



Third Session, 40th Parliament

REPORT OF PROCEEDINGS
(HANSARD)

LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

Victoria

Wednesday, December 10, 2014

Issue No. 9

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

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

LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE

Victoria

Wednesday, December 10, 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)

Clerk: Craig James (Clerk of the House)

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MINUTES

LEGISLATIVE ASSEMBLY MANAGEMENT COMMITTEE



**Wednesday, December 10, 2014
12 noon
Douglas Fir Committee Room
Parliament Buildings, Victoria, B.C.**

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, Office of the Auditor General; Paul Nyquist, Director, Office of the Auditor General

1. The Chair called the Committee to order at 12:07 p.m.
2. **Resolved**, that the Committee approve the agenda as circulated. (Michelle Stilwell, MLA)
3. **Resolved**, that the Committee approve the minutes of November 5, 2014, as circulated. (Eric Foster, MLA)
4. The Deputy Speaker provided the Committee with an update of the work of the Legislative Assembly Space Planning Committee, distributed the *Space Planning Committee Summary Report and Recommendations*, and answered questions.
5. The Committee considered the proposal to appoint an all-party Special Committee, supported by external advisors, including those with expertise in architectural and heritage buildings, to consider matters relating to future building renovations and space planning of the British Columbia Parliament Buildings and the parliamentary precinct.
6. The Executive Financial Officer provided the Committee with an overview of the reports from the Finance and Audit Committee summarizing the meetings of November 18 and December 10, 2014, and providing recommendations for the consideration of the Committee.
7. **Resolved**, that the minutes of the Finance and Audit Committee for October 21, November 18, and December 10, 2014, be accepted. (Mike Farnworth, MLA)
8. It was agreed that a summary of Members' Capital City Living Allowance declarations identifying the accommodation option selected by Members be posted annually on the Legislative Assembly's website commencing in 2015.
9. **Resolved**, that the Committee approve a two-year internal audit plan (2014/15-2015/16) and the Internal Audit Charter. (Michelle Stilwell, MLA)
10. The Clerk of the House and the Executive Financial Officer provided the Committee with an overview of the *Vote 1 Budget Estimates: FY 2015-16* and answered questions.

11. Resolved, that the Committee approve 2015/16 estimates of expenditure for the Legislative Assembly for Vote 1; and further, that the Speaker transmit the 2015/16 estimates of expenditure for the Legislative Assembly for Vote 1 to the Minister of Finance on behalf of the Committee. (Mike Farnworth, MLA)

12. The Sergeant-at-Arms advised the Committee that he would be providing an update at a future meeting regarding work on proposed “Guiding Security Principles” and ongoing work regarding additional security equipment and public access.

13. The Committee adjourned to the call of the Chair at 1:05 p.m.

Honourable Linda Reid, MLA
Speaker and Chair

Craig James
Clerk of the House

WEDNESDAY, DECEMBER 10, 2014

The committee met at 12:07 p.m.

[Madame Speaker in the chair.]

Approval of Agenda and Minutes

Madame Speaker: Thank you, all. If I might call this meeting to order — Legislative Assembly Management Committee, 12 to two, Wednesday, December 10, 2014.

A motion to approve the agenda as circulated? Ms. Stilwell, Mr. Foster.

Motion approved.

Madame Speaker: A review of the previous minutes, of November 5. Please take a moment and review, and let's see if there's any business arising.

Any business arising? Motion to adopt the minutes as circulated — Mr. Foster. Seconded by...?

Mr. Simpson, may I call upon you to second?

S. Simpson: Sure.

Motion approved.

Madame Speaker: Item 3, health, safety and accessibility of the parliamentary precinct. Perhaps a short information item on behalf of the chair of the space planning committee.

Health, Safety and Accessibility of the Parliamentary Precinct

D. Horne: In the finance and audit committee this morning we went through these recommendations of the space planning committee. Perhaps, since this is the first time that we've been before LAMC, I'll give a little bit of background.

Obviously, in some of the issues that face the precinct and the facilities that we have.... First and foremost, as we go into the next parliament with the committee that's currently deciding the legislative boundaries, there are likely to be additional members in the next parliament.

Obviously, accommodating those members as well as dealing with some of the issues that we have before us — most particularly, the bunker, which has reached the end of its life cycle — the committee undertook a considerable amount of work, over the summer and through the fall, to assess the space that we currently have and how we utilize that space effectively.

[1210]

It has come forward with a number of recommendations, both in the short term, mid-term and longer term. Those are contained in the report that is currently being tabled here.

They deal with a number of different matters. I think one of the things we heard when we spoke to a number of different members was the lack of smaller meeting space. While we have a lot of larger committee space where committees can meet, there was really not a lot of smaller meeting rooms.

We do have some space that can accommodate that. Most particularly the thought was that directly behind the assembly, where the telephone booths currently are, is a space that could easily be cleaned out and used as a small meeting room. That was one of our recommendations.

The other, on the meeting space side, had to do with the space in the library, both in the gathering room and on the reading room side, and the fact that as a meeting room, that space is perhaps underutilized because of the lack of privacy and the lack of it being able to have any sound barrier between the main foyer, or where the reference desk is for the library, and the meeting facilities themselves. As that space is underutilized, we felt that by addressing that, we could certainly use that space far more effectively than we are currently using it, which, perhaps, could free up some additional space in other areas of the precinct.

The other major aspect of what the committee looked at was when it came to accessibility, most particularly when it comes to washroom facilities and looking for a plan to make barrier-free washrooms on the first, second and third floors and to have that so that those who require those facilities don't have to go searching high and low and then become frustrated in the process.

One of the other minor short-term recommendations has to do with some office space, particularly for the opposition. In fact, they had given up some space and were then short on space. That, actually at the last finance and audit committee meeting, was dealt with. Where the first-aid room is situated — we took a look at that as well.

I think one of the other recommendations that we made was not necessarily in providing huge upheaval during this parliament but a general indication to the independent member that's currently in the office space directly off of the foyer and reception space that perhaps that space could be better utilized by other of the legislative resources in the future. Best to make that indication in the short term — that perhaps after this parliament is concluded and we go into the next parliament, we'd look for some change there.

When it comes to the mid and longer term, our feeling was that we should spend some additional time on evaluating our options. I think the committee felt in general that the replacement of the bunker with a new building would probably make the most sense. Subsequent to that recommendation, through the core review process, the Queen's Printer facility became far more available than it has been in the past. As well, there is some additional space behind the museum.

I think where the committee was at was that it really wasn't an all-or-nothing proposal, but perhaps some of our facilities could go into one of those buildings — particularly, perhaps, the library collection into the Queen's Printer space because of the fact that that building was constructed to be able to hold some significant weight.

[1215]

The current housing of the library's collection, perhaps, isn't in keeping with current environmental and other standards that will keep for the longevity of that collection, which is worth a considerable amount of money and is really something that is a key part of the history of British Columbia and something that we need to make sure that we maintain.

Looking at those operations and how that collection is maintained in the future is something that I think needs to be looked at further, which would obviously, as well, give considerable additional space, perhaps, within the main parliamentary precinct to be utilized in different ways.

Overall, I think each of the members has a copy of the report. I'd be happy to answer any questions that any members might have.

Madame Speaker: Any questions? Any comments?

S. Simpson: Thanks to the committee for the work that they did, looking at a wide variety of issues. I think we've talked about some of the short-term things around some meeting space requirements, providing for some barrier-free washrooms and making sure that we have an adequate supply of those to meet needs. Those are things I think everybody would agree we need to get done, and that's all pretty positive.

On some of the other pieces, particularly the longer-term pieces, I think we might have had a brief conversation about this at some point in finance and audit. I think as we talk about the building and the precinct and the importance of this facility and this institution — obviously, in British Columbia arguably the most significant building in the province and one of the most significant buildings and precincts in the country — we should consider how we move forward over the next couple of years, as we make longer-term plans, which we know are not going to be inconsequential in terms of cost.

Anything that we do on the bigger items moving forward, the costs are going to be significant. I would urge us to think about a legislative committee, something like that, to look at this and come back in the life of this parliament with a report to the Legislature. Encourage the committee to bring, maybe, an advisory group with some heritage people, people from the Architectural Institute — those folks — to provide advice as we look forward and say: "How do we make sure that this place is here, setting aside a natural disaster, moving forward for decades to come?"

I think that's partly a public awareness and education initiative as well. Lots of people, I suspect, love the buildings. When they come to Victoria, they love to visit and to look at them. But I suspect there's not much awareness about what, in fact, the reality is of the facilities and the work that needs to be done and the importance of getting that done. Maybe we should try to do that in some public way. I think a committee is part of the way to do that.

I would be interested in some discussion about either a Speaker's committee of the Legislature or a legislative committee struck by the Government House Leader, at their initiative, to look over the next period of time and come back and report to the Legislature, picking up and building on the valuable work that the space committee has done.

I wouldn't want that committee to be dealing with where you put a meeting room or how you do that but with the bigger questions about facilities, about any new construction — about those kinds of questions. I think that's a debate that should be in public and should encourage people to learn some more about this place.

M. Farnworth: I just want to pick up on that. I think this work has been really good. I think it has identified solutions to some immediate problems that we have. But I also think, as Shane says, what it's also done is highlight that — you know what? — we really need to take a look at the long-term view of this place.

There has been lots of work done in the past — you know, around the armouries, around this building — but it's never really got anywhere. Part of that has been that it comes under scrutiny.

[1220]

I think one of the best ways in which we can deal with that issue is to look at something such as a parliamentary committee tasked with looking at the long-term future of this building. As Shane said, bring in expertise to help and advise.

We've got some pretty important dates coming up. You know, 2017 is the 150th anniversary of Confederation, and 2021 will be the 150th anniversary of the accession of British Columbia into Canada. This is the most important heritage building in the province.

There has been significant talk around seismic upgrading and the seismic needs of this facility, and there's a lot of work going on — seismic — around the province and an increased awareness around that. But you know, at the end of the day, when that earthquake comes, what is one of the most important things? It's that government is there to respond and to be able to deal with that situation, and this is the seat of government.

I think it's important that we recognize that and we acknowledge that and start to get that work so that when things do happen, hey, government is still functioning and able to respond. This is the ultimate symbol of that. I think it's something that we need to take seriously.

E. Foster: I totally agree. I think that, not to go into what the other members have done.... I support it. I think it's something we need to do.

I agree with what Shane said. We should get with it, if you will, whether we do a parliamentary committee or a Speaker's committee or however we do it. I think a parliamentary committee is the way to go, an all-party parliamentary committee, and then move forward and come back before the end of this parliament with a report and recommendations to the House.

Madame Speaker: Madam Stilwell, comment?

M. Stilwell: I would just be echoing what's already been said.

Madame Speaker: Mr. de Jong, any comment?

Hon. M. de Jong: I think the idea has merit, and what we need to do is turn our minds to the terms of reference or questions that might be asked of an all-party committee. I think in this case there might be merit in having the structure afforded by a parliamentary-style committee.

Madame Speaker: Mr. Horne, thank you. You have launched us well. Certainly, there are issues that are short-term in duration. Long term — no question. I look forward to further discussion in terms of how we accelerate that process, implement that process. All your comments are very well taken.

Any other questions for Doug?

We'll work our way through this report at future meetings as we go, because coincident with the long-term planning will be some short-term solutions that are required.

Finance and Audit Committee Report

Madame Speaker: That brings us to item 4, report from the finance and audit committee.

Kate has distributed to members the report addendum of this morning's meeting, December 10. Douglas Horne, I'll draw your attention to item 2. If you can ensure that Kate has, by the close of business, the actual room numbers for those locations.

D. Horne: Yes.

Madame Speaker: Any further comment on the addendum as distributed?

Hilary, did you wish to speak to the decision items of this morning?

H. Woodward: Certainly. The first decision item for this committee relates to the budget submission, but we will defer that until we've had the discussion. Actually,

I'll read the motion out: "Resolved that the finance and audit committee recommend the proposed 2015-16 Vote 1 of the Legislative Assembly as presented for further consideration and approval by the Legislative Assembly Management Committee." That was discussed earlier this morning by finance and audit committee.

The second decision item for this committee was the report from the Legislative Assembly's space planning committee, which we just heard from. The finance and audit committee was presented with a report and accompanying recommendations from this space planning committee for review and consideration. The recommendation and motion from the finance and audit committee was resolved as per the space planning committee summary report and recommendations that the committee approve renovations to create a barrier-free women's washroom in room 202 and a third-floor, barrier-free public washroom.

Interjection.

[1225]

Madame Speaker: Appreciate it.
Any additional comments?

I think you also have before you, if anyone wants to consider it at the same time, the draft minutes of the finance and audit from this morning. If everyone wants just to read and make sure that it reflects the actual discussion of this morning. Then we will receive that.

M. Farnworth: Do you want a motion?

Madame Speaker: I'd love that.

M. Farnworth: So moved.

Madame Speaker: It's been moved. I'm looking for a seconder — Madam Stilwell.

Motion approved.

Madame Speaker: Any other items anyone wishes to address under item 4?

Hon. M. de Jong: Can I go back to the minutes from the November 18 meeting? Under No. 6 there is a reference to a conversation around the proposal regarding online posting of capital city living allowance declarations. Is that different than what we do now? I thought we sort of do all that. Or is that the choice form that we're talking about there?

H. Woodward: A lot of the discussion that happened on November 18 was related to information that we currently do report. One of the specific issues was the actual release of the travel claim document itself — that it would

be a scanned copy as opposed to the summary information that we currently report.

Hon. M. de Jong: Right. No, I'm referring to the reference to the capital city living allowance declaration.

Madame Speaker: On the November 18 minutes?

Hon. M. de Jong: Yeah.

H. Woodward: The discussion.... Whereas currently we don't disclose the particular election of a member, we summarize what the amount would be, like the dollar value. But we don't actually determine, of the four options available to members, which option they've chosen.

Hon. M. de Jong: Okay. Did the committee come up with any thoughts or recommendations around that?

E. Foster: I guess my question on that.... It's not a question — just a comment, I guess. If anybody understands how the system works, by reading the numbers they know exactly what the options are that people take. So adding it in there I don't think makes really a whole lot of difference one way or the other.

D. Horne: I think the discussion might, though.... Related to the fact that as we start posting the receipts and claims, those that have taken the \$1,000 a month don't actually submit a claim for that. By posting the election.... While the summary reports do indeed show the aggregate amounts, as we move to a system where we are actually posting the claims themselves with the receipts, those that are on \$1,000 a month don't actually claim for those. In the absence of having those forms as part of the disclosed record as well, there's a bit of a hole in what we're disclosing.

Hon. M. de Jong: Okay, for what it's worth, I can't really think of a reason not to include that document somewhere in the mix. It just sort of completes the picture of what's going on.

S. Simpson: It was my thinking that part of that discussion was to say that at the beginning of the year — whether it's a quarter of a year or whatever it was — to do that right at the outset and post, "Here are the 85 members, and here's the choice that each of them have made," so that people can look right away and know: "If I want to watch expenses, moving forward, how come this one's always \$1,000 and it never changes and these other ones are quite different?" You can go back and at the beginning just lay out the choice that everybody has made, that they picked option A, B, C or D.

Then it's clear right from the outset. I think that that was part of the recommendation: to do that right at the get-go rather than having to explain it again every month.

Hon. M. de Jong: That makes eminent sense to me.
[1230]

Madame Speaker: That's the will of the committee? On a go-forward basis that would be in evidence. Any other comments? Any other questions?

Hon. M. de Jong: I noticed also there was a decision item relating to internal audit. Is that something we have to deal with as well?

Madame Speaker: Hilary is nodding — yes?

H. Woodward: Yes. This decision came out of the finance and audit committee November 18 meeting. That's the report that was in your initial package. This was a decision item. The finance and audit committee was presented with a revised three-year internal audit plan and accompanying internal audit charter for review and recommendation for approval to LAMC.

The committee recommended approval of the first two years of the audit plan with approval of any subsequent years subject to an annual assessment of performance. The recommendation and motion coming out of that November 18 finance and audit committee was that the finance and audit committee recommend to the Legislative Assembly Management Committee to approve a two-year internal audit plan 2014-15 and 2015-16 and the internal audit charter.

Madame Speaker: Hilary, do you require a motion to that effect?

H. Woodward: Yes.

Madame Speaker: So moved.
Any questions?

Motion approved.

Madame Speaker: Anyone making any further comment in terms of item 4 on the agenda? Any further questions?

I believe that concludes item 4.

I think we're on to item 5: Vote 1 budget presentation, and I believe we're starting with Hilary? Sorry, Craig.

Vote 1 Budget 2015-2016

C. James (Clerk of the House): Members have received a copy of the budget submission that of course the finance and audit committee dealt with this morning. I just have a few remarks to make, following which we certainly would be eager to answer any questions you may have about the budget.

As the assembly's chief procedural, administrative and financial officer, I have overseen the development of the

proposed budget and believe that the 2015-16 budget submission provides the necessary resources to enable the Legislative Assembly to fulfil its legislative, financial and oversight responsibilities for the fiscal years in question.

I am pleased to advise that the 2015-16 Vote 1 operating budget of \$69.56 million remains unchanged from the prior year. In order to maintain a status quo budget submission, the Legislative Assembly support program budgets, representing approximately 37.5 percent of the total Vote 1 appropriation, have been reduced by \$325,000 or 1.2 percent overall.

This reduction, in large part achieved through operational efficiencies, is in addition to the Legislative Assembly support services, including the Offices of the Clerk, the Clerk of Committees, and the Speaker absorbing all compensation and benefit increases for both Legislative Assembly staff and members — an impact of approximately \$500,000.

Since being appointed as Clerk of the House, I have initiated a number of fundamental reforms to administrative programs that have resulted in savings and improved service delivery to members.

The most recent of these reforms is the Legislative Assembly support program accountability review, an independent efficiency review launched in the spring of 2014. The objective of the review was to identify program savings and potential enhancements to improve performance and service delivery. Following consultation with Legislative Assembly executive and staff, over \$1 million in savings have been identified. These savings will be implemented over a three-year period beginning in the 2015-16 fiscal year.

Other reforms underway include a long-term accessibility plan for the Parliament Buildings for the five years following the 2015-16 fiscal year. This plan will be prepared in concert with the Speaker and the space planning committee, the latter being a laudable initiative on the part of the Speaker. In fact, the Deputy Speaker, who serves as chair of the space planning committee, has successfully obtained a federal grant to rehabilitate the cenotaph and, along with the Sergeant-at-Arms, is pursuing other federal grants to offset the costs of other projects contemplated for the Parliamentary precinct.

[1235]

Other key initiatives that have taken place during the past year include: a protocol agreement with various policing agencies, including the RCMP, the first of its kind in Canada; strengthening our business continuity planning and emergency preparedness plans, including hands-on tabletop exercises using the knowledge gained from our work in this area; initiation of a thorough review of all existing human resource and administrative policies; and the publication of the Legislative Assembly's first accountability report, which includes the Legislature's first set of independent financial statements for the 2013-14 fiscal year.

As you know, the 2013-14 financial statements were recently audited by the Office of the Auditor General, and the result was an unqualified opinion. This is a significant achievement for the Legislative Assembly and reflects the extensive amount of work that has been undertaken to address financial deficiencies identified by the Auditor General just over two years ago.

Enhancing accountability through the strengthening of financial management and administration has enabled the Legislative Assembly of British Columbia to become one of the most transparent, accountable, effective, efficient and economical parliaments in the Commonwealth.

Yet challenges remain. Retrofitting and upgrading existing facilities at the Legislature are very expensive undertakings, which is why I have been proposing a methodical approach to be implemented over a number of years. Such a plan will address not only our infrastructure challenges but also enhance the accessibility, security and safety of the assembly's inhabitants and the public who enjoy visiting here.

In recognition of our commitment to continued financial prudence, the 2015-16 Vote 1 capital budget has been decreased from \$3.392 million to \$2.83 million, a reduction of \$562,000, or 16.6 percent. This budget reflects the anticipated capital requirements for the upcoming year, including capital projects and anticipated life-cycle replacements.

While the budget allows for maintenance of capital, in particular of the Parliament Buildings, it does not address the need for critical structural renovations or upgrades. These items have not been included this year due to budgetary constraints and our commitment to mirror the direction of government. But they remain significant and time-sensitive. Consequently, it is recommended that a long-term capital plan, as noted above, be developed.

I would like to thank the finance and audit committee and the Legislative Assembly Management Committee for their support over the past year and to express my sincere appreciation to the staff of the Legislative Assembly for their contributions and ongoing commitment to the organization.

Madame Speaker: Thank you. Any questions for Craig?

Hilary, any comments?

H. Woodward: No. We'd just be happy to answer any questions, or I can walk people through the submission.

Madame Speaker: Perhaps walk us through.

H. Woodward: All right. The detailed submission starts on page 1. The first two pages are an overview of the budget, and the Clerk has provided that information to us. After the summary we have some detailed vari-

ance analyses on both the operational budget followed by the capital budget.

The final section is to do.... We have, actually, four tables attached that provide detailed information in a number of different variations. First is table 1, which is "Operating budget by department." Table 2 is "Operating and capital budget by STOB or activity." Table 3 is "Capital budget by department." Table 4 is, essentially, a mockup of how Vote 1 would look in the '15-16 *Estimates*.

What I'd like to turn the members of the committee's attention to, perhaps, is table 1, which follows page 9. It's essentially page 10 of the submission. I'd like to draw your attention down to the summary table at the bottom of table 1. As the Clerk has mentioned, what you'll see there is a summary of the adjustments that have been made to this budget as noted. It's a status quo budget. We have not changed our operating budget from the prior year.

What you'll see is how we've achieved that. Essentially, member services has gone up by 0.6 percent, caucus support has gone up by 1.6 percent, and the remainder — what we're calling Legislative Assembly support services — is down by the 1.2 percent mentioned by the Clerk previously.

[1240]

In terms of the increase for member services, there are a number of adjustments in there. The first was a change to the capital city living allowance, and that's just for the annual election made by the members. That will change that amount. We also have in there the statutory increase to members' compensation. That was fully offset by a reduction in the benefits chargeback to adjust the benefits to amounts actually previously paid.

Some of the other adjustments driving that increase. There's a \$509,000 increase in member constituency support. That's primarily due to higher benefits costs and an annual increase in the constituency office lease costs. There's also a \$7,000 increase in the legislative committees' budget to address legislative committee activities.

A \$40,000 increase in the inter-parliamentary relations budget is to cover incremental costs related to hosting the CPA Canadian regional conference in July 2015. Some of the costs of that conference have been offset partially by reductions to MLA travel in that category, as well as a reduction in interparliamentary visits.

Assuming no questions on members services, I'll move to caucus support services. As I mentioned, there's a 1.6 percent increase in caucus support services. The budget for that has increased by \$114,000. The increase is primarily due to an increase in general salaries, based on the BCGEU master agreement — we follow in line with that — and related benefits.

There's been no increase in the funding formula itself or a change in the formula. It's just to the drivers of that formula, which is basically a salary component. So that's, essentially, the increase in the caucus support services.

Madame Speaker: Any questions for Hilary?

E. Foster: If I might just make a comment for the record. Other than the Government House Leader, the reason there didn't seem to be a lot of questions is that we went through this whole thing this morning as well — all the people here, other than the Government House Leader. Just so the record shows that we did look at it before. We didn't have any questions.

Madame Speaker: So noted.

H. Woodward: Essentially, and then finally, the other areas of the budget. As was mentioned, there's a 1.2 percent decrease in those areas. What I thought I would do is just focus on those areas that have increases identified.

Financial services, for example, has an increase of 10.6 percent. That reflects LAMC-approved decisions made previously in the spring to do with the financial services reorganization and the addition of staff.

Another area that shows an increase is our information technology. That's primarily two things. One is some work related to our business continuity planning and some development work that we'll be doing to continue on with that plan. As well, some of the decisions that were made in terms of our capital policy.... There was a change, and as a result, some items that we've previously identified as capital in our capital budget are deemed operating. So that has resulted in an increase on the operating budget side for information technology.

One of the other areas of increase is the Sergeant-at-Arms. That's up 5.2 percent, and that's related to some of the security enhancements that have been discussed previously by both the finance and audit committee and this committee.

Just to note, despite those increases, those were all absorbed in reductions in other areas, resulting in that 1.2 percent reduction. Also to point out that, as mentioned by the Clerk, as this is a status quo budget, all compensation-related increases have been absorbed within the existing budget as well.

Madame Speaker: Any questions for Hilary?

Hon. M. de Jong: I have a few when it's appropriate.

Madame Speaker: Please proceed.

Hon. M. de Jong: Thanks, Hilary.

The material I have on.... I've got a page 3 which has a graph at the bottom. The bar graph compares the budget through 2014 to 2017-18. Do you know the page I'm referring to?

H. Woodward: It's the coloured graph?

Hon. M. de Jong: Yeah.

H. Woodward: Yes.

Hon. M. de Jong: I just wanted to confirm two things. First of all, the large increase in '17-18 refers to the fact that that is an election year. Insofar as the Legislative Assembly budget is concerned, what are the extraordinary costs that accrue in an election year? It's not Elections B.C., of course. Is it mostly transitional assistance?

[1245]

H. Woodward: It is. It's primarily transitional assistance.

Hon. M. de Jong: Anything else beyond that?

H. Woodward: There are some amounts for information technology refresh, and that happens in both the operating and the capital budget. We typically have a small budget, as well, for facilities. In the parliamentary education and outreach office there is also a small increase, typically in the election year, to address that as well.

Hon. M. de Jong: Right. So in this three-, four-year plan, if you will, the best that can be done is to estimate what the transitional assistance requirements will be. The estimate here is that it will be in the neighbourhood of \$5 million. Is that correct?

H. Woodward: That's correct. We've based it on the existing policy as presented. You'll note from the prior-year comparison of that same year that previously we put in what our estimated costs were, based on the '13-14 budget. This year what we did is we went and looked at those actual costs and reduced it accordingly. That's why we've seen a decrease between the two budget submissions, last year's and this year's, from \$81.6 million down to \$76.2 million.

Hon. M. de Jong: Right. And the amounts for the subsequent year, then, '18-19, take into account the larger number of MLAs?

H. Woodward: I would have to go back and check that information.

Hon. M. de Jong: I'm trying to remember the mandate for the boundary commission. But I think they are permitted to contemplate...

Madame Speaker: ...up to two additional members.

H. Woodward: Yeah. We were just confirming. We don't believe that actually has been factored in, but we can certainly make that adjustment for that planning year.

Hon. M. de Jong: Okay. Then I wanted to ask.... On page 5 of the document there are two things. What was the statutory increase to members' compensation? I know it's formula-driven. What was the percentage this year or next year, however...? I can't remember even how it's calculated, but there's a formula that drives that. Do you remember what it was?

H. Woodward: It's based on.... It'll be the December 2014 B.C. CPI rate. What we've put in is 1.5 percent. That number isn't in yet, but as of September it was 1.2 percent.

Hon. M. de Jong: All right. So that'll get confirmed, and I guess we'll be informed of what that is.

H. Woodward: Correct.

Hon. M. de Jong: At the bottom of that page there's reference to the budget for caucus support services having increased by 1.6 percent. It says the increase is primarily due to an increase in general salaries based on the BCGEU master agreement. Two things. What is the linkage there between caucus support services and the BCGEU master agreement? And I'm trying to recall.... For a number of the agreements, the first year of the deal was zero.

H. Woodward: It's based on a mid-range research officer 21 position. This reflects the 1 percent increase because it's based on that formula for that BCGEU-equivalent position. That's what is driving the bulk of the change.

It's also based on, of course, member composition. There's also an amount for office and business expense that gets factored in. That amount has not changed. The formula is still based on the last decision made by LAMC. It's the RO 21 BCGEU-related increase that's driving that change.

Hon. M. de Jong: Right. What's the basis for...? It seems like an automatic thing. Has LAMC in the past decided that the caucus support services budget will be influenced in part by elements of the BCGEU master agreement?

[1250]

H. Woodward: That's the assumption that we've built into this budget.

Hon. M. de Jong: All right. In presenting this budget, you are saying to LAMC: "We are making provisions for a certain increase." You're telling us now that that is taken from an element of the BCGEU master agreement.

H. Woodward: Correct.

Hon. M. de Jong: And that amount is, you were saying, 1 percent?

H. Woodward: Correct.

Hon. M. de Jong: For fiscal year 2015-16.

H. Woodward: So '15-16, consistent with the agreed-upon increase per BCGEU master agreement.

Hon. M. de Jong: Correct. Okay.

The last thing I think I wanted to ask you about... Two things. On page 10, I see on the capital side the reference to the cenotaph renovation project. I understand there may be some good news there about some federal dollars that the Deputy Speaker has perhaps sourced. I see the reference to the ceremonial driveway, which I take it is the main driveway up to the buildings. Is that correct?

H. Woodward: Yes.

C. James (Clerk of the House): Yes.

Hon. M. de Jong: The last document I wanted to ask about was table 2. This is the breakdown of the budget by STOB. On the line "Employee travel" I notice that over the years that has been consistently and relatively significantly overspent. Anything you can tell us about that?

C. James (Clerk of the House): Kate could answer that question for you, Minister.

Hon. M. de Jong: Okay.

K. Ryan-Lloyd (Deputy Clerk and Clerk of Committees): Good afternoon. I think that the table highlights employee travel, the STOB, in various departmental areas. I know that in the allocation within the parliamentary committees branch employee travel expenses do occur at a significant rate as one of our risk areas — when a parliamentary committee decides to meet on a regular basis, for example, outside of the Parliament Buildings in Victoria.

Sometimes that makes very good sense with respect to members' travel expenses if we have a parliamentary committee where the membership is comprised primarily of members from the Lower Mainland. We actually save, then, on members' travel expenses by holding, for example, a Vancouver-based meeting. But employee travel expenses, which would cover off both parliamentary committee staff travel and Hansard staff, to Vancouver would be higher than originally projected for a fiscal year.

That's one possible reason for the overexpenditure that the minister has noted. But I would defer to, perhaps, Hilary if she is aware of trends in other departmental areas.

H. Woodward: As you rightly note, our actual expenditures for the three years that are on this table have shown that we consistently exceeded the budget. One of the pieces that we're going forward on is trying to get a better handle on the allocation of travel. In some cases, when the budgets were built, we've tried to get a better job of people putting the things in the right categories. Some of that is to do with travel, so with some of them we have an increase for travel and an offsetting reduction in other categories.

I would expect that as we see for both '14 and '15, we'll probably see a similar overexpenditure on the actual, but going into '15-16, I feel confident that we'll be a lot closer to our budget number.

Hon. M. de Jong: I mean, it's presumably tracked through the year. It's historically come in, well, first at about.... The budgeted amount was around \$200,000, and it came in over \$400,000. Then it got over \$500,000. The budget for this year was \$355,000, and then it goes next year to \$500,000. Do we even know where we're at this year?

[1255]

H. Woodward: I don't have that information with me, but I'm happy to provide that to you. Not to that level. By STOB activity.

Hon. M. de Jong: Okay. I have two other questions on this. Building occupancy charges — what are those?

H. Woodward: A lot of the items under "Building occupancy charges" are the maintenance projects through facility services — a lot of what we typically used to call tenant improvements but here are building improvements. They don't qualify for capital, so they fall under the operating umbrella.

Hon. M. de Jong: What's an example of that?

H. Woodward: It might be, for example, what we were just talking about earlier with the hand railings. That would be an operating expense. That would come out of that area.

Hon. M. de Jong: Okay.

Finally, on the line "Office and business expenses." That isn't an area, historically at least, based on the data we have here, for which there has been over budgeted amounts. The actual does come in well below. In '11-12 the budgeted amount was just about \$3 million, and it came in at about \$2 million. You can follow along.

It seems that the trend has been in and around \$2 million. Are you satisfied with the \$2.2 million figure? Are you satisfied that's a realistic figure? The trend over the last number of years has generally been \$2 million or below.

H. Woodward: I feel fairly confident with that number. As previously pointed out, some of the things we've done a review of where our allocation of spending has been, on actual versus budget. Also, in reference to what was referred to as the LASPAR review, we've identified some operating efficiencies, and some are in that category. That accounts for some of the reduction there as well.

Hon. M. de Jong: I think that's what I had, Madame Speaker.

Madame Speaker: Thank you very much.
Any additional questions?

S. Simpson: It references a comment that the Government House Leader made. When you look at the budget numbers, if you go back.... I guess I tend to look at the large numbers. If I look at tab 1, table 1, I find it interesting that when we look between budget and actuals in '11-12 and '12-13, we had differences of \$4 million budget versus actuals, below \$9 million, almost \$9 million. So in excess of 10 percent less spending than what had been budgeted before.

That seems to have consistently have been the case up until maybe this year, where the numbers are much closer. I guess the question I have is: was that just the budgeting exercise that went on in those previous years — that there was a lot of cushion put into these areas and that now we're just getting tighter and closing those cushions?

We seem to be getting the numbers — and it's a good thing — more confidently that we're close to having budget and actuals actually be in the same ballpark rather than 10 to 12 percent spread between them.

H. Woodward: That accounts for a lot of it. We spend a significant amount of time scrutinizing the budget and then the forecast and then previous years. If there's opportunities for us to find efficiencies and stay within our allocations, that's what we do. That's the trend that you're seeing on both operating and capital side.

S. Simpson: Then, it would be fair to say some of those previous years.... Any forecasting, I guess, has to be really aimed at the actuals, rather than at the budget numbers. The budget numbers look pretty generous compared to what the actuals were.

H. Woodward: A lot of it, in some cases, are assumptions. One of our assumptions is we do base it on a parliamentary calendar of 71 sitting days. If we have less than that, then of course, the actuals are going to be below the budget. If we would sit for that full complement, we would be a lot closer.

Madame Speaker: Any other questions for Hilary?
[1300]

Hon. M. de Jong: I had one more.

On page 5, Hilary, just the reference to the increase in constituency office lease costs — \$230,000. What can you tell us? Is that expected to occur at that amount on an annual basis? Or does that represent, following the last election, with new leases and upgrades, that the leases...? Are you expecting annual increases of that amount?

H. Woodward: That increase is for the term of the parliament — the \$230,000.

Hon. M. de Jong: Okay. The line I note says: "and annual increases in constituency office lease costs."

H. Woodward: It should not. We will correct that.

Hon. M. de Jong: All right. What you're telling us is that over the life of this parliament, you're budgeting on the basis of the global costs for all constituency offices and their leases — to go up in the aggregate amount, over that period, of \$230,000.

H. Woodward: That's our expectation, yes.

Hon. M. de Jong: You've forecast, and you're drawing up the budget on that basis.

H. Woodward: Correct.

Hon. M. de Jong: Okay.

Madame Speaker: Thank you, Minister.

Any other questions or comments? I take it that concludes item 5 on the agenda.

Anyone interested in posing a motion Kate has hereby created for us? Would you be so kind as to put it on the record?

M. Farnworth: I move that the committee approve the 2015-2016 estimates of expenditure for the Legislative Assembly for Vote 1 as presented.

Motion approved.

M. Farnworth: I move that the Speaker transmit the 2015-2016 estimates of expenditure for the Legislative Assembly for Vote 1 to the Minister of Finance on behalf of the committee.

Motion approved.

Madame Speaker: Thank you all for your work. We truly appreciate it.
Clerk's update. Item 6.

C. James (Clerk of the House): I have nothing new to report, Madame Speaker.

Madame Speaker: Other business?

Other Business

E. Foster: I'm just curious. I noticed in the other minutes.... The Sergeant-at-Arms had talked about guiding principles. I just wondered if there's been any more work done on that. I know you were going to confer with some of your colleagues across the country. Could you give us an update on that, please?

G. Lenz: There are two recommendations that I was to bring back to LAMC. One of them was the guiding principles. I've had the opportunity to liaise with my colleagues in the House of Commons and the Senate. They were kind enough to pass the guiding principles over to myself.

I've reviewed those and passed them to Madame Speaker. Upon that review, I would hope to have those passed forward to LAMC at the next meeting. But I also have them available if anybody wishes them.

Madame Speaker: Any other questions?

G. Lenz: Just on the second recommendation I was

to report back to LAMC on, which was the access of the X-ray equipment to the front of the Legislature. Just for the record, for LAMC, this is being worked through with the space planning committee and with the help of Kate Ryan-Lloyd, the Deputy Clerk, who's been of great assistance in working together on this project.

[1305]

The recommendations have gone forward to finance and audit. There's been conversation there, and one of the options has been identified. We are working to come up very soon.... At the next LAMC we'll hopefully be able to report back with more details on the costs and the accessibility.

Madame Speaker: Thank you. Any other items? Seeing no further business, I'm happy to entertain a motion to adjourn.

Motion approved.

Madame Speaker: Thank you, all. See you in the spring. LAMC will likely reconvene in February.

The committee adjourned at 1:05 p.m.

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and printed under the authority of the Speaker.

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