



Second Session, 40th Parliament

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REPORT OF PROCEEDINGS  
(HANSARD)

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# LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

**Victoria**  
**Tuesday, May 6, 2014**  
**Issue No. 6**

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

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**LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE**

Victoria  
Tuesday, May 6, 2014

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

*Members:* \* Hon. Michael de Jong, Q.C. (Abbotsford West BC Liberal)  
\* Eric Foster (Vernon-Monashee BC Liberal)  
\* Bruce Ralston (Surrey-Whalley NDP)  
\* Shane Simpson (Vancouver-Hastings NDP)  
\* Michelle Stilwell (Parksville-Qualicum BC Liberal)

*\* denotes member present*

*Legislative Assembly Officials Present:* Craig James (Clerk of the House)  
Kate Ryan-Lloyd (Deputy Clerk and Clerk of Committees)  
Gary Lenz (Sergeant-at-Arms)  
Hilary Woodward (Executive Financial Officer)

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## MINUTES

# LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE



Tuesday, May 6, 2014

2:00 p.m.

Birch Committee Room

Parliament Buildings, Victoria, B.C.

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

**Legislative Assembly Officials Present:** Craig James, Clerk of the House; Kate Ryan-Lloyd, Deputy Clerk and Clerk of Committees; Gary Lenz, Sergeant-at-Arms; Hilary Woodward, Executive Financial Officer

1. The Chair called the Committee to order at 2:04 p.m.
2. **Resolved**, that the Committee adopt the agenda as circulated. (Michelle Stilwell, MLA)
3. The Speaker made a statement regarding strengthening oversight and reporting of Legislative Assembly expenditures and provided the Committee with an overview of three reviews of Legislative Assembly programs and expenditures currently underway.
4. **Resolved**, that the Committee adopt the minutes of March 11, 2014. (Shane Simpson, MLA)
5. The Government House Leader made a presentation entitled "*MLA Expense Declarations*".
6. **Resolved**, that the Legislative Assembly initiate work towards expanding the quarterly public disclosure reports to include reimbursable receipts in support of Members travel expenses and constituency office expenditures with appropriate redactions addressing security concerns. (Hon. Michael de Jong, Q.C., MLA)
7. The Speaker provided the Committee with an update on renovations relating to the Health of the Parliamentary Precinct, including seismic monitoring, emergency preparedness and the accessibility agenda.
8. The Committee received a report from the Finance and Audit Committee summarizing the meetings of March 25, April 1 and April 29, 2014, and providing recommendations for the consideration of the Committee.
9. In reviewing the Finance and Audit Committee recommendation regarding the policy for Out-of-Province Travel, it was agreed that further consideration be undertaken by the Finance and Audit Committee with respect to specific details including the proposed name change of the travel category currently known as Speaker Approved Travel.
10. It was further agreed that accompanying persons in the family travel category would no longer be eligible to receive per diems.
11. The Committee recessed from 2:47 p.m. to 3:04 p.m.
12. The Committee received information relating to an assessment of the Capital City Living Allowance, which continues to be under consideration of the Finance and Audit Committee.

13. The Executive Financial Officer provided the Committee with three reports for consideration and approval: a capital project pre-approval report of projects greater than \$5,000, a capital project pre-approval report of projects greater than \$25,000, and a capital project pre-approval report over \$5,000 but less than \$25,000.

14. **Resolved**, that based on the recommendation by the Finance and Audit Committee that the Legislative Assembly Management Committee approve all capital projects less than \$25,000, as a group submission, subject to the requirement that should the initial estimate for any project change by 10 per cent or more or the scope change significantly, that the project be re-submitted to LAMC for approval. Further that LAMC continue to approve all capital projects greater than \$25,000, on an individual basis, subject to the same price and scope change requirements as noted for those capital projects less than \$25,000. (Shane Simpson, MLA)

15. **Resolved**, that the Finance and Audit Committee perform a systematic review of all key financial policies and controls affecting MLA and Legislative Assembly spending, for consideration and approval by the Legislative Assembly Management Committee. (Michelle Stilwell, MLA)

16. The Clerk provided the Committee with an update on the following projects and programs: business continuity planning, internal audit program, accountability reporting, the Finance and Audit Committee work plan, and an overview of the Legislative Assembly Support Programs Accountability Review (LASPAR), currently underway.

17. The Deputy Clerk and Clerk of Committees provided the Committee with an overview of the draft outline for the proposed *Accountability Report*, and described the proposed "Accountability" section for the Assembly's website to accompany the Report, as well as other information relating to additional Assembly accountability and transparency initiatives. A summary of petition guidelines to be added to the Assembly website was also noted.

18. The Committee adjourned to the call of the Chair at 3:51 p.m.

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

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

TUESDAY, MAY 6, 2014

The committee met at 2:04 p.m.

[Madame Speaker in the chair.]

**Madame Speaker:** Good afternoon, hon. Members. If I might call the Legislative Assembly Management Committee meeting to order.

### Adoption of Agenda and Minutes

**Madame Speaker:** A motion to approve the agenda as circulated. Michelle Stilwell. Second? Excellent.

Hon. Members, today the Legislative Assembly Management Committee will be looking to take action to implement the finance and audit committee's April 29, 2014, recommendations to strengthen oversight and reporting on Legislative Assembly expenditures.

We will discuss changes to strengthen policies for both accompanying-person and out-of-province travel expenses. We will consider the process for the review of capital projects and approvals. We will consider the implementation of a systematic review of all key Legislative Assembly policies, both financial and operational. These actions will support our continued and ongoing commitment to increased accountability and transparency.

[1405]

Later this week the assembly will release the new quarterly report on members' compensation and travel expense disclosures on our external website for the April 2013 to March 2014 period. I am pleased to note that by the end of May the assembly will also publish for the first time members' constituency office expense quarterly reports on our external website for the January to March 2014 period.

I would also like to have the record show that this is the ninth meeting of LAMC in the public domain since the 2012 audit of the assembly. As you know, LAMC has delegated financial stewardship and some oversight responsibilities to its finance and audit committee. To date the finance and audit committee has met 12 times since its formation in December of 2012. A report including four recommendations from the finance and audit's recent meeting in April will be considered later this afternoon.

I would also like to update the committee on some of the activities currently underway at the Legislative Assembly. First, at our September 24 meeting we agreed to appoint Ernst and Young as the internal auditor for the Legislative Assembly. The internal audit team met with our finance and audit committee members on March 25. They will return to the finance and audit committee in late May with a three-year, risk-based internal audit plan. Target start date for this plan is June of 2014.

This plan will include a number of targeted program reviews that will focus on financial decision-making and internal controls. Ernst and Young was appointed follow-

ing a rigorous tendering process on a renewable contract for up to three years.

Second, the Office of the Auditor General is our external auditor. The external auditors will be assessing the reported financial information of the Legislative Assembly to ensure it is free from material misstatement. This will be the first year that the Legislative Assembly's financial statements have been prepared and audited. The targeted release date for the Auditor's report is October 2014.

The financial statements will form an integral part of the Legislative Assembly's first annual accountability report, a report designed to highlight the financial and operational activities for the 2013-2014 fiscal year.

Third, the Clerk is also leading a review of assembly support programs for all departments under his direction. He will speak to this review within the Clerk's update portion of the meeting.

I am confident that these three separate reviews will result in beneficial recommendations for consideration by LAMC in the coming months on Legislative Assembly operational effectiveness and efficiency. I look forward to our discussions on how we can continue to enhance our financial processes, strengthen accountability and improve transparency.

Hon. Members, this leads us to....

**Hon. M. de Jong:** Could I ask a question?

**Madame Speaker:** You certainly may.

**Hon. M. de Jong:** Sorry if I missed it. On the agenda, just as this thing evolves and we're getting some.... Is tab 7 the capital project update? We talked at our last meeting about having a regular capital project update. Is that what tab 7 is?

**Madame Speaker:** Our executive financial officer, Hilary Woodward.

**H. Woodward:** No, it is not. It's the capital project pre-approval request.

**Hon. M. de Jong:** Okay. We talked about a monthly capital project update. Is that somewhere else?

**H. Woodward:** It'll come as the package with the next quarterly release, and that will be at the next finance and audit committee meeting at the end of this month.

**Hon. M. de Jong:** The minutes from March 11 said: "It was agreed that the committee receive monthly capital project updates." I mean, that's what the minutes said. That's my recollection. Bruce wasn't here, but Shane, is that your recollection as well?

**S. Simpson:** I think we've been seeing them at finance and audit.

**Hon. M. de Jong:** Oh, you have.

**S. Simpson:** We've been seeing regular updates.

**Hon. M. de Jong:** All right.

**S. Simpson:** We got spreadsheets with every item in it.

**Hon. M. de Jong:** Good. That's all I wanted to check. Great. Thank you.

**Madame Speaker:** Number 2, review of the previous minutes. Any other items, business arising? Motion to accept the minutes as circulated?

Motion approved.

**Madame Speaker:** That leads us to item 3.

#### Presentation by Government House Leader

**Hon. M. de Jong:** Just a couple of things, because I think there's been some commentary around it.

First, I think we've made good progress around here. It didn't always go as quickly as we necessarily want. This presentation derives from a couple of things. First of all, ongoing questions. It's a suggestion I'd like to make to the committee. I'm mindful, by the way, that others on the committee have advocated something similar. Shane, I'm reminded of your letter earlier. I don't think there's any pride in ownership here.

[1410]

The proposition is that British Columbians should have at least as good access to information as Canadians in other provinces. What I hope over the next five minutes to be able to do very quickly is show the committee how Canadians in other provinces, in other jurisdictions, can gain access to, certainly, the information that we are now collating and providing, but even a little bit more information than that.

This is Alberta. Not that I'm Mr. Tech Savvy, but if I'm in Alberta and I want to find out what my MLA, who happens to be the Finance Minister in Alberta, is up to, I go to their website, "Members of the Legislative Assembly." I click on that. I go, and I find Doug Horner in there. You see they have the little icon here, "Expense disclosure reports." I click on that, and I get to this page, and they've got them itemized.

We do all of this now. That's not a big deal. We do this.

From here, you click again. Now you start to scroll down. You get their summary report. Again, we now do this. We have, happily, a similar...

I'm looking and I see: "Oh look. Doug Horner, in his constituency office, spent \$335 on something called 'hosting.'" I click down, and I see an expense claim document that I guess they use. I scroll down a little more, and there. They had a Christmas get-together at SandyView Farms, and they brought in some veggie trays, and it's 350 bucks.

That's what happens in Alberta.

In Toronto it's.... I'm not sure when we think of city council in Toronto that disclosure is the first thing that comes to mind. In fairness, it may not include all of the interesting expenditures that mayors in Toronto....

Nonetheless, I go there. I go to "City hall." This is all click, click, click. It's admittedly a little more advanced, a little more user-friendly. I click on "City hall." I go to "Your councillor." I click. They've got a thing for expenses. I click again. "Council general expense budget." I click again on that, and I see their general expense reports.

Now, they list their expense reports a little bit differently. I guess they list them by their councillor. So I'm interested in Doug Holyday. He's got an expense amount of \$1,957. I can click on that, and I can see that under the categories they have the amount that he has purchased, office equipment and supplies. I want to know what this is about. I want to know what the office equipment and supplies are, so I click on that.

I see: "Oh well, he had a hardware upgrade, and it looks like he bought an iPad for \$668." I click once more, and I get the request-for-reimbursement form. I go one more, and there it is. There's the receipt for the iPad purchase.

I think that of the two systems, the Alberta one probably lends itself better to what we have developed here. It just means going the next step. My sense is that everyone is kind of on board with that, and it's just a matter of doing it and sort of expressing the will to get on with taking the next step.

I'm sure there's probably a conversation, but I'm happy to make the motion to do that.

**Madame Speaker:** I thank you for the presentation. You'll be pleased to know that the committee grappled with that at the last finance and audit, and in fact, to post travel claims is a recommendation that's coming forward today.

Any other comments?

**E. Foster:** Where are we here? We've made a motion.

[1415]

**Hon. M. de Jong:** Then, to be fair, so that people have a target, if that's the right term....

I would move that LAMC initiate the work to see the posting of reimbursable receipts as it relates to the operation of constituency offices and personal expenses, with this exception, and these are security-related exceptions. For accommodation, the names of the hotels should be blacked out. I am told that there is concern around flights — that flight numbers and times would also be blacked out for security reasons.

If another issue reveals itself from a security point of view, we should deal with that as well.

That would be the nature of my motion. I would suggest we contact Alberta and see about taking the next steps to implement. That's my motion.

**S. Simpson:** Just in regard to this, I think there's been a discussion going on for the better part of a year about this. We wrote to LAMC in July of last year when we made the decision to go to line by line, by essentially publishing our invoices, our requisitions that we put forward. We essentially publish them every month, in the opposition. At that time, in July of last year, we asked the Speaker and members of LAMC to do something across the system, and it wasn't something that was moved forward on. There was not a decision to do that.

I think I heard the Finance Minister today, when he was on the radio, saying he was hopeful that he would have more luck with his caucus now than he might have had a year ago on this matter. I know he was publishing his own expenses at the time, but at that time there wasn't a lot of appetite for this.

It's something that we've been pretty clear and supportive of. I guess the point that I would make.... It is raised here, and one of the things that we said in the letter, as well, was to say that we were going to move forward on our disclosure and that we knew the assembly wasn't in a position to support it at the time but that, in fact, in the releasing of receipts, we did have to protect some personal privacy and security measures. The Finance Minister has spoken to some of that.

I think there are some pretty simple ways to do this. There's certainly not much difference between what we do, in terms of the ease for financial services, as well, because all of this will cost money. One of the challenges, one of the reasons we didn't go to receipts on our own was because the redacting of information needed resources that we simply didn't have in the caucus. We figured it would take us half a person to spend all their time redacting receipts from these issues.

That means we're going to have to apply some resources here and agree probably to some additional support to do that if we want to do it across the board as well. A lot of what's in especially the Toronto stuff, I think, relates much more to the constituency office accounts. I don't know. I'm pretty sure that colleagues here....

We have a situation where if you look at what we bill, it's pretty much travel, some kind of travel. It's hotels and accommodation, and it's \$61 or some portion of it. I can't think of the last time I had anything else on one of my expense claims than those three things. So it's not a big list of things to do.

We've been prepared to do this since last year. I think the caucuses have to be supportive of it. If the government caucus is supportive of it, then we probably have some room to move.

**M. Stilwell:** I'm fully in support of the disclosure. Obviously, going forward, every step we make to transparency is a good move. Members of our government and opposition currently already sign off on those expenses every single week. So to make them public is just a matter of how we post them and how we get them to the Internet for the disclosure, for the general public to access.

[1420]

My concern, again, would also be, reiterating what Shane says, in regards to the receipting and how we process that and making sure that we're all comfortable with any additional costs that will come with somebody who will have to do that tedious work.

Motion approved.

**S. Simpson:** I have a question now that we've passed the motion. It is my sense that in terms of making this operative, now it will go back to look at what the systems might look at, and then presumably finance and audit will sign off on a recommendation of a system in the next short while, and when LAMC meets again — I don't know when the next LAMC meeting is scheduled for — it will come back here for a final approval. Would that be the process?

**Madame Speaker:** Finance and audit will meet the 13th of May and the 27th of May, and at the conclusion of today's discussion we will set the next LAMC meeting date.

**S. Simpson:** Probably sometime in June?

**Madame Speaker:** June or July. We'll make sure that happens.

**S. Simpson:** And sign off on the process then?

**Hon. M. de Jong:** I think it would make sense for us to set an operational date objective. Otherwise, there are always ways for this stuff to slip off. I think we should stick with the quarterly posting — I think that works — so that it's updated on a quarterly basis. We're in May. It would be nice to have this operational for September 1. I'd love to do it sooner, but I think that's realistic.

Practically, what I would suggest, if people's initial reaction to this is "Let's call someone in Alberta and find out what they do...." We don't have to reinvent some grand software package, I don't believe. The system they have there is a pretty good start, I think.

If we can get that done and maybe set as an objective the reconvening of this body within a month to sign off on whatever is discovered, we should be able to hit those timelines.

**S. Simpson:** Well, just a couple of things. One is we'll talk to staff to give them the process that we use. It's pretty straightforward. We don't have a lot of complexity, and we get it done every month without a lot of trouble. It's basically the forms that we sign off. We just submit those. They are line-by-line detail of everything that gets spent, and the difference would be adding some kind of receipt package to that — one click down, and you would have essentially, I think, what the minister's talking about.

We agreed to do this as soon as is reasonable, and I'm

sure that we'll continue with the current system. We will continue to do ours on a monthly basis until there is an overall system for the Legislature. We'll just continue our practice of releasing every month until we get a system in place that everybody signs off and is operative and ready to take over in September or whatever. If September is the date, that's fine by us.

**Madame Speaker:** Minister, with respect to your presentation — I think it's page 3 — the member expenses disclosure report looks very similar to what Kate is handing out now in terms of being our travel claim form.

**Hon. M. de Jong:** Yeah.

**Madame Speaker:** That could be the starting point, if that's the will of the meeting.

**Hon. M. de Jong:** I think so.

**Madame Speaker:** Take a look at it, even though you see it regularly. Remind yourselves if there's enough similarity there between the paper and the discussion point. If there is, we can easily put it on the agenda for both May 13 and May 27.

**B. Ralston:** Just a question. I mean, receipts are submitted now, and they're vetted by third parties, the comptroller's office, and they're not paid unless there is a receipt. What's the magic in going to all the trouble of actually producing a receipt? Do people believe that these claims are being submitted fraudulently and that there are no receipts supporting them? I mean, do people not understand that there are receipts supporting them?

I don't disagree that there are receipts. I guess that's the direction we're going, and that's what we'll do, but it just... Everything that I do, everything that I submit, has a receipt now, and it's submitted to a neutral third party, scrutinized, and if there's a receipt supporting it and it's valid, then it's paid.

I just wonder if the minister feels it's absolutely necessary to have the receipt that is already being submitted and being processed by a neutral third-party financial officer.

[1425]

**Madame Speaker:** In addition to that, members now bear the cost of their credit cards, and only what is reimbursable is reimbursed. That has been lost in the debate as well.

**B. Ralston:** Right. I mean, is there...? I can't imagine there's any suggestion of fraud. I can't imagine there's any suggestion, I mean, given those barriers. I suppose we can do the receipts. I don't have an objection to it. It just seems to me to be an expense that... It's going to take a lot of time, and once that process starts, no one is going to look at the receipts. Maybe they'll look at them the first time. After that, they won't look at them ever again.

**E. Foster:** I tend to agree with Bruce on pretty much everything he said there, but it's obvious that somebody wants it. We seem to read about it in the media every day. Someone obviously feels that we're stealing money, or there wouldn't be this big push for us to do this. If everybody felt that the system was working the way it is, we wouldn't be going through this.

I tend to agree with Bruce. Everybody is going to see it the first few times, and they're going to realize that it is as said. But it seems to be the way of the world, so we'll have to carry on.

**Hon. M. de Jong:** Yeah, it'd be nice if... To the question, "Why do they want it?" They want it because in Nova Scotia there was fraud. And there have been enough...

I'm tired of answering the questions. I think it was Bruce who said that when the receipts are posted, it will largely — I believe — eliminate the questions, eliminate the issue, and we can get on with doing what we're paid to do. So yeah, we'll develop a system. It'll become standard fare, and hopefully, the issue will disappear as an issue. I think it will.

**S. Simpson:** And we'll create a job for somebody, because it often means that somebody else will have to be doing this work. So we'll create another job. That's always good.

**Madame Speaker:** Any other comments with respect to the minister's presentation?

**E. Foster:** If I could, to what Shane just said, I think it's important that people realize none of this comes for free, but people want this. I get it, and we'll do it, and I have no issue with it. But it comes with a cost. Just so everybody remembers all of these things — that there will be a cost to it.

### Health of the Parliamentary Precinct

**Madame Speaker:** That brings us to item 4 on the agenda, "Health of the Parliamentary Precinct" — the health, safety and accessibility piece.

As to reporting back ongoing discussions re seismic and emergency preparedness, currently we're in discussions with the BCSIMS program, which is the smart infrastructure monitoring system, whether or not it's appropriate that the assembly participate in that ongoing program.

With respect to the accessibility agenda, we've added two more accessibility parking spots in the east driveway. We've added new automatic door closures on the second-floor east and west hallways, the same for the second-floor doors at the breezeway to the east annex and on the first-floor east and west hallway doors and doors leading to the east annex via ground level — seven in total.

We also installed automatic door closures on the handicapped-accessible washrooms for both the men's

and women's washrooms near the dining room. We also finished the ramp to the library on the second floor. We are currently working on the handrail to the dining room from the second floor. As you will know, we have many senior guests who come to lunch, and the stairs are slippery at the best of times.

Please allow me to put on the record my thanks to all the staff involved. We are making progress on our accessibility agenda.

Any questions, any comments? Any pieces of work that anyone would wish to bring forward?

**S. Simpson:** Maybe for the purposes of LAMC, just a little bit of information about the bigger picture of where the building is at.

**Madame Speaker:** We're in the data collection phase at the moment. Certainly, I'm happy to bring it — probably the 27th of May — back to finance and audit. We'll have a bit more detail then. I know that the Ministry of Justice has just done an event on seismic upgrade in terms of how we're... Hopefully, we'll coalesce all of those pieces of work and research, because at the end of the day, we need one program, one plan. But you will know that there are lots of individuals in the mix at the moment.

**S. Simpson:** With lots of ideas.

**Madame Speaker:** Yes. We are working our way through that process.

Any other comments?

That brings us to item 5, report from the finance and audit committee.

### Finance and Audit Committee Report

**Madame Speaker:** You will have, in your binders and on your pads, March 25, April 1, April 8 and April 29 meeting summaries. I'll leave you a moment to peruse. Anything anyone wishes to bring forward in detail, please do.

[1430]

**Hon. M. de Jong:** Madame Chair, how are we going through this? I had a couple of questions at tab 4, which is out-of-province travel. There's a policy that came from the committee around that, and then accompanying-person travel.

I'm not sure how we want to go through these, but I had a couple of questions about both of those things.

**Madame Speaker:** Just start at tab 4. We'll work our way through.

**Hon. M. de Jong:** The committee looked at the policy around out-of-province travel. I notice in the recommen-

dation it is to change the travel category title from "Speaker-approved travel" to "Out-of-province travel." I don't want to hang too much on titles, but I actually think it needs to be "Speaker-authorized out-of-province travel."

As I read it, it's still Speaker-authorized. I don't want to create the impression that suddenly there is a generally expanded entitlement to out-of-province travel. It is still Speaker-authorized.

**Madame Speaker:** Correct.

**Hon. M. de Jong:** So that's the first suggestion that I would make.

On the subsequent policy around accompanying-person travel, which is at tab 4 as well, here's how I read this, and if I'm reading it incorrectly, tell me. The committee wanted to offer up some greater certainty around the ability members have to designate up to 12 return trips each fiscal year for travel with an accompanying person.

It talks about the policy, and it seems like the proposal is to designate three groups: family travel, who could qualify for one or all of those 12 trips; constituency and legislative assistant travel, which would seem to be self-explanatory, as well, for one or all of those 12 trips; and then it looks like the committee is recommending a third category, something called business-related travel.

One, I don't know what that is; and two, to the extent that I understand what it is, it actually struck me as expanding the group of people who would qualify for taxpayer-supported or taxpayer-reimbursable travel. If that is so, then I'm not supportive. But maybe what I need is an explanation for...

It says here: "Business-related travel. Any person other than caucus or ministerial staff who has travel funding through their associated organization may be designated as an accompanying person for the purpose of business-related travel. Travel under this category requires verifiable documentation."

I don't know who this would be. I don't know who would qualify for business-related travel. Family members are pretty broadly defined, by the way: spouse, common-law partner, child, parent, guardian, sibling, grandchild or grandparent. So family travel, constituency and legislative assistant travel, and then this new third category, business-related travel. I don't know who that is.

**Madame Speaker:** I can certainly say that this flowed from a discussion at the last meeting, and this is how the discussion has been reflected. But there's been no acceptance of this as the policy on a go-forward basis. So if anyone wishes to speak to it...

**H. Woodward:** It is not an expansion of the existing policy. It actually was dealing with a clarification. If I can just refer to the existing policy, it refers that "an accompanying person may be an individual of the member's

choosing but is typically a family member. A constituency assistant or a legislative assistant also qualifies for accompanying-person travel."

The finance and audit committee, when they were looking at this and came up with different categories, was to identify family and then, of course, staff. Then there was that other category. What we were looking at was to maintain that ability but put further clarification regarding verifiable travel, so we talk about "verifiable documentation." The expectation is that you shouldn't expect to see a lot of people in that category. But it's still there.

[1435]

**Hon. M. de Jong:** Okay, thanks. That clarifies where it came from. Who is it? Who falls out and...? My sense is.... I get that there were 12 trips.

"An expert on a government issue who is required and/or invited to attend a meeting." I guess that's from the existing policy.

I don't know if it's been used, but I get the fact that there's been a longstanding policy to have taxpayer-supported travel for a family member and a staff. I'm not sure we need a category that basically says "anyone else you want to designate."

**Madame Speaker:** What is the will of the group?

**S. Simpson:** I guess that it's a question about how you would support this. If you were looking, as a member, to bring in somebody with expertise for your work, could you do that, and could you use the trip?

At the end of the day, what we're doing here is: there's some clarification. There are still 12 trips. You're going to have to sign off on them as a member, and you're going to be accountable for explaining why that trip occurred when somebody asks. It's all going to get reported.

I think the issue has to be that the member is accountable for the decision they make about those 12 trips, should they choose to use some or all of them. They're going to be held accountable for who it was who took the trip, why it was relevant, why it made sense and how it was germane to what you do for your work. Or if it was a family trip, was it a legitimate thing to do with your family?

We're going to all be accountable for those 12 trips, one way or another. I'm not so concerned about it as long as the accountability continues to remain there.

**Hon. M. de Jong:** First of all, I actually don't understand the wording. "Any person other than caucus or ministerial staff who have travel funding through their associated organization." Well, if they have travel funding through their associated organization, why do they need it from us?

**Madame Speaker:** I'm sure that's referring to caucus administrative travel. I think that line's referring to caucus administrative travel: "staff who have funding through their associated organization." I think that's how it reads.

**Hon. M. de Jong:** No, no. No, it doesn't mean that.

In any event, I get the argument. I think it's overly broad. I don't think the purpose of this was to.... I mean, caucuses have budgets. I don't think the MLA travel reimbursement entitlement is the appropriate place to create a category that says "and anyone else we deem to be useful."

**Madame Speaker:** Point is well taken.

**M. Stilwell:** I think my point would be that when the 12 accompanying travel persons came into account, my understanding is it was about families and keeping families together. I don't see where the business-related travel piece falls into that understanding.

I am on the same page as the minister in regards to the business-related travel. It sort of vaguely opens the door to any other person who's willing to come for a trip to offer their expertise — that the taxpayer should be footing that bill. I'm in disagreement with that.

**B. Ralston:** I'm new to this, and I didn't attend the committee meetings, but is there any history of the use of this provision? Are there any documents or any examples, rather than just talking about it in the abstract?

**C. James (Clerk of the House):** This is really the result of the MLA compensation commission review some years ago, where the commission was very sympathetic to members being away from their home. The government caucus chair is quite right. It was originally designed to keep families together, whether it's in Victoria or elsewhere in the province, and members travelling the way they are. That's how the issue came....

It started years and years and years ago at a far lesser amount. But it was decided that 12 would be the appropriate number, and LAMC agreed to it following the issue of the report.

[1440]

**Madame Speaker:** So it would suffice to say I'm not hearing a ringing endorsement.

Minister, if you would replace those two commas with brackets, it actually would make sense. But that's no rationale to keep it. It was only a discussion, and this was crafted post-last meeting. So if it doesn't reflect what was discussed, there's no reason we can have it as an underpinning.

**Hon. M. de Jong:** Okay. Clearly, I'm suggesting that we delete that category. If it's something that representatives decide we want to revisit, then, we can revisit it.

The last item....

**M. Stilwell:** Sorry, I'd just like to comment. If we're deleting that category, we're also deleting the other paragraph that you've already deleted. It's wiped out completely, if that's what we're discussing and revisiting later. So the second one?

**Hon. M. de Jong:** Yes.

On page 4 of attachment A.... Only because we're going through this now and I'd like to do this once and not have to do this again, I'm going to pose the question. I clearly have a view on it.

We have these 12 trips. We specified with great particularity who is entitled to have the taxpayers pay for their travel. Whilst I don't question in any way the entitlement for someone who is working — a constituency assistant or a legislative assistant who is coming to Victoria — to receive the per-diem entitlement that would flow from performing your duties here, I actually don't think that if you bring your child to Victoria, they should get a per diem. I don't know of another way to say that that isn't.... But I don't think that's the intention here.

So with respect to the per diems, I would suggest that that should apply to the staff that are travelling. I don't actually think it should apply to family members.

**Madame Speaker:** What is the will of the group?

**B. Ralston:** I mean, it's hard to imagine that one wouldn't feed one's child when they're here. I guess the suggestion is that the per diem for the adult is sufficient to include the child? I don't know. I mean, maybe a lower per diem for a child. If the goal is family friendliness, if the goal is to keep families together, if the goal is families first, then, surely there should be some consideration to the fact that you're going to, obviously, want to feed your child when you're here. It may be a lower rate, but it just seems hard to understand the rationale for that.

**E. Foster:** I don't know exactly where the minister is going with this, but my feeling on it is this. Other than staff people that are working, I don't think that any of the accompanying people should get a per diem. That's my feeling. I mean, you feed them at home. There's no reason that, because they're here, the taxpayer should be feeding them.

We get a per diem because we're here working. And if our CA comes down, they get a per diem because they're here working. But when accompanying people travel — spouses, children, grandparents, whatever — I don't think there should be a per diem built in for them.

**Madame Speaker:** Any other comments?

So is it the wish of the committee that we take this back to finance and audit?

**Hon. M. de Jong:** We can keep going around, but I've been pretty clear on my views, and we've heard from

others. I think we should make a decision. We say here that if grandma or grandpa or both want to come and visit you in Victoria, if you choose to do so, the taxpayers will pay for that trip.

I think people look at that and say: "And they've got — what is it now? — 60 bucks now or 61 bucks. Well, what's the deal with that?" So fine, we're saying grandma and grandpa can come down. We've agreed to do that. But you know, I believe grandma and grandpa can feed themselves.

[1445]

It's not like we're paupers. It's not like we aren't paid a good wage to do this.

**S. Simpson:** I hear the minister, and I get the minister's point. I guess what I'd say about decisions.... And I think it's pretty clear. The minister is pretty clear, and some of his colleagues have been pretty clear about their view. That's all good.

I'd just say that we have a process here. We're going to make decisions about out-of-province travel, I think. The other stuff is for a discussion. We're going to bring it back. I'm not excited about one-off and bits and pieces of this. The advice is good, but I'm not interested in an ad hoc approach as to how we write the policy, and there are reasons for that.

I think there is no question that the sentiment is pretty clear. If it comes back and it doesn't reflect what the minister is saying, the minister is going to tell us about it when LAMC comes again.

But I'm looking for.... This is for information so that there can be direction. At the end of the day, though, I think we need to allow that direction to be crafted without being overly prescriptive at this point. It will all come back here and get decided here ultimately anyways.

**Madame Speaker:** Any other comments?  
Any other items under item 5?

**Hon. M. de Jong:** Oh yes, the dangers of sitting in the chamber and having time to read everything.

Could we just be cautious about...? I'm on page 1, LAMC finance and audit committee briefing note, clarification and enhancement of Legislative Assembly financial controls. The second paragraph: "While Legislative Assembly spending may not be material from a total government perspective...." It's actually millions of dollars, so it's pretty material. As a fraction of the overall budget — fair enough.

But let's not diminish in documentation that we are now disseminating happily to the public.... Let's not try to diminish the magnitude of the amounts we deal with here.

[The bells were rung.]

**Madame Speaker:** Members, this committee will stand recessed until the division concludes.

The committee recessed from 2:47 p.m. to 3:04 p.m.

[Madame Speaker in the chair.]

**Madame Speaker:** Under item 6, tab 6.

**Hon. M. de Jong:** Let's wait till someone gets here.

**Madame Speaker:** I was just going to draw your attention to the rest of the materials. Under tab 6.... I'm going to give you a moment to review it. It's updated info, and it will inform our next discussion.

[1505]

Item 6, tab 6. While we're awaiting Shane's arrival, if you want to review tab 6, please do so.

While we're awaiting Shane's arrival, if you want to review tab 6, please do so. We're going to revisit the wording next Tuesday at finance and audit and come back.

We're on tab 6. Basically, it's updated information that we requested from Jon Harding at the last meeting. He has fleshed out those details. I would invite members to take a look between now and next Tuesday, May 13, where we will have a further discussion.

Are there any questions, anything anyone would wish to see added to that material before next Tuesday? If there is, please let us know. Everyone is happy?

**Hon. M. de Jong:** Yup. Number 7.

**Madame Speaker:** Item 7: approval of the 2014-15 capital projects.

### Capital Projects 2014-15

**H. Woodward:** This is a document, and what we were seeking was for it.... It speaks to the motion from March 11, 2014, LAMC meeting, with the request to have LAMC approve all capital projects exceeding \$5,000. The first document actually spells out the process that would be involved.

In terms of that process, all capital projects greater than \$5,000 would be approved by this committee. If a project has a change in cost of greater than 10 percent or a significant change in scope, it would need to come back to this committee for approval. It also would cover off any new capital projects in excess of \$5,000 that would need to come back to this committee for approval.

There is also a category in here to address health- or safety-related requirements or a critical system failure. In that case we could expedite the approval process, and that would be through an e-mail system. We could get the approval, and we wouldn't lose time in terms of a health or safety or critical issue.

All approved capital projects would also be monitored on a monthly basis by the finance and audit committee, with the progress reported out to LAMC on a quarterly basis.

That's the proposed process. The next documents in the package are the detailed projects greater than \$5,000. Actually, you'll see it'll equal the total capital budget for the '14-15 fiscal year.

There are three reports in this package. The first report includes capital projects greater than \$5,000 — all of them. The next report is splitting that first report into two. The first is just capital projects greater than \$25,000, and the other one is capital projects over \$5,000 but less than \$25,000 — so essentially, less than \$25,000.

The reason for the additional reports this time around. At the April 29 finance and audit committee it was put forward to split them into the two categories and look at the projects for less than \$25,000 as a single group — differentiating between more significant projects, being over \$25,000, and those under \$25,000. That's the reason for the multiple reports.

**Madame Speaker:** Questions?

**Hon. M. de Jong:** I didn't say it earlier that membership in the finance and audit committee has taken on a new dimension in terms of time commitment. So for those of you that are doing it, thanks — and staff, of course, that are helping.

I had a couple of questions. On item 7 of the first report, on the great tablet project that we have talked about here. None have been purchased yet. Is that right? No one has received an iPad tablet?

[1510]

**H. Woodward:** No, they have.

**Hon. M. de Jong:** Oh. Well, it says here for '14-15: "No expenditures to date."

**H. Woodward:** This is actually the notebook and tablet computer purchases. The iPad dollars were set aside out of the election funding from last fiscal year.

**Hon. M. de Jong:** So what's this for?

**H. Woodward:** This is a proposed budget going forward for one component of IT services.

**Hon. M. de Jong:** For what?

**H. Woodward:** For information technology services. Basically, it's an annual refresh process. So for tablets, you're looking at item 7, notebook and tablet computer purchases. Every year we refresh.

**Hon. M. de Jong:** Oh, I see. This isn't the MLA thing.

**H. Woodward:** No. This is strictly departmental.

**Madame Speaker:** The MLA item was previous fiscal, right?

**Hon. M. de Jong:** Yes, so that's all done. You've got your.... That's all....

**H. Woodward:** Yes.

**M. Stilwell:** Where's yours?

**Hon. M. de Jong:** I couldn't get any film for mine.

**Madame Speaker:** It's at home with your eight-track. Yes, we know.

**Hon. M. de Jong:** There are two contingencies. One appears in capital projects, preapproval greater than \$5K, and then, secondly, greater than \$25K.

The one in the greater than \$5K is a contingency reserve of almost \$800,000. Then for greater than \$25K, capital contingencies of \$1.1 million — combined, almost \$2 million in contingencies in reserve.

Do we have a sense at this point what the draw on those will be and for what?

**H. Woodward:** Not at this point. We have the one.... I should probably.... Anyway, we could refer to numbers. I don't want to be speaking out of turn.

**Hon. M. de Jong:** Yes, please.

**H. Woodward:** By project number, which one?

**Hon. M. de Jong:** I've got No. 33, contingency reserve. That's in greater than \$5K. That's item 33.

**H. Woodward:** Item 33 is the contingency reserve specific to legislative facility services. And no, in terms of: do we have a general idea of how that would be spent on major facilities projects? Not at this time.

**Hon. M. de Jong:** No early indication of what the draw might be?

**H. Woodward:** No.

**G. Lenz:** Within that one, there are other priorities that are pending along those lines that'll have to come forward to this group. When the first budget came through, there were capital projects that were lined up to cover all that full amount. In discussion with the Auditor General, the definition of what is "capital" has changed that part of it, so they can no longer be classified, those projects, under capital, which has created a contingency.

We now need to look and see what the other projects are that we had put down that match the definition, to

put forward. But any project that would come forward would have to come back to LAMC at this point.

Right now none of these projects are approved. Depending on the approval, then we can look and re-prioritize what's there, if it needs to be done or not. But they would all come forward in that part.

**Madame Speaker:** But speaking more broadly, I think one of the discussions was around water egress in the bunker. That was one of the reasons we set aside contingency, if I recall.

**G. Lenz:** There were a few projects, such as the water contingency around the bunker and a few others that were put lower down the list but need to be done. All those will have to be prioritized.

**Hon. M. de Jong:** Is it fair for me, for us, to regard those almost \$2 million amounts on the following basis: that as we move through the fiscal year, we wouldn't see a drawdown on those amounts without a project first being considered here by the subcommittee?

**G. Lenz:** That's correct. Each project over \$5,000 has to come back here for approval. So none would be.

**Hon. M. de Jong:** Yeah, got it.

Two last things. On item 25, preapproval greater than 25, video production and dubbing. It says: "Video recording camera used to film short video productions, video montages, broadcast while the House...." It says it's a \$50,000 item.

[1515]

I must confess that over the years I have gotten away from regularly viewing the legislative channel. Are we doing productions?

**K. Ryan-Lloyd (Deputy Clerk and Clerk of Committees):** If I might, my understanding is that from time to time the Hansard broadcasting team will film events such as the opening of the Legislature and the inspection of the honour guard by the Lieutenant-Governor upon arrival. For events of that kind, there is a necessity for another camera to support recording and filming of those events that are extra-parliamentary but still related to the work of the Legislature in a broader sense.

**Madame Speaker:** Royal visits, etc.

**Hon. M. de Jong:** Okay. Was the old one broken?

**K. Ryan-Lloyd (Deputy Clerk):** I can find out further information about the status of the existing equipment, Minister. I'm not sure as to the status of that particular....

**Hon. M. de Jong:** It's not like we're the CBC here.

I had one last question. It's sort of capital-related. I'm given to understand that we have.... And when I say we, the relationship between the building and some tenants is undergoing a change. Now, we don't have a lot of tenants here, but we have a few. They are one of the estates that deal with it.

I don't need us to talk about the details here, but I'm curious to know what our belief is, in the role of LAMC, if we are going to a tenant and.... I was surprised. It's not the end of the world, but given the unique nature of this place, if we are saying to those tenants that their obligations are changing, what was the mechanism for that? At some point, were we going to find out about that or talk about it?

**C. James (Clerk of the House):** I could answer part of that question. We are in the midst of preparing a leasing policy for consideration by the finance and audit committee which will, I think, in part, answer some of your question.

There are some tenants — Shaw for instance. The Conflict of Interest Commissioner is another one. There may be others. Gary is on top of that, as well, and may have another comment or two to make about that. We're hopeful that leasing policy will be available very shortly.

**Madame Speaker:** In terms of how it came before us, I think Gary brought it through us through Shared Services.

**G. Lenz:** We have several people who have leases within the property. We're going to look at standardizing them across the whole place. The reason for it to be looked at is there are liability issues. People need to sign documents, and we need to know who's here and what their expectations are and our expectations. We'll work through Shared Services to look at a standard across those facilities and make sure the space is there.

It's strictly a cleaning up of all the leasing agreements we have and making sure that they are standard and within the best policies — guidelines we can follow through.

**Hon. M. de Jong:** All right. I mean, my suggestion, candidly, given the unique relationship that exists between some of the people at this table and the media, for example, is.... I have no qualms with us having a proper lease and business relationship. Well, I won't speak for any of the other politicians, but we probably want to be in a position to say: "Look, those negotiations are taking place on the basis of the following principles." It's a fair.... Otherwise, we're sort of hanging out there.

We are ultimately answerable, even for those discussions, right? This is a group that.... If we're going to charge someone parking that hasn't paid parking before, this is the group that's going to do it. It's a brave new world.

**S. Simpson:** Well, I know that.... I was speaking to the media earlier today, and they're absolutely outraged about losing their free parking.

**Hon. M. de Jong:** Well, I'm not sure I'm sympathetic. Nonetheless....

**S. Simpson:** They'll get over it.

**Hon. M. de Jong:** There's the point. We are the people who are answerable, and it would be nice not to have a paper thrust in front of us and say: "What's this all about?" "I don't know. I don't know what it's about."

[1520]

**C. James (Clerk of the House):** If I could again point out that the finance and audit committee has considered this request. I know the Sergeant-at-Arms did bring the issue to finance and audit a few meetings back and that it was about to happen.

There was correspondence that was submitted by Shared Services to us on this. When I get to my report, I'll talk about another initiative which our Speaker executive meetings that we're holding on a regular basis.... We have talked peripherally about this matter as well at these meetings.

**Hon. M. de Jong:** Okay. Thanks.

**H. Woodward:** Just going back to this project pre-approval report, it is May 6. This is our capital projects for the '14-15 fiscal year. What we were hoping to have transpire at this meeting would be to get some preapprovals on some of these projects. The challenges that we have are....

What's in front of you is a combination. The first piece is.... There are some specific projects. For example, item 27 regarding upgrade to the fire alarm detection devices is a specific project. What we would be looking for would be the approval of that to proceed — of course, subject to the processes and rules we just spoke to earlier.

The other piece is, as we were talking earlier regarding tablets — notebook and tablet computer purchases. In that case, it's an amount. It's like a budget amount set aside. There could be some things under \$5,000 in there, just the way the budget's been built. Again, we would be looking for approval to at least start proceeding on projects, recognizing that if there is something that's greater than \$5,000, we would come forward.

The concern that we have is the later that we get the approval, the longer it is to start the projects. Given that we have short time frames, particularly for facilities projects, due to weather and just timing, we start losing the ability to proceed.

**S. Simpson:** With this, part of the discussion that we had the other day is we learned pretty quickly that when

you incorporate everything over \$5,000 to come through the committee, the list gets pretty long pretty fast. Part of the thinking of putting at least everything under \$25,000 and saying we're signing this off as a group is because most of it's small purchases. Unless somebody can flag something that just doesn't look right, we just want to be able to get it off the table.

The other thing, I think — as Hilary says, and she's quite right — is that we also need to be able to prioritize the things that need to move forward so that we don't end up probably increasing our costs by taking too much time to sign things off to allow staff to go forward.

My sense is I think we still have work to do on how we're going to make this work. If I have a concern, it's that.... I don't want to compromise the intent of this, but I also don't want us, while we're trying figure out how to make it work, to tie things up that should be moving forward. So I have some concern about that.

I support the decision we made. It was the right decision, and we need to make it work. But I don't think we've entirely figured it out. It does come back a little bit to the minister's comment about the amount of work that finance and audit now has that maybe we didn't entirely anticipate.

**Madame Speaker:** So is there appetite today to see a motion come forward in that regard?

**S. Simpson:** If I knew what it would look like.

**Hon. M. de Jong:** Yeah, I'm sort of in the hands of the committee and would trust you folks to....

**Madame Speaker:** It's on page 4 of the finance and audit committee report dated May 6, 2014, middle of the page.

**Hon. M. de Jong:** Oh yes. I saw the recommended motion. If someone on the finance and audit committee wants to make that, I'm content.

**S. Simpson:** I'll recommend that — the one around everything under \$25,000. Does the group approve that?

**Madame Speaker:** Moved by Shane. Seconded, Stilwell.

Motion approved.

**Madame Speaker:** The last one — it's a reflection of the previous finance and audit — is on the bottom of the very same page. "That LAMC approve that the finance and audit committee perform a systematic review of all key financial policies and controls affecting MLA and Legislative Assembly spending for consideration and approval by LAMC." The intent of that is to get at policy and practice, which has not previously been written down.

**E. Foster:** Excuse me. What tab are we on?

**Hon. M. de Jong:** We're on tab 3, page 4.

[1525]

**M. Stilwell:** We don't have a tab 3.

**Madame Speaker:** I'm under finance — when you found the previous recommendation, the bottom of the very same page. Finance and audit committee report, May 6, 2014.

**Hon. M. de Jong:** We've got this recommended motion that leads to a review. Craig has got the Legislative Assembly support programs accountability review, which we're going to hear about in a moment.

Remember a few weeks ago there was this public discussion about some kind of core-like review, which I think when I read it...? Craig, it strikes me that the LASPAR might come close to that. I'm just cognizant of.... If we get too many reviews going, we're going to start to trip over ourselves a little bit.

**Madame Speaker:** This one is a policy review. Craig's is a practice review — what we currently do, and can we increase efficiency.

**Hon. M. de Jong:** All right. Maybe, then, when we come up to the LASPAR I'll ask him a few questions. I mean, I'm fine to have the financial control framework review go ahead.

**Madame Speaker:** Created, I would say.

Okay. Any other comments? Does anyone wish to move that motion who sits on the committee? Michelle Stilwell.

The motion, as just read, is that LAMC approve that the finance and audit committee perform a systemic review of all financial policies.

Motion approved.

**Madame Speaker:** To give the committee comfort, I'm hoping we're about three-quarters of the way through that process. Perhaps not. Maybe we're only a quarter of the way through. Mercy.

All right. Hilary, does that conclude your comments under item 7?

**H. Woodward:** Oh, am I concluded?

**Madame Speaker:** That is my question.

**H. Woodward:** Yes. Yes, I am concluded.

**Madame Speaker:** Thank you very much, Madam. Clerk's update, item 8.

### Clerk of the House: Update

**C. James (Clerk of the House):** There are a number of matters I just wanted to bring to the committee's attention. I'll start.... I'll leave (a) till last and deal with a number of others.

Business continuity. Business continuity, as all members are aware, is a project that's been undertaken. We are — hopefully, by the end of May or, certainly, sometime in June — able to share with the finance and audit committee a report that's arising out of the work of the Risk Masters, who have been working with us on business continuity for the Legislative Assembly.

It will, I hope, be, if not a first in Canada, certainly a leading practice in terms of business continuity planning for a parliament. We're very much looking forward to the discussion at the finance and audit committee level and to bring forward to this committee any recommendations that the finance and audit committee would like to make.

In terms of internal audit, the executive financial officer received today a draft copy of an Ernst and Young submission relating to their work on the internal audit. Hilary will be reviewing that, as all of us will be, including the Speaker. That will again be brought forward to the finance and audit committee and the Legislative Assembly Management Committee at some point.

We're hopeful that the internal audit program will accomplish what we expect it to in terms of the internal audit for the various branches of the Legislative Assembly. The internal audit is being designed to assist us with the various branches and a sample of constituency offices later in the calendar year or, certainly, the fiscal year.

In terms of some other work that's ongoing, we have Kate Ryan-Lloyd, the Deputy Clerk and Clerk of Committees, working toward an accountability report. She can, when we get to it, talk about where we are with that. It is being modelled, in large part, on the Alberta accountability document, which is submitted annually, and some other legislatures that have a similar reporting mechanism.

[1530]

As well, the Deputy Clerk and Clerk of Committees is working on placing on the assembly website more, if not some, information relating to the petitions process. Up until now it's been very difficult for the public and others to find information about how to submit petitions to the Legislative Assembly. Kate can describe the process that she's following in that relation as well.

The finance and audit committee workplan has been included in your binders here only for information. I think it's important for all members of the committee to have a look at the workplan that's been built for the finance and audit committee. As the Government House Leader has said, there's a lot of work that's being done, and the finance and audit committee is working a lot

and very diligently in preparing, reviewing and making recommendations to this committee on a variety of matters.

My audit working group — which consists of the executive, the Clerk, the Deputy Clerk and Clerk of Committees, the Sergeant-at-Arms and the executive financial officer — meets weekly and is also attended by a representative from the Office of the Auditor General and Arn van Iersel, the former comptroller general for the province of B.C. and a former Auditor General.

This Friday we will have held 73 meetings since July of 2012, so a lot of work, a lot of meetings, a lot of issues that we're wrestling with, which we ultimately bring back to the Speaker and also to the finance and audit committee as it works its way through recommendations to this committee.

Some other information for members not entirely related to the work of this committee, but I just want to highlight that I am working on taking the decisions of LAMC over the years and turning them into actual regulations which would be brought to this committee. The reason is it will provide, I hope, better clarity and, certainly, more certainty to the expenses that members incur over the course of the discharge of their duties and will enable a better understanding of all of the different policies and practices that exist.

I've also been reviewing the standing orders of the Legislative Assembly and will be making recommendations in due course to the finance and audit committee and this committee in relation to some standing orders which may be out of date, antiquated, or where other improvements might be useful for the Members of the Legislative Assembly itself.

Financial services is, I'm going to say, drowning in the work that they're doing. Since July of 2012, 19 substantive new functions have been asked of financial services. The executive financial officer has sent me a document highlighting some of the issues that need to be resolved and a reorganization that will be brought to the finance and audit committee and ultimately to LAMC as well, for their consideration.

In terms of the Legislative Assembly support programs accountability review, all members have a copy of that. There was reference to it being similar to the core review. I'm not privy to how core review works. Rather than me reading into the record my letter, it is very self-explanatory. This is the first time anything like this has been done in the Legislative Assembly, and again, it pertains to the various branches only. You'll see what branches are attached to it.

The timeline, which was provided by way of a report that would be provided to the finance and audit committee for its review and ultimately back to the Legislative Assembly Management Committee, was suggested to be the end of June. We're finding that the process is a very onerous and demanding process, and we've extended

the timeline until the end of July, so it'll probably be late August or early September before a report on this project is brought forward.

It's a very interesting process and one which I think all of us are feeling challenged about, but all the directors who are involved in this project are being guided by Arn van Iersel, who has designed the program and is assisting and challenging directors as to what they do, why they do it, how much it costs and if it can be done a different way.

[1535]

There will be options, perhaps a recommendation, for finance and audit and the Legislative Assembly Management Committee to review — certainly by September, I would expect.

In the binder, following my covering letter, are the various documents that are guiding us in the review.

Just so you know, we're a pretty lean organization. I'll use my office as an example. We have not replaced three full-time Clerks — that is including the sessional Table Officer that we presently have — saving us on an annual basis about \$700,000 a year, \$7 million over ten years, which is not insignificant. We're hoping that this review will be intended to provide us with even greater certainty in terms of other cost savings and efficiencies that can be accomplished following that.

The reason we're doing it now is because it leads into our budget-building process in the fall. It will be a good way to provide even a better process for building our budgets for examination by this committee, ultimately. It also is a precursor to the internal audit, which is going to happen following that as well. So it's a good building step in terms of what we're hoping to accomplish for the members of the Legislative Assembly.

Guiding us throughout this entire process is the fact that we want to demonstrate clearly and unequivocally that the Legislative Assembly of British Columbia is being managed properly. That is our overriding concern.

**Madame Speaker:** Comments? Questions?

**Hon. M. de Jong:** Craig, thanks. I think it's good. I think the question, maybe, that you deserve to get some kind of feedback on from the committee is whether or not the committee itself believes that this qualifies and is sufficient for the kind of review.... Just so everyone knows, that whole question of when the core review came up.... I don't think it is appropriate for the executive branch to be undertaking a review of the legislative branch, so this is not an attempt to draw that in here.

So something like this.... I think the only real question is.... If we get to the end of this and someone challenges us, I'd hate to do all this work and then have us say: "Yeah, well, that was good, but now it has to be less internal. We need to find an external set of eyes to look at this." If that's where we're going, then in fairness for all the work that's going to take place, we should say that now and not em-

bark upon this project only to come along later and say: "Well, we think it should be someone external."

I thought, candidly, at one point a number of weeks ago, before I saw this — I don't know — that maybe we should get a couple of former MLAs that could sort of go through this in some way. The only problem I see with that is people will say: "Well, they are a product" — even though they are retired — "of a system that they were part of at one time and therefore will be biased and hesitant to effect change."

I think the Clerk is asking all the right questions. I think the issue for the committee is: are we satisfied enough with the process and believe that it will be robust enough that.... When the report is presented and we are challenged with, "Oh, that's just another internal review that hasn't generated the kind of change that we thought necessary," are we going to say, "No, we think this qualifies as a fundamental examination of the operation of the place," or are we going to default to: "Yeah, yeah, well, probably we should bring someone in"? If it's going to be the latter, then we should probably acknowledge that now and alter the process a bit.

**C. James (Clerk of the House):** If I could answer a couple of your questions there. This is not an internal review; this is an external review. It's an external review by Arn van Iersel, who's a very well-respected professional accountant, as all would know.

[1540]

He's the one who designed the program. He's the one challenging us. He's being extremely tough on all of us in terms of what we do, why we do it, how much it costs, and if we really need to do it or if somebody else can do it. Everything — from the parliamentary dining room and the options that might exist down there to the Office of the Clerk, to Hansard and printing — is all being thoroughly examined. I think that the finance and audit committee will be very pleased to see the results once this happens.

I hope I'm not breaching any confidence here, but the Auditor General has also endorsed this initiative, which is, to our way of thinking, very good.

I'm very comfortable with what we're doing and how we're going about it. I could understand the argument if we were doing this in-house. Arn is not an employee; he is a consultant. If we were doing this in-house, I could understand the merit and I would welcome an external organization that would do the same sort of thing. We're also doing it very cheaply. Bringing in another organization is going to be very expensive.

**S. Simpson:** I think that it makes sense to have this thing play itself out, see where it goes. We'll assess it. I don't think.... It's not an overly expensive item. I mean, everything costs money. It's not overly expensive. Let's see whether it satisfies us that it takes us in the direction

we need to go.

We're combining that with the internal audit process that has been put in place, that's carrying on, plus the Auditor General's office that will continue to do its work and will be back looking at the Legislature again in due course. So there's a whole lot of oversight that hasn't been here, obviously, in the past. My inclination with this is to allow it to play itself out and, hopefully, we're satisfied with the content. Arn van Iersel is a pretty capable guy. We'll see what he produces at the end of the day and go from there. If it's not satisfactory, well, we can deal with it when the time comes.

Again, it's a comment that I think was made earlier — that we don't want to be overwhelming ourselves. There's a lot of reviewing going on here, and there has to be some limit put on that, or you start to drown in reviews rather than achieving the things you want to achieve.

**Hon. M. de Jong:** Okay, I think that makes sense, so I am inclined to agree. If anyone on the committee, then, has — not that I do, off the top of my head, but it sounds like Arn van Iersel is asking some pretty fundamental questions — their own version of those fundamental questions that they'd like to slot into that.... For what it's worth, I think the comfort level with the report and the product of that work will increase if, in presenting his findings, he does it in the context of answering some fundamental questions.

That'll demonstrate that it was sort of a no-holds-barred, fulsome look at the operation. On that basis, I agree with Shane that we should let it go forward.

**Madame Speaker:** Certainly, the accountability report will be underpinned by the two reviews, external and internal, and by Arn van Iersel. That will be the product that I think each member of the committee can evaluate. Certainly, if it's the will of the committee, Arn van Iersel can come to the next finance audit and perhaps come back to LAMC at a future point. Does that meet anyone's wishes? We'll ponder.

Any other comments?

**C. James (Clerk of the House):** If I could just end with one final comment, and that is that I have had discussions with some members — and, certainly, the Speaker — about the costs associated with bringing the Legislative Assembly into a modern financial management era. These are investments for the future. They do cost money.

Some of these projects are one-time projects only. This particular initiative, one would hope, we don't need to do for a very long time, and the same with internal audit. Internal audit is a three-year program. It costs money, but after the first year, in consultation with the Auditor General and this committee, perhaps we don't pursue the second or third year. I don't know. We have to see year by year how we're proceeding with the managing of this place, and members of the House — but, certain-

ly, members of the Legislative Assembly Management Committee — need to be satisfied that we're doing this properly for them.

[1545]

**Madame Speaker:** Any other questions for Craig? Any closing comments?

**C. James (Clerk of the House):** If I could just refer a couple of issues to the Deputy Clerk on the petitions and the accountability report.

**K. Ryan-Lloyd (Deputy Clerk):** Thank you, Madame Speaker. Thank you, Mr. Clerk.

The penultimate tab in your binders includes a draft outline of the proposed accountability report, if members have any suggestions for further refinements to that proposal.

As you know, the intention is to prepare a public report to British Columbians in conjunction with the release of the audited financial statements later this year, in October. The report will also include a summary of decisions and commitments made by the Legislative Assembly Management Committee, to replace the earlier iteration of your annual report of this committee.

It will also include a number of other summaries of specific initiatives undertaken in support of transparency, including disclosure reports throughout the year and other measures that have been taken to improve the financial oversight and management of the Legislative Assembly.

I'd also draw your attention, in your binders or on your iPads, to a mockup of the Legislative Assembly's website and a proposed new section that we're planning to incorporate called "Accountability." Within that new section on the website, we would hope that this proposed accountability report will be available there for public release.

We're also hoping to consolidate all quarterly disclosure reports in that new accountability section. That would include the compensation reports that are prepared and released on your behalf; the expanded travel reports that were agreed to earlier today, including receipts; and the constituency office reports which, as the Speaker mentioned earlier, will be available for the first time publicly later this month.

Also under that accountability portion of the website will be a link to the members guide to policy and resources website, which is the replacement in the public domain of what used to be known as the *Members' Handbook*. Keeping on track with commitments made at the March meeting of this committee, the new accountability section of the website will also house the regular disclosure of capital project update reports, which the committee directed staff to begin preparing.

That will be the natural spot where interested British Columbians will find that information, as well as dis-

closure reports on the Clerk's travel expenses and my own, in due course. It will be a compilation of various accountability transparency initiatives under one portion of the website.

Finally, just for members who may have an interest, as Mr. Clerk mentioned, we are working to expand onto the Legislative Assembly's website a summary of some of the existing guidelines with respect to petitions. The process and guidelines for that are embedded within the standing orders, which are in the public domain, but the explanatory material about how interested members of the public can submit a petition to the Legislature was actually in the old *Members' Handbook*, which has since been discontinued. We are going to pull that information into the public domain in a more readily findable version in due course. I have examples of the proposed template for that, if members are interested.

**Madame Speaker:** Thank you, Madam.  
Any questions? Any last-minute business, arising items?

#### Other Business

**Hon. M. de Jong:** Just one. In light of how the workings of the committee are evolving, Madame Speaker, it occurred to me that this is probably a decision for the committee rather than burdening you with it.

We're coming up on a year in a new parliament. I don't think we've done the usual photographic record of the new parliament. Do we want to do one?

**C. James (Clerk of the House):** The usual one in the House?

**Hon. M. de Jong:** Yeah. I mean, I think we've got to do one, at some point. I think in the past the Speaker has.... I think there's an expenditure involved. I think if we're going to do it, the committee should say that we're going to do it.

**S. Simpson:** Are you going to throw the film in?

**Hon. M. de Jong:** I'll bring the film.

**Madame Speaker:** Bring the Polaroid.

**S. Simpson:** Yeah, bring your Polaroid. You can drive it up in your 25-year-old Miata.

**Madame Speaker:** Minister, you and I will come up with a date. It takes some organization — probably a

Wednesday morning.

**Hon. M. de Jong:** Yeah. If we did that.... I don't know. I mean, we've got one fellow that's ill, right? If it's possible that we can pre-book for the photographer but also anyone.... Members will know to be there, and if anyone is not feeling well, they can try to get in there.

**M. Stilwell:** There are only two Wednesdays left.

**Madame Speaker:** Well, if it's not this spring or summer, you're fine if we moved it to a different time?

**Hon. M. de Jong:** Well, I expect we're going to be here in this fall. If we can do it in the spring, we might as well do it.

[1550]

**Madame Speaker:** All right. We'll be back in touch.  
The dates I would to propose for finance and audit: May 13 in this room, two to four, and May 27 in this room, two to four.

And with your guidance, a possible LAMC meeting June 12 in the morning — say, ten to 12, in Vancouver. Or a July meeting. So if you want to ponder your calendars and come back to me.

**M. Stilwell:** What was the first one? Sorry.

**Madame Speaker:** Next Tuesday, May 13. May 27 in this room, two to four in the afternoon.

**S. Simpson:** There's something about June 12 that just seems to be problematic, but I'm not exactly sure. I'll see if my calendar tells me.

**Madame Speaker:** Well, check your calendars, then, and come back to me with some dates for either June or July.

**S. Simpson:** No, actually, I'll be here on June 12.

**Madame Speaker:** Minister de Jong, let me know other dates for June that might work for you, and we can confirm that up next Tuesday.

Motion to adjourn? So moved — Mr. Foster.

Motion approved.

**Madame Speaker:** Thank you very, very much. And thank you all, particularly the staff. You've done an outstanding job.

The committee adjourned at 3:51 p.m.



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