

First Session - Fortieth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Public Accounts

Chairperson
Mr. Larry Maguire
Constituency of Arthur-Virden

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MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

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**LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

Thursday, August 23, 2012

TIME – 2 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Larry Maguire (Arthur-Virden)

VICE-CHAIRPERSON – Mr. Gregory Dewar (Selkirk)

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Mr. Gerrard

Mr. Allum, Ms. Braun, Messrs. Dewar, Helwer, Maguire, Pedersen, Mrs. Stefanson, Mr. Whitehead

Substitutions:

Ms. Crothers for Mr. Jha

Mr. Marcelino for Hon. Mr. Struthers

APPEARING:

Ms. Carol Bellringer, Auditor General of Manitoba

WITNESSES:

Hon. Kerri Irvin-Ross, Minister of Housing and Community Development

Ms. Joy Cramer, Deputy Minister of Housing and Community Development

MATTERS UNDER CONSIDERATION:

Auditor General's Report–Report to the Legislative Assembly–Audits of Government Operations, November 2009

Chapter 4–Members' Allowances

Auditor General's Report–Follow-Up of Previously Issued Recommendations, dated January 2012

Section 15–Members' Allowances Program

Auditor General's Report–Annual Report to the Legislature, dated January 2012

Chapter 2–Appointment Process to Agencies, Boards and Commissions

* * *

Mr. Chairperson: Well, welcome everyone on this warm August afternoon. I appreciate those–everyone's attendance and keeping on schedules to make this announced meeting that we have today on the Standing Committee on Public Accounts.

This meeting has been called to deal with the Auditor General's Report, the Report to the Legislative Assembly of Audits of the Government Operations, dated November of 2009, Chapter 4–Members' Allowances.

It's also dealing with the Auditor General's Report–Follow-Up of Previously Issued Recommendations, dated January 2012, the Section 15–Members' Allowances Program and the Auditor General's Report–annual report to the legislative, dated January 12th, for Chapter 2–Appointment Process to Agencies, Boards and Commissions.

Before we get into those, is there any suggestion from committee members as to how long you wish to sit this afternoon?

Mr. James Allum (Fort Garry-Riverview): Mr. Chair, I was going to suggest 90 minutes or until 3:30 and then review at that point.

Mr. Chairperson: Is it the wish of the committee to agree? *[Agreed]*

We will look at that then.

And we usually look at the order that we would accept the reports, but I'll make a suggestion that we deal first with the–when we get there, with chapters 4 and 15 of the members' allowances. There's two different reports there but we would look at those and deal with them and call for your input into that at that time.

In dealing with these, it's a bit–probably while they're outstanding and the reports haven't been passed, we're into a new members' allowance review right now at the present time. And so we could look at passing those reports, if it's the wish of the committee and move forward with the new report when it comes forward, which the Auditor General, I'm sure, will bring out in the future.

But what's the wish of the committee?

Mr. Gregory Dewar (Selkirk): I'd suggest that we pass chapter 4, Members' Allowances, and—from November the 9th, and that we pass the section 5, Members' Allowances Program, from the January the—2012 meeting, Follow-Up of Previously Issued Recommendations, that we pass both those reports.

Mr. Chairperson: Okay. I'll take that as advisement, if I could, at this point—I think you meant chapter—or section 15, not section 5.

I'll take that as advisement, but first I would have to ask if the Auditor General has an opening statement, which we'll get to if that's the wish of the committee. *[Agreed]*

And then perhaps we can proceed at that point with Mr. Dewar's recommendation. Okay? We'll deal with it in that manner then.

I would call on the Auditor General to proceed with their opening statement.

Ms. Carol Bellringer (Auditor General): The staff that worked on this audit are here today—Jack Buckwold and Brian Wirth and also John Donnelly who's hiding a little bit further back there.

So thanks to them for doing the work that went into this audit report.

The—our office conducts an annual audit of the financial statements of the allowance claims for the members of the Legislative Assembly. The financial statements disclose the total amount spent by each member for each allowance category for the fiscal years ended March 31. As a result of our audit, we issue an opinion on the fairness of presentation of that statement.

In June 2008, we decided to conduct a more detailed audit of the allowance claims to go beyond the scope of a financial statement audit. Our audit covered one hundred per cent of the members' allowance claims for the two-year period from April 1, '06, to March 31, '08, excluding the members' compensation and salaries paid to constituency staff. Our audit also covered the members' printing allowance for that same period.

Nothing came to our attention during this audit to suggest that material inappropriate spending was taking place. Our audit discovered that members spent within the allowance limits. However, many of the allowance claims did not have adequate documentation, and, therefore, we were unable to provide assurance that the members' allowance

claims for those years were all related to expenses for non-partisan access and service to constituents.

Our audit did raise concerns around the existing culture and the current monitoring practices and identified the need to update and modernize the rules. We found that a culture had come to be adopted that permitted expenditures without appropriate attention to details. Instead of exercising their monitoring role, we found examples of the members' allowances office taking a deferential role in relation to the members. We became aware of MAO staff preparing or partially preparing claims for some members and processing expenditures for items which should not have been permitted.

In a number of sections of the report, we outlined differences between the members' allowances regulation and current practices. The differences are the result of Legislative Assembly Management Commission decisions and interpretations made by successive commissions over a number of years.

These amendments to the rules have, in our opinion, reduced the effectiveness of control procedures and now stray significantly from the intent of the regulation. We believe that current practice would not be aligned with what citizens would expect from elected members.

Of significance is the difference between the regulation and practice around office equipment, computers and furniture, as well as in the nature of documentation required to be submitted to support member donations and other contributions made to constituents and claimed under the representation category.

With regard to capital assets, we found that while the regulation clearly stated that capital assets are property of the Legislative Assembly, members have been allowed to retain these items for personal use after a depreciation period.

With respect to required documentation, the regulation specifically referred to the need for a member to submit a receipt or, in the case of a donation to a charitable or non-profit organization, an official receipt. We found that often members were not providing the required documentation.

The regulation does permit members to complete a statutory declaration form in the event that a receipt is lost or unattainable, which members had used over 400 times during the period of our audit. This

practice is not adequate to demonstrate accountability over the use of public funds.

*(14:10)

We also found that the regulation had not been rigorously reviewed to ensure that it anticipated all expenditure categories and reflected a contemporary view of public expectations and best practices. There has been a need for the LAMC to provide interpretations when situations arise which are not clearly described in the regulation. Most allowance categories include examples of this, but we found that clarity was particularly needed within communication charges, donations and gifts, travel and living expenses.

Contemporary expectations around accountability and transparency were not reflected in the current regulation. A separate regulation around disclosure is issued, being the Members' Salaries, Allowances and Retirement Plans Disclosure Regulation. Ironically, the disclosure regulation was not readily available to the public.

The Legislative Assembly Act requires that financial statements be prepared annually summarizing the categories of expenditures. Our office audits those financial statements, and they're made available to the public in volume 3 of the province's Public Accounts. However, the disclosure regulation only makes information about detailed transactions available upon request and after paying applicable fees.

To both prevent inappropriate expense reimbursements and protect members from allegations of improper spending, a number of changes would have to be implemented. There's a need to update the rules to clarify the documentation required to support the claims and to strengthen the monitoring practices.

We did include in the report a number of details that had to be addressed, but we only had three recommendations. And so I'm going to just move over now to the update that we provided in—as at June 30th, 2011, and what we found at that date, all three of the recommendations had been implemented.

So just prior to that, I'll give you an update on what had—what occurred after that audit was issued. After the audit, an interim commissioner for allowances was appointed with the following mandate: to review the Auditor General's 2009 annual report as it relates to members' allowances

established by regulation, to decide what regulations or amendments to existing regulations should be made in order to implement the recommendations contained in the Auditor General's report, and without limiting the generality of that clause, to make regulations requiring details about member allowances to be published at least quarterly by posting them on the Assembly's website and prescribing the details to be published. The commissioner issued his report on September 1st, 2010, setting out his decisions as they relate to his mandate. Various changes to legislation and the regulations took place to address the recommendations in our report, and the website is now quite comprehensive and a full version of the commissioner's report can be found there.

With respect to the three recommendations, the first one was, as input to the commissioner's work in reviewing members' allowances, that a compliance audit be conducted. The act requires that following a general election the commissioner reviews the compensation, and so what has now been created is a compliance report that describes—the Members' Allowances Office create this and it describes all of the interpretations that they've been required to take to LAMC, and it gives the commissioner more information to decide whether or not the regulation needs to be updated on these other items. And that has been done and we issued an opinion on that, which is available publicly.

The second recommendation, that the MAO report to the Clerk of the Legislative Assembly, has been implemented, and the third, that the rules for member allowances and printing claims be amended to clarify the documentation requirements to strengthen public accountability and to reflect best practice, and those amended rules should address the items listed in our report, and that as well has been done. And we'd like to actually congratulate the Assembly for taking prompt action on this, and it has indeed strengthened all of the—both the monitoring and the application of the rules so.

Mr. Chairperson: Thank you very much. I thank you for the opening comments.

And I'm going to, before I move forward, I will—so that we can use our time a little wisely, I'll ask the minister and deputy minister to come forward as well and take the chairs at the other end of the table for us as we move forward.

While they're doing that, I would ask the will of the committee in dealing with the recommendations

from the Vice-Chair earlier in dealing with the members' allowances' chapter 4 and chapter 15.

So I would just ask: Is it the wish of the committee members that chapter 4 of the Auditor General's Report—Report to the Legislative Assembly, audits of the government operations, dated November 2009, be carried? *[Agreed]*

And since chapter 4 was the last chapter to be considered in that report from 2009, shall the Auditor General's Report—Report to the Legislative Assembly, audits of operations—government operations, dated November 2009, pass? *[Agreed]*

And then, does the committee agree that we have completed consideration of section 15, the Members' Allowances Program, of the Auditor General's Report—Follow-Up of Previously Issued Recommendations, dated January 2012? *[Agreed]*

Thank you. As we move forward to the Auditor General's Report, the annual report to the Legislature, dated January 2012, chapter 2, appointments process to agencies, boards and commissions, I want to welcome Minister Irvin-Ross here, as well, and her deputy, Ms. Cramer. And if you could introduce any other staff that you may have, and once—with you—once you've dealt with that then I would open up to the deputy minister for any comments that they may have at that time—oh, okay. Sorry about that. Yes, we'll back up one.

Hon. Kerri Irvin-Ross (Minister of Housing and Community Development): I'd just like to introduce to the committee Joanne Cerilli, who works with ABCs as the manager of the—managing co-ordinator to the ABC Committee of Cabinet.

Mr. Chairperson: I want to thank you for that introduction, as well, and welcome.

And I got one step ahead of myself there. If I could, Ms. Cramer, I'd like to ask the Auditor General if she could open with opening comments she may have in this area.

Ms. Bellringer: The audit that we conducted is in the area that the Deputy Auditor General manages, Norm Ricard, who's here, and the work was conducted by Maria Capozzi, who's here as well.

The purpose of our audit was to examine the process used to appoint members to Manitoba's agencies, boards and commissions, and we'll call them ABCs. Our audit objectives were to determine whether adequate information is available to Manitobans regarding the appointment process, and

to determine whether appointments to ABCs are made in a timely manner. We specifically examined the appointment process utilized for the 200 ABCs that are part of the Cabinet committee on ABCs process. We examined all ABC appointments over a three-year period ending July 2011.

Overall, there's a need to improve the timeliness and openness of the appointment process in order to meet modern standards of effective governance. A timely and efficient appointment process is dependent on the focused attention of government ministers. While, understandably, ministers have a number of pressing and critical items vying for their attention, the potential impact of appointment process deficiencies on the effective functioning of the ABC should not be underestimated.

At the onset of our review, there was very limited information on the government of Manitoba website regarding Manitoba's ABCs and the appointment process. This situation has been strengthened. In July 2011, a website was created that links directly from the home page to improved information on ABCs. Further, the website now allows submissions of applications for consideration to an ABC appointment. This considerably enhances the accessibility and transparency of ABC appointments to Manitobans. Our report notes that there are further enhancements that can be made to the website, including providing a complete list of all ABCs in the province and information on the administrative process used to make appointments. Further, the site will need ongoing maintenance and a plan to be developed to ensure the information provided on the website remains accurate and up-to-date.

The appointment process as currently conducted is time-consuming and is intended to take approximately four months but often takes longer. Recognizing that in a competency-driven process it takes time to recruit individuals with the appropriate skills and competencies to serve on ABCs, the process should begin sufficiently in advance to ensure that every attempt is made to meet the term expiry.

There should also be enhanced consultation with the ABCs as the ABCs are in the best position to know the current skills and characteristics that are represented and what additional skills would best complement that mix to meet the strategic needs of the entity. The ABC chair and senior management should provide the minister's office with skills-

competency matrix well in advance of any vacancies or term expiries.

* (14:20)

We believe that all appointments should be kept as current and up-to-date as possible. Our audit found that the timeliness of appointments and reappointments needs improvement, as a quarter of all ABC members are currently serving with expired terms. About 22 per cent of these have been expired for three years or more with the range of expiries going as far back as 2002. Many pieces of legislation allow members to continue to serve past their expiry date until he or she is reappointed, the appointment is revoked, or a successor is appointed. However, as order-in-council appointments generally set a term expiry date, it is arguably not the intent of this legislative clause that members continue to serve with no end date.

Acting on term limits are important because it allows for fresh perspective and renewal in the membership of an ABC over time. Further, by not reviewing the appointments and making reappointments on a regular basis, government's not taking advantage of the opportunity to review the functioning of the ABC and make changes that reflect the ABC's current context. This also limits access and opportunities for other Manitobans to serve on that ABC.

There are 55 ABCs which do not have staggered terms for appointments. Staggering terms ensures there is an orderly transition of members on an ABC, and not all members leave the organization at the same time, which would undermine the effective functioning of the ABC. Such practices help to balance the ABC's need for continuity and experience with the need to refresh the membership and bring on new skills expertise over time to appropriately reflect the challenges faced by the organization.

Our audit found that there are some members who have served on the same ABC for significant lengths of time. In total, there were 308 individuals who had served their ABC for 10 years or more. Of those, 13 have served over 20 years. While terms of service for members must be long enough to gain experience and cultivate sufficient knowledge to understand the ABC, there must also be sufficient renewal of members to bring new perspectives and experience. Serving on the same ABC for an excessively long period of time is not reflective of

good governance practices, especially for a deliberative ABC.

As government may not wish to lose the valuable expertise gained by an individual, there should be consideration to appointing the individual to become a member of a different ABC, where their experience and expertise could be well utilized and of great benefit to the new ABC.

The report included nine recommendations to government to improve the ABC appointment process, and we also included further items for consideration by each ABC, which encourages them to take a proactive approach in enhancing the relationship with government and in assisting the minister's office in making timely competency-based appointments to their ABC.

Mr. Chairperson: Thank you very much for your opening statement, Ms. Bellringer, and I would turn it over to Deputy Minister Cramer, to provide any opening statement that you may have.

Ms. Joy Cramer (Deputy Minister of Housing and Community Development): Thank you. Good afternoon. I'll begin with a brief opening statement regarding the report I'm here for today.

This is the first time in the province's history that the office of the Auditor General undertook a review of the agencies, boards and commissions appointment process. We thank the auditor for doing this review and making recommendations to improve the process.

With nearly 1,500 appointees and over 200 ABCs, it is important to note that change is a constant. Government has accepted all the recommendations contained in the report and, in some cases, have already been implemented, in our opinion, and work to implement the others is well under way.

Considering this audit was just released in January of this year, a lot of work has gone into implementing the audit's recommendations. Of the nine recommendations, we believe three are complete and the rest are in progress. The ABCs office is working hard to collect and standardize information from all the relevant departments in preparation for being established as a central repository for all the ABCs across government. Updates to the website are ongoing, ensuring that members of the public have access to the information about the ABCs themselves and also about how the appointment process works.

Ministers' offices are now given two additional months in advance notice, increasing from four months to six months, of upcoming expiries, which provides them extra time for the ABCs to be consulted about their upcoming vacancies and to work to ensure that expired appointments are dealt with in a timely manner.

When the audit was released in January '12, at that point already 78 per cent of the expired appointments had been brought up-to-date, and they were brought up-to-date as of July 2011, which is six months prior to the release of the report. Currently, only a handful of those appointments remain. As of today, 90 per cent of appointments are up-to-date with the remaining 10 either going through the appointment process or on hold due to changes occurring with some ABCs such as succession transition planning.

And, finally, the ABC Committee of Cabinet is paying close attention to staggered terms and term limits when making appointments and reappointments.

Again, I would like to thank the auditor for her review and recommendations and indicate that we continue to be committed to implementing those recommendations. Thank you.

Mr. Chairperson: I thank you for your opening comments and opening statement, and open the floor to the committee members for questions.

Mrs. Heather Stefanson (Tuxedo): My question is, just since the implementation of the website, could you indicate how many applications you've received for various boards on—and commissions, the ABCs—on—over the website?

Ms. Irvin-Ross: I can confirm that we have received applications online, but we don't have those numbers; we haven't been keeping track of that.

Mrs. Stefanson: Is that something that you will be keeping track of, moving forward?

Ms. Irvin-Ross: I can't confirm that today because we—it is a very small office and we're implementing these nine recommendations and always ensuring that our appoints are up-to-date. Obviously, it's something that we're interested in. Part of the ABC process when people apply, we do record whether they've, you know, been self-referred, whether they have been referred by another community member or another MLA.

So I'm anticipating that we will certainly start adding that on to our process, acknowledging whether it was online or not. But once the appointments are made we're not keeping track of who've—who's forwarded that application.

Mrs. Stefanson: So do you know now if any of those—any of the people that have applied online have been appointed to positions?

Ms. Irvin-Ross: Yes, we don't know that at this time.

Mrs. Stefanson: So, again, if it's something that you're going to add to as part of the process, is that something that you'll be able to track, moving forward?

Ms. Irvin-Ross: We could.

Mr. Blaine Pedersen (Midland): Is there—with 200 ABCs there's—and 1,500 people, I believe—3,100 people that you note are on these boards, is there any of these ABCs that have deputy ministers or assistant deputy ministers serving on the ABCs?

Ms. Irvin-Ross: Yes.

Mr. Pedersen: So how many would be serving on there and do you have a list of how many would be serving on there and which particular ABCs they are on?

Ms. Irvin-Ross: We don't have that information on us, but we can provide the committee with that information at a later date.

Mr. Pedersen: So that's taken note then that there'll be—a answer will be forthcoming from the department. Okay.

Mr. Chairperson: Just for the committee's information, yes, it has been noted, and there will be a follow-up with that and we do track those questions.

Mr. Reg Helwer (Brandon West): Are there any of these ABCs that are made up solely of deputy ministers or ADMs?

Ms. Irvin-Ross: Yes, there are.

Mr. Helwer: Can we find out which ones those are?

Ms. Irvin-Ross: Yes, we'll submit that list with the other information that I've promised to forward.

Mr. Helwer: Are any of the deputy ministers or ADMs on expired terms that the Auditor General has referred to?

Ms. Irvin-Ross: We will review that, but at this time we are confident that they are all up-to-date, the appointments.

* (14:30)

Hon. Jon Gerrard (River Heights): Couple questions, let me start with—there was some uncertainty about what the total number of boards and commissions to which there're appointments to be made, and we were given a list of—or a number of 237, not all necessarily order-in-council. Do you have a total number for the boards of commissions which is now updated?

Ms. Irvin-Ross: The number that we are working with now is around 237, but we're still working to make sure that we have calculated all the boards and commissions.

Mr. Gerrard: Yes, I mean, one of the issues, obviously, is when a board and commission becomes inactive and, you know, ends.

What's the process for ending boards and commissions so that they're not—when they're not functional or not working anymore or not needed?

Ms. Irvin-Ross: The minister who is responsible for that particular board or commission will advise us that its purpose has been fulfilled and that they will not be requiring the service of that board anymore.

Mr. Gerrard: Yes. The—there are some people who have served continuously on boards for quite a long time. In the audit there is mention of somebody who has served since 1983 and it has been recommended that there be staggered terms.

Can you update us on what is the process and maybe you can tell us why or how it was that somebody would be serving for 30 years on the same board or commission?

Ms. Irvin-Ross: So we have taken that recommendation very seriously and we have started to implement term limits and review how long board appointments have made—have been made for specific individuals. I have to say for some boards it gets complicated when we're looking for a specific skill set and that—I'm not sure what board you refer to since 1983 that an individual's been serving, but that's—that would be one of those cases where somebody would serve a long time, as if we have difficulty finding a person to replace them.

Mr. Gerrard: Yes. You know, I—it's not mentioned in the audit report which board and commission was,

and perhaps the Auditor General could help us with what board and commission was it that somebody was serving for 30 years.

Ms. Bellringer: We didn't include those details because we didn't think it was fair to the individuals in the organizations to be singled out when they were not the ones making the appointments. They were the ones accepting the appointments, so I'm uncomfortable providing it. I mean, we have it in our files. If the government chose to disclose it as the—those doing the appointments there, they certainly can, but I'm not comfortable to go there.

Mr. Gerrard: Yes. So it's over to you to answer that if you can, but it's not my information. But what I would ask is—you mentioned that three of the recommendations have been implemented. Which three?

Mr. Chairperson: Before I ask for an answer for that, I failed to provide my opening comment that I usually do at these meetings, and that is that questions of policy will be directed to ministers and details on the report would go to the deputy ministers as well, so if members could keep that in mind when they're asking and answering questions, it'd be great. So, thank you. Ms. Irvin-Ross.

Ms. Irvin-Ross: It would be recommendation 4 that the website be updated to include a description of the appointment process.

Recommendation 5, the appointment process should be sufficiently in advance of term expiries to allow all appointments or reappointments to be made in time for the expiry dates.

And recommendation 6, we recommend that all ministers' offices contact the ABC sufficiently in advance of the term expiries to discuss the needs and requirements for new appointments or reappointments.

Mr. Pedersen: In the deputy minister's opening statements, did I understand correct that you have a 90 per cent appointment rate now, or, like, the board—ABCs are at 90 per cent of their target right now?

Ms. Cramer: Yes, 90 per cent of the appointments are up-to-date with 10 per cent remaining. But it's a constant change. There's always someone—appointment expiring.

Mr. Pedersen: Well, that's what I was wondering. There's always a turnover of people all the time. So is this—do you feel this is a reasonable target then to

have a 90 per cent occupancy, if I can call it occupancy rate? I know it's not quite right, but board placement, maybe, is a better term. Or is—what is the target here?

Ms. Irvin-Ross: I think that 90 per cent is a realistic limit to set to try to attain to because you're already—you're—sometimes you're going to be challenged to find that particular person that might live, you know, in a specific region that we are wanting to fill. Or there also are skill sets. So I think that's fair, and every day there's appointments that are expiring. So I don't think that a hundred per cent is attainable for something that's always constantly changing.

Mrs. Stefanson: Just around the—the report also discussed the conflict of interest issues, especially around the appointment of public sector officials. And I'm just wondering, is there a policy in place, currently, to deal with these conflict of interest issues?

Ms. Irvin-Ross: So what we've been doing is that—I know from my own experience, previously, that there are conflict of interest forms with some of the boards. But what we are doing right now is we're canvassing the ministers' offices to ensure that, if necessary, that conflict of interest forms are made available to board appointees, and we'll continue to follow up on that.

Mr. Helwer: Are there any policies in place to allow for geographic differences or demographic differences, or is it more the skill set that you're looking for in these appointees?

Ms. Irvin-Ross: I can tell you, as the chair of this committee, that we take it very seriously looking at regional representation, as well as gender and culture; diversity is really important. And so we will evaluate where people are living and balance it with what the needs of the boards are. So, yes. But there is no—I don't—I'm not certain that we have a specific policy that's written on that. It's the action that we take.

Mr. Ted Marcelino (Tyndall Park): I think it's a corollary to the question from Mr. Helwer. How does the ABC Committee of Cabinet ensure that the diversity of the province is reflected in board appointments? Is there a procedure?

Ms. Irvin-Ross: So as I said in my previous answer, that diversity is something that we strive for in our boards and commissions. And so part of our application process is that we ask people to

self-identify and we can use that as a way to ensure that we have some diversity on our appointments.

Mr. Gerrard: Yes, I have a question to the Auditor General. There's a couple of places in the tables where instead of zeros there's dashes. Does that mean that the number was missing? For instance, figure 3 on page 70, there's a dash for additional ABCs under Health. Does that mean there's zero or it's uncertain or what?

* (14:40)

Ms. Bellringer: There is a difference between the dash and the zero. The zero is a response that we received that there were zero, and the dash is no—there was nothing included in the response.

Mr. Gerrard: So the same would be true in figure 4, where there's dashes for the Department of Housing and Community Development?

Ms. Bellringer: That's correct.

Mr. Gerrard: With the other nine recommendations, could—I wonder whether the minister or the deputy minister could give us an update on what level of change has occurred or where things stand with each of the other nine recommendations which have not been implemented.

Ms. Irvin-Ross: So recommendation 1; updates to the websites are ongoing. Additional updates are ready to be posted once the blackout period related to the by-election is over. So we believe this is in progress.

Recommendation 2 is also in progress. Work to establish the ABCs office as a central repository is ongoing. Information from departments on their internal-external agencies boards and commissions is being collected and standardized.

Recommendation 3 is in progress. Draft guidelines have been developed and are currently being reviewed. These guidelines will be approved and implemented by the end of this calendar year.

And, as I've already stated, four, five and six, we believe, are completed.

Recommendation 7 is in progress. When the audit was released in January, 78 per cent of the expired appointments as of July 31st, 2011, had been brought up-to-date. Government is committed to keeping appointments up-to-date, going forward. As of today, approximately 90 per cent of appointments are up-to-date, with the remaining 10 per cent either going through the appointment process or on hold

because of significant changes in some of the ABCs, including government's commitment to reduce ABCs by 20 per cent.

Recommendation 8 is in progress. The ABC committee is paying attention to ensuring the terms for appointments and reappointments are being staggered for ABCs where this had not been the case. We are finding that in some instances staggering appointments may require regulatory or legislative changes, so that may take a little bit longer.

Recommendation 9 is in progress. The ABC committee is paying attention to ensuring that appointments have been in place for 10 years or longer are being reviewed with the intent of replacing members as their appointments expire. We are finding that in some instances term limits may require regulatory or legislative changes. There are some unique situations, however, that require appointees to remain on beyond the 10-year limit. This—these include ABCs that require highly specialized professionals and situations with individual ABCs with continuity as a concern.

And we had gone forward with the Cabinet guidelines for term limits, and that was passed in April.

Mr. Gerrard: Is there further plans for legislation to take this process further in terms of meeting the recommendations—I think it was seven, eight and nine.

Ms. Irvin-Ross: Some boards and commissions are—have legislation that directs their business. So those are the legislative changes that I refer to about having to be made, not on the process of ABCs. And that would be happening at the specific department and with that specific minister.

Mr. Gerrard: Is there a process in place to work with the departments and ministers to achieve those legislative changes?

Ms. Irvin-Ross: Yes.

Mr. Gerrard: I have one other question to the Auditor General. On figure 4, the expired terms by department—this audit was completed in January of 2012. But that table would have been accurate as of when? Sometime in 2011, or accurate as of January 2012?

Ms. Bellringer: That was prepared as of July 2012.

Mr. Gerrard: Presumably, you mean July 2011. Is that right? Because the report was delivered January 2012.

Ms. Bellringer: We were doing the audit as at July 2011, but we were looking at the expiry terms—the term ending July 2012. So a year past that—*[interjection]* Why? Did I—sorry.

Mr. Chairperson: Mr. Gerrard, do you have a question?

Mr. Gerrard: No. I'm just trying to get an explanation, because how could you determine if a term expired in July 2012 whether—because that would not have expired by that time.

Ms. Bellringer: We're just going to go back and double-check this. Just one sec. You're right; it is July 2011.

Mr. Chairperson: Yes. I don't see any other questions right now. I've got one.

Yes, the earlier comments were that there was 25 per cent, I believe, in the Auditor General's report as well as the Auditor General's comments today—opening remarks—that there's 25 per cent, or 25 per cent expired terms on ABCs. And I guess I'm, you know, we refer to how many are past expired and the normal length of time.

Can the minister provide an—or the deputy—a normal length of time of a—that a person would sit on a committee? Is it the same for all appointments? I know I've sat on committees in the past myself, and I just wondered if there's a regular expiry term to them.

Ms. Irvin-Ross: It's—I cannot speak in general because every committee is different. Some have term limits of two years, some have four years, and then there was a statement that there was—there weren't term limits that were set, but we're working really hard to ensure that there are term limits of 10 years.

Mr. Chairperson: Okay. Thank you, and the other question was just about structure. The Auditor General's report refers to a Cabinet committee that vets all final approvals for appointments to boards, commissions in Manitoba.

Does your committee provide the Cabinet committee with those—with that information, or can you just differentiate the work between your committee and that of the Cabinet committee for me?

Ms. Irvin-Ross: We are the committee, the Cabinet committee that reports, and we work with ministers' offices. So there—I co-chair this with the MLA from Brandon East, Drew Caldwell. And so ministers provide us with the information and we approve them and then we move forward and they take it to Cabinet for final approval for order-in-council.

Mr. Chairperson: Thank you, and my final question would be, then: Are all Cabinet ministers part of it? Do—and of course your appointment process that's on the website—anybody can make presentations now to have a person appointed to it. But how large—what's the makeup, then, of the Cabinet committee on ABC and how many people would be involved? You've indicated yourself and Mr. Caldwell from Brandon East. I'm assuming there'd be others. And are there members that are not Cabinet ministers? Thank you.

Ms. Irvin-Ross: So the other members of the committee are Minister Marcelino, Greg Dewar, Mohinder Saran, Erna Braun, Deanne Crothers, Frank Whitehead, and Matt Wiebe.

Mr. Chairperson: Are there any further questions of the committee?

Seeing no other questions from the committee members today, does the committee agree that we have completed consideration of chapter 2,

appointment process for—to agencies, boards and commissions, of the Auditor General's Report, the annual report to the Legislature, dated January 2012?
[Agreed]

That means that we have taken into consideration that particular chapter, chapter 2, in regards to that annual report, and we'll deem it considered, and that concludes the business of the meeting today.

The hour being 2:52, I believe it is, what's the will of the committee?

An Honourable Member: Committee rise.

Mr. Chairperson: Rise, okay. I'd just like to remind all members that if you could turn in the reports, leave the reports here if you're not using them, we—because we will use them in future meetings as well. It'd be much appreciated if we could reuse them for the next meetings.

Thank you very much for your attendance today. I want to thank the minister and deputy minister and staff for being here as well as the Auditor General and her staff, as well, Mr. Ricard and Ms. Capozzi as well. So thank you very much for everyone's attendance, and we'll see you on September 12th. Thank you. Committee rise.

COMMITTEE ROSE AT: 2:52 p.m.

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