



Third Session, 40th Parliament

REPORT OF PROCEEDINGS
(HANSARD)

LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

Victoria

Wednesday, November 5, 2014

Issue No. 8

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

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LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

Victoria
Wednesday, November 5, 2014

- Chair:* * Hon. Linda Reid (Speaker of the Legislative Assembly)
- Members:* * Hon. Michael de Jong, QC (Abbotsford West BC Liberal)
* Mike Farnworth (Port Coquitlam NDP)
* Eric Foster (Vernon-Monashee BC Liberal)
* Shane Simpson (Vancouver-Hastings NDP)
* Michelle Stilwell (Parksville-Qualicum BC Liberal)
- * denotes member present
- Other MLAs:* Douglas Horne (Coquitlam–Burke Mountain BC Liberal)
- 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)
Jon Harding (Director, Financial Services)
- Others Present:* Malcolm Gaston (Assistant Auditor General)
Paul Nyquist (Office of the Auditor General)
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MINUTES

LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE



**Wednesday, November 5, 2014
3:00 p.m.
Douglas Fir Committee Room
Parliament Buildings, Victoria, B.C.**

Members Present: Hon. Linda Reid, MLA (Speaker and Chair); Hon. Michael de Jong, QC, MLA; Mike Farnworth, MLA; Eric Foster, 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; Jon Harding, Director, Financial Services

Others Present: Douglas Horne, MLA; Malcolm Gaston, Assistant Auditor General; Paul Nyquist, Director, Office of the Auditor General

1. The Chair called the Committee to order at 3:15 p.m.
2. The Speaker read correspondence received from her legal counsel, George Cadman, regarding questions relating to renovations to the Richmond East Constituency Office.
3. It was agreed that the Committee would amend its agenda to include matters relating to the renovations to the Richmond East Constituency Office and service changes at the Queen's Printer.
4. It was agreed that, on behalf of the Committee, the Government House Leader and the Official Opposition House Leader shall draft a letter to the RCMP seeking further information to clarify the status of matters relating to renovations to the Richmond East Constituency Office. It was further agreed that if required, the House Leaders may request the assistance of the Conflict of Interest Commissioner with the drafting of the letter.
5. **Resolved**, that the Committee approve the agenda, as amended. (Michelle Stilwell, MLA)
6. **Resolved**, that the Committee approve the minutes of May 27, 2014, as circulated. (Shane Simpson, MLA)
7. The Sergeant-at-Arms presented a security report, including recommendations to enhance legislative security services in the precinct.
8. **Resolved**, that the Committee approve the installation of a metal detector and X-ray equipment at the Mowat entrance within the next two weeks, or as soon as operationally possible. (Michael de Jong, Q.C., MLA)
9. **Resolved**, that the Committee approve the installation of new metal detector equipment at the Public Gallery entrances, replacing older equipment. (Michelle Stilwell, MLA)
10. **Resolved**, that the Sergeant-at-Arms consult with key stakeholders in the preparation of 'Guiding Security Principles' for the Legislative Assembly of British Columbia. (Eric Foster, MLA).
11. **Resolved**, that the Committee support personal safety training for Members and staff that work in the Legislature in the case of response to an active shooter scenario. (Michael Farnworth, MLA).

12. The Committee recessed from 3:37 – 3:53 p.m.
13. **Resolved**, that the Committee approve the provision of protective vests and uniforms to Legislative Assembly Protective Services staff holding Special Provincial Constable status. (Eric Foster, MLA).
14. **Resolved**, that the Committee approve in principle, subject to future ratification, the proposed creation of a second controlled public access at the main entrance of the Parliament Buildings, including the installation of additional metal detector and x-ray equipment. The Committee will confirm that the creation of a second controlled public access point may proceed upon receipt of acceptable cost estimates and design plans. (Eric Foster, MLA).
15. **Resolved**, that additional Legislative Assembly Protective Services staff who hold the designation as Special Provincial Constable status be equipped and trained on the use of firearms. (Michael de Jong, Q.C., MLA)
16. **Resolved**, that the minutes of the Finance and Audit Committee for July 10 and October 7, 2014 be accepted. (Mike Farnworth, MLA)
17. The Executive Financial Officer provided the Committee with an overview of the report from the Finance and Audit Committee summarizing the meetings of May 13, May 27, July 10, October 7 and October 21, 2014 and providing recommendations for the consideration of the Committee.
18. **Resolved**, that the Committee adopt the recommendation of the Finance and Audit Committee regarding the accounting policy for collections held by not-for-profit organizations. (Shane Simpson, MLA)
19. **Resolved**, that the Committee adopt the recommendation of the Finance and Audit Committee that Members' travel and constituency office receipts, processed from October to December 2014, be released in February 2015, utilizing a report model to be approved by the Finance and Audit Committee. (Michael de Jong, Q.C., MLA)
20. The Deputy Clerk and Clerk of Committees provided the Committee with an overview of the draft *Legislative Assembly Accountability Report, 2013-14*.
21. **Resolved**, that the Committee adopt the *Financial Statements of the Legislative Assembly of British Columbia for the year ended March 31, 2014* as presented today. (Michelle Stilwell, MLA).
22. **Resolved**, that, pursuant to section 5 of the *Legislative Assembly Management Committee Act*, the Committee adopt the *Legislative Assembly Accountability Report, 2013-14* as presented today; and further that a copy of the report be deposited with the Office of the Clerk and that the Speaker present the report to the House at the earliest opportunity. (Mike Farnworth, MLA)
23. The Executive Financial Officer provided the Committee with an update on the Assembly's 2014-15 First and Second Quarter Financial Statements.
24. **Resolved**, that the Committee approve the Assembly's 2014-15 First and Second Quarter Financial results for the period April 1, 2014 – June 30, 2014 (Quarter 1) and April 1, 2014 – September 30, 2014 (Quarter 2) as presented today. (Mike Farnworth, MLA)
25. As previously considered by the Finance and Audit Committee, the Speaker provided the Committee with updated information on a proposed Paramedics Memorial.
26. As previously considered by the Finance and Audit Committee, the Executive Financial Officer provided information on the replacement of the point of sale system in the Dining Room and the planned replacement of metal detectors at the Public Gallery entrances.
27. The Clerk provided the Committee with an update on the following projects and programs: Legislative Assembly Support Programs Accountability Review (LASPAR); Legislative Assembly Vote 1 budget preparations for 2015/16; the internal audit program and business continuity planning.

28. The Speaker advised the Committee that the Space Planning Committee will provide a report to the Finance and Audit Committee on November 18, 2014.

29. The Committee discussed the impact of print service changes at the Queen's Printer. It was agreed that the Finance and Audit Committee would consider a report on the anticipated impact of proposed changes at its November 18 meeting.

30. The Committee adjourned to the call of the Chair at 4:56 p.m.

Hon. Linda Reid
Speaker and Chair

Craig James
Clerk of the House

WEDNESDAY, NOVEMBER 5, 2014

The committee met at 3:15 p.m.

[Madame Speaker in the chair.]

Madame Speaker: Hon. Members, welcome to the Legislative Assembly Management Committee. May I take a moment and welcome Paul Nyquist and Malcolm Gaston.

Malcolm has been engaged in a terrible accident, and we are so very delighted to see you. I hope your recovery is underway.

Comments on Investigation into Expenditures by Speaker's Office

Madame Speaker: Members of the committee, before proceeding with today's agenda, I would advise that I have today provided the House Leaders with correspondence from my counsel, which I received this morning, addressed to Madame Speaker.

"On September 24, 2014, at your request, I contacted ADC Wayne Rideout, RCMP E division, in connection with reports that your office may have been under investigation. At that time Mr. Rideout confirmed to me that while there had been an investigation, it was then concluded.

"He advised also that the investigation had not identified any basis upon which a request for a special prosecutor could or should be made to the criminal justice branch with respect to any of your own activities. He further advised that the scope of the investigation had also involved a review of internal matters but that this investigation had also been concluded.

"Finally, he confirmed that the file had been referred to the OPP for external review, consistent with the practice to do so where conduct of an agency may have been under review.

"I am confident that had there been an ongoing investigation of your office at the time of my discussion with Mr. Rideout, he would not have provided the information which he did. He would simply have refused comment. Moreover, these matters were later made the subject of public comment as well.

"Subsequent contact late last week by my office with Mr. Rideout has not given rise to any suggestion that the information provided to me on the 24th of September, 2014, has altered in any way as a result of any external review.

"In particular, there would appear to be no suggestion that your conduct as Speaker of the Legislative Assembly is in any way under any form of active investigation.

"Respectfully,

"George Cadman"

Consistent with my statement of March 11, 2014, I accepted full responsibility for the security upgrades and the building code renovations. I relied on the advice of our Sergeant-at-Arms with respect to security.

S. Simpson: I'm pleased to have the letter and was going to suggest that this be an item on the agenda. If everybody is amenable, now that you've introduced the letter, we may just want to deal with this matter now and get it out of the way and move to the rest of the agenda. I'm happy to have that however members want, but why

don't we just get it out of the way and move on with the agenda in whatever way is appropriate?

I have a separate, unrelated matter that I'd like to put on the agenda, but I'm in your hands.

Madame Speaker: Motion for approval of agenda?

S. Simpson: One other thing. I would ask that the issue of the situation at the Queen's Printer be put on as an item under new business. Then, if that's the case, and we're going to deal with this matter, I'll move that, and we'll get on with this item.

Madame Speaker: Questions?

S. Simpson: Absolutely. I received a copy, and I thank the Speaker for the copy of the letter from Mr. Cadman. You'll know that I had asked that this be a matter before LAMC in a letter that I had sent to members of LAMC requesting that in late September of this year.

Here's the problem that I'm having at the moment. And I appreciate this. I'd ask the Speaker for some clarification, and the letter that Mr. Cadman has written certainly helps with that. But we now have all seen the correspondence from a Vancouver journalist who corresponded and received e-mails from the RCMP, which suggested that there was no investigation and a couple of other matters. That seemed to be back in, I think, September — this exchange of e-mails between a staff sergeant at E division and Mr. Shaw.

[1520]

We had that series of letters which said one thing. Then we saw correspondence from a different staff sergeant, around federal serious and organized crime, that suggested, as of a day or two ago, November 3, that there were inquiries. They're inquiries about information that had been requested from the Clerk back on July 15 that apparently hadn't yet been received and other questions about invoices and such that suggested, by the nature of it, that there was still some kind of review going on by the RCMP, just by the nature of the letter and the inquiries. Fair enough.

Then the next day we received Madame Speaker's letter from her counsel saying that the counsel has reviewed this and spoken to Mr. Rideout and that there is no inquiry of any kind going on from the RCMP.

All of it I just find somewhat confusing. I see a lack of clarity here by all of these different pieces flying back and forth. I think we need to deal with that. I think that becomes an important question to be dealt with, for everybody's benefit, to resolve this.

Because of that, it is my sense that LAMC and the Legislature would be well served for us to get not a staff sergeant to be sending us things but Mr. Rideout, as the head, or one of his senior officials, to tell us in some very clear way what exactly they are doing. This all continues

to be even further confused by this reference to the OPP, which apparently.... There's a suggestion here that that's still ongoing. I was told today that they have not finished their work. I don't know if it's true. I was told.

I'm looking here for us to get some answers that will clear this up. And I understand the difficulties that the Speaker has had and others have had about how to even make that ask and that request in a way that doesn't presume anything, doesn't suggest anything but just simply gives us information.

I'm really open to suggestions here, but I think we need to get somebody on our behalf to make that request of Mr. Rideout, as the responsible authority for the RCMP here, and get back something in writing that tells us what on earth is going on. Let's resolve this question once and for all.

Hon. M. de Jong: I think the interests of the office, the Speaker and the Legislative Assembly are all served by removing any doubt or ambiguity. So without prolonging unnecessarily, here's a suggestion.

If the committee is of a mind, perhaps the two House Leaders could be charged with drafting a letter or working.... Maybe a better way to put this is to work with someone removed but whom we consult from time to time when difficult matters arise, which is the Conflict of Interest Commissioner. I have not spoken with him, just so you know, about this. Draft a letter for submission to the RCMP that puts the pointed question and seeks clarity on the issue. Deal with it in that way.

Madame Speaker: Any other comments?

S. Simpson: I guess my comment would be I'm not preoccupied with who it is. I think it should be somebody who has.... And the conflict commissioner is an option — whatever. I think we can sort that out. Who knows what the conflict commissioner will feel about being asked to that, but whatever.

I'm comfortable with the idea that the two House Leaders do some work on this and that a letter be sent on behalf of all of us, because we all are invested in clearing this up, whether it's members of LAMC or the Speaker's office or the Legislative Assembly in general. Get it out of the way. It, frankly, is.... You know, it hangs there and needs to be settled, and it's complicated.

I'm good with that occurring. Then to have whatever that response — back from Mr. Rideout or whatever it is — be made available to us and, ultimately, to LAMC so that it does become.... Unless there are confidentiality issues in what they respond with — setting aside that of course — that it be a response that will be a public response.

Madame Speaker: Any other comments?

[1525] **M. Farnworth:** We have got to get this sorted out. We have got to have a full understanding on exactly what is taking place. I think this is the best way to do that. The office depends on it, and we, as members of the House, need that as well.

Madame Speaker: I thank you all.

Hon. M. de Jong: Are we agreed, then?

Madame Speaker: We've agreed. We've set a course of action.

Adoption of Agenda

Madame Speaker: Returning to the agenda, motion to approve?

M. Stilwell: With the amendment, the addition? Yes.

Madame Speaker: Yes. The Queen's Printer.

Motion approved.

Adoption of Minutes

Madame Speaker: Review of previous minutes of May 27, 2014. Any business arising?

Motion to receive the minutes as circulated?

S. Simpson: I so move.

Madame Speaker: Second? Madam Stilwell.

Motion approved.

Health, Safety and Accessibility of Parliamentary Precinct

Madame Speaker: Item 3: health, safety and accessibility of the parliamentary precinct.

G. Lenz: Kate, could you pass out the correspondence? While the correspondence is being passed out, I'm just going to have a little bit of a preamble before we get into the recommendations.

It is rare that the British Columbia Sergeant-at-Arms would address LAMC in a public forum. But as a result of the incidents in Ottawa.... They have resulted in a review of our security posture at the British Columbia Legislature, thus resulting in this meeting and this forum.

Part of the role of the Sergeant-at-Arms is to ensure that the members and staff can conduct their business at the Legislature untethered and uninterrupted and to ensure that all those who work here are in a safe and secure environment

It is also my responsibility to ensure that the public have access to this institution in a safe and secure environment. British Columbia's is a unique building. It's iconic. It's a working place. It's a place for the public that we enjoy. It is the people's House.

Parliamentary security is based on an active and realistic threat risk assessment, which incorporates real-time intelligence. It is the Sergeant-at-Arms' responsibility to ensure that all intelligence, threats and risks are taken into account and measured against the operational and parliamentary requirements of the British Columbia Legislature.

I'd like to take a moment to acknowledge a few of our partners that I work very closely with.

The first one is Dan Bond, who is with the national security programs with the RCMP. Also, RCMP Asst. Commissioner Wayne Rideout, OIC, criminal operations; my partners in CSIS; Chief Frank Elsner; Deputy Chief Del Manak from Victoria city police; my fellow Sergeants-at-Arms across Canada and around the world.

It is these individuals and others that contacted me within hours of the incident in the House of Commons in Ottawa. Their sole purpose of contacting me was to ensure timely and accurate intelligence was passed on to me to ensure that the British Columbia Legislature was safe and secure.

Good intelligence-sharing must be based on policy. An example of that relationship is a recently signed protocol agreement with the RCMP, under which it states under section 2(10): "If there is a security concern with respect to the parliament precinct or constituency offices, the Sergeant-at-Arms must be taken into confidence as soon as possible." It is these policies and communications that allow this place to be maintained in a safe and secure environment.

I want to make it clear. At present there is no specific threat against this parliament. However, our greatest threat is the lone wolf — the threat that we are not aware of, or when it will come.

My last comment I'd like to make before we move into the recommendations is that there are people who would want to do harm to members of government, the symbols and the people who support democracy and freedom. These recommendations support the operations of our parliament and allow for the freedom of access of the public in a safe and secure environment to their parliament building and their institution.

With that, I'll move on to the recommendations.

Kate, how would you like to move forward with these? Would you like me to go through them and then have a motion at the end? What would be the best process to handle it? Or Madame Speaker? Mr. Clerk?

Madame Speaker: You should probably just review the recommendations. This is the first opportunity the members have had to see this. We may or may not adopt

today. We may take some time to ponder.

Please proceed.

[1530]

G. Lenz: Okay. I have two notes to go before we get into the recommendations. The first one is that within all of the recommendations, all financial costs for LAMC-approved recommendations will be accommodated out of the existing property management and security budget. Two, all that are approved will be forwarded on a bi-weekly update to LAMC via the Clerk of the House, relating to the building design and financial implementations for each of the LAMC-approved recommendations.

I have seven recommendations. The first recommendation is: the metal-detector and X-ray equipment will be installed at the Mowat entrance within the next two weeks or as soon as operationally possible.

Madame Speaker: Discussion by members.

Hon. M. de Jong: It's probably fair to the committee to put on the record — I think we agreed to do this at the time we did it — that the Sergeant-at-Arms, in the immediate aftermath of the incident in Ottawa, approached the official opposition and the government via, I think it was, the House Leaders at that time and secured from the House Leaders agreement-in-principle to proceed with the installation as recommended here, on the basis that it would come to LAMC to ratify that decision. I think I've characterized that correctly.

Madame Speaker: Are you then moving ratification on recommendation 1?

Hon. M. de Jong: I am happy to.

E. Foster: Just a question. We own this piece of equipment now, don't we?

G. Lenz: Yes, we do.

Madame Speaker: So let's vote on each recommendation.

Hon. M. de Jong: Just to be clear that the best way to describe and confirm on the record what we're talking about here is an airport-like security point of entry — a scanner for the person and an X-ray machine for baggage. Correct?

G. Lenz: It'd be looking just like the airport.

Recommendation 1 approved.

Madame Speaker: Gary, recommendation 2.

G. Lenz: New metal detector portals to the public gallery will be installed, replacing the older equipment, which is failing.

Madame Speaker: Any comments or questions?

S. Simpson: This is equipment that we would need to purchase, that we don't currently have?

G. Lenz: Going back to the previous meeting, that equipment has been put on order to be coming.

M. Farnworth: In terms of what it's like, it is not like an X-ray machine; it is different?

G. Lenz: It's a walk-through. This would be the walk-through portals, not X-ray.

Madame Speaker: Currently what's at the access point to the public gallery.

Any other questions?

Motion to ratify recommendation 2. Madam Stilwell, Mr. Foster.

Recommendation 2 approved.

Madame Speaker: Recommendation 3.

G. Lenz: Consultation with key stakeholders, creating guiding security principles for the British Columbia Legislature.

Just to clarify on that point, what I'm looking for... For the Sergeant-at-Arms to look in the future and to make decisions, I need political and also security to look at. I can look at this building from a security point of view, but I also need to look at it from an operational point of view and to have that consultation. Guiding principles allows the Sergeant the opportunity to say... If one guiding principle is this place should have public access, then that's a guiding principle I would look at. That it should be safe and secure is another guiding principle.

The House of Commons and the Senate also have guiding principles, and most other parliaments have or are working towards those. It's a point of the light of where we're moving to and what we need to cover, and I'd like to have that within the next 30 days — to have something in place that can be shared with LAMC, that we're all on the same page.

S. Simpson: I'm in support of the notion of doing this. I think it makes good sense to ask and to support the recommendation and ask the Sergeant-at-Arms to do this work. But I do look forward to having that come back to LAMC in some form directly — to finance an audit if it's a question of timeliness, wherever that is — for us to have a look at it before it gets actually implemented. Just for

us to see what it is and to see if any flags come up there. But I think the principle makes good sense.

[1535]

Madame Speaker: I'm happy to share with members that every legislature in the country is today grappling with how they balance access with a secure building.

So, Gary, when it comes back, it'll come back as draft, and we will then take Shane's suggestion on a go-forward basis.

To accept that the process be underway, to ratify recommendation No. 3 moved by Eric Foster, seconded by Michelle Stilwell.

Recommendation 3 approved.

Madame Speaker: Recommendation No. 4.

G. Lenz: Support personal safety training of MLAs and staff that work in the Legislature in active shooter response. What this is, is just to ensure that all people that work here, from tour guides to MLAs and all staff, are aware of what actions they should take in the event of an active shooter.

M. Farnworth: So moved.

Madame Speaker: So moved by Mr. Farnworth, seconded by Mr. Foster.

Recommendation 4 approved.

Madame Speaker: Recommendation No. 5.

G. Lenz: Legislative Assembly Protective Services staff who hold a designation of special provincial constable status will be supplied with protective vests and uniforms.

Madame Speaker: Any discussion?

E. Foster: I'll move the recommendation.

Are these to be worn at all times or to be hanging on the shelf for them?

G. Lenz: They'd be worn at all times. One of the issues in the last month is that the people who supply our uniforms at present are no longer going to be able to supply them. This has caused us to do a uniform review. At the same time, with the incidents in Ottawa and the incidents that we see before us, it would be of value for the members to wear them at all times.

S. Simpson: So how many members of the protective services staff have the special provincial constable status?

G. Lenz: You're looking at about 40 to 45.

S. Simpson: Out of a total component of...?

G. Lenz: About 70.

S. Simpson: So just over half. I assume — and we'll get to this when we get to recommendation 7....

[The bells were rung.]

And we're voting, I guess.

Madame Speaker: This committee will recess.

The committee recessed from 3:37 p.m. to 3:53 p.m.

[Madame Speaker in the chair.]

Madame Speaker: Hon. Members, calling the committee back to order and returning to recommendation 5. I believe Mr. Simpson was making a comment.

S. Simpson: I was saying, and I think we'll get to discuss this a bit in recommendation 7.... I get the sense those two are linked. I am interested in the discussion around 7. I'm not opposed to it, but we are changing the culture of this place when we start talking about armed guards in the buildings and in the precinct.

Maybe we'll just deal with that at the time. I certainly don't have a problem with 5.

Madame Speaker: Any other questions, comments with respect to recommendation 5?

Motion to ratify No. 5 was moved by Eric Foster prior to the break and seconded by Michelle Stilwell.

Recommendation 5 approved.

Madame Speaker: Consideration of recommendation 6.

G. Lenz: Number 6 is the creation of a second controlled access that would allow the public full use of the public area of the building as it is to date.

[1555]

All public and tours will be vetted before entry. This action will ensure a safe and secure environment for the public, staff and members of the Legislative Assembly who occupy the Legislature. This level of access to the building will require the tour guide and gift shop area to be relocated to accommodate a screening area at the main entrance of the Parliament Buildings.

Point 2, an additional metal detector and X-ray equipment will be required at the main entrance to support public access. I'd just like to make a comment before we go into discussion on this point. Talking to my colleagues across Canada, there are two points that I think every-

one is looking at right now. What is the armed response? What is the use of the way to deal with active shooters? And the second one is the restricting of access to the building to still allow full public access.

The idea around recommendation No. 6 is that people should be allowed.... It is my mandate to ensure the public has access in this building. I just want to ensure that the people who enter this building have been vetted and there aren't any guns, there aren't any knives or anything's coming in here, so that people can come in here and enjoy this building as the public but feel safe within the building.

I think the incidents in Ottawa and other places where people have entered these kinds of buildings and have done harm.... This would alleviate some of those worries and make this a stronger and better location.

M. Farnworth: A couple of questions. I fully understand exactly why that's necessary and why we are looking at this recommendation. In terms of when it says "additional metal detector and X-ray equipment will be required at the main entrance to support public access," is that over and above what we've approved in recommendation 1 earlier on?

G. Lenz: Recommendation 1 would be used at the Mowat entrance, for barrier-free or access. We wouldn't want to have to bring somebody who'd require that all the way up into the building and then be rescreened. It's also a secondary point. In the event that one machine was to break down, we would have another point of entrance to go in.

The idea of having it in the front area is that, when people come into the building, you want to have an area where they're warm, they're comfortable. That space would allow that kind of warming-up area. If you have delegates or you have tours or school kids coming through, there'd be enough space there to accommodate that and yet to bring them through in a well-lit and more of a warm, inviting area than in the rather cramped space that would be in the basement.

To your question, yes, we would require a second piece of equipment. It'd be the same as the one below. It would be like the airport.

M. Farnworth: How long does it take, once you make the decision, to get the equipment?

G. Lenz: The goal would be.... Access to the building, as with all legislatures.... In a few weeks I'll be in Ottawa reviewing their situation, what happened there. The way we would look at this is that access to the building is based on an active threat risk assessment and the information that is before us from all means and all people that come towards us.

The installation of this equipment — I would be looking at the spring session to have it up and running and

have this location, barring that all the equipment can be made and we can obtain the equipment in place. But that's sort of the timeline we're looking at.

Between now and then, if there were a threat or an incident where we would look to, again, restrict access, we would fall back to what we have done in the last two days when the Ottawa session had taken place in Ottawa with the shooter.

If we had this equipment in the system, even with the Ottawa situation, the public still would have been allowed to have full access to this building, because they would have been vetted. They would have been still safe and secure. Having this equipment will allow the public much more access, even as the levels go up and down depending upon the needs.

Does that answer what you're looking for?

M. Farnworth: : Yes.

S. Simpson: When you reference "vetting" here, does that mean going through the machines, whatever that is, or is there something more to vetting than that?

G. Lenz: The vetting would be.... It's going through the machines. It would be just like going through an airport. It would be the same assessments in the points that would be expected.

[1600]

Also, the benefit to this kind of system that we're putting in place is we don't have to store backpacks or have school kids house their backpacks. It's just like on an airplane. Once you're through the system and your bags have been checked, you can take them with you. You can use your water. You can have your iPad, and you can enjoy the system and take pictures.

So the vetting would be, again, just like if you're going through an airport. Once you're through, you take your bags, and then you enjoy everything that you see today, and what you do in this building you would continue to enjoy.

S. Simpson: Just to be clear — and that all sounds good — it has nothing to do with vetting people in any other ways other than like you get at an airport.

G. Lenz: An airport. Same thing.

S. Simpson: Fair enough.

Madame Speaker: Just for the information of members in that you're seeing this recommendation for the first time, this would be subject to this coming back to, I would assume, a finance audit for an actual costing.

Questions?

E. Foster: At the airport — I have two steel hips — I light

it up every time I go through. Will that be the same situation? Will we have a wand? Will people be patted down?

G. Lenz: It would be just like the airport. So if a person has metal in their body that would cause it, you would go through, and it will trip the metal detector. You would have a wand very much like what we have in the gallery. You know, if someone goes through the metal detector, you're wanded — a reasonable explanation as to what it is and off you go, and in you go.

E. Foster: I don't have an issue with this at all. I do have a concern.

You think about the airport. You get a bit of a backlog of everybody hitting two or three flights going out of Vancouver, and you could have 300 or 400 people. We have three or four groups of school kids that might come at the same time. We've got a tour bus that comes in. We're talking about a fair number of people and moving them through. Would there be consideration of opening both at the same time when we have large groups, bringing some through the downstairs as well?

G. Lenz: We won't know exactly the.... When we looked at that part, there are two parts to it. The first one is the way we would look at this system for people coming in.

If you are an MLA or you have an access card, you would go straight through like you always do. If you are a guest of an MLA, you would go to the room, you'd get your card, and you'd go through. You wouldn't have to go through the metal.... This is for the public and for school groups or for tours that are coming through, which would come through the metal detector.

So anybody who has business of the House.... Basically, if you look at how it was for the two days, everybody who came in and was required to fulfil the meetings in this location was invited in. It's the public and the other groups that come through. We want to make sure they're vetted through the system.

Hon. M. de Jong: I was just going to say, for the motion then, maybe what we should do, subject to further comments.... The motion would be to grant conceptual approval to develop a second controlled access — whatever else you want to put there — on the understanding that that would trigger the development of design plans and cost estimates for final ratification.

G. Lenz: If we go to note 2, that part: "Bi-weekly updates would be supplied to LAMC via the Clerk of the House, related to building design and financial implications for each of the approved recommendations."

So within two weeks if it's the best or any of these recommendations were to incur a cost or a design, it would come back, and there would be that opportunity for everybody to have a comment on it and to move.

The issue with all of these parts. To meet a timeline that is timely, let's say for the next session.... Once the design is in place, there's equipment that needs to be ordered. If we wait four, six or eight weeks, we won't get to that point.

Hon. M. de Jong: Okay. Let me, though.... There is a difference between the recommendations — on this one in particular. On the other ones, we've actually granted approval to proceed. On this one, I'm suggesting the approval would be to develop the construction plan and the cost estimates with respect to same. And then secure second.... I think the committee might want to see what it's configured like.

M. Stilwell: Two things, just to what Mike was just saying in reference to the costing and the plan for it. I'm assuming that that should also go to the space planning committee, because that will have an effect on where we're placing and relocating several things.

[1605]

The space currently for the gift shop is fairly extensive, so I'm not sure where you're thinking you're going to relocate it in order for it to be accessible to the public.

Second thing. Just in reference to walking through and it being like an airport security. I'm assuming, then, that wheelchairs, walkers and strollers will be pat-down, because they will obviously not work through the screen.

G. Lenz: Those policies and procedures would be in place, very much like the airports — we'd be looking at.

Madame Speaker: So I'm accepting Mike's commentary for the simple reason that, seeing this for the first time, I have no idea what conversation has been held in terms of relocation of those services. I think that the folks who currently provide those services deserve some courtesy in that regard as well.

Did you have a comment?

C. James (Clerk of the House): Just further to what the Sergeant-at-Arms has been saying, that he will be preparing a procedures manual that will reflect cultural sensitivity for the use of wands in inspection because of the nature of the public that does visit this place. That would be part of the overall package that Gary would bring, ultimately, to LAMC.

Madame Speaker: So with respect to Mr. de Jong's comments, perhaps a motion to receive recommendation No. 6, subject to future ratification.

M. Farnworth: I agree with that. I think we do need to know what it's going to cost, how it's going to look. But I also know that this is the main entranceway. That is the key point where people come in, and that has got to be the primary consideration in terms of safety and security.

Madame Speaker: And accessibility.

M. Farnworth: Yeah.

Madame Speaker: All those in favour?

E. Foster: Okay, I need to know what the question is.

Madame Speaker: I believe the question, based on what Mr. de Jong has said, is to accept recommendation No. 6, subject to future ratification...

E. Foster: Okay, so everybody understands that....

Madame Speaker: ...once we're clear on design, on cost and relocation opportunities.

E. Foster: Okay, that's fine. Everybody understands that, so then in three weeks' time we're not going to walk downstairs and see the doors ripped down. We need to see this thing ahead of time, what it's going to look like, what it's going to cost. We can....

S. Simpson: And what's going to happen to the people who are down there now — the gift shop...?

E. Foster: Sure. Absolutely. All part of the package.

Madame Speaker: Yeah, there's work to be done.

Recommendation 6 approved.

Madame Speaker: Recommendation No. 7.

G. Lenz: Additional Legislative Assembly Protective Services staff who hold a designation of special provincial constable status will be equipped and trained on the use of firearms.

Madame Speaker: Comments.

E. Foster: The staff that now hold a special constable designation would not have been previously trained? They would not have come from police forces?

G. Lenz: The people you see in the white shirts are special provincial constable status under the B.C. Police Act. Several of those staff are armed and trained, but many are not. This request is that they be trained and armed.

M. Farnworth: In terms of what that means specifically, are the arms visible, or are they on the person?

G. Lenz: Maybe I'll answer that in two parts. In a response to a threat — an active shooter, for example — what's required is the number of firearms that could

respond adequately to deal with this threat. Other parliaments in Canada have.... Take Ottawa. The police were right outside. Once a person's inside, it's the response to that.

Here we're not like the House of Commons in Ottawa where we have police cars and police. We are what we have. If we have to wait five minutes or eight minutes or ten minutes for a response, that's a lifetime. What's required is to have an adequate presence here to deal with a threat immediately, as was done in Ottawa. So we'd be looking at an increase.

M. Farnworth: I think that's the key question, which is the ability to have the appropriate or adequate response. Right now we don't have that, to the degree that we should have.

[1610]

G. Lenz: My assessment would be that we require an increase in order to meet that threat. That would require that the firearms be with the member and not locked up.

M. Farnworth: Okay. One other question on that. In terms of the training, as you said, the special constables — some have had that, and others have not had that. Or have they all had it?

G. Lenz: The members who are special provincial constables are all retired policemen, so they have had a lifetime of carrying of firearms. The training that is required under the act is that you qualify regularly and that you're updated in training and maintenance and active shooters. That training would have to be recertified, in the use of firearms.

M. Farnworth: I'm fine with that.

Madame Speaker: Gary, based on your comments with respect to recommendation No. 5, there are 40 to 45 special constables. So could you, when you come back to us, cost out the cost of recommendation No. 7 — what the training would look, what the equipment would look like? Again, I think that's an item for consideration.

M. Farnworth: I've got a question on that. I understand what you're saying in terms of an understanding of the cost. But in terms of what the nature of the equipment is or what it looks like or what the training.... Is that something that's done at an open meeting?

Madame Speaker: Finance and audit.

M. Farnworth: Finance and audit. That I'm more comfortable with than saying in a public meeting....

Madame Speaker: Never appropriate.

Hon. M. de Jong: Actually, it's probably an in-camera meeting. Finance and audit is reported. That's an in-camera. Operational stuff around equipment and stuff can go in camera.

Madame Speaker: So could you, Gary, give an estimate now, of the cost — or come back to us at a future point?

G. Lenz: I'm going to give you a rough estimate, even at this point, for a discussion point. If a person was to look at a firearm with all the accessories and other parts — if you give a ballpark of about \$1,000 — you're talking about \$41,000.

S. Simpson: Right. Then training costs, any additional training costs on top of that, whatever that is.

G. Lenz: Our training costs would be minimal. Within our staff, we have.... One of our staff is trained, has the qualifications of the Justice Institute and all their criteria, so it would be in-house training.

Madame Speaker: What is the will of the committee with respect to recommendation No. 7? I'm in your hands, with respect to a motion.

Hon. M. de Jong: I'll move adoption.

Madame Speaker: Moved adoption. Seconded, Farnworth.

Recommendation 7 approved.

Madame Speaker: Gary, thank you.

That brings us to item 4 on the agenda, Finance and Audit Committee.

Finance and Audit Committee

Madame Speaker: Finance and Audit Committee minutes of July 10 and October 7. Any business arising?

Hon. M. de Jong: Yeah, a couple of things. At the end of this we've got the action items page, where it's got the recommended motions and things. But just from the minutes for the meeting — I'm on the one for July 10, item 13 — the reference to the minutes being disclosed.

Good. I think that was something we talked about, and now there's no ambiguity around that. I'm pleased that that's happening. Likewise, item 16. I think we've closed the loop on this whole travel thing, so that's good as well.

On October 7. I think this comes back in the decision items, the paramedics memorial, which I think is item 5 on the decision items. Do we get some sort of...? Is there a design or something before we launch off and...?

Madame Speaker: Yes. It's on the agenda. I could do that at that point or do it now.

Hon. M. de Jong: Okay. We'll do it then. That's fine. I think that's it. Then we have the report of November 5, and then we can deal with everything else.

Madame Speaker: Any other questions arising?
Motion to adopt the minutes of the finance and audit committee of July 10 and October 7? Looking for a mover — Farnworth. Seconded, de Jong.

[1615]

Motion approved.

Madame Speaker: That brings us to item (b), report of the finance and audit committee. I'm happy to turn it over to Hilary Woodward.

H. Woodward: You have before you the report from the finance and audit committee, dated for today, November 5. The finance and audit committee report includes decision items that were considered and recommended for approval by the finance and audit committee at its May 13, May 27, July 10, October 7 and October 21 meetings, as well as a number of information items.

I will go through the for-decision items first. These are including the recommendations of the finance and audit committee, and they're brought forward for Legislative Assembly Management Committee approval.

The first item, item 1, is tangible capital asset policy revisions. There was actually an accounting policy decision note that was in your materials related to this, but I will provide a brief overview. The tangible capital asset policy was reviewed and approved by LAMC on March 11, 2014. While this policy did address routine capital asset acquisitions, it did not contemplate the unique characteristics of the Legislative Library's collection of books and materials and the associated challenges with accounting for these assets on the Legislative Assembly's financial statements.

After a thorough review, it was recommended that the finance and audit committee recommend that LAMC approve the adoption of public sector accounting standards section PS 4240, collections held by not-for-profit organizations, effective April 1, 2013, as the basis of the accounting for the Legislative Library's collection and to revise the Legislative Library's collection policy to meet the criteria requirements of PS 4240.

Madame Speaker: Questions arising?

Hon. M. de Jong: I don't understand what we're doing.

H. Woodward: In short, the tangible capital asset policy, as it would be that.... We would have to account

for the library collection on the financial statements and come up with an amount. Given the type of collection we have — hard to value, difficult to value.... For that reason, we went to this section. As a result of that, we can do a note disclosure on our financial statements — which, when we go through the financial statements, you will see — as opposed to actually coming up with a value.

Hon. M. de Jong: Is that the reference to the not-for-profit organizations accounting standard?

H. Woodward: Correct.

Hon. M. de Jong: That's what that is.

H. Woodward: Correct.

Hon. M. de Jong: Okay, now I....

M. Farnworth: I totally get that. I just have one question. Why would you not look at insurance replacement, or is it because some of them cannot be replaced?

H. Woodward: It would be difficult to replace. We have a replacement value estimated at \$28 million for it.

M. Farnworth: Okay.

C. James (Clerk of the House): We're also self-insured.

Madame Speaker: Any other questions?

Do you wish to have something at this juncture or move on to item 2?

H. Woodward: Yeah, I'm thinking maybe a separate motion for each, since we're going through them individually.

Madame Speaker: So for 4(b)(1), tangible capital asset policy revision, a motion to accept? Mr. Simpson, Madam Stilwell.

Motion approved.

Madame Speaker: Hilary, item 2, disclosure of members' travel and constituency office receipts.

H. Woodward: Yes. At the July 10 meeting of the finance and audit committee the committee was presented with an overview of considerations regarding the preparation of members' travel and constituency office receipts for disclosure and the processing of those receipts through financial services and individual members' offices.

Legislative Assembly staff are currently concluding their work on a proposed model for the processing and

reporting out on receipts, and we will be presenting that model to the finance and audit committee for its review and recommendation to LAMC.

Legislative Assembly staff are also in the process of preparing the necessary communications out to constituency office staff and those government agencies that assist the Legislative Assembly in preparing the disclosure information. Specifically, those would be open data B.C. as well as the Ministry of Finance.

The committee also discussed at that meeting the timing of the release of receipts, and at that meeting it was recommended that the release of travel and constituency office receipts processed in October to December 2014 be released in February 2015. That would be in conjunction with the release of the quarter 3 MLA disclosure reports. Then from quarter 4, going forward, we would just go forward with the receipts. That would be, essentially, the start date for the disclosure. We would not go retroactive.

Madame Speaker: Comments? Questions?

[1620]

Hon. M. de Jong: Wholeheartedly in support. I would just like to suggest, though, that the motion turn around and make clear that we are, in February of 2015, posting — or whatever the language is — receipts for October to December 2013.

The other part. We'll approve the model, but we're doing it. And it's incumbent upon us in the interim.... Finance and audit will approve the model, but I don't think any of us want this to be a contingent approval.

It's going to happen in February. It's going to be for that period. And in the meantime, finance and audit will approve the model for disclosure.

Madame Speaker: That is your motion?

Hon. M. de Jong: Yeah.

Madame Speaker: Second? Mr. Farnworth.

Motion approved.

Madame Speaker: Hilary, any other items?

H. Woodward: Well, we could turn over to item 3 and then come back to item 4.

Madame Speaker: Okay, the Legislative Assembly *Accountability Report, 2013-14*.

K. Ryan-Lloyd (Deputy Clerk and Clerk of Committees): Good afternoon, members. You will have received in your packages for the meeting a copy of the draft accountability report for the Legislative Assembly for the fiscal year 2013-2014. This draft had been pro-

vided to the finance and audit committee on October 7 and later approved at their October 21 meeting for recommendation to your committee.

The accountability report is a new format in which we've proposed to fulfil your obligations as a committee, under section 5 of the Legislative Assembly Management Committee Act, to provide the public with an annual report of the deliberations and activities of this committee.

The report, of course, also includes the assembly's first set of independently audited financial statements, which I believe appear on page 21 of the copy in front of you. But it also includes a variety of other information highlighting the assembly's commitments that have been implemented and fulfilled with respect to openness, transparency and accountability since the July 2012 audit of the Legislative Assembly.

The report is intended to highlight some of the important changes that have taken place with respect to our financial management and governance at the Legislative Assembly, and we hope that it will be a useful tool to help communicate with British Columbians about the steps that have been taken over the past two years.

If members agree that this is a helpful format, it would be our intention to go forward by producing this on an annual basis, in support of the work of the committee and the Legislative Assembly in general.

You will note that there is also some additional information about the administrative departments under the Office of the Clerk. We have prepared, for the first time, a departmental performance report — which begins around page 13 — which highlights some of the key goals and activities for a number of assembly departments. Going forward, we will be working towards implementing performance measures and reporting out the results of that progress in future reports.

We present it to you today, with the recommendation of the finance and audit committee, for adoption. We'd be pleased to answer any questions or take any suggestions you might have.

As the financial statements, of course, form a key component part of the accountability report, as I mentioned, I'm sure that Hilary....

Interjection.

K. Ryan-Lloyd (Deputy Clerk): Yeah. I would defer those good questions to our colleagues from financial services.

S. Simpson: Just a comment. I like the new format. I think the history of the annual report of LAMC was a list of meetings and a list of what we did and didn't do in a way that I don't think was very helpful all the time.

I do think this report is prepared in a way that provides people a better snapshot of what we do here and what LAMC does. And to attach it with the financials

is a big step forward. I think the financials, in the way they've done.... Certainly, the independent audit telling us that we got a clean bill of health, so to speak, on the financials is a positive.

I think it is a step forward to do this. It's a good first one, and I think it's a model that is worth supporting heading into the future.

Madame Speaker: Any other comments?

[1625]

Hon. M. de Jong: To echo that somewhat, I find with the format in the report the obvious point of departure here are the audited financial statements and the degree to which.... You know, as members of the committee, you are answerable, and senior staff are answerable. The Auditor is our friend, right?

S. Simpson: Today.

Madame Speaker: They're smiling. I think it's a good sign.

S. Simpson: They're chuckling at the back of the room.

A Voice: They're always our friends.

Hon. M. de Jong: Actually, it's true. And so the point is we have these statements. We have a baseline. And we are anxious, I think, all of us, to demonstrate a discipline and an adherence to proper accounting processes and proper expenditure control. I think it's a major step forward. We shouldn't.... You know, let's not get too cocky. We've seen things go sideways before in any variety of ways in something as large as government. But this is a good start.

Madame Speaker: I, too, would offer my accolades to all those who made it possible — the notion that we are probably more transparent and more accountable publicly than ever. And certainly I would concur with Shane's comments in terms of the readability of the format. It was difficult to access information, and each year I think we'll become more adept, certainly in seeking the guidance of all the skilful souls around the table in terms of how best to convey that information publicly.

We will, on a go-forward basis, I think, improve over time. It's absolutely a work in progress, but I'm very pleased with the direction we've yet attained.

C. James (Clerk of the House): I just want to point out that this is the first time the Legislative Assembly of British Columbia has been fully audited. We now have our own stand-alone, independent, auditable financial statements. We have joined an exclusive group across the country that has the same financial statement process.

This is where we were two and a half years ago, and

this is where we are today. This is a giant leap forward for the management of the Legislative Assembly, and I think that the public, and members in particular, should be very pleased in the knowledge that their Legislative Assembly is being managed very well, very economically, very efficiently and very effectively through a massive re-organization of financial services.

Hilary Woodward has reorganized the branch. There are a number of individuals who have spent countless hours, evenings, weekends, over the past year preparing the financial statements, which is not an easy thing to do. I've seen it — Jon Harding and Brian in financial services in particular. Arn van Iersel should be acknowledged for the expertise that he's brought to bear.

I'd also like to acknowledge the collaboration and great work of Paul Nyquist from the Office of the Auditor General and Malcolm Gaston before he was in his bicycle accident but now back in the saddle, so to speak. Also Russ Jones. The collaboration that has occurred over the last couple of years between this place and the Office of the Auditor General is great, and to quote the Minister of Finance, they are our friends. They know that they can walk in here any time and audit anything and that we will open doors for them. There's nothing to hide. It's transparent, it's accountable, and it's working very well.

My commitment to this committee and to all Members of the Legislative Assembly is that, going forward, we will be producing even better financial statements, if that's possible, but certainly monitoring and producing the results that I think all members and the public generally want to see of their Legislative Assembly. I just wanted to make that point.

Madame Speaker: Any other comments?

Kate, any closing comments?

K. Ryan-Lloyd (Deputy Clerk): Yes. Just to clarify for the information of members, members will note in the copies in front of you that we are still awaiting receipt of the final copy of the independent Auditor's report. A draft was provided to the Finance and Audit Committee a number of weeks ago. With the inclusion of that report and the affixing of signatures that need to be applied within the report, subject to your approval today, it would be our intention to release this document tomorrow in conjunction with the tabling in the House if we can line up all those pieces within the next few hours.

[1630]

The proposal, I presume, at this stage, subject to any further direction from the committee, would be to seek your approval of the financial statements for the Legislative Assembly for the year ended March 31, 2014, as presented today; then following that, pursuant to section 5 of the LAMC Act, to adopt the accountability report and to have it deposited for presentation to the House at the earliest opportunity.

Madame Speaker: Looking for a mover for the first motion. Madam Stilwell.

Second? Mr. Simpson.

Motion approved.

Madame Speaker: On the second motion — looking for a mover.

M. Farnworth: So moved.

Madame Speaker: : Seconded, Mr. Foster.

Motion approved.

Madame Speaker: Anything else outstanding, madam?

K. Ryan-Lloyd (Deputy Clerk): No. Thank you very much.

Madame Speaker: No worries. Thank you.

H. Woodward: We're moving along now to item 4. This is the 2014-15 financial update. What you'll have in your materials is both the first and second quarterly report for the Legislative Assembly.

I will begin with the first-quarter results. They cover both operating and capital expenses for the period April 1 to June 30, 2014, as well as the full-year forecast as at June 30, 2014. After that I'll move on to the second quarter — same setup, operating and capital expenses, but for a six-month period, from April 1 to September 30, and again a full-year forecast as at September 30, 2014.

Starting with quarter 1, as at June 30, 2014 — so three months into the fiscal year — the Legislative Assembly was forecasting a \$900,000, or 1.3 percent, surplus for the 2014-15 fiscal year. Forecasted reduction at that point — it was in four of the nine expense categories — primarily relating to operational savings, most of those being unfilled staffing vacancies within the Legislative Assembly. There was a delay in some planned facilities projects on the operating side.

Madame Speaker: Questions? Comments?

H. Woodward: I'll move on, then, to the first-quarter financial report for capital expenditures. Again, for the first three months of the year, as at June 30, the Legislative Assembly was forecasting to be \$1.8 million, or 54 percent, underspent in capital for the 2014-15 year. Primary reason for the forecasted underspend was delay in the start of a number of facilities projects. In general, that was due to the timing of approvals and tender processes and then working around when the House was in session and not in session.

Also, the reduction of the precinct project contingency

reserve — that was \$794,000. We've indicated at that point that we would not be using that reserve. Other items were.... There's a new capital asset threshold for computer equipment. When the budget was built, there were certain items that were going to be spent through capital. That would be, like, your personal computers. A lot of those are coming under the \$1,000 threshold, so, in fact, those will be running through the operating side as opposed to capital. We've got approximately \$70,000 savings there.

Also, a reduction to the capital contingency reserve of approximately \$540,000. We've reduced it by 50 percent, given the underspending in the other categories. That would be for both operating expense first-quarter financial reports.

Any questions?

Madame Speaker: Questions? Comments?

Any advice, Mr. Finance Minister?

Hon. M. de Jong: I'm not allowed to be in the advice business. [Laughter.]

Madame Speaker: How would you like to proceed, madam?

H. Woodward: I will, then, now proceed to quarter 2, which is the first six months of the year. As of September 30 the Legislative Assembly was forecasting a \$1.4 million, or 2 percent, surplus. That's a \$600,000 increase in projected savings from the first-quarter results. Again, a similar trend — operational savings from unfilled staff vacancies, delays in some projects and also some reductions in travel and IT and those types of operational categories.

S. Simpson: Do you have any expectation, based on the information you have, that some of those things that we've saved on will be acted upon in subsequent quarters so that we're going to end up realizing those expenditures down the road, even though they weren't captured in the quarter originally?

H. Woodward: I think in some cases our forecast.... Because this was as at September 30 and the discussion that happened earlier in this meeting regarding security on both the operating expenses and capital, we will see a change in quarter 3 and by quarter 4, certainly, for those expenses that will be incurred in this fiscal.

S. Simpson: That we may have seen savings now, but it's more of a postponement or a delay in the expenditure more than not having to realize that expenditure at some point in the future?

[1635]

H. Woodward: In some cases, for some of the items that were discussed it will be a substitution. As of

September 30 we weren't anticipating those costs. Now that we are, it's been indicated that we would have existing funds to cover that. The forecast would certainly change in certain categories, but in other cases that I've mentioned we shouldn't see a change.

Madame Speaker: Any other questions, comments?

H. Woodward: I'll just conclude with the capital expenditures second quarter report results. For that, the results in the forecast are essentially unchanged from the first quarter. Again, as I was just mentioning, this was done as of September 30, so a number of those items will be capital expenditures. You will see a change going forward once the expenses have been approved. Other than that, quarter 2 for capital expenditures is relatively unchanged from quarter 1.

Hon. M. de Jong: Some previous meeting, I think, developed a monitoring test for variation from.... I just want to ask: has that lens been applied to the capital update, and do you need to alert us to anything that has triggered the variation?

H. Woodward: Yes. In fact we are monitoring based on the tracking system that we talked about. We talked about a dashboard system. I actually have a document. Some of the review we've done.... We need a bit more careful consideration in terms of presenting that material just in terms of the format, but I do have the information here.

In answer to your question, yes, the quarterly report for the capital does reflect those. A lot of it is in the facilities department. So I will pass it on to Gary, and he can talk about some of those projects that have been significantly delayed or deferred.

Hon. M. de Jong: So is there...? Forgive me, that is one part of the package I did not review. In the past we've had a spreadsheet. Is there something that would say to members that these are the projects that are now either behind, from a timing point of view, or significantly above budget in the way that we pass the threshold that we identified?

H. Woodward: Yes, we do have a document. We do share it regularly at finance and audit committee in terms of where the projects are at. It's a fairly extensive and detailed document. What I was referring to is: we were looking into ways to try and streamline it a bit for the members of this committee in terms of presenting that detail, the level of detail for the projects. Because it's between.... Anything over \$5,000, there are a fairly high number of projects. But we can certainly provide that information.

Hon. M. de Jong: I think the unsophisticated question is: what do we need to be worried about? Is there something that is coming off the rails or presenting

significantly increased expenditures beyond what we thought, beyond what finance and audit might have approved initially?

I know we're in the early days of this, but what I think members would like to know.... It's sort of an early warning device. We don't want to hear about it at the end of the project and discover that we're 50 percent over budget.

H. Woodward: Yeah, certainly. The forecast in the quarterly reports reflects where there has been a deferral or a slowdown of a project. For example, in facilities services a bulk of the forecast is significantly below what the budget is, and that reflects a number of projects that haven't been proceeding.

For example, one of the projects that was identified was the library elevator modernization. Just given timing and some of the decisions that will be coming forward through the space planning committee, that project is unlikely to proceed this fiscal. That is one of the major projects that will not be proceeding, and it's recognized in the reduced forecast.

The other is the upgrade generator transfer switch. There are some costs incurring on that, but again, due to some delays and the tendering and different approaches, we will unlikely spend the full budgeted costs for that.

Hon. M. de Jong: Anything on the other side of the ledger that we should be worried about? That is: "My goodness, why does this cost so much more than we...?"

H. Woodward: No. For example, we have had — which I'll talk on in the information items — two unanticipated capital projects. They were under the \$25,000 threshold. At the October 21 meeting of the finance and audit committee we did review those.

[1640]

One of them was a point-of-sale system for the dining room. The other was the metal detectors that were discussed. But nothing running rampantly over budget. If anything, we're tracking, and we'll be under budget.

Madame Speaker: With respect to that, anything that's even remotely approaching 10 percent comes back to the floor for discussion.

If it's the House Leader's wish, we can certainly share that running document, the tracking document, with you both — if that's your desire.

Hon. M. de Jong: Yeah, I.... Be realistic about where.... We've got the early warning device. We've got finance and audit....

S. Simpson: You want a document that looks like this. Then like this. Are you going to read it?

M. Farnworth: That's why we've got finance and audit.

Hon. M. de Jong: Good, then I'm happy with that.

Madame Speaker: I'm happy to make the offer. I'm happy for you to decline.
Anything else for Hilary?

H. Woodward: Not related to the financial reports.

Madame Speaker: Any comments, questions?
Raise your hands. Would you want something on item 4? Motion to receive?

S. Simpson: Receipt of the report. Is that what we've got to do? Receive them?

K. Ryan-Lloyd (Deputy Clerk): And to recommend, approve.

Madame Speaker: If you'll be so kind as to put the motion on the record.

K. Ryan-Lloyd (Deputy Clerk): The finance and audit committee had recommended that this committee approve the assembly's financial results for the two quarters, for the first quarter and the second quarter. So pursuant to that, a recommendation.... I would suggest that perhaps a motion to endorse that recommendation.

S. Simpson: Do we approve them or receive them?

Hon. M. de Jong: We certainly received them.

K. Ryan-Lloyd (Deputy Clerk): Approve the recommendation.

Motion approved.

Madame Speaker: Brings us to item 5: paramedics memorial. All members will know that there is today a police memorial on our grounds, and there is a firefighter memorial on our grounds. We were approached probably 14 months back in terms of honouring fallen paramedics in British Columbia. Certainly, through the minutes you will note that the plan this year, in this fiscal, is to create the base, which has been quoted to us at \$22,000. Apparently, very similar cost to the bases for the firefighters and for the police memorial. Memorial to be installed in the late spring.

I would certainly take this, at this juncture, to provide some accolade to the paramedics. They have, in fact, fundraised for the cost of the memorial. They had a design program that they took across the province to each and every paramedic, seeking their vote, if you will. They have selected the design, which has now been distributed to you. In terms of location — almost equidistant between the existing police memorial and firefighter me-

memorial, the base looking very, very similar to that.

In terms of history, the assembly paid for the bases for both the police and the fire memorial. So staying consistent with practice, we would certainly put that forward as an information item today.

Hon. M. de Jong: Does anyone know when the memorial is done...? Not a very delicate way to ask this question. I recall a terrible tragedy up-Island a few years ago involving an ambulance on the way into Port Alberni, along the Tofino....

How many names, when this is completed, will be on it?

Madame Speaker: The report is actually before the paramedics at the present time, but I think it's under 20. You'll recall that in the East Kootenays there were three paramedics that were fallen as part of a mining disaster as well. There was significant tragedy in our province over the last number of years.

Again, as an information item, any further questions?
All right. Brings us to capital projects. Back to Hilary.

H. Woodward: Capital projects — these are the projects that LAMC delegated approval to the finance and audit committee to approve anything greater than \$5,000 and less than \$25,000.

Two new projects have since come forward, as I just previously mentioned, the first being the replacement of the point-of-sale system for the legislative dining room. The existing system is over 12 years old. It's reached the end of its life cycle and requires replacement. This is for information: finance and audit committee did approve that capital project. We've added that to our tracking document.

The second item that was approved was the metal detectors for the legislative galleries, again a replacement, end of life cycle. Those were discussed earlier by the Sergeant-at-Arms.

Those are the two items.

Madame Speaker: Any comments?

Motion approved.

Madame Speaker: Brings us to item 5: Clerk's update.
[1645]

Clerk of the House: Update

C. James (Clerk of the House): I'll be very brief, noting the time. I just wanted to bring to the attention of members of the committee the work that Arn van Iersel did by way of his review of the various branches of the Legislative Assembly — a very lengthy and exhaustive and detailed report. I have prepared a draft summary

and a draft implementation plan relating to the various branches of the Legislative Assembly. Of course, this does not cover anything else other than the branches of the Legislative Assembly.

There are several areas that I will be seeking the advice of the finance and audit committee on in terms of implementing any of the recommendations that Arn has made and also members of this committee. The drafts that I have in front of me I'm hoping to place on the agenda for the finance and audit committee meeting when it meets on November 18, I believe, and then from there to this committee.

Budget preparation is underway. The executive financial officer and the director of financial services are meeting with caucuses, I believe. Branches are preparing their budgets, and there will be shortly a group meeting among all of us to review each other's budgets and for us each to be able to defend to the other the necessity for the programs that will be contained in their budgets. That will then be placed before the finance and audit committee and, ultimately, the Legislative Assembly Management Committee for its approval under Vote 1.

We've talked about the accountability report and the financial statements, the audit as well. Internal audit is a program that has governance as its issue presently. Because of our processes and procedures and policies that have been put in place, I think internal audit is not the priority that we originally thought it would be. That is going to ultimately, we hope, reduce the costs to Vote 1 by way of internal audit.

Business continuity. We did hold a tabletop exercise recently. One of the really interesting features of the tabletop exercise.... Emergency management B.C. attended, all of the directors. It was a topic none of us knew about. It was intended to be a real, live experience in terms of what to do in the event of some catastrophe.

It started off as a broken steam pipe, but as we went through the exercise the person, the facilitator, that was leading us turned it into the potential for a terrorist attack. What do we do? Who do we notify? What are the responsibilities of all the players? I'm hoping to conduct another tabletop exercise for branch directors and others in early December, and that will revolve around what happens in the event of an earthquake. It was well received by all directors.

I thought it was just an excellent program, and I'm hoping that a couple of times a year we can get everybody together. I think it would be helpful at some point to include the caucuses or representatives from the caucuses to be part of this essentially day-long exercise so that they have a better understanding of perhaps what to expect in the event of any kind of catastrophe.

That's my report.

Madame Speaker: Any questions for the Clerk?

S. Simpson: Just on a matter that wasn't there, and maybe I could just get a clarification on what the status of the space committee is.

Madame Speaker: Reporting out to finance and audit November 18 — draft report.

That brings us to Shane Simpson and the Queen's Printer.

Queen's Printer

S. Simpson: Yes. It was brought to my attention that, I guess under the auspices of the core review, the print division of the Queen's Printer is looking at being sold or disposed of. Presumably these services will be contracted. That's my understanding. I don't have a lot of information, but that's what I understand.

The concern that I have is that when I spoke to the people at the Queen's Printer and got information, it's very clear that the longest list of things they do, they do for us or they do for ministries related to us, whether it's legislation, reports, orders. Work of the Legislature is a large part of what they do.

It's clear to me that there are issues around confidentiality and around security and a number of those things. The budget, for instance, is an obvious one, but in other areas, too, around legislation before it's ready to come forward. There's an array of those things.

[1650]

I have a concern. I respect the legislative process and the role of the core review and of the minister to make the savings that they've been directed to make by cabinet, but I do think the discussion of the Queen's Printer and what happens, to some degree, is a discussion that belongs here as well. I do have concern about a core review decision potentially impacting some of those matters.

What I would like to see happen — and I don't know what the timeline is for it — is the Queen's Printer come back with some assessments of a number of questions. First of all, what is the cost-effectiveness of taking this out of house and doing it elsewhere? How do those questions of security and confidentiality get addressed if this is not an in-house production?

We know that they're very good at that security today in terms of what they do. How does it get addressed if it goes out of house because we no longer have that capacity? I understand that the digital capacity will remain, but the print capacity will go. That's what I've been told.

What I would like to do is for LAMC.... Maybe it's through the minister who's here, but I would like somebody to just slow this process down until we get some kind of report to LAMC or to finance and audit that answers those questions about the cost-effectiveness of taking this out of house and those security and confidentiality matters.

I have no idea, and it concerns me that that change is

being made that will impact what we do here without us being part of the discussion.

Hon. M. de Jong: I think the Clerk had something.

C. James (Clerk of the House): Just to bring you up to date, we have been holding meetings with Queen's Printer in relation to the work that they do for the Legislative Assembly. My understanding is that the work will not change, that they will still be able to administer the work that we send off to them — whether it's the statutes, the *Votes* and orders and other legislative documents.

The meetings are ongoing, but I thought what would be helpful is, as early as November 18 at the finance and audit committee, to present a short report on the meetings that we've held, the discussions and the results of those discussions so members are in a better position to judge for themselves as to the extent and the implications of changes at Queen's Printer.

Hon. M. de Jong: Right. I think there are two dimensions to this. I think there is the interest that LAMC and the assembly have, from the perspective of being a recipient of the service. You're quite right. It reveals itself in any number of ways.

The budget for the Queen's Printer, though, does not flow through.... Which vote does it flow through?

C. James (Clerk of the House): We get billed on a regular basis for the work that they do for the Legislative Assembly.

Hon. M. de Jong: No, I understand that. But the vote....

A Voice: Which ministry?

Hon. M. de Jong: It flows through the ministry. I think it flows through the Technology Ministry. The decision around the measure of funding falls outside of the ambit of LAMC. The interest, as it relates to the service that is provided and the continuity of that service, very much engages LAMC.

I think Mr. Clerk has got the.... Maybe what we should do, if it's finance and audit, is get an update. Maybe finance and audit should get an update on precisely where those discussions are at. I can't tell you right now.

More specifically, what are the implications for the services that the Legislative Assembly and members have come to expect that are fulfilled by the Queen's Printer? Then we can get full report on what's changing, what's not.

I think some of this was triggered, quite frankly, as much by the fact that the old offset printer from Heidelberg, Germany, needed to be replaced or something, and there's a way now to do this. I mean, you don't

need all of that machinery. But I don't enough about it to give you an authoritative version.

I think it's legitimate for LAMC, as the representative body of a client of the service....

S. Simpson: Primary client.

Hon. M. de Jong: ...a primary client of the service, to get a full report on where that's at and what the implications are. I think that's fair ball.

[1655]

S. Simpson: Yeah, and I'm happy with that. I would just hope that there can be some discussion, whether it's with the ministry or however those discussions have to be entailed, until we get a chance to see that and talk it through and figure it out — that somebody at least is encouraged that this thing gets slow-walked for changes that may.... If we have concerns, legitimate concerns that we raise.... And I don't know. Until we see the analysis, who knows? But until we see that, I worry about changes being made that can't be recovered.

Until we say, "Okay, we know how this is working, and we can see how it's going to occur, and we can make this work or not," I wouldn't want to see significant or fundamental changes happen across the street, where the response is: "Well, too bad, but it's done." And I don't know where that's at.

So that's my concern. Until we at least get a chance to review it, whether it's finance and audit or whether ultimately it's LAMC or whatever, we need to satisfy ourselves for our colleagues and for the operation of this place, and then go from there — or understand the alternatives, if we are talking about alternatives, and how those are going to be addressed.

Hon. M. de Jong: Why don't we see if we get a report for the 18th and start there anyway?

Madame Speaker: Minister, I'll endeavour to follow up with you to bring something forward.

Hon. M. de Jong: Yeah, and then we'll find out what we know and what we don't know.

Madame Speaker: Perfect. Thank you very much. Any other items under other business? Thank you all for your kind time and attention. Motion for adjournment?

E. Foster: So moved.

Motion approved.

The committee adjourned at 4:56 p.m.

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