committee — which meets our two-week timeline in terms of preparing information and getting it to the members prior to a meeting.

**Hon. M. de Jong:** What are we on, Craig?

**C. James (Clerk of the House):** Tab 2 of the binder.

I'm going to wander you through the binder, if you don't mind, because it does contain some information that you will need to consider or may consider at the meetings on December 12 — both by the finance and audit committee, which everyone knows is a subcommittee of the Legislative Assembly Management Committee, and in the afternoon, the public meeting of the Legislative Assembly Management Committee itself.

In terms of the health of the parliamentary precinct, if I can just quickly take you through some of the material that's in here that's related to the information being shared with you today. You will see under the red tab several documents. One is the *British Columbia Parliament Building: Long-Term Rehabilitation and Asset Maintenance Plan*, which was prepared by Zeidler Partnership Architects. I'm going to come back to that in a moment, just to set the stage for the consideration by LAMC of some issues which they may wish to deal with on December 12 and by the finance and audit committee.

If you flip over to the first blue page within that, you will see that there are notes for reviewing the five-year plan. Included in the following blue page, if you turn that over, is a very lengthy and comprehensive document relating to a five-year rehabilitation and asset maintenance plan.

These are cost estimates. This is a very detailed plan. I was reluctant to include it in the binder, but I think that because members in the past have expressed quite an interest in terms of where we go from here, what we fix first and how much it is going to cost, Randy Spraggett and his team have put together this particular series of documents. And I'll explain some of this in a moment.

Under the yellow tab are the second-quarter financial reporting statements. Hilary will be able to make some comment on that as well. These documents — one, two and three — relating to the second-quarter financial results were e-mailed to all members and dealt with by the finance and audit committee on November 12, so it's been some time in the hands of the full committee.

Under the blue tab is a finance and audit committee report from its meeting of November 28, which I, Madame Speaker and others from the subcommittee will likely comment on when we get to it.

The brown tab contains a letter from me and a summary of the budget request for the next four fiscal years for Vote 1. It is with some pride that I have to inform members that for the budget request next year, the number that's been landed on is the number that was proposed and approved by the committee last fiscal year for the fiscal year '14-15.

So we're pretty proud of the fact that we've been able to corral costs, reduce expenses in certain areas. That's attributed to the caucuses, who have been very diligent in the expenditure of their funds. It's also a tribute to the various Legislative Assembly branches, which have been very cognizant of the fact that there is a necessary restraint to maintain these costs as well.

The summary, which is provided to all members of the committee, is the material that will be first dealt with by the finance and audit committee on the morning of December 12.

[1315]

Tuesday, next week, the executive financial officer, Hilary Woodward, is anticipating sending to the finance

and audit committee the more detailed information supporting the Vote 1 budget estimates that's in summary form presently. If there are other members on this committee that would like to have that detailed information, we would certainly be willing to share it with you as well.

Under the purple tab we have the annual report for the Legislative Assembly Management Committee, which has been dealt with in the past and deferred, and so it's here if the members are able to attend to that this afternoon.

Now, what I would like to do under my Clerk's update, without confusing anyone, is briefly talk about the long-term maintenance and rehabilitation plan for the Legislative Assembly, which is being placed before you today — not for decision, but for consideration on December 12, and certainly by the finance and audit committee.

The fold-out document actually details what the plan is; the priorities 1, 2 and 3; the costs that would be associated with beginning this rehabilitation plan in current-year dollars; and the cost over the five years for each of the fiscal years. You can see that the costs are fairly significant, but they do not include seismic upgrading, to my knowledge. This is rehabilitation and enhancing the maintenance of this building and bringing it up to a standard that it's not going to crumble.

The finance and audit committee has been advised, and I think that this committee has been advised, that the dome is beginning to twist, which is a problem. Engineers have looked at it, are looking at it and assessing how much it will cost to fix the dome.

The problem with every part of this building is that when you go to fix one part of it, it's attached to another part, which requires to be fixed as well. In fixing, for instance, the dome, it sits on these columns that are supported centrally through the rotunda, and we're advised that if you fix the dome, you should really be looking at and fixing the central portion too.

These are questions that the finance and audit committee in December will be wrestling with, and, presumably, the Legislative Assembly Management Committee in the afternoon. It doesn't mean that a definitive decision is required on December 12, but I think that LAMC would be encouraged to begin discussion on these matters and, to the extent that it's able, to approve the plan in whatever form it settles on — that it does so in a way that makes it palatable both from the taxpayers' point of view but also from an infrastructure point of view in rehabilitating the Legislative Assembly.

I just want to point out several other things relating to the building. We are getting copies of the summary report of Zeidler that we will send to all members of the Legislative Assembly Management Committee. Now, this was done back in 2006, this review, and we have asked the company to update its engineering and its report and also update the costs in terms of the current-year dollar

amounts that would be associated with any of the fixing of the building itself.

Just so you know, we also have a project timeline for all of the building in terms of if we were to start today — but we could start at any point — how long it would take and those elements that would need to be required to adhere to the schedule in order to remediate this building in a way that keeps it standing.

As well, we also have — and I don't mean to burden you with a lot of detail — this particular other project sheet, which is all-encompassing. It's very detailed, put together by Randy — thank you, Randy — that lists every element and area of the building that has been inspected by the engineers and is required, in their estimation, to be attended to at the time when this committee is able to approve the plan in whatever form it takes.

[1320]

That, in a nutshell, as convoluted as it may seem to some, is where we are with the rehabilitation of the Legislative Assembly — enormously complex, somewhat expensive, but we do feel we have the resources and the plan in order to move forward.

The finance and audit committee will be asked to have a look at that. It will be on their agenda for December 12, in the morning. If they feel comfortable in reporting the outcome of their discussions on the afternoon of the 12th, that would be done to the full complement of the Legislative Assembly Management Committee.

**Madame Speaker:** Thank you, Mr. Clerk.

Certainly, we learned recently of some parliaments that have had to move out of their buildings, upwards of seven to ten years, for full-scale renovation. In that I think we all have a special responsibility to ensure that this place carries forward, certainly the scope of whatever is undertaken will be much debated as we go forward, no question.

Any questions?

**Hon. M. de Jong:** What's the nature of the decision that you're ultimately going to be looking for from this group? Is it...? Maybe, as we start to think about this... We're talking about sort of capital maintenance here, and there are various figures being bandied about. Are you looking for LAMC to approve an ongoing capital envelope allocation that work gets fit within? As you look ahead to December, what's the nature of the decision you're going to be asking for from this group?

**Madame Speaker:** I think December is probably a continuing information discussion. I think post-December will be establishing priority. What needs to be done, based on reports we don't yet have, particularly around the dome? Is that the priority? If so, what does it cost? It will come back to this group.

**Hon. M. de Jong:** Of course, then there's.... There are two ways to do this. It seems like we now have.... I think most of us have just received this — at least, I did — so we'll have a chance to go through it. Is it a question of: "We're doing this work; find out what it's going to cost" or, alternatively, "Here's how much money we have; how much of this work can be done"?

**C. James (Clerk of the House):** If I could answer that question to the best of my ability, I think what would be helpful is for representatives of the engineering firm to appear before, perhaps, the finance and audit committee or even this full committee to understand the scale of the rehabilitation that needs to be undertaken, and the priorities.

The document before you, which is folded in your binder, does list in some detail what needs to be dealt with. The engineers have attached a priority, with 1 being the top priority. It also includes costs in today's dollars, across the table and down at the bottom, in terms of what those elements require by way of funding, and it also includes an annual cost over the life of the five-year project.

Rather than, perhaps, having a debate about it now, because you've just received the information which is intended for two weeks hence, if you were to digest this information to the extent that you're able to and talk to either myself or even Randy Spraggett, that would be helpful, too, because he's intimately knowledgeable about all of this material.

In a nutshell, I mean that the request will be for funding. Whether the funding is granted or not, in whole or in part, is entirely your decision to make.

**S. Simpson:** Just on this, I think the finance and audit committee.... We kind of got our first look at this at the last meeting and some sense of the scope of just how big this challenge is, the complexity of it, and obviously with that, the cost.

My sense at this time is that there were some pieces that it's pretty evident need to be dealt with. Like the dome. We just need to deal with it, and it's going to have a cost. Otherwise, we're going to have a serious problem. We need to identify those and figure out: how do we move forward on those?

Then on the rest of this plan, I think it really is about kind of understanding it better ourselves and probably starting to shine some public light on this, as well, so that the public starts to understand the condition of these buildings and that there are real costs involved.

I mean, my hope is that the public would look at these buildings as being a pretty important part of the history of this province and the importance of making sure they're around for a long time to come and that there will be some public support for the need for that investment to make sure these buildings outlast us.

There are some real issues here, and I just think that at this point let's find out what is that number, those things that just have to get done and there's no messing around with it. Then let's have a conversation so people start to understand how complex this is. That's my take on it.

Then somewhere down the road there's going to have to be a conversation — obviously, the government — about what this costs and how it gets paid for.

**J. Horgan:** I echo Shane's sentiment that I think public awareness of the challenge is our first priority. We talked in the finance and audit committee about the seismic issues, and I think there was a consensus that when every last elementary school in British Columbia has been seismically upgraded, then we can attend to this building.

That's a political statement. We want to protect children before we protect politicians. But at the same time, as Shane says, as a born-and-raised Victorian, this building and the precinct have a profound impact on the region. It is the centre of government today for the people of British Columbia.

My question would be.... This is in light of the dismantling of the Provincial Capital Commission, which did not have a role with this precinct. I understand that the National Capital Commission in Ottawa does have responsibility for the Parliament Buildings. If you go to Ottawa or you have been to Ottawa in the past 20 years, they're always doing something. So that speaks to a stream of revenue for that purpose, to protect and maintain that national edifice for all Canadians.

What steps can we take as a committee to first, as Shane says, elevate the public awareness of the challenges here? Randy can make the case on the heating and all of those basic non-up-to-code issues that we have. But why should we invest this money, and how quickly should we attend to it? I think those are the issues that we need to address.

Can you point to me anywhere in the documents where we break out what the costs are for critical issues, secondary issues and issues we'd like...? Like the one, two and three? Have you got a dollar figure for the ones, a dollar figure for the twos and a dollar figure for the threes?

**C. James (Clerk of the House):** Actually, we do. It's all included in there. I don't know if Randy...

**J. Horgan:** Have you broken it out, though?

**C. James (Clerk of the House):** ...would care to speak to that. If you could just come to the table.

**R. Spraggett:** It is showing by the year. What Zeidler has identified as year 1 that should be performed....

Category, priority, No. 1 is identified in 2015 and moving forward through the years. That's giving you your

priority level.

**J. Horgan:** But have we broken out the cost per priority level, I guess?

**R. Spraggett:** No, actually, we haven't.

**J. Horgan:** That's the question I want. So we don't know the total cost, which was how many?

**R. Spraggett:** From what the first year is, we know what that total cost would be, which is the \$5.707 million at the end of the pages. Of all the work we've identified, you can see that there are subtotals by area, such as code compliance work, but not by the individual task. So you can see structural work is up in the top corner, just up in here. You can see structural. You can go down to the next pages along, and you will see heritage work. You can see building envelope work. You can see subcategories there.

**J. Horgan:** Okay. So then the answer to my question is: high-priority issues, \$5.7 million for those in year 1, which is fiscal '15.

**R. Spraggett:** Right.

**J. Horgan:** Then another \$8 million. Those are still priority 1 issues?

**R. Spraggett:** Those would be priority.... If they're coming across, they may be. Number 2 here may have some work related in first year, but nothing in the second year, as you can follow the particular column. Some of it crosses multiple years.

**J. Horgan:** That's what confused me. If it's a second-priority issue, why are we making expenditures in year 1 when there are first-priority issues that are expenditures in year 2 and year 3?

**R. Spraggett:** It may be part of another particular task that we're already doing.

**J. Horgan:** This is a connection — that you have to do this and you have to do that?

**R. Spraggett:** Right. There are so many parts that interrelate within the building, from structural to the mechanical systems.

**J. Horgan:** Okay. We need \$5.7 million next year to start this off.

**C. James (Clerk of the House):** Just for the information of members, these budget summary estimates for next year and the next several years do not include any

additional rehabilitation money that flows out of the document that's before you. That's a discussion, too, that would impact the bottom line of Vote 1 when the finance and audit committee meets on this on December 12.

[1330]

Additionally, I think it would be helpful for a consultant, perhaps this particular company, to attend a meeting, brief the committee and educate both the finance and audit committee and LAMC itself in terms of the groupings, how much it's going to cost, what needs to be done first and in what order.

We do have this particular document. It can be fleshed out in more detail, but you can see that in its present form it's pretty detailed as it exists. But it does leave open some questions, as Mr. Horgan has just raised.

**Madame Speaker:** Randy, thank you. John, thank you. Any other questions?

**J. Horgan:** Just on the National Capital Commission versus the Provincial Capital Commission. I know the PCC had no responsibility for the precinct, so Vote 1 is it. Any capital required comes through Vote 1? Or is there another...?

**C. James (Clerk of the House):** That's right.

**Madame Speaker:** My commitment to both finance and audit and this committee was that we would always have an agenda item on the health of the precinct. What we choose to do is what we choose to do on a go-forward basis.

Questions?

Item 3, the second quarterly financial reports — Hilary Woodward.

### Vote 1 Quarterly Financial Reports

**H. Woodward:** Thank you, Madame Speaker.

On tab 2 of your report are the Q2 financial reports, and they're for the April 1 to September 30 period — so the first six months of the fiscal year. Each report includes detailed explanations of any notable variances, but I'm happy to answer any questions. I'll just give a brief summary on each of the reports.

Report No. 1 is a....

**Madame Speaker:** Excuse me for one second. Would our two auditors wish to join us at the table? Thank you. There's no reason you should miss having some questions posed to you as well.

Hilary, please continue.

**H. Woodward:** The first report, report 1, is a year-over-year comparison of the six-month period ending September 30, 2013. As you can see, the Legislative

Assembly is spending 3.5 percent higher in the current year as compared to the prior year, '12-13.

It's primarily due to higher operating expenses and members services — that's resulting from the payment of transitional assistance to the 32 non-returning members — and in legislative operations.

That's a combination of things. The first is due to increased volume of project work in the parliamentary precinct. We also have some settlement of outstanding contractual obligations and higher IT-related costs related to the election.

The increases I just mentioned were partially offset by lower spending in other departments over the same period and reduced parliamentary committee work, which resulted in reduced operating costs for Hansard.

That's report 1. I will go through the last two reports. Then if you have any questions on the three....

**Madame Speaker:** Any questions on report 1?

**E. Foster:** You've commented on the members services costs largely being attributed to the members who were leaving — the payouts and so on. It was my understanding, though, there was a considerable amount of money that came back from constituency members that didn't use up all their money.

Wasn't there an offset there for that?

**H. Woodward:** Well, this is a comparison of the current-year spending as compared to the prior year. That's why you're seeing that increase.

**E. Foster:** Where's the net?

**Madame Speaker:** He's asking.... The individual constituency offices that returned dollars to the building — where is that reflected?

**H. Woodward:** The return of the money? That goes directly to consolidated revenue fund. It's not netted against the vote.

**E. Foster:** Okay.

**Madame Speaker:** Maybe just next time let him know what that dollar value was.

**H. Woodward:** Certainly. I can do that.

**Madame Speaker:** Report 2, madam.

**H. Woodward:** Report No. 2 is the Q2 operating expenditure forecast. This provides a full-year forecast of the Legislative Assembly operating expenses and the variance as compared to the 2013-14 budget.

Overall, the Legislative Assembly is forecasting a \$3.4

million, or 4.5 percent, surplus for the year. There are forecast reductions in all but two departments — and I have included explanations of the notable variances — primarily due to election costs being lower than budget and then also the reduced number of sitting days.

**J. Horgan:** Well, I wouldn't be doing my job as Opposition House Leader if I didn't ask a question about the cost savings of reduced sitting days. Of course, we can't calculate the loss to our democracy and accountability, but perhaps you could assist in helping me understand what we're going to do with this \$1.3 million? What happens with that \$1.3 million? Are we giving it back to the Government House Leader?

**H. Woodward:** I actually did try to estimate what the allocation of the forecasted surplus would be between election-related reduced sittings and other. It works out to be approximately 25 percent of the savings relates for election-related and reduced sittings — so 25 percent each. The remainder relates to operations, which would be the other 50 percent. That is an estimate.

[1335]

**Hon. M. de Jong:** The number.... I'm not reading the document. Maybe the more or at least as interesting number.... On something like Hansard Services, the year-over-year comparison, just using Hansard as an example, \$3.95 million was the budget. We're projecting \$3.3 million, so significantly under.

Do we know what the figure was for the previous fiscal year for Hansard Services? Or maybe we can get those. I think that's probably year-over-year. It seems like there are savings as related to the budgeted amount, but what was the amount in the previous year?

**H. Woodward:** For the full year for Hansard?

**Hon. M. de Jong:** Yeah. I'm just using that as an example.

**C. James (Clerk of the House):** I've got here \$4.14 million.

**Hon. M. de Jong:** Okay. So the budgeted amount for the previous year was higher, and then within the budgeted amount for this year it's coming in \$569,000 less.

**C. James (Clerk of the House):** That's right, and the actual for 2012-13 was \$3.302 million. So it's coming down.

**Hon. M. de Jong:** Anything that, as you went through it again...? We're all sort of struggling. We're looking at it cast this way for the first time. Anything strange jump out at you, Hilary, when you went through it, that sur-

prised you?

**H. Woodward:** No. Really, the main drivers of the reductions are in members services and legislative ops. Members services — that's due to lower-than-budgeted transitional assistance. When we budgeted, we budgeted on 40 members, and it turned out to be 32, so we have savings. So that's a main driver. Then just the previous conversation that we've had is regards to the legislative operations.

**Madame Speaker:** Any other questions for Hilary?  
Last report, Madam.

**H. Woodward:** The last report is the Q2 capital expenditure forecast. This report provides year-to-date and forecast information for the 2013-14 capital expenditures. Again, the Legislative Assembly is forecasting to be \$955,000, or 28 percent, underspent in the capital for the 2013-14 fiscal year.

The primary driver of that savings is a \$700,000 reduction to the capital contingency reserve. That's held in general centralized expense. This accounts for 73 percent of the projected savings. Also, again, there are explanations of the notable variances included in the report.

**Madame Speaker:** Any questions, comments?

**S. Simpson:** Can you explain that number a little bit, what that number is and what it's for — the 700-and-something-thousand dollars that is the saving? What is that number? What does that pay for, usually?

**H. Woodward:** In the budget we have \$1.1 million of capital contingency reserve, and that's for unanticipated or unexpected projects related to the age of the precinct and the buildings. We often have unexpected surprises regarding capital, so we hold the reserve to deal with those issues.

**Madame Speaker:** An example might be the flooding in the tunnel last year. The cleanup of that would fall into that category — unexpected.

**S. Simpson:** When we follow that up with the first report that we saw, that number will be going away in some way in the future.

**H. Woodward:** Correct.

**E. Foster:** Just a question on that. I'm trying to.... You've reduced that amount by \$700,000. Why?

**H. Woodward:** At this point we're forecasting not to spend that. Again, it is a forecast. If other projects come up, we would revise that forecast.

Again, it's the timing. The report that we just discussed in the first section talked about all the work we need to do, but a lot of times in that type of work we need to do the predesign or pre-consultation before we can start that. A lot of times, because of the significant dollars in the first report, you need to make sure that you've got that commitment to do those additional expenditures before you embark on those.

Right now in our capital budget we end up dealing with the projects that we can afford to do, because our total capital budget currently is just over \$3 million.

[1340]

**E. Foster:** Do we have contingency money in there? Is there enough money in there if we have another flood? That's the whole idea of contingency money, I think.

**H. Woodward:** Yes, we do. We still have the \$1.1 million. What we're forecasting is that we will only spend \$400,000 of that. If there was suddenly a flood, then we would turn around with our forecast and in the next update you would see that certainly we would spend that money and maybe ask for more.

**E. Foster:** Oh, I see. Thank you.

**S. Simpson:** You're not going to have to get down there with a bucket.

**E. Foster:** Wouldn't be the first time.

**J. Horgan:** Hilary, would the variance on information technology be a result of your projection of 40 outgoing members only being 32, so there is no requirement for new technology? Why the variance there?

**H. Woodward:** It would. It also relates to an earlier issue regarding iPads. We had forecasted some savings. I do have that breakdown as well. The election-related capital budget was \$535,000. It was all in information technology. The unspent that we're forecasting to save is \$146,000.

**J. Horgan:** So \$146,000? Here, in item 3, it's \$124,000.

**H. Woodward:** Offset. It could be offset by other increases.

**J. Horgan:** I see. Okay.

**Madame Speaker:** Any other questions? For future meetings, anyone who would wish to receive in a different format?

**S. Simpson:** I think the only thing I would say is not in a different format, necessarily, but if we could get it a

day sooner, that would be good.

**Madame Speaker:** And here we were thinking we were getting it to you two weeks in advance, but I understand your point. Well taken.

Any other thoughts?

Hilary, thank you.

Item 4, report from the finance and audit committee.

### Finance and Audit Committee Report

**C. James (Clerk of the House):** In front of you, you do have a written report by the finance and audit committee. I don't propose to read the whole thing, but I will touch upon its salient features. It does review the meeting of November 12, 2013.

I will read that but not summarize the meetings of January 24, July 10, July 17 and September 17, as members already have the minutes and documentation from those meetings.

The key discussion topics at the November 12 meeting included discussions on the health of the parliamentary precinct; the second-quarter financial results for the Legislative Assembly; members' allowances; a review of the October 2013 posting of MLA expense disclosure for the April to September 2013 period, including recommendations for the next posting; and a Clerk's update on a number of issues.

The Clerk's update addressed the following topics: status of the business continuity planning tender and outsourced internal audit services, hiring of the director of financial services, a status report on Vote 1 budget estimates preparation, a discussion on members' transitional assistance, and an update on the redesign of the Legislative Assembly website.

Committee action items included a summary report to be prepared of essential maintenance versus routine maintenance for the precinct buildings, including anticipated costs; a report to be prepared for the finance and audit committee on information gathered and knowledge gained from meetings at Sacramento, Salem and Olympia relating to business continuity, disaster recovery and earthquake preparedness; provision of a draft budget for consideration first by the finance and audit committee and then by LAMC at their December 12, 2013, meetings.

Review and report upon options to ensure that former members are aware of the re-employment provisions and their potential impact on transition payments under the transitional allowance policy. Possible options discussed included declaration statements — for example, positive monthly assurance for earnings above a minimum threshold to provide additional clarity as to what constitutes reportable employment income.

The following decision items were approved by the committee and are brought forward as recommendations to the Legislative Assembly Management Committee for

approval. Of course, this would be on the agenda for the December 12 meeting.

The first item is tablets. The committee revisited an earlier proposal brought forward at the July 17, 2013, committee meeting that recommended all members be provided with the same tablet device — for example, an iPad. A copy of the initial briefing note is attached for reference in appendix B in your binder.

[1345]

The committee agreed that the technology would support members in a variety of settings, such as parliamentary committees, as well as during sittings of the House and for House documents, while at the same time reducing paper consumption and improving timelines. The committee also agreed that only those members who do not currently have an iPad, for instance, be supplied with one as a means of keeping the costs down.

The member per-diem policy. The committee discussed the current per-diem policy for members and agreed that clarification of the policy could be enhanced by following the policy guidelines on per diems currently used by government. A copy of the revised draft policy is attached for reference in appendix C in your binder.

Appendix A and the other appendices that flow are self-explanatory and are essentially a regurgitation of the previous finance and audit committee meetings, and you're welcome to read those at your leisure.

**Madame Speaker:** Members, any questions?

**J. Horgan:** On the members' disclosure, we're currently disclosing on a quarterly basis. I thought the focus was to be moving to monthly. Do we have any time frame on when we'll be moving to monthly disclosures?

**C. James (Clerk of the House):** Well, we're still operating under the quarterly disclosure, and that's certainly a subject for the Legislative Assembly Management Committee to consider — perhaps, first, the finance and audit committee.

Just so you know, we are preparing now... The next end date will be December 31, so early into December we will be alerting members as to that fact. Then, following the same practice that we've applied previously, we will be collecting the data, sending it to the caucus chairs for their caucus representatives and also individually to members for their review to make sure that the information is accurate from their perspective and, if not, to discuss the potential inaccuracies so that in the end, when the information is posted, it is accurate.

It will also include the same elements as it did before that were new in October, and that is the ministerial travel and committees, so it would be much more robust in that manner. As you may recall, the committee has approved that constituency office expenses will be posted in April, so the cutoff, I think, would essentially be the

end of March — if I'm not mistaken, Hilary?

[1350]

The only wrinkle in posting the information was the collection of the ministerial travel from some ministerial portfolios, which is fine. But we thought what we might do — and the finance and audit committee heard our recommendation — is instead of publishing on January 31, we would perhaps publish at the end of the first week. That would allow us enough time to gather all the data from all the sources and make sure that it's all accurate, and it would all be posted at the same time.

**Hon. M. de Jong:** Technically, did it go okay? Did anyone have...? I didn't get any questions about it or concerns. It seemed to go.... Any criticisms or stuff missing? To the extent that I heard anything, it seemed to be fine.

**Madame Speaker:** Any other items?

**S. Simpson:** Yeah. I'd just like to clarify, just for folks to understand, around the policy revisions on the meals and per diem. Essentially, what we're doing here.... We're not changing the amounts. It stays \$61.

What this policy does is clarify claiming partial amounts, if you're only taking breakfast, lunch, dinner or a couple of them. And then it lays out pretty specifically things like if you're going to an event or to a meeting where a meal is provided, you explicitly shouldn't be claiming that meal. If you get lunch at a meeting, then lunch is off the table in terms of the claim.

I think what this does.... Previously it's been.... It's \$61, and there's been some vagueness about what you claim and when you claim it. So this will provide a whole lot more clarity for members about how they claim and for their staff, who prep their claims probably more than the members and prepare their documentation, to know what exactly they should claim and not claim.

**M. Stilwell:** Just in reference to that as well, the last bar there is "Incidental only," and I'd just like to have clarification on what "incidental only" stands for. Is that in addition to when you only claim a lunch and dinner? Is there an "incidental only" there?

**Hon. M. de Jong:** Like hair care products.

**S. Simpson:** That would be that.

**Madame Speaker:** Thank you, Minister.

**H. Woodward:** Incidental — you can only claim that if you don't claim a meal.

**M. Stilwell:** If you don't have a meal?

**H. Woodward:** If you don't claim a meal, because the \$61 includes the incidental.

**Madame Speaker:** Typically, incidentals have been dry cleaning and things of that nature. Not necessarily a hair care product, but thank you for that addition.

Any other comments?

Please evaluate this appendix on page 8 and come back with some thought, if you wish it to be this or something else that's perhaps clearer, post-December 12.

Item 5 on the agenda, Clerk's update.

#### Clerk of the House: Update

**C. James (Clerk of the House):** Just to continue on, I want to advise members on our internal audit program. I think I mentioned this previously — that Ernst and Young has been retained for our internal audit program. They will be up and running, I think perhaps in January, with a view of maybe winding down the project over time.

We do have a fairly in-depth internal audit program that I would like to see undertaken internally within the various branches.

Our business continuity is coming along quite nicely. We have retained Risk Masters for our business continuity, disaster recovery and earthquake preparedness program, phase 2. We're really eagerly looking at having them help us through the next phase as well.

I just want to reiterate, for members who are referring to the *Members' Handbook* and information about policies and practices, to continue to refer to members.leg.bc.ca, which is a public site that lists all the policies that we currently have. Ignore the *Members' Handbook*, which is going to be rewritten, essentially from an extract of the members' orientation website.

I encourage members and the public and others who have an interest in these matters — all of that is public. It's in the public domain and certainly on the public website.

Just so you know, we're also dealing with a number of internal policies, some of which will affect members, we believe, particularly in their constituency offices. We're assembling for the finance and audit committee to examine an inventory, an asset control, for constituency offices, which flows from the close-down of the constituency offices at the end of the last parliament.

There are a number of other policies that are being examined internally that we hope to place in the hands of the finance and audit committee early in the new year and that will ultimately be brought forward to the Legislative Assembly Management Committee in due course.

**Madame Speaker:** Thank you, Mr. Clerk.  
Any other items?

**Legislative Assembly Management  
Committee: Draft Annual Report, 2012-2013**

**C. James (Clerk of the House):** There's just one final document in the binder that's before you. You can deal with this now or deal with it later, but it has been a recurring theme. That's the *Legislative Assembly Management Committee Annual Report, 2012-2013*. I know that the Deputy Clerk and Clerk of Committees, Kate Ryan-Lloyd, would be happy to speak to that further, if you wish.

**K. Ryan-Lloyd (Deputy Clerk and Clerk of Committees):** If I might, just for the information of members. You may recall that the draft annual report, which was prepared on your behalf, in conjunction with the Legislative Assembly Management Committee Act, was provided to members of this committee at your last meeting in September. Because not all members of the committee were present at that time, it was agreed to be deferred for further consideration to this meeting, so it has been included in your meeting binders today.

In essence, the draft report summarizes the work of this committee for the period of time from January 2012 to your last meeting in the last parliament in January 2013. As it usually does, it also includes a list of thematic decisions by topic area at the end of the report.

Should it be the wish of the committee to adopt the report today, I happen to have with me a copy of a potential motion that could be used to that effect. If not, certainly, we'd be pleased to bring forward the annual report for further consideration at another time.

**S. Simpson:** I would like to suggest to the committee that we put it on the agenda for December 12 — to adopt the report on December 12. It will give us all a chance to revisit it one more time with the changes, and we can commit to an adoption of the report on the 12th of December. Hopefully, it will keep the Deputy Clerk's anxiety levels down about getting the report out.

**Madame Speaker:** Thank you, both.

At this juncture, I would advise members that the committee is going to move in camera. If I could have a motion to that effect.

Moved Foster, seconded Horgan.

Motion approved.

**Madame Speaker:** I would ask the observers in the gallery to kindly excuse themselves at this time.

The committee continued in camera from 1:55 p.m. to 3 p.m.

[Madame Speaker in the chair.]

Motion to adjourn approved.

**Madame Speaker:** Thank you very much for your time.

The committee adjourned at 3:01 p.m.



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