

# *Annual Review of the Budgets of the Statutory Offices*

*Select Standing Committee on Finance  
and Government Services*



DECEMBER 2016





December 8, 2016

To the Honourable  
Legislative Assembly of the  
Province of British Columbia

Honourable Members:

I have the honour to present herewith the Second Report of the Select Standing Committee on Finance and Government Services for the Fifth Session of the 40th Parliament titled, *Annual Review of the Budgets of the Statutory Offices*. This report covers the work of the Committee's review of 2017 statutory office budgets, and was unanimously approved by the Committee.

Respectfully submitted on behalf of the Committee,

Wm. Scott Hamilton, MLA  
Chair



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## Composition of the Committee

### Members

Wm. Scott Hamilton, MLA	Chair	Delta North
Carole James, MLA	Deputy Chair	Victoria-Beacon Hill
Eric Foster, MLA		Vernon-Monashee
Simon Gibson, MLA		Abbotsford-Mission
George Heyman, MLA		Vancouver-Fairview
Dan Ashton, MLA		Penticton
Robin Austin, MLA		Skeena
Jennifer Rice, MLA		North Coast
Jackie Tegart, MLA		Fraser-Nicola
John Yap, MLA		Richmond-Steveston

### Committee Staff

Kate Ryan-Lloyd, Deputy Clerk and Clerk of Committees

Ron Wall, Manager, Committee Research Services

## Terms of Reference

On March 1, 2016, the Legislative Assembly agreed that the Select Standing Committee on Finance and Government Services be empowered:

1. To examine, inquire into and make recommendations with respect to the budget consultation paper prepared by the Minister of Finance in accordance with section 2 of the *Budget Transparency and Accountability Act [SBC 2000, c.23]* and, in particular, to:
  - a. Conduct public consultations across British Columbia on proposals and recommendations regarding the provincial budget and fiscal policy for the coming fiscal year by any means the committee considers appropriate;
  - b. Prepare a report no later than November 15, 2015 on the results of those consultations; and
2.
  - a. To consider and make recommendations on the annual reports, rolling three-year service plans and budgets of the following statutory officers:
    - i. Auditor General
    - ii. Chief Electoral Officer
    - iii. Conflict of Interest Commissioner
    - iv. Information and Privacy Commissioner
    - v. Merit Commissioner
    - vi. Ombudsperson
    - vii. Police Complaint Commissioner
    - viii. Representative for Children and Youth; and
  - b. To examine, inquire into and make recommendations with respect to other matters brought to the Committee's attention by any of the Officers listed in 2 (a) above.
3. To be the Committee referred to in the sections 19, 20, 21 and 23 of the *Auditor General Act, S.B.C. 2003, c. 2* and that the performance report in section 22 of the *Auditor General Act, S.B.C. 2003, c. 2*, be referred to the Committee.

In addition to the powers previously conferred upon the Select Standing Committee on Finance and Government Services, the Committee shall be empowered:

- a. to appoint of their number one or more subcommittees and to refer to such subcommittees any of the matters referred to the Committee;
- b. to sit during a period in which the House is adjourned, during the recess after prorogation until the next following Session and during any sitting of the House;
- c. to adjourn from place to place as may be convenient; and
- d. to retain personnel as required to assist the Committee,

and shall report to the House as soon as possible, or following any adjournment, or at the next following Session, as the case may be; to deposit the original of its reports with the Clerk of the Legislative Assembly during a period of adjournment and upon resumption of the sittings of the House, the Chair shall present all reports to the Legislative Assembly.



## Oversight of Statutory Office Budgets

The Legislative Assembly assigned the work of reviewing statutory office estimates to the all-party Select Standing Committee on Finance and Government Services in 2001. These important offices report to the Legislative Assembly, support the work of the Members of the Legislative Assembly, and play an important role in government accountability.

The province's eight statutory officer positions are:

- The Auditor General.
- The Ombudsperson.
- The Conflict of Interest Commissioner.
- The Information and Privacy Commissioner.
- The Chief Electoral Officer.
- The Police Complaint Commissioner.
- The Merit Commissioner.
- The Representative for Children and Youth.

### Strengthened Statutory Office Budget Oversight

In our December 2014 report on statutory office budgets, Committee Members unanimously agreed to strengthen oversight of statutory office budgets, to ensure the ongoing effectiveness of the Committee's review of budget and spending issues as well as accountability to British Columbians for the expenditure of taxpayers' funds.

During 2016, the Committee continued this enhanced oversight, with an expanded meeting process involving spring reviews of statutory office plans and priorities, ongoing consideration of supplementary funding proposals, and a fall review of budget submissions for the next fiscal year. Over the course of this year's meetings, Committee Members shared the view that the spring and fall schedule supports a broad discussion of budget priorities, annual reports and service plans as well as opportunities for statutory officers to provide updates and address new issues.

## **Follow-up on January 2016 Decisions for Targeted Budget Increases**

In January 2016, the Committee's report on statutory office budgets supported targeted budget allocations to address increased files and backlog pressures outlined by the offices of the Ombudsperson, the Police Complaint Commissioner, the Conflict of Interest Commissioner, Elections BC, the Information and Privacy Commissioner, and the Representative for Children and Youth. The Committee agreed that offices receiving targeted budget allocations return in six months to report on progress in fulfilling the purpose of the allocations, as part of the Committee's spring 2016 review of office plans and priorities, in order to provide accountability for new budget allocations.

The Committee's spring and fall 2016 meetings followed up on the January 2016 decisions. Committee Members were advised that in all cases the targeted increases had resulted in significant progress in reducing backlogs and strengthening file management.

## **Statutory Officer Compensation**

On January 28, 2016, the Deputy Attorney General and Deputy Minister of Justice advised the Clerk of the Legislative Assembly that the salary of the Chief Judge of the Provincial Court of British Columbia would be \$273,405 for the 2016/17 fiscal year. The Deputy Minister of Finance and Secretary of Treasury Board wrote to the Clerk on February 9, 2016 to advise that, in consideration of the Committee's January 2016 report on statutory office budgets, government's 2016 budget would reflect the above-noted salary level for the Chief Judge, which would be applicable to seven statutory officers (the salary of the eighth statutory officer, the Merit Commissioner, is based on a per diem calculation set by Order in Council). It was recommended that the Committee consult with the Ministry of Justice to confirm the Chief Judge's salary during forthcoming statutory office reviews.

Information was sought from the Ministry of Justice in advance of the Committee's fall 2016 review regarding the salary of the Chief Judge for the 2017/18 fiscal year, but additional information was not forthcoming at the time of writing. The fall 2016 statutory office budget submissions and this Committee report therefore reflect compensation levels in place for the Chief Judge at the time of writing.

During the Committee's 2016 review of statutory office budgets, Committee Members observed that a number of new statutory officers had been appointed recently, and were operating in different statutory frameworks containing a variety of appointment mechanisms, reporting arrangements, and remuneration provisions. In due course, the Legislative Assembly may wish

to request that the Committee review and make recommendations on statutory officer appointment mechanisms, reporting arrangements, and compensation benefits with a view to providing greater consistency for these provisions.

## **Statutory Office Employee Compensation**

In the past, Committee Members have noted that the application of public service salary changes was a reasonable approach for setting the salaries of statutory office employees. The Committee was advised that government is in the process of introducing a reclassification of excluded public service manager compensation levels, which have traditionally been used to calculate compensation for equivalent statutory office positions. Details of the new plan had not been finalized by the fall of 2016, and, accordingly, statutory office budget submissions, and this Committee report with respect to management staff salaries, were based on levels in place at the time of writing.

## **Professional Services Expenses**

Committee Members expressed concern about rising professional services costs in a number of statutory offices, and sought details and information around transparency for these expenses. Members noted the difference between outside contracting of specialized advice and skills such as legal advice, and professional services to provide more general support. Going forward, the Committee intends to canvass statutory officers for additional information on their use of outside contractors to learn more about whether these are specialized services, whether they relate to staffing complement issues, and where the best value for money exists.

## **Meetings Schedule**

The Committee's review of supplementary budget requests for the 2016/17 fiscal year, financial and operational updates, annual reports, rolling three-year service plans, and budget submissions of the eight statutory offices for the 2017/18, 2018/19, and 2019/20 fiscal years took place during the following meetings.

March 9, 2016	Organization and Planning Elections BC: 2016/17 Event-Related Budget
April 13, 2016	Statutory Offices: Financial and Operational Updates Office of the Representative for Children and Youth: 2016/17 Supplementary Budget Request

May 4, 2016	Statutory Offices: Financial and Operational Updates
May 10, 2016	Statutory Offices: Financial and Operational Updates Office of the Representative for Children and Youth: 2016/17 Supplementary Budget Request
May 18, 2016	Statutory Offices: Financial and Operational Updates Office of the Representative for Children and Youth: 2016/17 Supplementary Budget Request
November 1, 2016	Office of the Information and Privacy Commissioner: 2017/18 Budget Request Elections BC: 2017/18 Budget Request Office of the Auditor General: 2017/18 Budget Request Office of the Ombudsperson: 2017/18 Budget Request
November 9, 2016	Office of the Police Complaint Commissioner: 2017/18 Budget Request
November 14, 2016	Office of the Conflict of Interest Commissioner: 2017/18 Budget Request Office of the Representative for Children and Youth: 2017/18 Budget Request Office of the Merit Commissioner: 2017/18 Budget Request Deliberations (in-camera)
November 30, 2016	Elections BC: 2016/17 Supplementary Budget Request Deliberations (in-camera) Adoption of Report

The Committee's documents, proceedings, and this report are available at:  
<https://www.leg.bc.ca/parliamentary-business/committees/fgs>

## **Recommendations for Statutory Office Budgets**

The Committee concluded its deliberations on statutory office budget submissions by approving budget recommendations for the eight statutory offices, which are outlined in the following sections.

## Office of the Auditor General

The *Auditor General Act* establishes the province's Auditor General as an officer of the Legislative Assembly. The Act authorizes the Auditor General to undertake financial audits of government's summary financial statements (Public Accounts), and performance audits on the efficiency, economy, and effectiveness of government programs, services, and resources. The office's audit reports are tabled in the Legislative Assembly, and referred to the Select Standing Committee on Public Accounts – information on that committee is available at <https://www.leg.bc.ca/parliamentary-business/committees/pac>

Vote 2 of the annual provincial *Estimates* provides for the office's operating expenses and capital expenditures. In their January 2016 report on statutory office budgets, Committee Members appreciated the "hold the line" operating budget proposed by the office, recognized the need to acquire up-to-date information technology to maintain high standards of audit work, and supported the exploration of new efficiencies and savings related to the office's new location. The Committee recommended that: the operating budget be \$17,097,000 in the 2016/17 fiscal year, \$17,339,000 in the 2017/18 fiscal year, and \$17,344,000 in the 2018/19 fiscal year; and the annual capital budget be \$370,000 in the 2016/17 fiscal year, \$350,000 in the 2017/18 fiscal year, and \$100,000 in the 2018/19 fiscal year.

### Budget Submission for 2017/18 to 2019/20

The office's budget proposal for the next three fiscal years was reviewed by the Committee on November 1, 2016. In attendance were: Carol Bellringer, Auditor General; Cornell Dover, Assistant Auditor General; Stephen Kearsley, Senior Manager, Human Resources; and Katrina Hall, Manager of Finance.

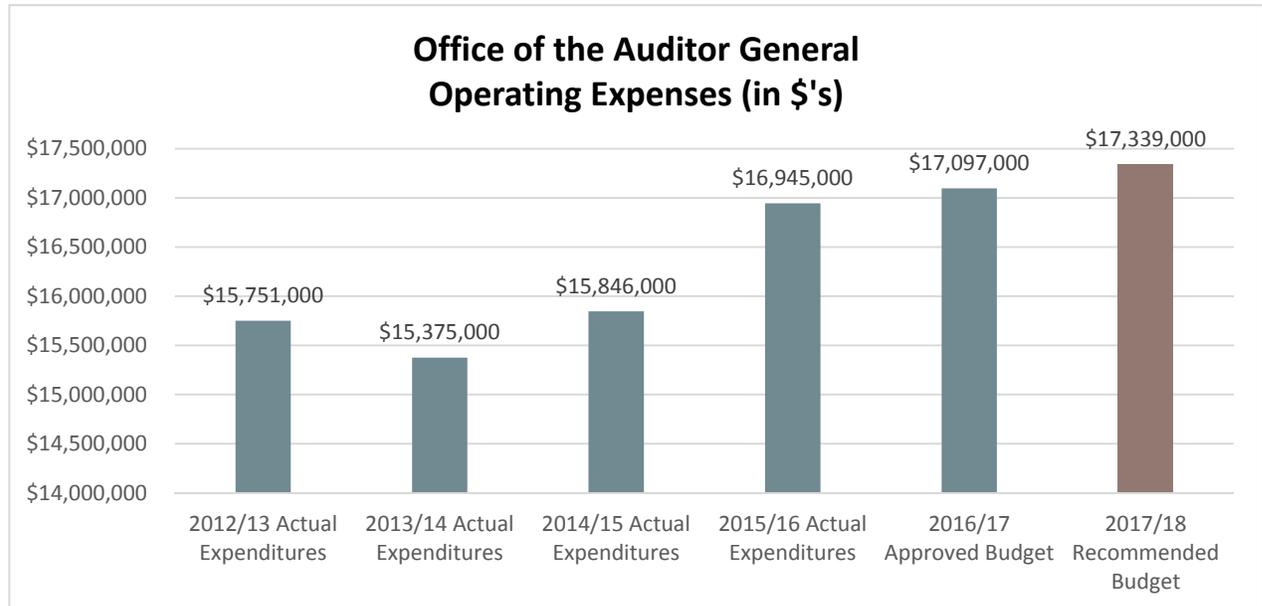
In her budget submission, the Auditor General explained that her office has established a comprehensive workplan based on a strategic vision and performance audit priorities which are updated annually to reflect new developments in government administration and input from Members of the Legislative Assembly. She reported that new performance audit priorities have an increased focus on the health sector, based on feedback from the Select Standing Committee on Public Accounts.

The Auditor General advised that her office had ended the 2015/16 fiscal year with a significant underspend because of high staff turnover and recruitment delays. In order to sustain a strong and effective audit program, the office had developed a renewed vacancy management

strategy with a fully staffed human resources department. While there were still some vacancies, these were all under active recruitment.

Noting the Committee’s support during last year’s budget process for up-to-date audit software, the Auditor General reported that business cases were being prepared to assist with decisions on suppliers for data analysis and report software.

Looking ahead to the next three fiscal years, the Auditor General requested no change to the 2017/18 operating and capital budgets supported by the Committee in its January 2016 report, and a \$25,000 increase to capital budgets in 2018/19 and 2019/20 for furniture expenses. For the 2017/18 fiscal year, a total of \$17,339,000 was requested, amounting to 1.4 percent above the previous year’s level, to cover increased travel to undertake new health audits, and information system costs. Higher staff salaries were being absorbed through internal reallocations by reduced staffing levels and targeted professional services contracts. For each of the 2018/19 and 2019/20 fiscal years, an operating budget of \$17,344,000 was proposed. Capital budgets of \$350,000 for 2017/18, and \$125,000 for each of 2018/19 and 2019/20 were also sought.



## Committee Inquiry

Committee Members considered office space and occupancy costs, performance audit priorities, and audits undertaken with other jurisdictions.

### *Office Space and Occupancy Costs*

Committee Members sought information about the scope for reconfiguring space to find efficiencies. The Auditor General explained that a number of changes had been made recently, including the move of a receptionist to the main floor open area to improve security and access to outside groups, and renovations to add work stations and enhance space utilization on upper floors. The Auditor General also noted that confidentiality requirements precluded space sharing arrangements, given the statutory obligation to protect the office's sensitive audit information.

### *Performance Audit Priorities*

Additional information was requested on the office's approach for performance audit priority-setting. The Auditor General advised that internal and external processes were used. Internally, the office identifies audit issues and areas of risk among government organizations. Externally, the office obtains input from the public and Members of the Legislative Assembly. Internal and external input is analyzed and fitted into a three-year audit plan. In the latest plan, a list of 150-200 projects had been narrowed down to 56 audits which are currently under way or planned for the next three years.

### *Audits with Other Jurisdictions*

The Auditor General was asked whether her office collaborated with Auditors General across Canada on significant cross-jurisdictional matters. She advised that her office has regular meetings with other legislative auditors on accounting standards, and audit issues. Subcommittees have been established to support exchanges on health care, information technology, and the environment, and a joint audit on the effectiveness of climate change programs is scheduled for completion next fall.

## Recommendations

In their deliberations, Committee Members appreciated the Auditor General's prudent management approach, her renewed human resources strategy, and her engagement of

Members of the Legislative Assembly in identifying audit priorities, and supported her proposed operating and capital budgets.

Committee Members noted that decisions on the office's new facilities pre-dated the Auditor General's term, and that the office's new location did not appear to have been based on a long-term accommodation plan involving a rigorous consideration of all occupancy options in order to optimize space efficiencies and cost-effectiveness. Members commended the Auditor General's work since her appointment in 2014 in improving accommodation space usage, and encouraged her to continue to seek further opportunities for efficiencies and savings.

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## RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenditures of the Office of the Auditor General be \$17,339,000 in the 2017/18 fiscal year, \$17,344,000 in the 2018/19 fiscal year, and \$17,344,000 in the 2019/20 fiscal year.
  2. The appropriation for the capital expenditures of the Office of the Auditor General be \$350,000 in the 2017/18 fiscal year, \$125,000 in the 2018/19 fiscal year, and \$125,000 in the 2019/20 fiscal year.
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## Office of the Conflict of Interest Commissioner

As an officer of the Legislative Assembly under the *Members' Conflict of Interest Act*, the Conflict of Interest Commissioner advises Members on their obligations for conduct, meets with them to review disclosures of financial interests and obligations required by the Act, and provides opinions in response to requests about compliance with the Act. The yearly appropriations for the office are provided under Vote 3 of the annual *Estimates*.

In his November 4, 2015 budget presentation, the Commissioner advised the Committee of his change from 0.75 to full-time status, effective April 30, 2015. The Committee agreed to the proposal to provide funding for this change, while holding the line on other operating and capital budget items. The Committee recommended that: the annual budget for operating expenses increase by 10 percent from \$639,000 in the 2015/16 fiscal year to \$701,000 in the 2016/17 to 2018/19 fiscal years; and the annual capital budget remain at the 2015/16 level of \$25,000 for each of the 2016/17 to 2018/19 fiscal years.

The Committee received an update from the Commissioner on his activities on a full-time basis as part of the Committee's spring 2016 review of statutory office plans and priorities. The Committee was advised that the office was responding to ongoing requests from Members with respect to their responsibilities under the *Members' Conflict of Interest Act*. He was also evaluating new developments, including the evolving disclosure environment resulting from changes such as new financial securities arrangements.

### Supplementary Funding for 2015/16

The Committee received a March 22, 2016 budget proposal from the Office of the Conflict of Interest Commissioner, seeking supplementary funding of up to \$20,000 for the 2015/16 fiscal year to cover additional costs related to an increase in the Commissioner's compensation effective April 30, 2015. Committee Members considered the request, and recommended that the office be granted access to supplementary funding of up to \$20,000 for operating expenditures in the 2015/16 fiscal year.

### Budget Submission for 2017/18 to 2019/20

The office's budget proposal for the next three fiscal years was reviewed by the Committee on November 14, 2016. In attendance were: Paul Fraser, Q.C., Conflict of Interest Commissioner; and Linda Pink, Executive Coordinator.

The Commissioner began his presentation by reviewing his office's responsibilities and significant workload in the current fiscal year. Members had made numerous requests for direction and understanding about the application of the *Members' Conflict of Interest Act*, and the Commissioner had completed and released to the Speaker and the public a lengthy opinion and supplementary response on certain activities of the Premier.

The Commissioner reported that his office had been petitioned into the Supreme Court on an application for judicial review of his opinion on certain activities of the Premier. Funding for legal representation in the court process would be covered by the office's professional services budget, and, depending on the extent of the court process, he could require additional resources for legal representation. The Commissioner advised the Committee that the court proceeding could have important implications for the Legislative Assembly and all statutory officers, in the event that the court were to rule that it had jurisdiction to review the decisions of a statutory office, which the courts had thus far found to be beyond their jurisdiction.

The Commissioner noted that his office has the smallest operating budget of all of the province's statutory offices. Since its inception 25 years ago, the majority of costs have been non-discretionary, particularly salaries and benefits, with the Commissioner's compensation being the largest expense. He brought two unexpected events affecting the office's budget to the Committee's attention. First, a decision by the Legislative Assembly Management Committee regarding payments to the Commissioner in lieu of pension benefits had resulted in charges of \$79,100 for 2016/17, \$80,600 for 2017/18, and \$900 for 2018/19. Second, an overpayment of some of the Commissioner's benefits had mistakenly been made by the Ministry of Finance – the monetized amount of overpayments in benefits was \$48,000 annually.

The combined impacts of these two events were: net increases in operating expenses of \$31,100 for 2016/17, and \$32,600 for 2017/18; and reductions in operating expenses of \$47,100 for 2018/19, and \$48,000 for 2019/20. The Commissioner reported that his office had underspent its budget by \$39,000 in 2014/15, and efforts would be made to absorb the 2016/17 net increase internally – should this not be possible, he would return to the Committee with a request for supplementary funding. An increase in funding was sought to cover increased operating expenses for 2017/18, followed by a decrease in proposed funding for subsequent years in line with net reductions in expenses.

Overall, the Commissioner proposed an operating budget of \$743,000 in the 2017/18 fiscal year, \$663,000 in the 2018/19 fiscal year, and \$662,000 in the 2019/20 fiscal year. An unchanged capital budget of \$25,000 was sought for each of the next three years.

## Committee Inquiry

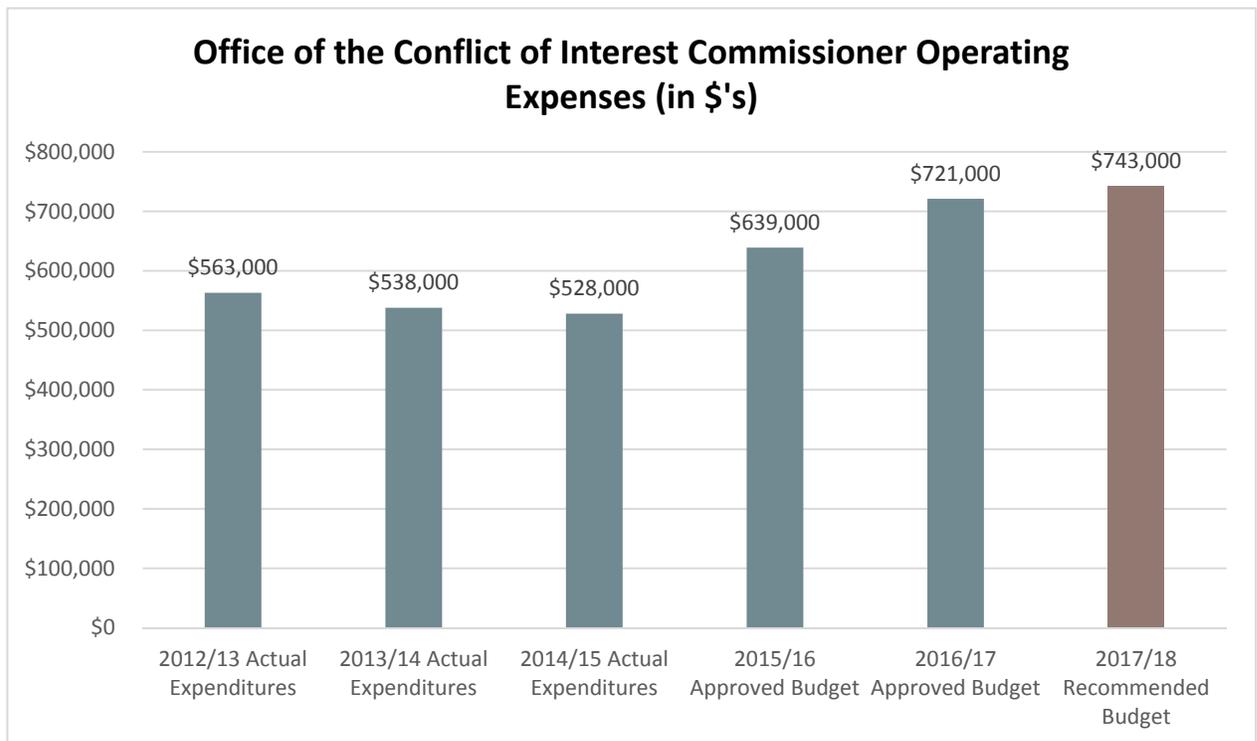
Committee Members' questions focused on trends in requests and complaints, office accommodations, and workloads.

### *Trends in Requests and Complaints*

Committee Members asked for information on trends in the office's receipt of requests and complaints. The Commissioner reported an increase over the last year of about 48 percent, of which about two thirds came from Members, and one third from the public. The office aims to turn around requests in 24-48 hours.

### *Office Accommodations*

Committee Members sought details on arrangements for office accommodations. The Commissioner indicated that the Legislative Assembly rents space at fair market rates to his office in a building on the parliamentary precinct. He noted that the proximate location of office accommodations to Members, particularly when the Legislative Assembly was sitting, facilitated good working relationships between the office and Members.



### *Planned and Unplanned Workloads*

In response to questions about the extent of planned and unplanned, or reactive, workloads by his office, the Commissioner explained that approximately one third of his office's activities reflected annual mandatory interviews with the Legislative Assembly's 85 Members, and the other two thirds represented unplanned requests and complaints. He reported that he was also undertaking a conflict of interest inquiry regarding former Alberta Premier Redford for that province's Conflict of Interest Commissioner, given that Commissioner's risk of a conflict of interest in the matter.

### **Recommendations**

Committee Members took note of the Commissioner's explanation of the impact of the decision by the Legislative Assembly Management Committee respecting payments in lieu of benefits as well as the monetized effect of overpayments in benefits, and supported his proposed operating and capital budgets.

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## **RECOMMENDATIONS**

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenditures of the Office of the Conflict of Interest Commissioner be \$743,000 in the 2017/18 fiscal year, \$663,000 in the 2018/19 fiscal year, and \$662,000 in the 2019/20 fiscal year.
2. The appropriation for capital expenditures of the Office of the Conflict of Interest Commissioner be \$25,000 in each of the next three fiscal years.

## Elections BC

Elections BC is an independent, non-partisan office which conducts provincial general elections, by-elections, referendums, recall petitions, initiative petitions and initiative votes, and other elements of the provincial electoral process, and oversees local election campaign financing and advertising requirements. The Chief Electoral Officer is an officer of the Legislature, with responsibility for the administration of the *Election Act*, the *Recall and Initiative Act*, the *Referendum Act*, and campaign financing and advertising rules under the *Local Elections Campaign Financing Act*.

The appropriations for Elections BC's operating and capital expenditures are provided under Vote 4 of the annual *Estimates*. In their January 2016 report on statutory office budgets, Committee Members supported a "stand-pat" operating and capital budget proposal, \$16,094,000 in event-related funding (for the 2016 electoral boundaries redistribution, and the 2017 general election preparations), and \$515,000 for supplementary 2015/16 funding to administer two by-elections. The Committee recommended: an operating budget of \$9,385,000 in each of the 2016/17 to 2018/19 fiscal years; planned event funding in 2016/17 of \$16,094,000; an annual capital budget of \$700,000 for each of the 2016/17 to 2018/19 fiscal years; and supplementary planned event operating funding for 2015/16 up to \$515,000 to administer two by-elections.

The Committee received an update from the office during the Committee's spring 2016 review of statutory office plans and priorities. The Committee was advised that: the administration of recent by-elections had been completed under budgeted allocations; technology had been introduced to automate the administration of advance and absentee voting; new electoral boundaries were being implemented; and preparations for the 2017 provincial general election were proceeding well.

### Event-Related Operating Expenses for 2016/17

At its March 9, 2016 meeting, the Committee took note of a March 4, 2016 letter from the Minister of Finance regarding 2016/17 event-related operating funding for Elections BC. The Minister advised the Committee that, further to the Committee's January 2016 report on statutory office budgets recommending a 2016/17 incremental appropriation for Elections BC in the amount of \$16,094,000 for planned event funding, government had provided for this allocation in the 2016/17 Contingencies and New Programs Vote. The Minister indicated that

other recommended amounts for Elections BC for the 2016/17 to 2018/19 fiscal years were addressed in government's 2016 budget.

## **Budget Submission for 2017/18 to 2019/20**

The Committee met on November 1, 2016 to review Elections BC's budget proposal for the next three fiscal years. Representing the office were: Dr. Keith Archer, Chief Electoral Officer; Anton Boegman, Deputy Chief Electoral Officer, Electoral Operations; and Nola Western, Deputy Chief Electoral Officer, Funding and Disclosure.

The Chief Electoral Officer presented the office's three budget requests.

- *Core operating budget* – \$9,687,000 was requested for 2017/18 for ongoing core operating expenses, an increase of \$302,000, or 3 percent, from 2016/17, as well as \$9,797,000 for 2018/19, and \$9,494,000 for 2019/20, to cover higher salary and benefit costs, and voter education activities.
- *Event-related operating budget* – \$36,467,000 was sought for 2017/18 to cover four scheduled electoral events: \$68,000 to complete the electoral boundaries redistribution; \$103,000 to complete the pre-election enumeration; initial preparations for the 2018 local elections costing \$136,000; and \$36,160,000 for the administration of the 2017 provincial general election.
- *Capital budget* – \$550,000 for 2017/18 and \$700,000 for 2018/19 and 2019/20 was proposed for: information technology for the local elections campaign financing public disclosure regime; voter online services; and a provincial electronic filing system. The proposed 2018/19 and 2019/20 levels were the same as the annual capital budget for the 2016/17 to 2018/19 fiscal years supported by the Committee in its January 2016 report.

## **Supplementary Funding Request for 2016/17**

The Committee met on November 30, 2016 with Dr. Archer and Mr. Boegman regarding Dr. Archer's November 15, 2016 letter to the Committee on supplementary funding for the 2016/17 fiscal year. The letter advised that, in accordance with section 4 of the *Recall and Initiative Act*, approval in principle was granted on November 10, 2016 to an application for an initiative petition titled, "An initiative to amend the Fire and Police Services Collective Bargaining Act." Should the initiative petition fulfill the necessary statutory requirements, Elections BC estimated

a total cost of \$747,000 for administering the current initiative petition process. Of this, \$33,000 for the 2016/17 fiscal year would be allocated to the submission phase. Elections BC would return to the Committee with a request for a further \$714,000 in the 2017/18 fiscal year to complete the initiative petition process, if the petition was returned with an adequate number of signatures to warrant a full verification process.

Dr. Archer explained that since the last initiative petition process in 2013, Elections BC had changed its pre-verification advertising to focus on one print media publication with a provincial reach along with increased on-line and social media support. Information technology upgrades had also been shifted to the verification phase. As a result, submission phase costs had declined from approximately \$410,000 in 2013, to \$33,000 for the current initiative petition.

## **Committee Inquiry**

Committee Members sought additional information on: polling station line-ups, staffing, and analytics; electoral accessibility and information programs; new technologies to deliver electoral information; the use of Shared Services BC; and the comparative costs of the 2013 and 2017 general elections.

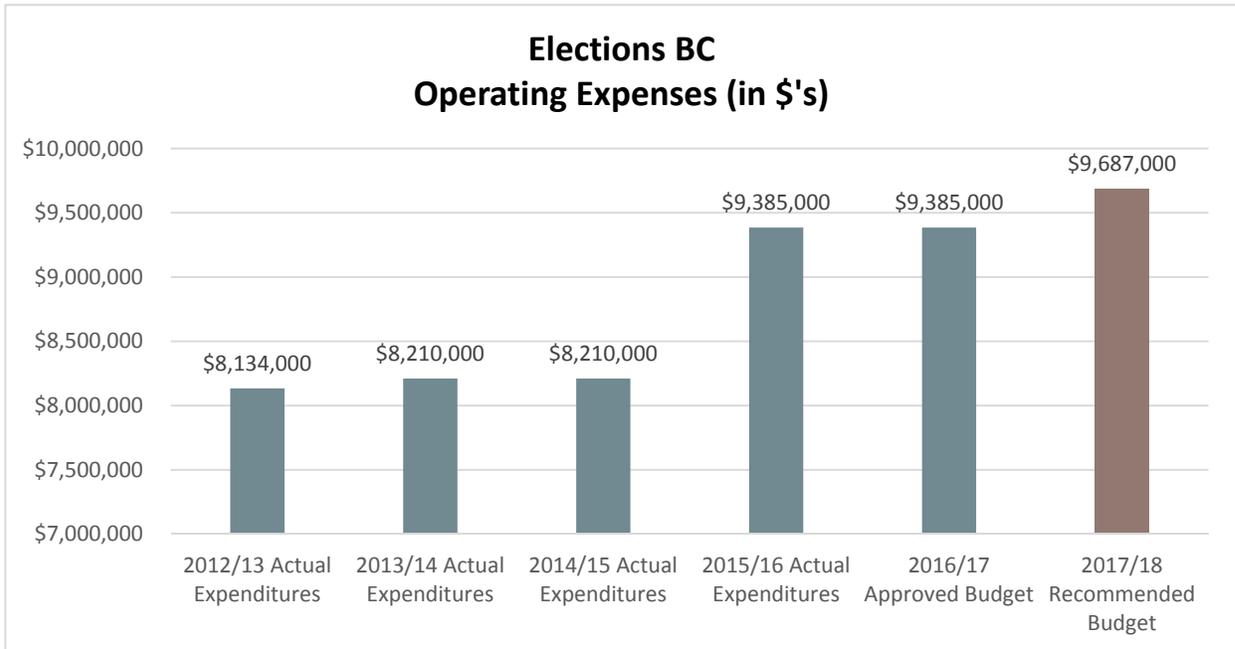
### *Polling Station Line-ups, Staffing and Analytics*

Committee Members remarked that the 2015 federal general election had witnessed significant line-ups at some polling stations, and requested assurances about polling at the upcoming provincial general election. The Chief Electoral Officer explained that Elections BC was revising its voting area distributions, enhancing training and technological support, and expanding staff and voting teams at advance polling stations, given the increasing use by voters of advance voting opportunities. Members sought information on staff hiring processes, the use of poll-by-poll analytics for historical voting intensity, and arrangements to staff accordingly. Elections BC officials reported that district electoral officers and deputy electoral officers had been staffed using professional recruitment processes, polling staff levels reflected the analysis of data from previous elections, and provisions for flexibility in staffing allocations were in place for advance voting and general voting day.

### *Electoral Accessibility and Information Programs*

The Chief Electoral Officer was asked about ensuring opportunities and accessibility for people to vote in all areas of the province. Elections BC officials indicated that accessibility was a key tenet of voting programs, and that planning and enumeration activities were tailored to meet the needs of individual districts. Elections BC had expanded advance voting opportunities, and

increased outreach to post-secondary institutes and First Nations organizations in order to improve accessibility.



### *New Technologies to Deliver Electoral Information*

Committee Members inquired about the use of email, rather than postal delivery, to provide electoral information to voters in a more efficient and cost-effective way, and in keeping with the general population’s shift to email as the preferred means of communication. The Chief Electoral Officer advised that the *Elections Act* is silent on the use of email as a way of contacting electors, and to date email distribution had not been used to deliver important electoral documents such as where-to-vote cards.

### *Use of Shared Services BC*

Committee Members inquired about the use of Shared Services BC to assist with leasing programs. Elections BC officials noted that Shared Services BC was used for some functions, but the purchase of low-cost computers and peripheral equipment was more cost-effective than leasing through Shared Services BC.

### *Comparative Costs of the 2013 and 2017 General Elections*

Committee Members sought information on the reasons for a 17.7 percent increase in general election costs between the 2013 and 2017 general elections. The following factors were cited as

explanations for the growth in electoral costs: an increase in the number of electoral districts from 85 to 87; a rise in the number of days of advance voting from four to six; greater use of technology in the voting place; substantially higher rental costs for offices and voting places; salary increases; and a 27 percent escalation in postage costs.

## Recommendations

Committee Members recognized the important services provided to British Columbians by Elections BC for electoral events, including the upcoming provincial general election, acknowledged the higher electoral costs stemming from legislative, demographic, and technological changes since 2013, and supported the requested levels of operating expenses, planned event operating expenses, and capital budgets.

Committee Members also carefully considered the Chief Electoral Officer's request for supplementary funding for the administration of an initiative petition. Members commended Elections BC for its changes to make the initiative petition process more cost-effective, and concluded that Elections BC should be granted access up to the requested amount of \$33,000 for planned event operating funding in the 2016/17 fiscal year.

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## RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. Elections BC be granted access to supplementary funding up to \$33,000 for event-related operating expenditures for the administration of the initiative petition titled, "An initiative to amend the Fire and Police Services Collective Bargaining Act," in the 2016/17 fiscal year.
2. The appropriation for the operating expenditures of Elections BC be \$9,687,000 in 2017/18; \$9,797,000 in 2018/19; and \$9,494,000 in 2019/20.
3. The appropriation for event-related operating expenditures for Elections BC be \$36,467,000 in the 2017/18 fiscal year.
4. The appropriation for capital expenditures for Elections BC be \$550,000 in the 2017/18 fiscal year; \$700,000 in the 2018/19 fiscal year; and \$700,000 in the 2019/20 fiscal year.

## Office of the Information and Privacy Commissioner and Office of the Registrar of Lobbyists

The Office of the Information and Privacy Commissioner is the independent oversight agency responsible for monitoring and enforcing compliance with the *Freedom of Information and Protection of Privacy Act* and the *Personal Information Protection Act*. An officer of the Legislature, the Commissioner is responsible for: reviews of access to information requests; the investigation of complaints; monitoring general compliance with the Acts; promoting freedom of information and protection of privacy principles; and providing advice and information to public bodies on access and privacy issues. The Commissioner is also designated as the Registrar of Lobbyists, with responsibility for enforcing the *Lobbyist Registration Act* and overseeing the BC Registry of Lobbyists.

The appropriations for the operating and capital expenditures of the office are provided under Vote 5 of the annual *Estimates*. In their January 2016 report on statutory office budgets, Committee Members supported the former Commissioner's request for a 2 percent increase in the office operating budget to cover higher salary and benefits costs, and a new adjudicator position, partly offset by internal savings on other items. The Committee recommended: an annual operating budget of \$5,636,000 in the 2015/16 to 2017/18 fiscal years; and an annual capital budget of \$45,000 for these three years.

The Committee received an update from the office on efforts to reduce backlogs and wait times as part of the Committee's spring 2016 review of statutory office plans and priorities. The Committee was advised that, as a result of additional resources provided in the 2016/17 budget, the office's file backlog had decreased from over 300 in May 2015 to 245, despite a 27 percent increase in the number of complaints. The office would continue its work to reduce backlogs through the use of additional staff, and streamlined case management processes.

### Budget Submission for 2017/18 to 2019/20

The Committee met on November 1, 2016 to review the budget submission for the next three fiscal years. In attendance were: Drew McArthur, Acting Information and Privacy Commissioner and Registrar of Lobbyists; Jay Fedorak, Deputy Registrar and Assistant Commissioner; and Dave Van Swieten, Executive Director of Corporate Services.

The Acting Commissioner opened his presentation with a progress report on work to advance his office's priorities. With respect to its lobbyist registration responsibilities, the office is using

cost-effective informal resolutions where possible, continuing its enhanced enforcement program, and implementing an expanded public education plan. There has been a significant decrease in non-compliant registrations, and it appears that lobbyists are becoming more familiar with the rules and how to register properly and on time as a result of increased public education activities.

The Acting Commissioner highlighted key achievements in the information and privacy areas. On the major priority of addressing the significant growth in demand for services and reducing wait times and backlogs, substantial improvements have been made as a result of a new continuous improvement process and additional resources supported by the Committee in January 2016.

Looking ahead, the Acting Commissioner advised that his office could meet the goals in its service plan with the current allotment of staff. He requested a 1.7 percent operating budget increase to cover rising salary expenses and a three year assignment for 2016-2019 to have the office serve as the secretariat for the Asia-Pacific Privacy Authorities. The Acting Commissioner indicated that this new responsibility would strengthen the office's relationships in the Asia-Pacific region, facilitate opportunities for the province in the digital economy, and create greater awareness that British Columbia is a good place to do business. The \$70,000 cost of the secretariat would be offset by \$20,000 in annual fees collected from regional members, and the remaining \$50,000 annual cost could be absorbed internally for 2016/17, resulting in a proposed net budget increase of \$50,000 for the 2017/18 and 2018/19 fiscal years.

Overall, the proposed operating budget amounted to \$6,064,000 for 2017/18, \$6,120,000 for 2018/19, and \$6,083,000 for 2019/20. An unchanged annual capital budget of \$45,000 was sought for the next three years.

## **Committee Inquiry**

Committee Members requested additional information on professional services, the Asia-Pacific Privacy Authorities secretariat, shared corporate services, file processing times, the management of repetitive or frivolous requests, proactive disclosure, and government's timeliness in responding to freedom of information requests.

### *Professional Services*

The Committee sought details on the office's professional services expenses. The Acting Commissioner reported that professional services amounted to 8 percent of the office's

requested budget, or \$530,000 for the 2017/18 fiscal year, up from a \$475,000 budget in the 2016/17 fiscal year, and actual expenditures of \$369,478 in the 2015/16 fiscal year. After salaries, benefits, and building occupancy expenses, professional services had become the office's largest cost. The office used professional services for targeted functions such as forensic investigators, when such skills did not exist within the office. In response to Committee questions, the Acting Commissioner agreed to provide additional information to the Committee on the breakdown and frequency of such expenses, which was subsequently circulated to the Committee.

#### *Asia-Pacific Privacy Authorities Secretariat*

Committee Members inquired about the costs of the Asia-Pacific Privacy Authorities secretariat. The Acting Commissioner explained that \$50,000 in funding was being proposed for the 2016-2019 timeframe, with the first year's costs to be covered internally, leaving a net request of \$50,000 for each of the 2017/18 and 2018/19 fiscal years.

#### *Shared Corporate Services*

The Acting Commissioner was asked about the office's use of shared corporate services. He advised that the office used a shared-services model which was shared with three other statutory offices. Costs were allocated on a head-count basis.

#### *File Processing Times*

Committee Members requested an update on work to reduce file processing times. The Acting Commissioner and his officials reported that 77 percent of cases were resolved within 90 days, and over 90 percent of cases were resolved within 120 days. This represented a significant improvement over the previous year.

#### *Management of Repetitive or Frivolous Requests*

Information was sought about the office's management of repetitive or frivolous requests. The Acting Commissioner explained that the office procedures use criteria to triage complaints, including whether multiple complaints of a similar nature have been received.

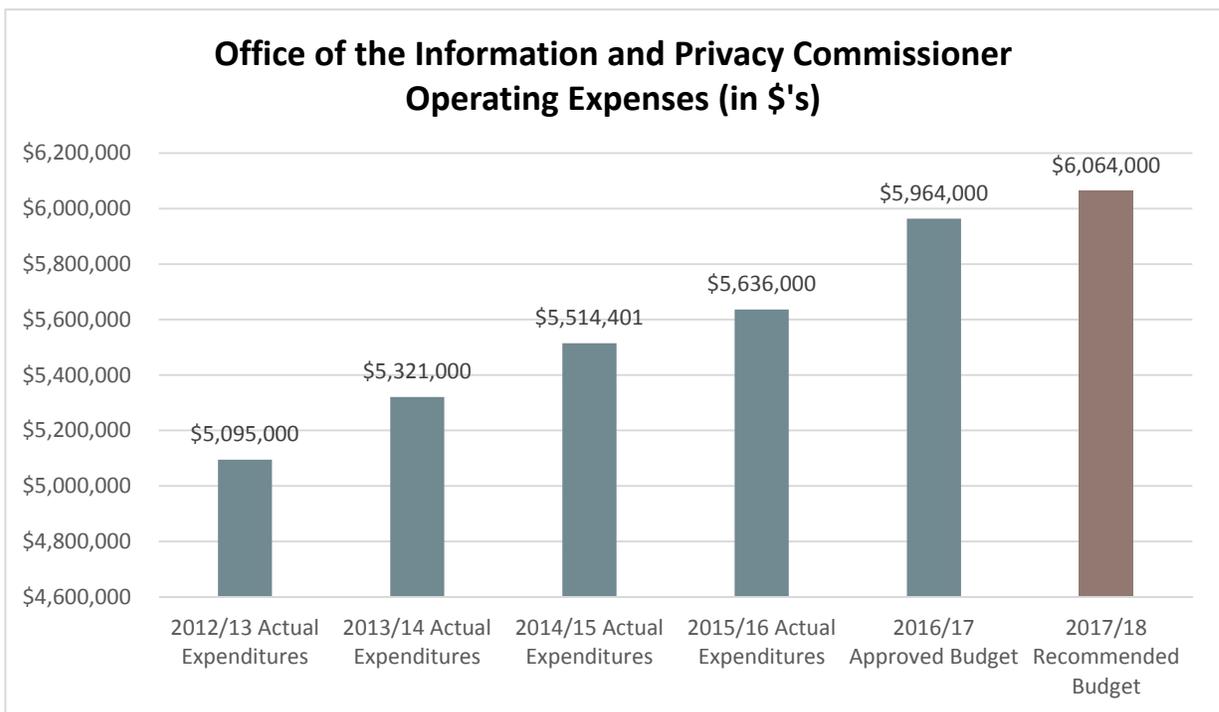
#### *Proactive Disclosure*

Committee Members encouraged the Acting Commissioner to continue the office's work in promoting the proactive disclosure of information by government. The Acting Commissioner indicated that the office has enhanced its tracking of government's implementation of

investigation report recommendations, including a recommendation that a public body must disclose information if it is clearly in the public interest. The office proactively follows up with government organizations on such recommendations, and requests status reports on their implementation.

*Timeliness in Responding to Freedom of Information Requests*

In response to a request about the office’s reporting on government’s timeliness in handling freedom of information cases, the Committee was advised that the office reports annually on processing times, and whether cases are completed on time.



**Recommendations**

Committee Members commended the Acting Commissioner for the office’s progress in improving service delivery and processing times, and supported his request to fund salary increases and the costs of the Asia-Pacific Privacy Authorities secretariat.

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## RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenditures of the Office of Information and Privacy Commissioner be \$6,064,000 in the 2017/18 fiscal year, \$6,120,000 in the 2018/19 fiscal year, and \$6,083,000 in the 2019/20 fiscal year.
  2. The appropriation for the capital expenditures of the Office of the Information and Privacy Commissioner be \$45,000 in each of the next three fiscal years.
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## Office of the Merit Commissioner

An officer of the Legislature, the Merit Commissioner provides independent oversight and insight into merit-based hiring in the BC public service, as authorized by the *Public Service Act*.

The budget of the office is provided under Vote 6 of the annual *Estimates*. In their January 2016 report on statutory office budgets, Committee Members approved a budget proposed by the office containing modest increases to cover required increases in salaries and benefits. The Committee recommended: an annual operating budget of \$1,054,000 in the 2016/17 to 2018/19 fiscal years; and an annual capital budget of \$15,000 for these three years.

### Budget Submission for 2017/18 to 2019/20

The Committee met on November 14, 2016 to review the office's budget submission for the next three fiscal years. In attendance were: Fiona Spencer, Merit Commissioner; and Dave Van Swieten, Executive Director of Corporate Services.

The Commissioner presented an update of her office's work to support merit-based hiring processes in the BC public service. This is a part-time position, and the office is operated with a small complement of five staff, supplemented by the targeted use of professional services staff. Her priorities for the next three years are to: conduct a merit performance audit designed to examine appointments made to and from within the BC Public Service, report the results to organization heads and the BC Public Service Agency, and formulate recommendations for improvement; investigate and respond to employee requests for review of staffing decisions in a thorough and timely manner; and conduct an audit of auxiliary appointments.

The Commissioner sought \$25,000 in supplementary funding for the 2016/17 fiscal year to cover increases in salaries and benefits. She proposed a budget increase of \$71,000, or 6.5 percent above the level approved by the Committee for the previous year, for 2017/18, to address increasing professional services costs associated with the conduct of the merit performance audit, non-discretionary increases to salaries and benefits, and rising building occupancy and systems expenses. Overall, the Commissioner proposed an operating budget request of \$1,125,000 for 2017/18, \$1,129,000 for 2018/19, and \$1,133,000 for 2019/20. An annual capital budget of \$15,000 was requested for the next three fiscal years, the same as last year's level.

## Committee Inquiry

During the inquiry, Committee Members requested additional information on overlap and duplication with the work of other statutory offices, follow-up on recommendations to government organizations, the engagement of affected employees, professional services costs, and trends in examinations and merit-based appointments.

### *Duplication with Other Statutory Offices*

In response to questions from Committee Members about the office's duplication with the audit work of other statutory officers such as the Auditor General, the Commissioner advised that her office has a specific statutory responsibility for auditing public service appointments for conformity with the merit principle, which is distinct and separate from the Auditor General's financial and performance audit responsibilities.

### *Follow-up on Recommendations*

Committee Members sought information on follow-up on the office's audit recommendations to government organizations. The Commissioner explained that her office advised deputy heads of government organizations with respect to systemic and individual issues, and also reported to the BC Public Service Agency on the results of audits regarding system-wide issues. She added that additional follow-up was done in successive years to ensure that improvements had been made to address problems.

### *Engagement of Affected Employees*

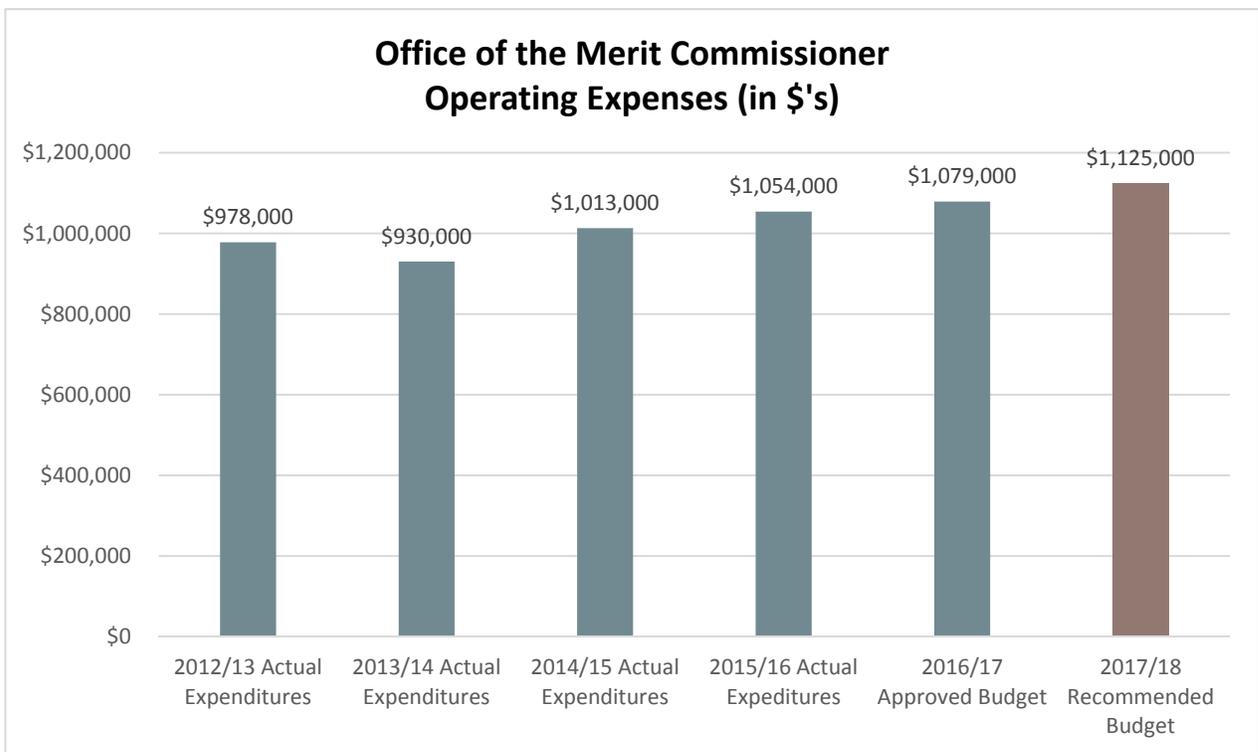
The Commissioner was asked about the handling of requests from affected employees. She indicated that her office accepts requests from employees regarding particular staffing decisions where they have been unsuccessful, and responds to such requests at the same time as the deputy head of a government organization is advised of her findings about the outcome of an investigation.

### *Professional Services*

Committee Members inquired about her request for an increase in professional services funding, noting that although the number was not very high, the percentage impact on the office's budget was significant. The Commissioner confirmed that her office used targeted professional services contracts for specialized functions such as website hosting, annual report preparation, statistical support, and auditing by external auditors, and that an additional \$60,000 was being sought for specific auditing support.

### *Trends in Examinations and Merit-based Appointments*

The Commissioner was asked about trends in the number of examinations and findings with respect to a lack of merit in the appointment process. She reported that there had been an increase in the identification of appointments with concerns, but these related to documentation and aspects of the conduct of appointment processes. When the process in its entirety had been assessed, the outcome was unchanged by those errors. Since these problematic practices could lead to appointments not being based on merit, her office was addressing them with hiring managers, deputy heads, and the BC Public Service Agency.



### **Recommendations**

Committee Members acknowledged the Merit Commissioner's explanation of modest budget pressures for the operation of her office, and agreed to approve the operating and capital budgets as proposed.

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## RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. The Office of the Merit Commissioner be granted access to supplementary funding up to \$25,000 for operating expenditures in the 2016/17 fiscal year.
  2. The appropriation for the operating expenditures of the Office of the Merit Commissioner be \$1,125,000 in the 2017/18 fiscal year, \$1,129,000 in the 2018/19 fiscal year, and \$1,133,000 in the 2019/20 fiscal year.
  3. The appropriation for capital expenditures for the Office of the Merit Commissioner be \$15,000 in each of the next three fiscal years.
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## Office of the Ombudsperson

The Ombudsperson is an independent officer of the Legislature under the *Ombudsperson Act*. The Ombudsperson has two primary roles: responding to individual concerns and complaints; and providing general oversight of the administrative actions of BC public agencies. The appropriations for the office are provided under Vote 7 of the annual *Estimates*.

On July 3, 2015, Hon. Terry Lake, Minister of Health, wrote to the Chair of the Committee, requesting that it consider the referral of the matter of the 2012 terminations of a number of Ministry of Health employees to the Ombudsperson for investigation, as provided by section 10(3) of the *Ombudsperson Act*. After careful consideration, on July 29, 2015, the Committee referred the investigation to the Ombudsperson. The Committee subsequently supported a supplementary budget request for \$885,000 to fund the investigation in the 2015/16 fiscal year, involving \$773,000 for operating expenses and \$112,000 for capital expenses.

In their January 2016 report on statutory office budgets, Committee Members supported the Ombudsperson's budget proposal involving an additional \$415,000 in 2016/17 to complete the Ministry of Health investigation, and \$110,000 in each of the 2016/17 to 2018/19 fiscal years to fund one additional investigator to gradually eliminate file backlogs. Overall, the Committee recommended that: the operating budget be \$7,117,000 in the 2016/17 fiscal year, \$5,942,000 in the 2017/18 fiscal year, and \$5,951,000 in the 2018/19 fiscal year; and the annual capital budget be \$75,000 in each of these three years.

The Committee received an update from the Ombudsperson on efforts to reduce backlogs and wait times as part of the Committee's spring 2016 review of statutory office plans and priorities. The Committee was advised that, as a result of additional resources provided in the 2016/17 budget, the office's "file awaiting assignment" list had decreased from over 550 in November 2015 to less than 500. The office would continue its work to reduce backlogs through the use of additional staff and streamlined complaint processes.

### Budget Submission for 2017/18 to 2019/20

On November 1, 2016, the Committee met to review the office's budget proposal for the next three fiscal years. In attendance were: Jay Chalke, Ombudsperson; David Paradiso, Deputy Ombudsperson; and Dave Van Swieten, Executive Director of Corporate Services.

The Committee was briefed by the Ombudsperson on the work of the office in investigating complaints about the unfairness of “matters of administrative action” by the more than 2,800 public agencies in British Columbia.

The Ombudsperson reported on two developments in his investigation of Ministry of Health employee terminations.

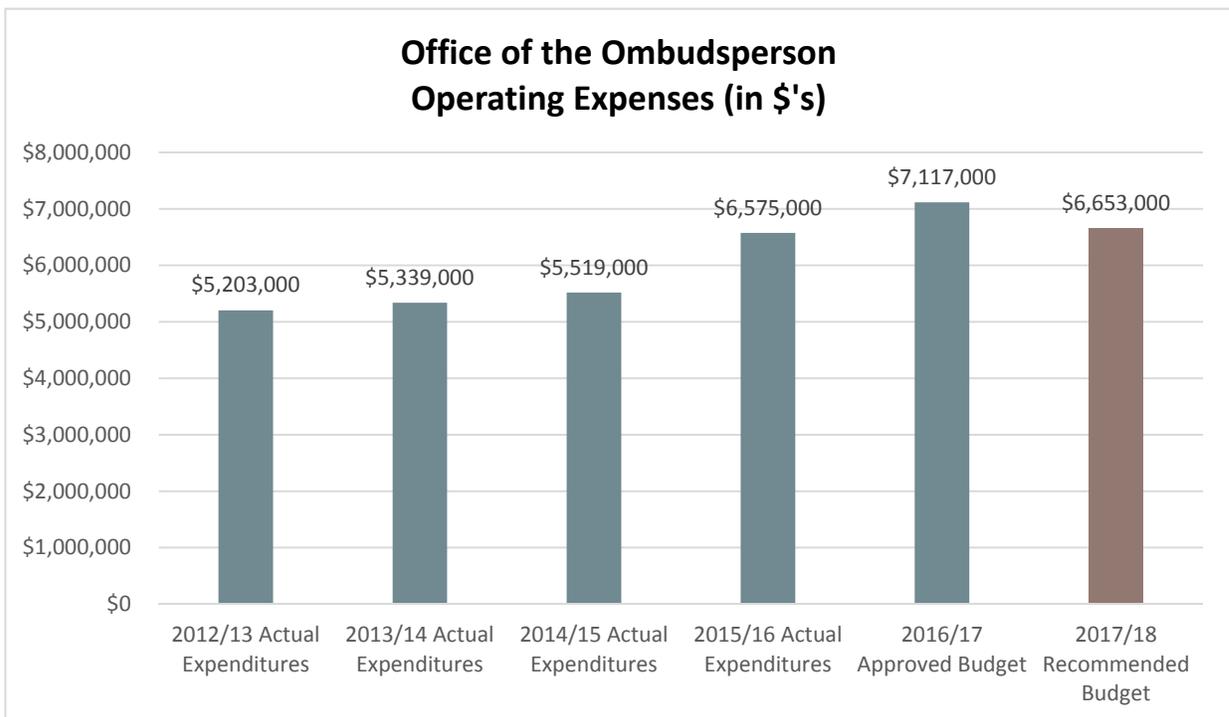
- First, during the course of the investigation, a document had been identified indicating that, some months after the terminations, he was acting for a week as Deputy Attorney General while the deputy was away on holidays, when the matter of the terminated employees briefly crossed his desk. In that acting capacity, he received an inquiry from a senior Deputy Minister about the terminated employees, made a preliminary inquiry of one or two senior officials, and left the question for the Deputy Attorney General to address on his return from holidays. The Ombudsperson asserted that, given this limited involvement, he had no recollection of it. In response to questions from Committee Members, the Ombudsperson indicated that he had not reviewed files of his involvement in any aspect of the case, but had relied on his memory. He had consulted and received advice from senior legal counsel and former Ombudsman Stephen Owen, who were of the view that the matter did not affect his ability to carry out the investigation. The Ombudsperson’s staff have also confirmed with Ministry of Justice officials that there was no other involvement when he was acting Deputy Attorney General. He indicated that this matter would be fully disclosed in the final report on the investigation.
- Second, while government had estimated that 200,000 records would be involved in the investigation, over 4 million records had been received, as a function of how records were collected and created over the years by the many officials involved. As a result of this increase, the investigation was expected to be completed towards the end of the 2016/17 fiscal year, rather than in the fall of 2016 as initially anticipated. There would be no additional requirement for funding beyond 2016/17.

The Ombudsperson provided the Committee with an update on his office’s use of additional resources to reduce file backlogs. He reported that the level of backlogs had fallen from over 550 in November 2015 to 339 in November 2016, and the office was on track to reduce this to about 50 files by 2019/20.

In addition, the Ombudsperson proposed a new Preventative Ombudship Initiative. He explained that the initiative was sought by public stakeholders, and would use best practices

guides, training, and workshops for public servants to improve administrative practices, and thereby reduce the level of public complaints. The initiative would cost \$693,000 annually.

Overall, the Ombudsperson’s proposed operating budget, including minor increases for salaries and facilities, and funding for the Preventative Ombudship Initiative, amounted to \$6,653,000 for 2017/18, \$6,673,000 for 2018/19, and \$6,575,000 for 2019/20 (due to the ending of the three year funding of a position to reduce backlogs). An unchanged annual capital budget of \$75,000 was sought for each of the next three fiscal years.



## Committee Inquiry

The Ombudsperson was asked about the office’s follow-up on investigation reports, and the investigation of the termination of Ministry of Health employees.

### *Follow-up on Investigation Reports*

Committee Members sought information on the office’s approach for follow-up on investigation reports. The Ombudsperson indicated that the office reported publicly on investigations in its monitoring reports, which also tracked the implementation of recommendations.

### *Ministry of Health Employees Investigation*

Committee Members sought additional details regarding the 20-fold increase in the number of documents related to the investigation of the Ministry of Health employee terminations, and the extent of the Ombudsperson's involvement in the Ministry of Health file while he was employed at the Ministry of Justice. The Ombudsperson reported that the increase in documents reflected, at least in part, an assessment of the number of relevant documents versus the provision of actual documents in response to investigation requests. For example, if somebody's email in-box was sought, there might be numerous records, but not all may be relevant. The Office of the Ombudsperson did not want others making that assessment of relevance, so it had asked for all records and then determined relevance. In response to questions from Committee Members, the Ombudsperson reiterated that he had no recollection of his involvement as Acting Deputy Attorney General. He suggested that this role had been brief, and like that of an air traffic controller in requesting follow-up for the Deputy Attorney General on his return from holidays. He characterized this involvement as transitory, resulting in no substantive effect on the investigation by the Office of the Ombudsperson.

### **Recommendations**

Committee Members took note of the Ombudsperson's update on the investigation of the Ministry of Health employee terminations, and his explanations for the rise in the number of documents and his involvement as Acting Deputy Attorney General in the Ministry of Health file. Members encouraged the Ombudsperson to cover these matters in detail in the final report on the investigation. They also supported the proposed operating and capital budgets.

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## **RECOMMENDATIONS**

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenses of the Office of the Ombudsperson be \$6,653,000 in the 2017/18 fiscal year, \$6,673,000 in the 2018/19 fiscal year, and \$6,575,000 in the 2019/20 fiscal year.
2. The appropriation for capital expenditures of the Office of the Ombudsperson be \$75,000 in each of the next three fiscal years.

## Office of the Police Complaint Commissioner

The Police Complaint Commissioner is an independent officer of the Legislature under the *Police Act*, with a mandate to ensure that complaints about BC municipal police officers and departments are handled fairly and impartially.

The appropriations for the operating expenses and capital expenditures of the Office of the Police Complaint Commissioner are provided under Vote 8 of the annual *Estimates*. In his fall 2015 budget submission, the Commissioner sought an 8.3 percent operating budget increase for new responsibilities assigned to his office by the Ministry of Justice with respect to special municipal constables. The Committee supported the request and additional funds to cover salary increases, and recommended that: the annual operating budget be \$3,428,000 in the 2016/17 fiscal year, \$3,434,000 in the 2017/18 fiscal year, and \$3,438,000 in the 2018/19 fiscal year; and the annual capital budget be \$25,000 in these three years.

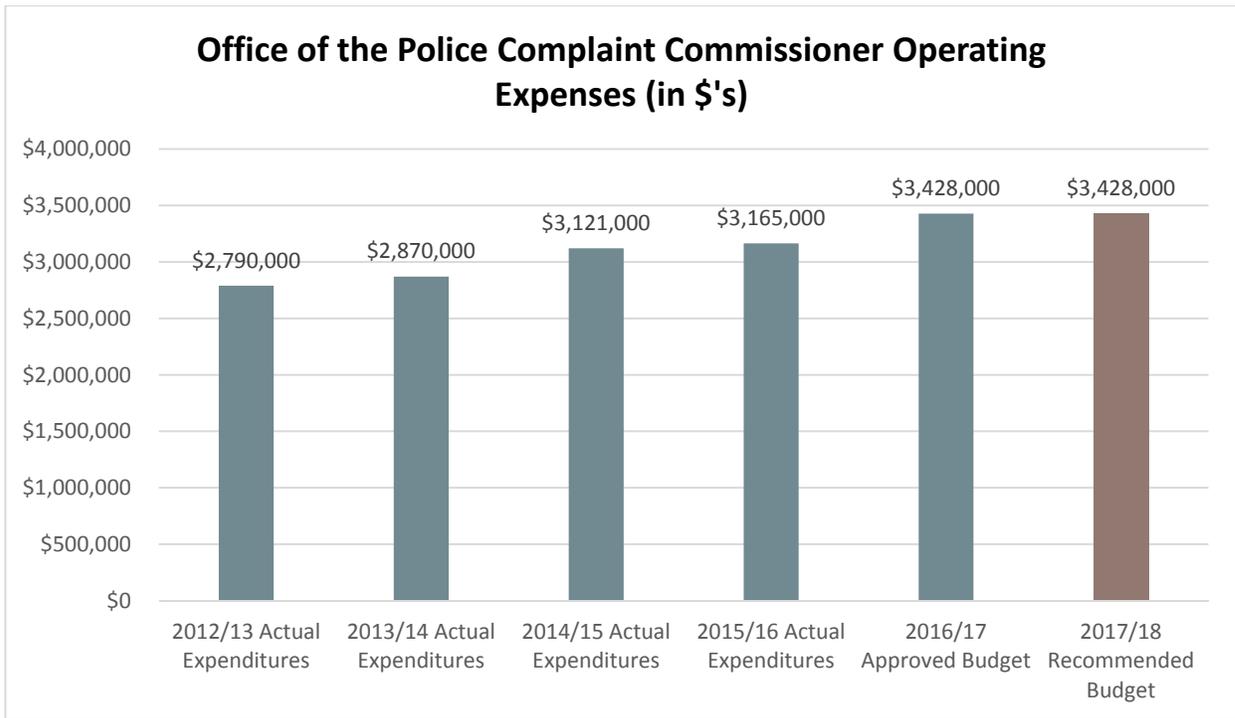
The Committee received an update from the Commissioner on efforts to reduce backlogs and wait times as part of the Committee's spring 2016 review of statutory office plans and priorities. The Committee was advised that, as a result of additional resources provided in the 2016/17 budget, the office had been able to effectively carry out its new responsibilities for special municipal constables.

### Budget Submission for 2017/18 to 2019/20

The Committee met on November 9, 2016 to review the office's budget proposal for the next three fiscal years. In attendance were: Stan Lowe, Police Complaint Commissioner; Rollie Woods, Deputy Police Complaint Commissioner; Dave Van Swieten, Executive Director of Corporate Services; and Andrea Spindler, Director of Operations and Strategic Initiatives.

The Commissioner briefed the Committee on his office's oversight of municipal police complaints, and the hiring of two new staff to handle new responsibilities regarding special municipal constables. The Commissioner reported that office file levels for the first half of 2016/17 were in line with the same period for the previous year.

For this fall's budget request, the Commissioner was not seeking operating budget increases. An additional \$15,000 per year for capital budgets to cover office equipment costs was proposed for the 2017/18 to 2019/20 fiscal years. Overall, operating budgets of \$3,428,000 for 2017/18, \$3,428,000 for 2018/19, and \$3,434,000 for 2019/20 were proposed. An annual capital budget of \$40,000 for each of the three fiscal years was also requested.



## Committee Inquiry

Questions were asked about the Ministry of Justice’s assignment of new responsibilities regarding special municipal constables, the handling of frivolous complaints, and the use of alternative dispute resolution to resolve complaints.

### *Judicial Reviews*

In response to questions, the Commissioner indicated that judicial reviews have been increasing as a result of a growing frustration with respect to gaps and a lack of clarity in elements of the legislative framework for his office. For example, there is a disagreement involving the office, police unions, and policing authorities on the interpretation of processes for the handling of police complaints. The Commissioner has provided recommendations for legislative changes to government to address these issues. In the meantime, his office is seeking to use practical workarounds to address matters that might otherwise proceed to judicial review. The Commissioner also indicated that a judicial review had confirmed his office’s ability to protect the confidentiality of its processes.

### *Alternative Dispute Resolution*

Committee Members inquired about the office's use of alternative dispute resolution. The Commissioner reported that his office promotes the use of informal resolutions given their cost effectiveness and timeliness in addressing complaints. He indicated that, over the past year, statistics had shown a plateau in the use of informal resolutions. The office determined that internal barriers within the office were limiting the scope for informal resolutions, and is now in the midst of creating a program to strengthen information and encourage support within the office and to complainants to encourage the use of alternative dispute resolution.

### *Hierarchy of Disciplinary Actions*

Committee Members sought an explanation of the hierarchy of disciplinary actions. The Commissioner outlined the range of disciplinary actions authorized under the *Police Act* for dealing with complaints. He also provided Members with an update on the work of his office in speaking to police academies about professional standards and conduct.

### *Improper Disclosure of Information*

The Commissioner was asked about the improper disclosure of police information. He explained the differences between the improper disclosure of information resulting from loose talk about a particular incident, and the more serious category of deceit, involving the falsification of a police report, or the falsification of an oral statement.

### *Legal Expenditures*

Committee Members asked questions about the office's budget for legal expenditures. The Commissioner noted that the office made targeted use of legal services for large or complex legal proceedings. He also indicated that he is giving consideration to seeking to recoup costs for frivolous matters.

## **Recommendations**

Committee Members acknowledged the Commissioner's report on increased work by his office to manage new file responsibilities for special municipal constables, and supported his operating and capital budgets as proposed.

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## RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenditures of the Office of the Police Complaint Commissioner be \$3,428,000 in the 2017/18 fiscal year, \$3,428,000 in the 2018/19 fiscal year, and \$3,434,000 in the 2019/20 fiscal year.
  2. The appropriation for capital expenditures of the Office of the Police Complaint Commissioner be \$40,000 in the 2017/18 fiscal year, \$40,000 in the 2018/19 fiscal year, and \$40,000 in the 2019/20 fiscal year.
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## Office of the Representative for Children and Youth

An officer of the Legislature appointed under the *Representative for Children and Youth Act*, the Representative has a mandate to: review, investigate, and report on the critical injuries and deaths of children; provide advocacy services on designated and prescribed services; and monitor, review, and audit the effectiveness of these services.

The appropriations for the office's operating expenses and capital expenditures are provided under Vote 9 of the annual *Estimates*. In their January 2016 report on statutory office budgets, Committee Members appreciated the Representative's "stand pat" budget proposal for the 2015/16 fiscal year, and noted that the office's operating budget had increased by 17 percent over 2010/11 operating expenditures. The Committee agreed to support the Representative's proposal for staff salary increases, and \$656,000 to fund five new positions to undertake reviews and investigations. The Committee also agreed to continue consideration of the Representative's proposal related to an adoption advocacy project. The Committee recommended that: the operating budget be \$8,830,000 in each of the 2016/17 to 2018/19 fiscal years; and the annual capital budget be \$50,000 for these three years.

The Committee subsequently undertook further consideration of the Representative's proposed adoption advocacy initiative. The Committee received correspondence dated May 12, 2016 from the Ministry of Justice advising that, in its view, the proposed adoption advocacy initiative "seems much more in line with service delivery," and would be beyond the scope of the Representative's statutory mandate. The Ministry noted that the Select Standing Committee on Children and Youth was required to begin a review of the Act by April 2017, and suggested that "it would be prudent to first consider ... whether or how the Office of the Representative would have the mandate to carry out the work."

As part of its spring 2016 review of statutory office plans and priorities, the Committee received an update from the Representative on her office's use of additional resources for reviews and investigations. The Committee was advised that five positions had been added to help complete reviews and investigations, including several high-profile death investigations that have been launched or were being launched, and to deal with a significant rise in the number of injuries and deaths reported to her office.

## Budget Submission for 2017/18 to 2019/20

On November 14, 2015, the Committee met to review the office's budget proposal for the next three fiscal years. Appearing on behalf of the office were: Dawn Thomas-Wightman, Deputy Representative; Alan Markwart, Chief Operating Officer and Associate Deputy Representative, Transitions; Bill Naughton, Chief Investigator and Associate Deputy Representative, CID Reviews and Investigations; Diane Buljat, Chief Financial Officer and Manager, Finance and Facilities; and Blair Mitchell, Executive Director, Advocacy and Youth Engagement.

The Deputy Representative reported on work on behalf of children and youth. Thus far in the fiscal year, the number of child death and critical injury reports had risen by 45, or 11 percent, to a total of 453, compared with the same period in the previous year. Increased resources supported by the Committee were enabling the office to manage this increase.

With 4,373, or 61 percent, of the 7,142 children in care in the province being Indigenous, the office's statutory framework recognizes the importance of Indigenous staffing. The Indigenous strategies and partnerships team is being strengthened so that Indigenous perspectives are part of the office's work. A number of positions were reclassified, resulting in higher salary costs. A proposed 1.59 percent, or \$140,000, operating budget increase was sought, for \$8,970,000 in the 2017/18 fiscal year, \$8,980,000 in the 2018/19 fiscal year, and \$8,986,000 in the 2019/20 fiscal year. An unchanged capital budget of \$50,000 in each of the next three fiscal years was also requested. The Deputy Commissioner also drew the Committee's attention to a possible concern by the outgoing Representative about her pension benefits (the *Representative for Children and Youth Act* authorizes a pension with years of service in accordance with the *Public Sector Pension Plans Act*, while some statutory officers receive 1.5 times the number of years of service – a change to the Representative's pension benefit would require a legislative amendment).

## Committee Inquiry

The Deputy Representative was asked about critical injury and death comparisons for children in and not in care, human resources, adoption permanency, and the office's engagement of social workers.

### *Critical Injury and Death Comparisons for Children in and not in Care*

Committee Members asked about critical injury and death rate comparisons between children in care and children not in care. The Deputy Representative and her staff advised that the

characteristics of the children in care population – including pre-existing risk factors that place them at increased danger – predisposes them to vulnerabilities, and the rates of injury in the children in care population generally trend higher than that for children not in care. Good strategies are required to mitigate those risks, which is an ongoing challenge for the children in care system.

### *Human Resources*

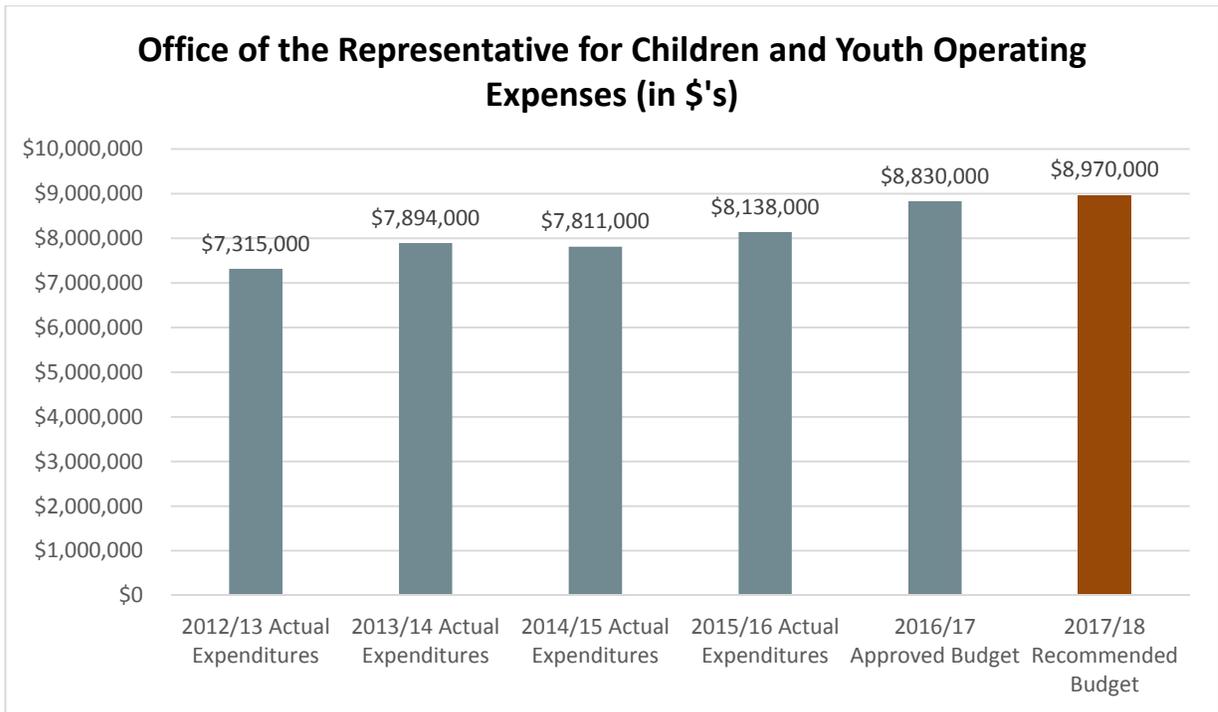
The Committee sought additional information on position reclassifications at the office. The Deputy Representative and her staff explained that reclassifications reflected demonstrable increases in job responsibilities and accountabilities. Position reclassifications had been undertaken in consultation with the BC Public Service Agency. She noted that the office's Indigenous strategies plan sets targets and mechanisms for Indigenous staff recruitment and representation, to effectively serve client populations.

### *Adoption Permanency*

In response to questions about adoption permanency and culture, the Deputy Representative indicated that culture is normally a protective factor for adoption permanency. Connecting Indigenous children to healthy Indigenous communities and cultures can protect adoption arrangements. Most Indigenous children in care were not in Indigenous communities, and her office and government were looking at governance and cultural connection policies and programs to strengthen adoption arrangements for Indigenous children. The Deputy Representative also advised that the office's request to fund an adoption permanency initiative had been put on hold pending the release of a report by Grand Chief Ed John and a new Representative's arrival. She indicated that increased funding of government adoption programs had significantly improved adoption placement levels, but these levels had deteriorated recently, which underlined the importance of effective adoption permanency.

### *Engagement of Social Workers*

Committee Members inquired about the office's engagement of social workers on issues facing children in care. The Deputy Representative outlined ways the office works with the province's social workers. First, about 50 percent of the office's advocacy calls are from social workers in the Ministry of Children and Family Development and dedicated agencies. Second, social workers provide recommendations, and update the office on emerging issues and events on the front-line of children and youth services. Third, the office meets directly with social workers to talk about service issues. The office has worked hard to develop relationships with front-line staff, and there is a shared commitment to serving families and children.



## Recommendations

Committee Members commended the Deputy Representative and her staff for their support of the province’s children and youth, and their families, and for the office’s effective use of additional resources in meeting new file pressures, and supported the proposed operating and capital budgets.

### RECOMMENDATIONS

The Committee recommends to the Legislative Assembly that:

1. The appropriation for the operating expenses of the Office of the Representative for Children and Youth be \$8,970,000 in the 2017/18 fiscal year, \$8,980,000 in the 2018/19 fiscal year, and \$8,986,000 in the 2019/20 fiscal year.
2. The appropriation for capital expenditures of the Office of the Representative for Children and Youth be \$50,000 in each of the next three fiscal years.

# Documents Submitted – Fall 2016 Review of Statutory Office Budgets

## Office of the Auditor General

*2017/18 Estimate of Resources*  
*Annual Report 2015/16*  
*Financial Statements 2015/16*  
*Service Plan 2016-17 – 2018/19*  
*Performance Audit Coverage Plan 2016/17-2018-19*  
*Supplemental information for 2017/18 budget proposal*

## Office of the Conflict of Interest Commissioner

*Budget Proposal Fiscal Years 2017/18 – 2019/20*  
*Annual Report 2015*  
*Supplemental information for 2017/18 budget proposal*

## Elections BC

*Budget Proposal 2017/18 – 2019/20*  
*Annual Report 2015/16 and Service Plan 2016/17 – 2018/19*  
*Supplemental information for 2017/18 budget proposal*  
*November 15, 2016 correspondence for 2016/17 supplementary budget proposal*

## Office of the Information and Privacy Commissioner and Office of the Registrar of Lobbyists

*Budget Submission Fiscal Years 2017/18 - 2019/20*  
*2015 – 2016 Annual Report*  
*Service Plan Fiscal Years 2017/18 - 2019/20*  
*Supplemental information for 2017/18 budget proposal*  
*Additional information on professional services expenses*

## **Office of the Merit Commissioner**

*Budget Submission Fiscal Years 2017/18-2019/20*  
*Annual Report 2015/16*  
*Service Plan Fiscal Years 2017/18 – 2019/20*  
*Supplemental information for 2017/18 budget proposal*

## **Office of the Ombudsperson**

*Presentation, Budget Submission 2017/2018-2019/2020*  
*Budget Submission 2017/18 – 2019/20*  
*Service Plan 2017/2018 – 2019/2020*  
*2015-2016 Annual Report*  
*Strategic Plan 2016-2021*  
*Under Inspection: The Hiatus in BC Correctional Centre Inspections (Special Report No. 38, June 2016)*  
*Supplemental information for 2017/18 budget proposal*  
*Additional information on the Preventative Ombudship Pilot Project*

## **Office of the Police Complaint Commissioner**

*Budget Submission 2017/2018 to 2019/2020*  
*Service Plan 2017/18 to 2019/20*  
*Supplemental information for 2017/18 budget proposal*

## **Office of the Representative for Children and Youth**

*Budget Submission Fiscal 2017/18 – 2019/20*  
*2015/16 Annual Report and 2016/17 to 2017/18 Service Plan*  
*Audit of the Expenditures of the Office of the Representative for Children and Youth for the Year Ended March 31, 2016*  
*Supplemental information for 2017/18 budget proposal*



