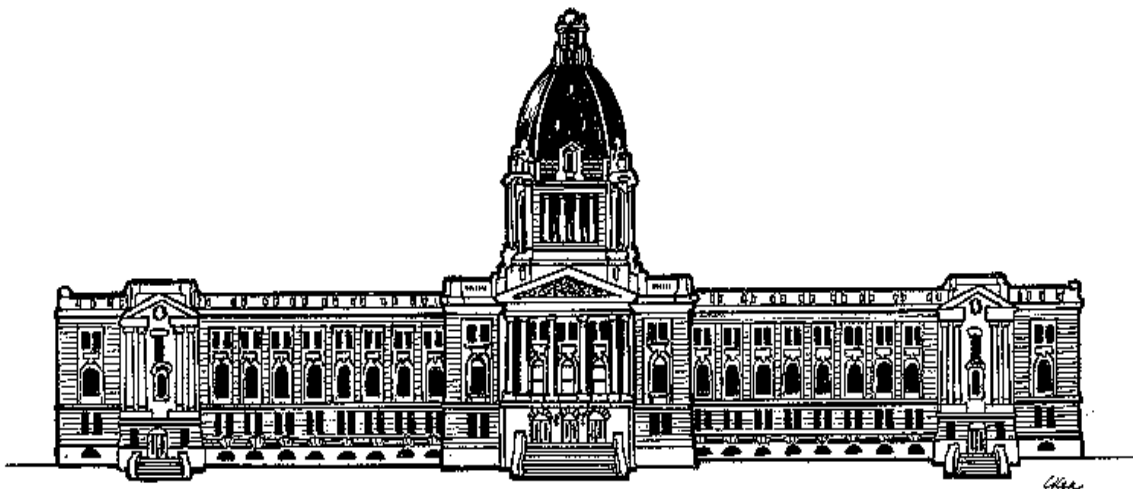




STANDING COMMITTEE ON PUBLIC ACCOUNTS

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Trent Wotherspoon, Chair
Regina Rosemont

Mr. Michael Chisholm, Deputy Chair
Cut Knife-Turtleford

Ms. Pat Atkinson
Saskatoon Nutana

Mr. Dan D'Autremont
Cannington

Mr. Warren Michelson
Moose Jaw North

Ms. Laura Ross
Regina Qu'Appelle Valley

Mr. Lyle Stewart
Thunder Creek

[The committee met at 08:02.]

Health

The Chair: — Good morning committee members. We're here today for consideration of business as it relates to the Provincial Auditor's report 2009 volume 3. That'll be the primary focus of our attentions here today.

Our chapters that we'll be covering here today will relate to Health, the Standing Committee on Public Accounts, Social Services, the Information Technology Office, the Public Service Commission, and Justice and the Attorney General. There are many chapters in Health itself here today, so I'll think we're going to actually go through each chapter by itself. Health is broken out as A, B, C, D, E, and we'll go through each one of those as a single piece and that should allow us to focus our attentions in a useful fashion.

Just as it relates to documents deemed referred to this committee, the Standing Committee on Public Accounts, pursuant to rule 141(2), two documents were deemed referred to this committee. Those documents are the *Report of the Provincial Auditor*, 2010 report volume 1, and the *Annual Report on Operations for the Year Ended March 31, 2010*, Office of the Provincial Auditor.

At this point in time, I'd like to welcome committee members with us here today. I'd like to recognize Mr. Stewart, Ms. Ross, Mr. Michelson, and Ms. Atkinson. And as we move through our proceedings here today, we know that when the Standing Committee on Public Accounts goes on air, there's great attention brought to this committee from across Saskatchewan. We would urge those many, many, many individuals who tune in to the debate in this committee to reference www.auditor.sk.ca so that they can access the documents that we will be speaking about here today.

I'd like to welcome officials that are here today with the Provincial Auditor's office, with the Provincial Comptroller's office, and within the Health ministry.

At this point in time I'd like to ask our Provincial Auditor — acting auditor — Mr. Brian Atkinson to introduce his officials.

Mr. Atkinson: — Thank you very much, Mr. Chair. Good morning everyone. With me is Bashar Ahmad. Bashar is the deputy in our office. He'll be leading the presentation here this morning. Also with us at each and every one of our meetings is Kim Lowe. She is our liaison with this committee. She makes sure that we have the right people here at the right time.

Assisting Mr. Ahmad this morning in his presentation will be Regan Sommerfeld, Jane Knox, Rosemarie Volk, and Mark Anderson.

The Chair: — Thank you, Mr. Atkinson. I'd like to welcome Mr. Bayda from the Provincial Comptroller's office and I'd ask him to introduce his officials here today.

Mr. Bayda: — Yes, thank you, Chair. This morning I brought Jon Altwasser with me, and he's a senior analyst within our office.

The Chair: — Thank you. And at this point in time I'd like to welcome Deputy Minister Florizone and ask him to introduce his officials that are here with him today.

Mr. Florizone: — Thank you. Joining with me today are Max Hendricks, assistant deputy minister who is on my left; Ted Warawa, executive director of the financial services branch on my right. Also joined with me, Dr. Louise Greenberg, associate deputy minister; Lauren Donnelly, assistant deputy minister; Duncan Fisher, special adviser to the deputy minister; Garth Herbert, director of financial compliance and internal audit for the financial services branch of the Ministry of Health; Roseann Anderson who is a director with our finance branch — I'm sorry, director of finance, health information solutions centre — and Cara Smith who is senior financial analyst for the financial services branch. Thank you.

The Chair: — Thank you, Deputy Minister Florizone. As I've said, we have quite a few aspects that are being touched on in Health here today. We're going to focus on them one piece at a time. We're going to focus on chapter 10A to start and I would invite presentation from the Provincial Auditor's office as it relates to their findings.

Mr. Ahmad: — Thank you and good morning, Mr. Chair, and committee members. Chapter 10 begins on page 161 of our 2009 report volume 3 and reports the results of our audits of the ministry and its Crown agencies for the year ending on or before March 31, 2009.

The chapter has five parts, as you noted. Part 1 describes our work on the ministry and its agencies other than regional health authorities. Part B reports the result of our audits of the regional health authorities. Part C describes the result of our audit of the electronic health records. Part D deals with the audit of the Heartland Regional Health Authority's processes to secure electronic information during disposal of its IT and communication equipment. And part E reports on the adequacy of processes Regina Qu'Appelle Regional Health Authority uses for patient safety.

First part A. In this part we report the result of our audit of the ministry, the Saskatchewan Cancer Agency, and include the result of our follow-up work to assess progress of the health information centre and SAHO [Saskatchewan Association of Health Organizations] to address our past recommendations. In this part we make one new recommendation and repeat eight recommendations from our past reports.

Our new recommendation requires the Saskatchewan Cancer Agency to follow its processes to control its bank account when making payments to employees. We made this recommendation because the agency did not always follow its policy requiring managers to approve employees' time card. The agency has taken steps to address our recommendation.

The past recommendation that we repeat in this part required the ministry to receive and review performance information of community-based organizations, develop a capital asset plan, make an agreement with the Public Service Commission for

providing payroll services, collect overpayment resulting from the joint job evaluation, prepare a complete business continuity plan, revise the human resource plan to quantify human resource needs and provide measurable indicators and targets for all strategies, and finally improve IT processes at the Cancer Agency.

Your committee considered these matters in the past and agreed with our recommendations. The ministry continues to work toward fully addressing these recommendations.

On pages 173 to 176 we report the result of our follow-up work on the ministry's health information solutions centre, that is HISC. We note that HISC has met two of our six recommendations we made in our 2007 report. HISC continues to make progress on the remaining four recommendations.

On page 177 we describe our follow-up on SAHO's progress to secure transactions on the payroll system. We report SAHO has made progress, but it still does not receive adequate reports from its service provider to assess effectiveness of service provider security control. Management told us that SAHO was negotiating a new agreement with the service provider and the agreement will include a monthly reporting requirement on security controls.

On pages 179 to 182 we provide an update on the status of the recommendation your committee made in the past year that the ministry has not yet implemented, and we have not discussed those matters in this chapter.

That concludes my overview. Thank you.

The Chair: — Thank you very much. I'd invite response from Deputy Minister Florizone or officials.

Mr. Florizone: — Thank you. Just in terms of some opening comments with respect to Provincial Auditor's 2009 volume 3 report, I would like to say that at the Ministry of Health we firmly believe in the same principles that the auditor has used with respect to remaining open, effective, and accountable. And certainly we believe not only these principles should guide us but also the health system as a whole right through to the front-line delivery of health care.

The ministry, the regional health authorities, and the Saskatchewan Cancer Agency are committed to responsible, effective, and efficient management and delivery of health care services. Knowing that the Provincial Auditor also shares this goal, we certainly welcome this report and the effort and detail that was put into this review. I'm proud to say that we have made some progress on a number of the auditor's recommendations, and work continues on a number of others within the ministry and with our partners around specific concerns that have been put forward.

I believe that the ministry's work with respect to 10-year capital planning, 10-year health human resource planning, the electronic health record operational planning that's under way, with these plans we're going to see some of the major issues resolved in the near future. So certainly guided by our work on the Patient First Review and measured against reviews like the Provincial Auditor's report, our hope, our aim, is to strengthen

health care services province-wide. So I'm happy to be here today joined with ministry staff to answer any questions and provide detail about our ongoing efforts to address the Provincial Auditor's report. So if there are specific questions, we'd be more than pleased to do our best in answering those.

The Chair: — Thank you, Deputy Minister. We would open up the floor to questions. Ms. Atkinson.

Ms. Atkinson: — Yes. I'm interested in your human resource planning. As some of you will recall, in 2007, as a result of some things that occurred in various ministries, a decision was made by the government of the day to transfer human resource out of each ministry and into the Public Service Commission in order that there could be a better use of human resource planning, but also so that there would be more control over hiring, I guess.

And so I'm just wondering this: does Health still . . . Have you hired any people in Health without the involvement of the Public Service Commission?

Mr. Florizone: — So the only exception that would exist would be orders in council, otherwise all hires would be in some way connected, and we'd work through the Public Service Commission on those hires.

Ms. Atkinson: — One of the things that we've noticed in discussions with various ministries is that the Public Service Commission is not involved. They're not there when interviews are taking place and hirings are being determined. So you can assure the committee today that everyone that's been hired in the Ministry of Health has had the benefit of someone from the Public Service Commission there while that process was being undertaken?

[08:15]

Mr. Florizone: — Thank you for the question. There is a distinction that's made between in-scope hires and out-of-scope hires. I have a high degree of confidence that on all in-scope hires the PSC [Public Service Commission] would be present and involved in accordance with such policies that may be updated from time to time.

With respect to out-of-scope, there is a fair degree of discretion. So if we were to move towards hiring . . . Not every interview, not every decision to hire would have PSC in that room. But I can tell you — and I'll speak personally about the hires that I've been involved with — I have consulted with the PSC with respect to those rules, that discretion, and that authority that's been granted to our various hiring managers.

Ms. Atkinson: — Usually the PSC is involved when it comes to hiring managers. So what you've just told the committee today is, for the purposes of the union contract the Public Service Commission is in the room. But when it comes to hiring managers — people out of scope within the Ministry of Health — while you consult with the Public Service Commission, the Public Service Commission is not there when the interviews are being undertaken. Is that what you're saying?

Mr. Florizone: — I'm saying they're not necessarily there.

There is an update that has been provided. The PSC has granted a far greater degree of discretion with respect to out-of-scope hiring. Now part of that process is to allow for a more efficient approach to the hiring process. You can imagine the logistics around with respect to every hire, having the number of people that might have been present in the past present at the current state.

Now that delegation of authority to deputy ministers comes with a degree of accountability. That is that the decisions that are made, the decisions I make I'm held to account for.

Ms. Atkinson: — So since you've become the deputy minister, how many out-of-scope people have been hired in the ministry or people who have been moved since you've become the deputy minister?

Mr. Florizone: — In total out of scope?

Ms. Atkinson: — Yes.

Mr. Florizone: — Okay. We're going to have to figure out whether we can answer that specific number. I'd need to get back to you. So just one moment, please.

Ms. Atkinson: — Okay.

Mr. Florizone: — I'm sorry. We don't have the specific number with us today, but we certainly do have it housed within the ministry, so we can get that number for you. I can say that the number isn't large in terms of out-of-scope turnover. We have relatively few. I just don't want to hazard a guess at what that number is.

I do want to clarify that just because there's a delegated authority with respect to these decisions, this in no way — and I mentioned accountability — but this in no way detracts from the need to make sure that applications, resumés are on file, that interviews, that the background checks and reference checks have been completed. So certainly not only accountability but due diligence is still required in accordance with the protocols and policies.

Ms. Atkinson: — I think what I'm interested in being assured of is that we do have a professional public service and that there is no direction from Executive Council or from the minister's office or from the centre as to who should or should not be hired. And one of the things that's becoming increasingly worrisome for those of us who have observed this for many years is that there was an attempt made to get to a professional public service where the Public Service Commission was involved in the hiring and there was . . . We were being assured that there were professional public servants being hired.

So I'm going to ask you this question: have you been asked to hire anybody or put people into your department by someone other than, I guess, the people that you work with? Have you been asked by the centre, the Executive Council, the minister's office to hire, put people on staff in the Ministry of Health — you or any of your officials?

Mr. Florizone: — As you're aware, a deputy minister does not have direct authority or control over orders in council. So when

it comes to associate deputy ministers, the deputy minister him or herself, any OC [order in council] appointments, those are the prerogative of cabinet. I have, nor do I have . . . I have no knowledge of any attempt to place any person within the Ministry of Health during my tenure as deputy minister. I have not been approached by Executive Council. I've not been approached by the minister or cabinet members or the Premier's office or anyone else to hire through the Public Service Commission any, any position.

And I want to be clear here. There has never been a position, a person who's been named and identified, that we've been asked to hire specifically, to my knowledge.

Now in terms of, even if there were an interest in hiring particular people and persons, interviews would be conducted; decisions would be made with respect to those people or persons. So if you have any specifics, maybe I'm missing something here.

Ms. Atkinson: — No. I'm looking for the . . . I'm looking for how things are handled in terms of human resources in the Ministry of Health. So I'm not going to get into specifics. But what I want to . . . Can you check with your officials to see whether any of your officials have ever been asked to hire people on contract or temporaries or whatever? Have there been people placed in your ministry, and they were placed there as a result of some requests from elsewhere?

Mr. Florizone: — Mr. Chairman, I'm trying to understand the connection between this and the recommendations that have been made. I'd be more than pleased through protocol to answer any questions that the committee should raise or decide needs to be raised. I'm certainly not trying to avoid the question, but if we could have more of the specific nature because we've gone through from the PSC now to contracts and to arrangements that have been made. If it's the purposes of this and the intent of this committee to ask those questions, I'd be more than happy to answer them.

The Chair: — Thank you, Deputy Minister. I think that it's always important when looking at this committee, it's the committee of scrutiny for the public accounts. And certainly while we sit with recommendations before us, and those tend to be our primary business while we're there, certainly, as has been the history of this committee, latitude has been provided and authority granted to committee and committee members — and all committee members — to ask questions as it relates to process and the efficiency and economy of government programs.

Where we have to be cautious within this committee is as it relates to policy. And that's where many times the Chair will make a ruling to refer those discussions as it relates to policy and perspectives to policy field committees. But as it relates to processes and the efficiency and economy of government programs, and certainly government spending and contracts fit within that realm, we do have primary business here before us today as in the recommendations before us. I'm certain that we'll be moving to there, but I think that the questions themselves as it relates to hiring are certainly within scope of the committee.

Mr. Florizone: — For clarification just on the question then, are we talking . . . and I want to make sure I get the proper response so we can reflect on *Hansard*, but what you're asking specifically is those people that have either been hired or contracted with? If we get that, that would satisfy the question?

Ms. Atkinson: — Yes.

Mr. Florizone: — I'll do that. Thank you.

Ms. Atkinson: — You can't check with your officials now? I mean you've got some senior officials here. Have they been asked to hire people or put people on contract?

Mr. Florizone: — Absolutely I can check with officials that are present. One moment please.

Ms. Atkinson: — Thanks.

Mr. Florizone: — Thank you. We have no knowledge of any influence that was attempted from and directive that was given through any of those central agencies, or political. All hires have been and all contracts have, to a large extent, have been routed through me. The officials that are present today have no knowledge of anyone trying to influence that. If there is a contract that you do have in particular a question on, perhaps there's someone here that can answer it. If it is a contract with Health with an individual, I should have knowledge of it because ultimately I would approve most of those.

Ms. Atkinson: — So have you ever had requests? I don't want to . . . I want to make sure, you know, a request that you'd consider — not a directive but a request that you consider hiring someone or putting them on contract?

And the reason I'm asking this, just so we're clear. On page 169 the auditor refers to the fact that “. . . the Ministry transferred to the Public Service Commission (PSC) certain employees working in the Ministry's payroll and human resource branches.” There used to be people in the Ministry of Health and other ministries that were involved in hiring. And in order to have a more centralized approach to this, these people were transferred to the Public Service Commission.

Now what the auditor tells us is that the Public Service Commission does provide payroll services, but they haven't been providing, or there is no formal service agreement in terms of the Public Service Commission providing services when it comes to human resources. So that's why I'm trying to understand your ministry.

Is the Public Service Commission involved? And it looks as though for in-scope people they are, but for out-of-scope people they aren't. And so . . .

Mr. Florizone: — Just to clarify, and I'm sorry to interrupt, what I said and what the question was is, is the Public Service Commission present for every interview — okay? — and are they there for every decision. And what I said with respect to out-of-scope staff is, not necessarily. But that's still in keeping with the policies of government, the policies of the Public Service Commission as has been established. So this sense that somehow the rules have been bent or that the Public Service

Commission isn't knowledgeable about every hire, absolutely they have been. They've been involved.

[08:30]

Ms. Atkinson: — And when did this . . . But I'll get to that question. But I just want to be clear. So it is the position of the Ministry of Health that you have never been requested to, you know — and none of your officials have — provide a contract for someone or to hire someone. That's never happened.

Mr. Florizone: — How far would you like me to go back?

Ms. Atkinson: — Pardon me?

Mr. Florizone: — How far would you like me to go back?

Ms. Atkinson: — You can go back as far as you want. So there's never been a request to hire someone or to sign a contract with someone. There has not been . . . That has not happened.

Mr. Florizone: — I can say with great confidence, Mr. Chair, that ultimately every decision rests with me in terms of those hiring. The only decisions that are outside of my purview would be orders in council.

Ms. Atkinson: — And can you just . . . So have there been many orders in council besides the deputy minister and the assistant and associate deputy minister?

Mr. Florizone: — I do have, as has been introduced, special adviser positions, two positions — Duncan Fisher, who was appointed on the same day that I was; and Terry Gudmundson, who is our special adviser on the addictions file.

Ms. Atkinson: — And those are the only orders in councils in the Ministry of Health.

Mr. Florizone: — Deputy minister, associate deputy ministers, and special advisers.

Ms. Atkinson: — And there are only two.

Mr. Florizone: — There are only two.

Ms. Atkinson: — Okay. And so you will provide us then with the information as to contracts, that sort of thing, and you will check to see with your other officials whether or not there's been any requests — not directives but requests — to have certain people or contracts entered into.

Mr. Florizone: — Requests from who?

Ms. Atkinson: — Executive Council, the minister's office, the minister's staff, the centre, maybe the deputy minister to the Premier, people in his office — anything outside of the Ministry of Health.

The Chair: — Mr. Stewart.

Mr. Stewart: — Mr. Chair, I don't think it's appropriate for this committee to be asking about requests that have been made

to ministries. It's appropriate to ask about decisions and actions that have been taken by ministries, but not requests that have been made to ministries. I don't think these folks can be expected to know of every request that's been made, or nor would it be relevant. It's the decisions that are made that are relevant to this committee and to the people of the province, not requests that may or may not have been made to the ministry and may have been rejected.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — If I could, I just want to be clear that this is about . . . I want to make sure that no one is parsing words. And so directive, maybe you weren't directed but you were requested. Maybe you didn't respond, but maybe you did respond.

So I have noticed in the various times that questions have been asked, a response has been given. And when you look at the response, technically, in response to the question, technically the correct answer is there but in terms of the context it's different. So I just want to make sure that we're not parsing words here. And I basically want to know, have there been people hired as a result of requests, directives, suggestions, whatever, to the ministry?

Mr. Florizone: — Thank you for clarification. Have people been hired as a result of requests made or directives? The answer is no, not to my knowledge. Not to the knowledge of the people here.

Ms. Atkinson: — Okay. And can you tell us when there might be a service agreement, a formal service agreement with the Public Service Commission, in order that human resources from the Public Service Commission are involved in the hiring, so that some of us can be assured that we do have a professional public service?

Mr. Florizone: — There is a service agreement that actually has been put into place. I'm just trying to recall whether it's finalized to take effect. I believe it took effect April 1st this year, so there is a service agreement in effect. I can tell you that in reading the service agreement it's fairly high level. We are required through policy to follow those protocols and rules of the Public Service Commission. That has always been the case.

The service agreement would deal with issues such as payroll, would talk about the service relationship between the ministry and the PSC, the roles and providing for role clarification. So when it comes to health human resource planning, when it comes to what we can expect in terms of the various services that they may provide or the services that we would still require to deliver in-house, within the ministry, that's what the intent of the service agreement is.

So we're confident that that agreement will satisfy this recommendation on the next round, the next look by the Provincial Auditor.

Ms. Atkinson: — Thank you. Another question regarding human resource planning. Have there been people that have been put on contract so they basically have a contract with the ministry, an ongoing contract to provide services?

Mr. Florizone: — Have there been people put on contract? Yes.

Ms. Atkinson: — And for the purposes of this year under review, how many people were on contract with the ministry?

Mr. Florizone: — We don't have that number with us, but we'd be very pleased to provide it to the committee.

Ms. Atkinson: — Okay. And can you provide us with the — since they're individuals — can you provide us with the names of the people who are on contract with the ministry, when the contract was entered into, and when the contract will end?

Mr. Florizone: — Yes, we can.

Ms. Atkinson: — And would you say that there are a significant number of people on contract with the ministry, or is it just a handful of people?

Mr. Florizone: — Well it depends on whether you're talking about people as individuals or legal entities. We could provide you with a list of every legal entity, whether they be a person or corporation, that has a contract with the ministry. When we get into certain areas like the IT area, health information solutions centre, there are a considerable number of contracts that are historical that exist. So we can provide you any level of detail that you wish.

Ms. Atkinson: — I'm interested in, not contracts that were, you know, ongoing contracts for the last several years, five, six, seven years. I'm interested in contracts with individuals because that's another way, as I understand it, Mr. Chair, that people can be brought in to the ministries. They're brought in on contract and then these contracts are ongoing. So I'm interested in knowing how many contracts are with the Ministry of Health and who those contracts are with.

Mr. Florizone: — We'd be very pleased to provide that to you. And you also asked for beginning of those contracts, end of those contracts. We'll be happy to do that.

Ms. Atkinson: — Perfect. Thank you.

The Chair: — Thank you, Mr. Deputy Minister, for that response. Now some of the comments you've made with respect to endeavouring to provide information, just for a point of clarification, would it be the intent, or could we request that that flow through in to all committee members? Thank you very much. Mr. D'Autremont.

Mr. D'Autremont: — Thank you, Mr. Chairman. This committee and the Crown Corporations Committee both, I believe, have as part of their policy that all contracts over \$50,000 are published. I think that was a conscious decision made by the members of these committees when Ms. Atkinson was in government, and I think we should stick with those arrangements, those that are \$50,000 and more.

The Chair: — So the comment from Mr. D'Autremont, just to make sure I'm clear here. Because of course the public accounts — and this is really what we're looking at here today — the auditor's recommendations relate to the public accounts and

that's where these are; the questions, you know, are certainly within the purview of the committee.

Mr. D'Autremont's recommendation is that there is no disclosure for contracts under \$50,000. The deputy minister, I believe, has made the commitment that he has comfort in providing that information, all contracts, because certainly within public accounts, the payee list and the contracts over 50,000 is already contained. I think the question was for all contracts to be provided as it relates to the Ministry of Health. And I believe the deputy minister made that commitment. Just to make sure we understand, is that a commitment that the deputy minister has made?

Mr. Florizone: — I'd be pleased to follow the direction of the committee. So whatever threshold you wish to set, we'd be pleased to provide.

The Chair: — Mr. Michelson.

Mr. Michelson: — Thank you, Mr. Chair. I'm just a little mystified here. I thought we were here to talk about chapter 10A. I see a little bit on page 171 regarding human resources. And we've spent the better part of 40 minutes now talking about anything but what's in this chapter. Now as you indicated at the beginning of these committee meetings that we've got a fair amount of work to do today, and I would ask the member that's asking the questions that if we could stick . . . I know there's some variation, but I think we should be looking at what the auditor's report is requesting and sticking closer to those realms. So I wanted to mention that.

I just don't see anything about contracts in here. I don't see anything about fish hunting to find out who is hired without the Public Service Commission's knowledge in this. I see and I'd ask the deputy minister to . . . on the top of page 172, it talks about to qualify its human resource needs and provide measureable indicators and targets for all its strategy, and if they wouldn't mind commenting on that. But I think this is more of what the report is and we should be staying closer to that. Thank you.

The Chair: — I'll let it pass back to the deputy minister here. Certainly committee members are entitled to their positions too, and Mr. Michelson's request is to stay more focused on the primary business. My role as Chair is to make sure the questions that are brought forward fit the purview and the scope of the committee, and I'll do my best to ensure that. I believe this morning the questions that have been asked are certainly within the scope, but there's been a question, I believe, put to the deputy minister.

Mr. Florizone: — Thank you, Mr. Chair. The ministry itself recognizes the importance of complete human resource plans that ensure the workforce needs are met, that the workforce is in place to meet its strategic and operational goals. The ministry is in the process of really reshaping its strategic direction and organizational structure in order to really respond to a new direction, a patient-first direction, within the health system.

Once the ministry has completed this important piece of work, we obviously will be in a far better position to identify needs going forward, both system-wide and within the ministry itself.

Now we do monitor key workforce indicators as identified by the Public Service Commission. We have certainly taken action as required. There have been some targets that we hope to achieve in short order. But certainly those targets have, some of them have been made very, very public. Others we're still working through to finalize.

The ministry developed a performance measurement dashboard that includes an employee component to help monitor the state of the people's side of the ministry itself, and we do have a strategic and operational directions document for the system as a whole.

The Chair: — Thank you. Mr. Stewart.

Mr. Stewart: — Thank you, Mr. Chair. The threshold of \$50,000 for the contracted folks was set several years ago during the previous government's tenure, and it ought to be adhered to unless or until this committee has a debate over the subject and changes those rules. It's not for the committee to break those rules, those agreed-to rules, without such a debate, and it's not even an option for the deputy minister to do so.

I move therefore that we adhere to the \$50,000 threshold that was set under the previous administration.

The Chair: — Motion from Mr. Stewart to adhere to a \$50,000 threshold as designed and complied by Public Accounts currently. All in favour?

[08:45]

Some Hon. Members: — Agreed.

The Chair: — So moved. Ms. Atkinson.

Ms. Atkinson: — Yes. Then given the \$50,000 threshold which I understood . . . I'd be interested in hearing from the Ministry of Health how many contracts have been entered into, just in total numbers, for services, goods and services under \$50,000. I think that's appropriate because you could have a \$49,000 contract to get around this.

Now you, earlier in your . . . To the deputy minister: when you spoke, you spoke about accountability. And in terms of the Ministry of Health, I want to make sure that the Ministry of Health and the minister certainly is accountable and so I ask the questions. And it's not to create problems for the Ministry of Health. I just want to make sure because we're hearing more and more that there is interference: in capital, who's hired, contracts, and so on and so forth.

So we're looking to make sure that there is integrity and accountability and transparency in the process, that we don't get back to the days when, you know, my best friend Joe as a minister, or my kid or whatever was hired without proper scrutiny and without going through a process and without the Public Service Commission involved.

And so I guess that's what I'm looking for, Mr. Chair, to make sure that as we go through each government department, that there is integrity and there is accountability and that we continue to have a professional public service. Because if we

don't have that, and it's all political interference and it's my friend and my best friend's kid and so on and so forth, then it's more and more difficult to deliver programs with any kind of competency.

So that's why I'm asking these questions. And I will continue to ask these questions because during estimates we determined that there were several departments or ministries that don't have the Public Service Commission involved any more. And then when you find out who is working there, you find linkages back to the government in power, several linkages back to the government in power.

So I'm pleased that you have . . . The deputy minister of Health, Mr. Florizone, has assured this committee that there are no political appointees in the Ministry of Health; there haven't been any contracts based on political, you know, political pressure and that there is integrity and a genuine public service continuing to operate in the Ministry of Health. Because we're going to be looking for that. We're watching that because we're being told by people both inside and outside of the public service that there is more and more pressure to hire friends of the government. So given that we have those assurances this morning, Mr. Chair, we can move on to the next part of the auditor's report.

The Chair: — Mr. Michelson.

Mr. Michelson: — Thank you, Mr. Chair. I would ask, Mr. Chair, if when Ms. Atkinson is referring to we hear more and more, I would like that qualified because I think we, if she's talking on behalf of the committee, we have not heard that. And I think that's incorrect, and I'd like to go on record as saying we have not heard that. So where these statements are coming from, if they're accusations, I don't think they need to be here at this committee level. And if they're unfounded, they shouldn't be stated. Thank you.

The Chair: — Would Ms. Atkinson want to clarify we, as in being the universally the committee . . .

Ms. Atkinson: — We, I'm talking about we in the official opposition. We out in the public, we last night in a restaurant in Regina where people informed the opposition that there are some odd things going on in the public service and pressure is being applied. It's happening more and more. It wasn't, but it's now starting to happen more and more, Mr. Michelson.

The Chair: — Mr. D'Autremont.

Mr. D'Autremont: — Thank you, Mr. Chairman. I do find Ms. Atkinson's line of questioning interesting. Perhaps we shouldn't just relate it, though, to the year under review. Perhaps we should go back a number of years because I can think of a few names that were in ministers' offices that went then to Crowns that went into the public service. I could name you some names if I wanted to right now. I don't believe it's necessary. But if you want to go there, we can certainly go back and trace what happened during your tenure in government.

Ms. Atkinson: — And if we could, we would . . . If we're talking about permanent jobs within the public service, there were Public Service Commission people in attendance. And

that's what we need to make sure happens; there are Public Service Commission people in attendance.

The Chair: — Okay. I'll call committee members' attention. We've heard certainly different questions, perspectives here this morning. We've had responses from the deputy minister.

There is a recommendation on the table from the Provincial Auditor as it relates to the bank account, the control over the bank account of the Saskatchewan Cancer Agency. I believe I heard Mr. Ahmad speak to the point that compliance may have been recognized at this point in time. Could the deputy minister provide us just a comment with respect to that recommendation.

Mr. Florizone: — So the agency itself has reported to the ministry that it has satisfied this recommendation and is waiting at this time for the Provincial Auditor to review the changes to make sure the Provincial Auditor's office is satisfied with the changes that have been made in order to meet compliance with control of bank accounts.

The recommendation itself refers specifically to the review and approval of time cards. The agency communicated this requirement to all staff, emphasizing the importance of this internal control, and provided guidelines to clarify the process for signing such time cards. Time cards for 2009-10 have been reviewed for the appropriate approvals. The agency will be conducting periodic reviews of compliance with this requirement and will be reporting compliance back to the divisions to ensure they're aware of areas that require improvement.

The Chair: — I would welcome a motion maybe on this recommendation. Certainly I think it would be fair to say we concur as a committee, and it's maybe fair to say that compliance has occurred. Certainly that is then measured by the auditor's office. Is anyone in a position to make that motion? Mr. D'Autremont.

Mr. D'Autremont: — Mr. Chairman, I would move that we concur.

The Chair: — And nothing with respect to progress or compliance?

Mr. D'Autremont: — I believe that there has been progress, yes.

The Chair: — Okay. So it is moved by Mr. D'Autremont that this committee concur with recommendation no. 1 of chapter 10A within Health of the Provincial Auditor's 2009 volume 3 report and note progress. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. This point, are there other questions on 10A, or can we move along to 10B? And I know, I think there's about 15 recommendations or so in 10B.

Moving along to 10B within Health, I'll now turn it back over to the Provincial Auditor's office to provide us a presentation.

Mr. Ahmad: — Thank you, Mr. Chair. Moving on, chapter

10B. The chapter begins on page 183. This part of report is the result of our audits of the regional health authorities. We worked with the appointed auditor listed on page 185 to complete our audits of the regional health authorities.

This part also includes the results of our follow-up work to assess the progress of certain regional health authorities relating to controlling hospital-acquired infections, inspection of public eating establishments, and preparation of the surgical wait time report.

On pages 187 and 188, we report that four regional health authorities need to control their bank accounts when making payments to their employees and vendors. Lack of timely approval of employees' time cards and purchase orders could result in loss or misuse of public money.

On pages 189 and 190, we report that the most authorities need to do more to protect their IT systems and data. Lack of adequate IT policies and procedures increase the risk of unauthorized disclosure of confidential information or loss of vital information.

On pages 191 and 192, we continue to recommend that Regina Qu'Appelle implement an internal audit function and recommend that both Prairie North and Prince Albert Parkland assess the need for an internal audit function.

On pages 192 and 193, we report that three authorities need to control their capital assets by maintaining proper capital asset records and periodically counting those assets. Doing so will help ensure the existence of their capital assets and the accuracy of their record.

On page 193, we make a new recommendation for Regina Qu'Appelle to obtain all required reports from its affiliates and review those reports to monitor their spending. Although the authority has acquired affiliates to provide necessary reports, it does not ensure that the affiliates provided those reports on a timely basis.

Pages 194 to 197 of the report is the result of our assessment of the human resource plans of Regina Qu'Appelle and Saskatoon. To help improve those plans, we make four recommendations to analyze workforce gaps and their impact, resources needed to implement HR [human resources] plans, and regularly identifying and monitoring human resource risks.

Pages 197 to 200 describe the work we did to assess the adequacy of RHA [regional health authority] disaster recovery plans. We reported that most RHAs have done some work to address this issue. They still need to do more work to have a complete disaster recovery plan and to test those plans regularly to assess their effectiveness.

Pages 200 to 206 report the result of our follow-up work. We concluded that Sunrise Regional Health Authority has addressed our past recommendation to control hospital-acquired infections, except that it needs to provide its staff more guidance to help identify hospital-acquired infections and to investigate, analyze, and report them.

Sun Country Regional Health Authority has adequately

addressed our past recommendation to comply with the authority's governing inspection of public eating establishments. The Regina Qu'Appelle Regional Health Authority has also addressed our past recommendation to ensure that its surgical wait time report is reliable, understandable, and consistent.

Pages 207 to 210 provide an update on the status of your recommendations, your committee's past recommendations relating to RHAs that they have not yet implemented and we have not discussed in the chapter I just reviewed. And that concludes my overview. Thank you.

The Chair: — Thank you, Mr. Ahmad. Deputy Minister Florizone, any comments at this time?

Mr. Florizone: — No further comments. We'd be pleased to answer any specific questions.

The Chair: — Maybe what we'll do is we'll take questions. But if we could focus specifically just to start here on questions, recommendations 1 and 2 as it relates to Prairie North Regional Health Authority and Kelsey Trail as it relates to following established processes to control its bank account when paying its suppliers. Are there questions from the committee, or is it as simple as looking to the deputy minister to ask what actions have been taken with respect to these recommendations?

Mr. Florizone: — I'd be pleased to let you know what Prairie North and their report to us has been with respect to achieving compliance here. Prairie North is committed to ensuring approvals are properly documented, and they've given us that assurance. Purchase orders are always authorized but in the case of multiple receiving, in other words multiple goods coming at different times or different intervals, copies of the initial authorizations are not always attached to the subsequent invoices.

Prairie North is working to ensure the receipt of goods, that information is included with invoices forwarded for payment. Managers are regularly being advised of the written documentation requirements for requisitions, purchase orders, and receipt of goods and that attachment of purchase orders is a very important control in terms of satisfying that the items were properly ordered, authorized, and that payment was based on goods received.

The Chair: — Thank you. And sorry, specifically to Kelsey Trail, did you . . . You highlighted Prairie North.

Mr. Florizone: — Right. I'm sorry. Kelsey Trail believes as well it has satisfied this recommendation and is waiting for the Provincial Auditor to review the changes that they have made. Kelsey Trail believes processes are in place to provide necessary internal control for payment authorization on invoices. Given these processes, requisitions are not always used or retained as part of documentation in the purchase process.

These processes are reviewed regularly to ensure necessary controls are in place to address any concern of lack of approval on vendor invoices, or of the risk of error, or of the risk of any unauthorized payment. So such processes are being reinforced

through appropriate policy and the region is waiting on the Provincial Auditor to come back and verify that that satisfies this recommendation.

The Chair: — With the information you've received, you're under the understanding that they've complied with the two recommendations.

Mr. Florizone: — That is correct.

The Chair: — I would welcome a motion or I would move myself that we . . . Mr. Stewart.

Mr. Stewart: — I move compliance, that we've complied with these recommendations.

The Chair: — Moved by Mr. Stewart. Is it agreed that this committee concur with recommendations 1 and 2 of chapter 10B, Health, of the Provincial Auditor's 2009 volume 3 report and note compliance?

Some Hon. Members: — Agreed.

[09:00]

The Chair: — So moved. Moving along to recommendation no. 3 and specific questions from committee members. There's 3, 4, 5, and 6 are grouped together with a very similar focus, just differing authorities. So maybe we can look directly to the deputy minister here today to make comment with respect to 3, 4, and 5 are in fact the exact same recommendation; 6 is slightly different but in the same grouping, similar nature.

And the recommendation itself is that the health authority adequately protect its information technology systems and data, and that's specifically for Kelsey Trail, Heartland Regional Health Authority, and Regina Qu'Appelle. And I guess I would look to the deputy minister with comments about actions towards compliance or whether compliance has been achieved at this point in time.

Mr. Florizone: — Excellent. So, Mr. Chair, starting with Kelsey Trail, they believe that they have satisfied this recommendation. They're once again waiting on the Provincial Auditor to review the changes that have been made. Kelsey Trail's manager of information and communications technology receives weekly communication from the payroll department stating which or what employees, contracts, or students, if any, have left the organization. Based on the information received, the manager disables the network accounts. There is a draft policy and a process put in place to address timely updates of IT user accounts. So that's Kelsey Trail.

With your permission, I'll move on to Heartland. Heartland has undertaken a review of its disaster recovery and regional backup plans as well as other security-based initiatives. Processes are in place to ensure monthly reviews of user accounts are completed, and a comprehensive process for notifying IT of service changes is being developed. The region has enhanced the security of minimum domain password requirements and is working towards enforcing these measures in the financial system as well. The region has established a log in the data centre to improve monitoring access. Modifying

environmental controls in the data centre is cost-prohibitive in the view of the region; however, enhancements will be considered on an ongoing basis.

With respect, Mr. Chair, to Regina Qu'Appelle, the health region has completed a draft IT policy and procedure, a complete review and drafting of those policies and procedures. Finalizing and implementing them, their target was May 31st of 2010, so they have completed that. The region completed centralizing and staffing account management for all applications and services implemented and supported by their information technology. Websense was implemented — a firewall and Internet monitoring tool to manage Internet access, monitor firewall activity, and monitor user usage.

A subcommittee has been formed to define governance and reporting rules, so they're working through these issues. An IT change management process is being implemented to ensure software versions are as current as the applications allow and are implemented in a strict and very secure manner. Upgrading all wireless sites with the latest software and hardware versions will be completed. Their target is December 31st of this calendar year. Thank you.

The Chair: — Thank you. So just to be clear on those three recommendations — 3, 4, and 5 — is it the deputy minister's perspective that compliance has been achieved by those authorities at this point in time?

Mr. Florizone: — Yes. The ministry's position is that we're satisfied that progress has been made, and we certainly await the Provincial Auditor's review.

The Chair: — Okay. I would look to committee members for a motion. Mr. Michelson.

Mr. Michelson: — And I guess I would move that we that we note progress on this because I think some of them are going to be . . . You indicated that they would be completed in December 31st.

It always frightens me a little bit when I see the need to follow its procedures when that comes up in the auditor's report. And I'm thinking, well somebody's not on the ball. So I'm glad to see that there's changes being made in that regard. So I would note progress on nos. 3, 4, 5.

The Chair: — Mr. Michelson moves that we concur with recommendations 3, 4, and 5 from chapter 10B of the Provincial Auditor's 2009 volume 3 report, and note progress. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. Moving on to recommendation no. 6 specifically as it relates to Keewatin Yatthé Regional Health Authority, as it relates to an adequate agreement with its information technology service provider, looking for a comment from the deputy minister to note actions that represent progress and whether or not the perspective is that compliance has been achieved.

Mr. Florizone: — The region has reviewed the information

technology service agreement with Prairie North Health Region. Such an agreement, this agreement that they've reviewed and it's in the process of being formalized and put into effect right now, their target is to complete it in this calendar year, 2010.

The Chair: — Mr. D'Autremont.

Mr. D'Autremont: — I would move we concur and note progress.

The Chair: — Mr. D'Autremont moves that we concur with recommendation no. 6 from chapter 10B of Health of the Provincial Auditor's 2009 volume 3 report, and note progress. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Agreed. Just before we move along, just a question to the deputy minister, I guess, within the questions as it relates to contracts with information technology services. And the most recent report that's been tabled here today — and of course that work will be, you know, undertaken in the coming weeks — but there was some concerns highlighted in the contracting of IT services. And I'm just wondering, at this point in time has there been immediate action in your ministry as it relates to the roughly \$20 million of contracts of IT services?

Mr. Hendricks: — I can speak to that. In the auditor's most recent report about the procurement processes of SHIN, there is a bit of a disagreement. We actually, and I think the auditor would agree, finds that our procurement processes are sound. They do have an issue with our RFP process. And we actually follow the same process that Government Services follows, so it's a larger consideration. We believe the one that we follow is actually sound and consistent with good management and procurement processes.

The Chair: — Okay. And we will certainly focus on that report at another time. Of course we're not talking about small sums of dollars here when we're talking about these sorts of contracts. There was also a piece of that recommendation, and I don't have the report open in front of me, as it related to who authorized or who supervised adding additional personnel to a tender and thus who has control over the dollars that flow to a specific vendor.

In this case I believe it was highlighted that a vendor themselves could add costs, add staff to a project, and that that supervision and oversight wasn't required through the Ministry of Health. On that front, has there been any changes or is there a plan to make changes?

Mr. Hendricks: — Again we have a difference of opinion with the auditor. What they specifically noted was that we have contracted staff supervising certain projects. And so within that of course they would have some ability to control resource flow, that sort of thing. But the notion that an actual ministry employee is not overseeing that is incorrect. So there are the accountability systems built in. So it would be, with the nature of projects in SHIN [Saskatchewan Health Information Network], to have a ministry staff person overseeing every single project would be virtually impossible.

We rely on contract resources because these are time-limited projects and there is the oversight from the ministry staff on all key purchasing issues.

The Chair: — Thank you for those comments here today. And certainly that report will be the focus of our attention on another day. It's just, and we hear different perspectives, but when we do have issues that are raised with concern over control over cost and potential concerns over fairness within a process, certainly I would suspect that there will be more questions at a later date. But thank you for the comments here today.

As we move along to two recommendations of another nature, both these recommendations, nos. 7 and 8, focusing on Prairie North Regional Health Authority and Prince Albert Parkland Regional Health Authority. And the recommendation is that they assess the need for an internal audit function.

My question to the deputy minister would simply be: where are these authorities at as it relates to progress, and have they complied with this recommendation?

Mr. Florizone: — Currently the Prairie North Regional Health Authority board of directors is evaluating the internal audit function and the value of such a function in the region. So it's a matter of looking at cost and what benefit would arise from this internal audit function. An internal audit charter has been developed, and the region has issued a request for proposals to determine the cost and value implications. The region may consider purchasing this service on a shared basis with other regions as well. So there is quite a bit of discussion about how regions may be able to, in a more efficient way, pool those resources. And that's being explored at this time.

The Chair: — The recommendation is that they assess the need for an internal audit function. You've expressed here today that that is in fact occurring. Is that correct?

Mr. Florizone: — That's correct.

The Chair: — We look forward to a motion. Ms. Ross.

Ms. Ross: — I make a motion that we note progress, concur and note progress.

The Chair: — Okay. It's moved by Ms. Ross that we concur with recommendations 7 and 8 of chapter 10B of the Provincial Auditor's 2009 volume 3 report, and note progress. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. And again, committee members, at any time you have questions on these specifically, otherwise I'm going to continue to focus the dialogue here.

We look at recommendation no. 9 which recommends the Heartland Regional Health Authority maintain a current list of its capital assets. Looking to the deputy minister to apprise us of the current state of progress and perspective as it relates to compliance.

Mr. Florizone: — Thank you, Mr. Chair. Heartland is ensuring

that all current IT capital purchasing is coordinated through materials management. I'm sorry, I said IT . . . I believe that's all capital purchasing. The materials management department currently maintains a capital asset list which they're auditing to ensure accuracy. So the processes will be reviewed to make sure that this list is current going forward and they've designated or delegated that responsibility to materials management to ensure compliance.

The Chair: — Now the statement was . . . First of all the statement was about IT, and then I believe the deputy minister said, I believe that there's a list put together for capital assets. Do you have confidence or knowledge that there is a . . . with certainty that that's . . .

Mr. Florizone: — We do have certainty. I'm sorry. That was my error.

The Chair: — Very good. I'd look for a motion, I guess, to concur and in compliance.

Ms. Ross: — You said they're working towards, or are they done?

Mr. Florizone: — What we need to be cautious of here is that we satisfy ourselves by seeking out from the regions some assurance that they're working towards these matters or that they've achieved compliance. Now they've given us a progress update. We won't be satisfied until the Provincial Auditor is satisfied on this one. So I think progress would be a good word for it.

Ms. Ross: — Okay. So I would make a motion that we concur and note progress.

The Chair: — Ms. Ross moves that we concur with recommendation no. 9 and note progress as it relates to chapter 10B, regional health authorities, in the Provincial Auditor's 2009 volume 3 report. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. Moving along to recommendation no. 10. Any questions from committee? Ms. Atkinson.

Ms. Atkinson: — Yes. This is more of a technical question. As you know, we have a . . . As you really know, we have a new health organization that's coming to the city of Saskatoon. It's not going to be an affiliate. Will there be oversight of this new health organization, Amicus?

Mr. Florizone: — Oh sorry. Yes, absolutely. Now we're trying to work through the more detailed operating agreement. So in terms of funding, in terms of reporting, in terms of the requirements under *The Regional Health Services Act* and the designation of that facility as a health care organization, we would have oversight as would be to and through the regional health authority for services provided by that and through that arrangement.

[09:15]

Now what's really important as we get into third party

agreements is that all of the same conditions and assurances and kind of strategic alignment connect through with the whole of the system. So we have a particular interest in making sure that those, both checks and balances, but also those oversight responsibilities are crystal clear.

Ms. Atkinson: — Okay. Now this is a question to the auditor. We have this new health care organization coming to Saskatoon called Amicus. It's going to provide a 100-bed nursing home to the people of that region, and it won't be an affiliate. It's a health care organization. Will you have any oversight?

Mr. Ahmad: — Mr. Chairman, we haven't seen the agreement. It depends on the agreement itself, what kind of agreement it is, and if there is oversight required. And the agreement, we will be looking at that.

Ms. Atkinson: — Okay. I can send you a copy of the agreement so far. So I'm interested as a member of the legislature in knowing whether or not the auditor will have oversight in terms of this third party.

So then I go back to the ministry. Have you had any advice as to whether or not this new health care organization will experience the oversight of the Provincial Auditor based on the information you presently have?

Mr. Florizone: — I don't have an answer for that, only that we haven't asked the question. So we have many health care organizations that operate right now that may not fall under the purview at this stage of the Provincial Auditor. There are audit requirements with respect to health care organizations. So I couldn't answer the question right now whether the Provincial Auditor is part of that or not.

As you're aware, with regional health authorities the decision was made on a number of factors, and the Provincial Auditor would be in the best position to define what those parameters were. Perhaps it has, you know, weighing in who exercises control, who appoints the board of directors, and those sorts of factors around generally accepted accounting principles that would dictate whether there's a degree of control that would dictate involvement of the Provincial Auditor.

Ms. Atkinson: — Okay, thank you. And, Mr. Chair, I have another question for the auditor. In Saskatoon we have a facility called Parkridge, which is a facility that was built in the '80s. It is not owned by the health region but fundamentally the health region rents this facility and there is a 25- to 30-year contract with this company that owns the facility, but the facility is operated by the health region.

Have you ever, has the auditor ever looked at the pros and cons of that kind of construction from a public point of view in terms of what it costs the public to enter into these kinds of agreements versus building it, the health region building it itself? Have you ever taken a look at the Parkridges of the world or other facilities that are owned by private sector companies but operated by public sector entities?

Mr. Ahmad: — Mr. Chairman, that's a policy decision by the ministry itself, and the health region. If they decide that that is the best way of providing the health services to the region,

that's what they do, but the focus or the responsibility is that of the ministry and the health region.

Ms. Atkinson: — Okay. So I guess what I'm trying to get at is the auditor never takes a look at value for money in terms of whether this is providing good value for our money.

Mr. Ahmad: — We do do performance work but that is on a selective basis. We haven't done any performance work on this.

Ms. Atkinson: — On a Parkridge? Okay. Thank you.

The Chair: — Recommendation no. 10 recommends that the Regina Qu'Appelle Regional Health Authority obtain all of the required reports from its affiliates in a timely manner and review those reports to monitor affiliates' spending. If the deputy minister could provide us an update as to progress and whether or not he recognizes compliance at this point in time.

Mr. Florizone: — Thank you. The regional health authority believes that it's satisfied this recommendation and is waiting, once again, for the Provincial Auditor to confirm same.

The following actions are under way to address this recommendation. A list of submissions of required reporting is maintained with follow-up on outstanding or incomplete reports. So it's being tracked. A letter went out to affiliates reminding them of their obligation to provide quarterly financial reports and audited financial statements in a timely way.

First quarter statement changed; they've changed the format to include only actual expenses. Variance reporting is not required since funding is not approved until after quarter end. So a bit of a change on that first quarter statement.

Affiliates were notified of the need to submit timely and complete financial reports. So from the perspective of the regional health authority, they have set in motion the communication and, they believe, the controls to ensure that this recommendation is satisfied.

The Chair: — Look for a motion from committee members if there's not any further questions. Mr. Michelson.

Mr. Michelson: — Yes, just a comment. And I'm pleased to hear that there's some steps taken. When I read that five out of the eight affiliates did not submit all requirement quarterly reports, tells me that there's some work to be done. So I appreciate that this has been looked after, and I would like to move that we concur with the recommendation.

The Chair: — Would we like to add any comment with respect to progress, Mr. Michelson?

Mr. Michelson: — I think what the deputy minister indicated that this was looked after. Obviously it will be at the discretion of the next audit. But his indication was that this has been completed to this point, and my motion would be that we note compliance.

The Chair: — Okay. So to concur and note compliance. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. So it's agreed that this committee concur with recommendation no. 10 of chapter 10B, regional health authorities, of the Provincial Auditor's 2009 volume 3 report, and note compliance.

Moving along to recommendation no. 11. This recommendation relates to the Regina Qu'Appelle Regional Health Authority, and it recommends that they analyze the extent of its workforce gaps and estimate their future impact on service delivery. I'd look forward to the deputy minister noting progress and comments towards compliance.

Mr. Florizone: — The regional health authority believes they have satisfied this recommendation and once again are awaiting the Provincial Auditor to review the changes that they've made. An executive director with responsibility for enterprise-wide workforce planning recently joined the organization. In early 2010 the management committee, with the mandate to establish vision and a road map for the human resource information management system, was put in place, and they are overseeing the successful deployment of key projects and initiatives to achieve the business results articulated in the plan that was put into place.

The workforce planning function has been established. This area will play a key and central role in collection and coordination of reports and activities on workforce planning. The regional health authority is developing capacity to manage HR components of its regional, strategic, and operational plan, including performance indicators that are under development.

The region has customized collection reporting to meet ministry requirements — so our requirements that have been set in place — and they also have begun research and development on decision support tools to complete the work of their own internal workforce planning committee, the joint recruitment and retention committee, as well as support managers throughout the region. Thank you.

The Chair: — Thank you, Deputy Minister. I would seek a motion from the committee. Mr. D'Autremont.

Mr. D'Autremont: — I would move that we concur and note progress.

The Chair: — All in favour. Mr. D'Autremont's put forward concur and note progress. I saw hands. I think that's all in favour. So moved. It is agreed that this committee concur with recommendation no. 11 of chapter 10B, regional health authorities, of the Provincial Auditor's 2009 volume 3 report, and note progress.

Moving along to no. 12. The recommendation itself relates again to the Regina Qu'Appelle Regional Health Authority, and the recommendation is that they clarify the resources it needs to implement its human resources plan. I guess I would look for comment, and specifically always bringing your attention to progress and compliance, to advise us.

Mr. Florizone: — Thank you. Just in the interest of brevity, what I will do is, if it's okay with the Chair, I'll wrap 12 and 13

together. And they really do link back to 11.

So the region in the fall of 2009 reinvented what they refer to as their human resources initiative. This process identified not just mission and philosophy but core business functions and the service delivery model that the region intends on using. As a result of this process and this development, the region believes it has met and satisfied recommendations 12 and 13.

The Chair: — Thank you. So comments with respect that the recommendations have been satisfied. I would seek a motion. Mr. Michelson?

Mr. Michelson: — Yes. I would move that we concur and note progress on these. Or compliance.

The Chair: — Mr. Michelson moves that we concur and note compliance for 12 and 13. All in favour? So moved. So it's agreed that this committee concur with recommendations 12 and 13 of chapter 10B, regional health authorities, of the Provincial Auditor's 2009 volume 3 report, and note compliance.

Moving along to recommendation no. 14. This one relates to the Saskatoon Regional Health Authority and recommends that they clarify the resources it needs to implement its human resources plan — a similar recommendation or same recommendation that was asked of the Regina Qu'Appelle Regional Health Authority. I would look to the deputy minister to provide an update.

Mr. Florizone: — The region has indicated to us that they believe they've satisfied this recommendation. Once again, through reorganization, reprioritization, and renewed planning and alignment work, they believe that they've dealt with what is the most urgent and highest priority important work that will have the biggest impact. So their sense is they've satisfied this recommendation and are awaiting the Provincial Auditor to confirm same.

The Chair: — Thank you. I'm seeking a motion. Mr. Stewart?

Mr. Stewart: — I move that we concur with the Provincial Auditor's recommendation and note compliance.

The Chair: — All in favour? So it's agreed that this committee concur with recommendation 14 of chapter 10B, regional health authorities, of the Provincial Auditor's volume 3 2009 report, and note compliance.

Moving along to the last official recommendation from the Provincial Auditor in this chapter. And this is that we recommend that all regional health ... we — as in the Provincial Auditor — recommend all regional authorities establish adequate disaster recovery plans and test those plans to ensure their effectiveness. If the deputy minister could provide us an update.

Mr. Florizone: — Three health regions — Five Hills, Prairie North, and Prince Albert Parkland — have completed this recommendation. Several others — Heartland, Mamawetan, and Kelsey Trail — believe they've satisfied this recommendation and are waiting for the Provincial Auditor to review same. All

of the other regions report progress in this area but are at various stages of progress.

The Chair: — I seek a motion noting progress.

Mr. Michelson: — May I ask a question?

The Chair: — You sure can, Mr. Michelson.

Mr. Michelson: — Yes. I'm just kind of curious — and I appreciate the work that's being done — who follows up on this recovery plan prior to the auditor looking into this? It has to be tested, right? And then after it's tested and assumed that all the right procedures are in place, then the auditor will do his check. But is there an overseeing body that looks after these for all the health regions?

Mr. Florizone: — The accountability clearly rests with the regional health authorities themselves. First of all the board, and as delegated through the CEO [chief executive officer] to VP [vice-president] and director responsible, the staff of the IT area.

What we have done as a ministry in the past is provided support to the regions in terms of framing, support, a bit of a checklist that allowed them to identify what their needs are. The role of the auditor obviously is to come in and test whether or not compliance has been met. Our job is to support by way of funding and through funding policy, but also we have provided some kind of a coordinated support, obviously.

Ultimately the accountability and the responsibility rests with the regional health authorities for compliance under *The Regional Health Services Act*.

[09:30]

Mr. Michelson: — Thank you, Mr. Deputy Minister. Mr. Chair, I would move that we concur and note progress on recommendation no. 15.

The Chair: — The motion is that we concur and note progress, put forward by Mr. Michelson. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So it's agreed that this committee concur with recommendation no. 15 of chapter 10B, regional health authorities, of the Provincial Auditor's 2009 volume 3 report, and note progress. Without any further questions — looking to committee members — on this chapter, we're going to move along to chapter 10C.

Mr. Michelson: — Mr. Chair.

The Chair: — Mr. Michelson.

Mr. Michelson: — Yes, Mr. Chair, before we go on, just on page 200, it talks about the Sunrise's processes in controlling hospital-acquired infections. Again I'd ask the deputy minister: that seems to be an issue, or was an issue, with one regional health authority. Again is there some communication between health authorities that certain guidelines are made so this

doesn't happen? Or do they communicate with each other to make sure that what is working in one health authority is certainly being followed for all the health authorities or especially health authorities that have some difficulty in that field?

Mr. Florizone: — The issue of hospital-acquired infections is a global issue. And most certainly within this province, while this audit was targeted to one region, the benefit of this sort of audit is that it became a deep analysis and study of the practices with one region and allowed learning to be spread to other regions.

What we've done as a result of these issues that not only have emerged over the last several decades but are paramount in terms of our patient safety agenda, is that we've included in our strategic and operational directions document, in the accountability document for regional health authorities, a requirement that they pay particular attention to hospital-acquired infections. Now that's not the whole purpose of this document, but it's certainly one of the key themes in terms of providing for a patient-first system.

What we refer to specifically in our directive is that we ask that all regional health authorities in the province adhere to the required organizational practices for infection control as articulated by Accreditation Canada. These are national standards. They are voluntary. We've made them compulsory in terms of following.

And those targets include, and I'll just give you several examples, the required organizational practice through Accreditation Canada calls for adherence to international, federal, provincial, and territorial infection control guidelines, for instance. They are to develop education and training for all staff, service providers, and volunteers on hand hygiene, which is an extremely important infection control measure; to track infection rates and to monitor and analyse those rates; to develop and implement organizational processes and policies; to reprocess and have policies around reprocessing of equipment, sterilization, autoclaving; and to develop and implement, not only policy, but an evaluation and compliance methodology.

There is particular emphasis this year through Accreditation Canada on hand hygiene. Simply put, hand washing, which would appear to be a very straightforward requirement for any health care provider but something that we have identified nationally and internationally, is an issue that needs to be constantly reinforced for the workforce.

The Chair: — Thank you, Mr. Deputy Minister. We'll now move along to chapter 10C, electronic health records. I would invite presentation from the Provincial Auditor's office.

Mr. Ahmad: — Thank you, Mr. Chair. Chapter 10C begins on page 211. This part of the report is a result of the ministry's processes to guide, monitor, and report on the implementation of the electronic health records system that meets the goal of a Canada-wide integrated electronic health record system. Other legislative-audited offices and federal Auditor General did similar audits in their jurisdictions.

Management told us that the ministry so far has spent about

\$235 million relating to electronic health records. To do this audit, we used common criteria developed by the health study group of the Canadian Council of Legislative Auditors. We concluded that the ministry did not have appropriate and effective processes to guide, monitor, and report on the implementation of this electronic health record system that meets the goal of Canada-wide integrated health records system. We concluded so because the ministry did not have a strategic operational plan to guide the implementation of this electronic health records system.

Although it had project management and reporting processes at the individual project level, the ministry did not have a strategic operational plan for the overall electronic health records system, nor did the ministry have a business case setting out expected costs and overall benefits. As a result, the ministry cannot set goals related to performance measures and baseline information to help assess its progress and report whether it has achieved intended benefits.

On pages 219 to 223, we make four recommendation to help improve the ministry's processes. And that concludes my overview of the chapter.

The Chair: — I would invite response from the deputy minister.

Mr. Florizone: — Mr. Chair, I can deal with each of these recommendations in turn. And with your permission, I could walk through all four of them because they tie in so closely together. But I don't want to be certainly out of step with your wishes.

The Chair: — No, we're fine with you taking us through. Make sure you focus your comments in some fashion as well with respect to progress and compliance. And you may have other questions independent of that as well.

Mr. Florizone: — So on recommendation no. 1, this would be progress. We have not yet complied our . . . We have met with stakeholders who form what is referred to as the e-Health Council. What we're intending to do through the e-Health Council, which is a group of system stakeholders, is develop the strategic plan for the electronic health record. The ministry and the e-Health Council have formed a bit of a working group and we've given direction that will assist in preparing an initial draft. The planned completion date of this work is December of 2010.

Consistent with that plan, Mr. Chair, on recommendation no. 2, we do develop annual operating plans. And those operational plans that are developed year to year are intended to make progress with respect to the electronic health record. Now this plan, these operational plans are based on annual resource allocation and progress that can be made in any given year. Once the ministry and e-Health Council have created and completed that strategic plan, the overarching plan, it is intended that that strategic plan will inform and will guide future operational plans as they're developed.

Mr. Chairman, with your permission, recommendation no. 3. The Ministry of Health currently monitors all of its projects in detail based on that annual operational plan. These monitoring

reports identify the projects' expected outcomes based on the plan in the areas of budget, timeliness and timelines, and deliverables. The monitoring reports also identify risks to the project plan and what steps are taken to mitigate those risks or what steps need to be taken to mitigate risks. This defined project methodology will be used to manage the strategic plan and future of operational plan projects.

Mr. Chair, recommendation no. 4. The Ministry of Health will review the performance measures in place currently to assess and report on the electronic health record benefits once the IT strategic plan is updated.

So just to reflect back: 1 is progress; 2, we believe until we have a strategic plan, we can only report progress with respect to having an operational plan but needing to tie it through. With recommendation no. 3, we would suggest progress; and 4, we would suggest progress. Thank you.

The Chair: — Ms. Atkinson, I believe, had a question.

Ms. Atkinson: — Yes. In recommendation no. 1, the auditor recommends that the Ministry of Health's strategic plan include its strategy for the electronic health record system. And I'm just wondering if the ministry could describe what that means to them?

Mr. Florizone: — We have developed a strategic and operational direction document that applies to the system but also a strategy document that applies to the ministry itself. And while we've tried to, for the purposes of not creating a volume of information, we've tried to create a document that people will refer to, relate to, and actually read. Part of the problem with putting it in such succinct terms and summary terms is that when going through and trying to find the detail there needs to be a background document that actually lays out the strategy overall.

As you can imagine with the electronic health record and an initiative — because it's not really a project — an initiative of this scale and scope, it's extremely important to have a sense of the long-term vision and approach. But having said that, the current approach to formulating budgets on an annual basis within governments — both federal through health Infoway and provincial — leaves us with some challenges in terms of being able to articulate exactly the targets, the deliverables, and the time frames.

So what we've tried to do with our strategic and operations direction document is be clear, concise, set targets that are measurable and identifiable and we could be held to account for. What we need is to create a more robust, high-level strategic plan for IT itself.

Ms. Atkinson: — I note that the ministry has spent \$235 million up until the end of March of '09, and there is more money that is being spent this year and there is more money to be spent in terms of the Infoway-funded projects. For the purposes of the public, can you describe what their individual health record would look like as a result of SHIN, as not in future but up until now?

Mr. Hendricks: — Okay, right now what exists is we have the

pharmaceutical information program that's available in virtually every pharmacy in Saskatchewan. So when you go into a pharmacy for a prescription, they can pull up your complete prescription profile. Arguably that's one of the most advanced systems in Canada.

The other place that we've made a lot of progress on is our RIS/PAC [radiology information system/picture archiving and communication system] system which we've now implemented in all but Regina and Yorkton. So PACS is picture archiving and communication system. So what it does is it captures radiological images — so CT [computerized tomography], plain films, ultrasound, that sort of thing — and stores them all in a central repository so that in the future a person travelling into Regina who has had a CT scan in the Cypress Health Region, that film will be available in Regina so that the test doesn't have to be repeated and expose them to more radiation, a duplicated test, that sort of thing.

So that is now up and running in all but Regina and Yorkton. We need to do private labs and we also have to go out into our district hospitals — Estevan, Weyburn, that sort of thing — but those are the next phases.

What we're working on right now is a laboratory repository system, which is a huge deal for family physicians in particular, so that you can go and get a lab test and those results will be immediately available to your family physician. And we anticipate that by the fall or early spring that that will be available.

Now this is all really important because as you're aware we have an agreement with the Saskatchewan Medical Association to implement an electronic medical record in their offices, which we now have 24 per cent of them actually having been signed up and implementing these systems. So there's tremendous pressure from physicians to actually have that system available so that they can access individual patient information on lab, X-ray, and pharmaceutical information.

Now in the future this will expand to include other things like public health — you know immunizations, all these things — and eventually potentially a patient portal where you can access your own information online.

[09:45]

Ms. Atkinson: — Thank you. So for the purposes of up until today, in terms of my personal health record or any other citizen's, we have the — for sure — we have what's at the pharmacy.

Mr. Hendricks: — Right.

Ms. Atkinson: — Okay. In the future we will have diagnostic imaging, in the future.

Mr. Hendricks: — We're capturing most diagnostic images right now electronically and storing them in the province.

Ms. Atkinson: — And storing them, but are they available? So if I'm in Saskatoon, I've had some diagnostic imaging, I go to Regina, does that . . . can they access it now? I'm just trying to

understand exactly what my individual health record means as of today.

Mr. Hendricks: — Okay. So with the radiological stuff, if you go to Cypress, Regina . . . or sorry, that information would be captured by Saskatoon, Prairie North, Moose Jaw, any of those regions that are currently within the system. The two that are outside still are Regina and Yorkton. Those regions — and they'll be on in the fall — constitute approximately 80 per cent of the exams that are done in the province.

Ms. Atkinson: — Okay. So the pharmacy one, we've had that for quite a long time, right?

Mr. Hendricks: — Yes.

Ms. Atkinson: — It's becoming more sophisticated, but we've had that since the '90s, haven't we?

Mr. Hendricks: — Late '90s, yes, it began.

Ms. Atkinson: — Okay. So in terms of the new, the sort of new things that we have, I think there's mental health records in Saskatoon.

Mr. Hendricks: — Yes.

Ms. Atkinson: — Can you describe anything else that we have actually seen actualized?

Mr. Hendricks: — Yes. One of the things that's happening in health regions is we've actually implemented Sunrise Clinical Manager in the larger regions. So I'll use Regina as an example. Regina actually has a functional electronic health record within the region for every patient that is coming into its hospitals. So a physician in the region or in an ER [emergency room] can pull up complete diagnostic, pharmaceutical, all the information including notes, everything on the patient. So that system is implemented in place in Regina through what SHIN has done.

So we're doing that in Saskatoon. We're duplicating it in all the regional hospitals. The problem is that all these systems — we have the hospital system, we have when you see a physician, and the pharmacy — it's bringing it all together, gluing it together which is the complex part. And that's what we're working on, in addition to labs, right now. So I would argue we're very close to actually having a functional electronic health record with the basic pillars but there's stuff, like you said mental health, all these other aspects that we would want to tackle as future projects. But I've mentioned the key ones — the lab, the diagnostics, the pharmacy — that were sort of the pillars of this at the beginning.

Ms. Atkinson: — So in terms of Regina where you say it does have a functioning individual health record, so radiology imaging or diagnostic imaging is not on that health record yet. Do I understand that correctly?

Mr. Hendricks: — It is within Regina. So Regina captures all of its images digitally. What Regina is now missing is actually basically depositing those images in a central repository so that when you go to Saskatoon, that image is available in Saskatoon.

Ms. Atkinson: — Okay. Now the lab system. So if an individual is having lab work within the province, or within the Regina Health Region, is that information now available on their electronic health record?

Mr. Hendricks: — Yes.

Ms. Atkinson: — So would you say that Regina has the most advanced electric health record in the province?

Mr. Hendricks: — Yes.

Ms. Atkinson: — And when do you, in terms of targets and goals, when do you expect other health regions to have a similar kind of electronic health record as Regina?

Mr. Hendricks: — Regina and Saskatoon are very far along. So I would say that you will see similar levels of functionality probably within the next year, year and a half in most regions. One of the things that we actually have to do is we have to look at also things like private radiology, which haven't been in the initial phases. Some lab work is still done in physician offices because unless the record is complete, it suffers. So there are additional phases, but already, as I have said in Regina, there's a functional electronic health record that captures a lot of information. Saskatoon very quickly, regionals very quickly; we're implementing the same systems in all of the regions so that they can share information.

Ms. Atkinson: — Mr. Chair, we know that SHIN has spent \$235 million, but health regions have also spent money. Do we have any sense, in terms of Regina if you were to include the provincial money and the regional money, do we have any sense of what this electronic health record in Regina, which is the most advanced, has cost the public to date?

Mr. Hendricks: — Well I'll start off by clarifying something on the amount that's cited in the auditor's report of the \$235 million. That is the total SHIN budget since 1997. That's actually not what we've spent on the electronic health record because as you will recall, SHIN also provides help desk support to all the regions. So it provides the computer support to 22,000 health workers. So the operational budget for SHIN is very significant. Our actual development envelope is quite small in comparison.

So arguably that 235 million, a very small percentage of that is what has been levered both from Health Canada and provincial revenues to develop the electronic health record. In terms of regional expenditures on IT, it's really difficult to assess what is EHR [electronic health record] and what's corporate because they're commingled in regions so I'd have a really difficult time to guess what that is. But I wouldn't . . . it's not insignificant.

Ms. Atkinson: — Thank you. Mr. Chair, does the Provincial Auditor have any sense of this?

Mr. Ahmad: — No, Mr. Chair, we haven't looked at that at all.

Ms. Atkinson: — Thank you.

The Chair: — So as we look at each of the recommendations, they've been spoken to by the deputy minister. We maybe can

go one at a time and seek motion from the committee.

The first recommendation as it relates to the Ministry of Health's strategic plan and that it include its strategy for the electronic health record system. Mr. Stewart.

Mr. Stewart: — I move that we concur with the recommendation of the Provincial Auditor and report progress.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — It is agreed that this committee concur with recommendation no. 1 of chapter 10C, electronic health records, of the Provincial Auditor's 2009 volume 3 report and note progress.

Moving along to recommendation no. 2, that the Ministry of Health develop an operational plan to guide the development and implementation of the electronic health record system. Ms. Ross.

Ms. Ross: — I do recommend that we concur and note progress.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

Ms. Atkinson: — Can I just understand what we mean by noting progress?

The Chair: — Sure we can. Ms. Atkinson's asking for clarification of the progress that's noted on this specific recommendation.

Ms. Ross: — That's the one that the deputy minister stated that in fact they were working towards, so that would indicate progress.

Ms. Atkinson: — Okay. So as I understood it, they were working on a strategic plan with this e-Council, and once the strategic plan was in place then they could look at operationalizing it. And so I guess they haven't started to operationalize the plan yet because they're still working on the strategic plan. So I was just curious as to . . . I think what we do is we concur with this. I don't know if there's progress that has been made yet.

The Chair: — So there's a motion on the floor here. There was hands that went into the air, but there's discussion subsequent to that, but I think it's worthy discussion. And Mr. D'Autremont.

Mr. D'Autremont: — Thank you. I listened carefully to what the deputy minister had to say about all four of these, and I think they're all tied together as one lump even though they are four separate recommendations, that they include parts of all of them and you need to get part A and then part B and part C and part D, if I'm correct on that. And so I think we are getting progress up the line, but we're certainly not there on any of them yet. So I think actually we've got progress on all of them to various degrees.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — Just so I . . . Not to be a huge nitpicker, but I just want to ask the deputy, has there been any development of an operational plan yet?

Mr. Florizone: — The answer is yes. We've been working with and through operational plans on an annual basis, and the monitoring that we're doing right now is based on that operational plan.

Now just to be clear, those operational plans are moving year to year. One of the major themes here is that we need an overall strategic plan. That's what's being worked on. And what we're doing year to year with operational planning is basing our monitoring on that plan.

Ms. Atkinson: — I'm going to ask the auditor here because you're recommending that they develop an operational plan. So based on what the deputy just said, he says that there is an operational plan year to year. So can you describe to me what you meant by developing an operational plan to guide the development and implementation, given that the deputy says that there is an operational plan each year?

Mr. Ahmad: — Yes, Mr. Chair. That would be a plan that will take this strategy and put that into action.

The Chair: — Mr. Hendricks.

Mr. Hendricks: — We've had these discussions with the auditor and we support their recommendation. But what we're doing here is really splitting hairs to some extent. They're asking for a three- or four-year strategic plan for the electronic health record that clearly lays out what our project milestones are, the projected date that we'll complete that, the amount of money that that will require, and then reporting back on performance against those targets.

What the deputy has said is that because we're a budget on a year-to-year basis, it's difficult to predict and project those timelines and quite frankly the availability of funding. So what we do is we do have operational plans. We do actually report and issue an annual report about achievement of objectives on things like PACS, the overall electronic health record, or gluing it together, the lab. We talk about those things.

But what we have difficulty doing and what e-Health Council has suggested that we do — and the auditor and the Patient First Review — is develop the overall three-year strategic plan that says, in an ideal world, this is what we would do based on budget availability. So that is the goal. And we actually are working towards that. And we've begun establishing our vision and objectives and everything that you would do to achieve that.

The Chair: — For folks that might be tuning in from home or otherwise as well, I think it's important to note that when we're having these discussions, that when we . . . It's our committee that makes the decision whether we concur with the recommendation. From that point, it is followed up by the auditor to make sure . . . and by the ministries, and a process is in place to ensure checks and balances and is subsequently

reported back to this committee.

So certainly, sometimes it's difficult to disseminate or decide whether we should note progress or whether we should simply concur or whether we should note compliance. And really, what's important for the public to know is that our concurrence with a recommendation is likely the most important aspect of that. And that then makes sure that that accountability and check and balance occurs.

So whether or not we've noted progress or compliance occurs, we know that there's a reporting back whether or not that has been the case. Certainly it's not a closed book if we note progress or compliance, and there's much more reporting from that point forward.

There's a motion on the table here, by Ms. Ross, that we concur and note progress. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Mr. Michelson's really agreed. The rest are there as well. So it's agreed that this committee concur with recommendation no. 2 of chapter 10C of the Provincial Auditor's 2009 volume 3 report and note the progress.

Moving along to recommendations 3 and 4, I would seek a motion. Mr. D'Autremont.

Mr. D'Autremont: — Do you want to do 3 and 4 together?

The Chair: — I think we could, dependent on your motion. Yes.

Mr. D'Autremont: — I would move that we concur and note progress on recommendations 3 and 4.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — Okay. It is agreed that this committee concur with recommendations 3 and 4 of Chapter 10C, electronic health records, of the Provincial Auditor's 2009 volume 3 report and note progress.

Without any other questions as it relates to 10C, we're going to move along to 10D, equipment disposal. And at this point in time, I will again invite presentation from the Provincial Auditor's office.

Mr. Ahmad: — Thank you, Mr. Chair. Chapter 10D begins on page 225. This chapter report is the result of our audit to assess the adequacy of Heartland Regional Health Authority's controls to secure electronic information during disposal of IT and communication equipment. We concluded that Heartland had adequate controls to do so except it needs to document its procedure to remove confidential information during disposal, maintain a current list of capital assets, and verify the effectiveness of its disposal procedures.

We made three recommendations to help improve Heartland's processes. We also recommend that other public agencies assess

their processes using the criteria described in this chapter to ensure the equipment they dispose of does not contain sensitive information. And that concludes my overview.

The Chair: — Thank you very much. I would turn it over to the deputy minister, Mr. Florizone.

[10:00]

Mr. Florizone: — Thank you, Mr. Chair. With respect to recommendation no. 1, Heartland Health Region has indicated to us that they've implemented a policy with respect to IT equipment disposal. That policy was introduced in May of 2009. They are however looking at procedures and formalizing a procedure with respect to disposal of fax machines, photocopiers, and computers. So it's a matter of moving the policy into action and making sure that there is compliance to that policy.

The Chair: — Thank you. Maybe I'd field the motion at this point in time. Mr. D'Autremont.

Mr. D'Autremont: — I would move that we concur and note progress.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — So it's agreed that this committee concur with recommendation no. 1 of chapter 10D, equipment disposal, of the Provincial Auditor's 2009 volume 3 report and note progress. Moving along to recommendation no. 2.

Mr. Florizone: — Thank you, Mr. Chair. On recommendation no. 2, Heartland Health Region has developed a master asset log to document when assets are either to enter . . . when they enter and leave the region's control, so that's a control method by which you tag and flag every IT asset either coming in or being disposed of. This log is used in collaboration with permanent IT asset tags to ensure accuracy. So there is a bit of a check and balance as well on that.

The Chair: — From your perspective, have they complied at this point in time with this recommendation or is it progress that you identify?

Mr. Florizone: — Heartland, their sense is that they've complied, and we would concur.

The Chair: — I seek a motion. Mr. Stewart.

Mr. Stewart: — I move that we note concurrence with the recommendation of the Provincial Auditor and report compliance.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — It's agreed that this committee concur with recommendation no. 2 of chapter 10D, equipment disposal, of the Provincial Auditor's 2009 volume 3 report, and note

compliance.

Moving along to recommendation no. 3, maybe brief comments from the deputy minister.

Mr. Florizone: — Thank you. Heartland has reported to us that they will be developing a procedure to ensure that adequate testing of equipment occurs to ensure information has been destroyed prior to disposal. Now this procedure is . . . Their intent is to have it fully implemented this year, this calendar year. The IT department will then have to ensure that regular testing is completed as per that procedure. So I would suggest this is neither compliance nor progress. It's an intent and . . .

The Chair: — A motion of concurrence.

Mr. D'Autremont: — Thank you, Mr. Chairman. I would move that we concur.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. It is agreed that this committee concur with recommendation no. 3 of chapter 10D, equipment disposal, of the Provincial Auditor's 2009 volume 3 report. And we're not noting, at this point in time, progress or compliance, just simply that we concur.

Without any further questions for 10D, we'll move along to 10E, which is patient safety, and I would invite the Provincial Auditor's office to present their findings.

Mr. Ahmad: — Thank you, Mr. Chair. Chapter 10E begins on page 233. This part of the report is the result of our audit to assess the adequacy of Regina Qu'Appelle's processes for safety of its hospital patients and its long-term care residents.

We focused on adverse health events related to medication, surgical complications, and falls. An event in health care that brings any harm to a patient is called an adverse health event. We concluded that the RHA had adequate processes for patient safety except that it needs to regularly analyze patient safety reports to learn from its experience, communicate the highest patient safety risks, and report patient safety results.

We made three recommendations to help improve the RHA's processes. We also asked that other authorities should use the criteria described in this part to assess the adequacy of their own processes for patient safety in their health care facility. And that concludes my overview.

The Chair: — Thank you. I would invite response from the deputy minister on behalf of Health.

Mr. Florizone: — Thank you. With respect to recommendation no. 1, the regional health authority believes it has satisfied this recommendation and is waiting for the Provincial Auditor to review the changes that have been made. The audit validated many of the region's patient safety practices.

The regional health authority board and management team have placed a special emphasis on patient safety. They've dedicated

resources to this area. In fact this year and over the past few years, Regina Qu'Appelle has implemented an internal safety alert system that took effect January of this calendar year. These alerts are generated internally when there's cause for an immediate communication to be sent to staff.

They've also implemented a safety information bulletin where they can share learnings across their staff throughout the region, and delve into contributing factors or circumstances that may have led to such a safety near miss or issue or incident.

The Chair: — Thank you for that. Just to clarify then as speaks to the newsletter that communicates some of these adverse risks that is employed by the authority, specifically, high-risk drugs weren't included in the past. Are they now included in that newsletter or is there another mechanism to communicate that adverse risk and make sure there's a plan in place within the authority?

Mr. Florizone: — Just to clarify, I did say newsletter. And what I meant to say, it's actually part of a broader program. They refer to the program as safety learnings. So communication is done through a number of vehicles, not just written form. But I'll find out the answer to the medication question. One moment, please.

Thank you, and sorry for the delay. We don't have the detail in terms of medication. But I can tell you this: that the Ministry of Health, within their strategic and operational direction and the document that forms the basis for the accountability with the regional health authorities across the province, have actually laid out medication administration and reconciliation as a requirement of every regional health authority.

Once again, similar to my discussion around infection control, we have referred to Accreditation Canada's requirements, their required organizational practices in this regard. We've also heard from Regina Qu'Appelle that medication administration and medication monitoring is one of the major areas that they're focusing in on. So while I don't have the detail to answer your question specifically what they're doing, I can tell you that we know through our own documentation that it is a high priority that's being addressed by Regina Qu'Appelle and other regional health authorities.

The Chair: — Thank you. No further questions, then I might seek a motion noting progress. Mr. Michelson.

Mr. Michelson: — Mr. Chair, I would so move that we concur and note progress.

The Chair: — All in favour.

Some Hon. Members: — Agreed.

The Chair: — So moved. It is agreed that this committee concur with recommendation no. 1 of chapter 10E, patient safety, of the Provincial Auditor's 2009 volume 3 report, and note progress. Moving along to recommendation no. 2.

Mr. Florizone: — Thank you, Mr. Chair. The regional health authority believes it has satisfied recommendation no. 2. The board and management team have been working on a reporting

process that analyzes events and guides region-wide action. So the region itself has begun by categorizing events for trending purposes.

Our sense, while they believe they've satisfied this recommendation, our sense is that progress has been made. We would like a little more time to be able to satisfy ourselves that this recommendation has been met, and obviously the Provincial Auditor would have to satisfy, their office would have to satisfy themselves.

The Chair: — Thank you. Seeking a motion of progress. Mr. D'Autremont.

Mr. D'Autremont: — I would note concurrence and recommend that progress be reported.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — It is agreed that this committee concur with recommendation no. 2 of chapter 10E, patient safety, of the Provincial Auditor's 2009 volume 3 report, and note progress. Moving along to recommendation no. 3.

Mr. Florizone: — The regional health authority believes, through their management team, that they've satisfied this recommendation. What has occurred, through presentation to the board on May 26th, was a report on risk and patient safety. This is now a regular reporting requirement, part of the regiment that is regularly reported to the governing body. And reports will be provided two to three times a year. So we're certainly as a ministry satisfied that progress has been made with respect to this, and that would be certainly our observation.

The Chair: — I would seek questions from committee members or a motion. Mr. Stewart.

Mr. Stewart: — I move that we note concurrence with the recommendation and report compliance.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — It is agreed that this committee concur with recommendation no. 3 of chapter 10E, patient safety, of the Provincial Auditor's 2009 volume 3 report, and note compliance.

That concludes chapter 10E and it also concludes the considerations, the new recommendations as put forth by the Provincial Auditor's office as it relates to Health. I would look to committee members at this point in time if there are any further questions with outstanding recommendations or in the broader scope of public accounts.

At this point in time, not seeing any questions, I would like to thank Deputy Minister Florizone and his officials with Health for coming before the committee here today and answering questions. There was comments made or commitments made to supply information back to this committee. Thank you for

endeavouring to do so. And I'd just simply look for any closing comments that Deputy Minister Florizone might have.

Mr. Florizone: — I wish to once again recognize and thank the committee for the opportunity to respond to questions put to us. I'd also like to once again recognize the Office of the Provincial Auditor for contributing to the improvement work within the system, the accountability piece, the work on some of their deeper dives into issues that matter to patients. So thank you once again for this opportunity.

The Chair: — At this point in time we'll maybe recess for . . . Can it just be a couple of minutes? And then we'll reconvene with consideration of the Standing Committee of Public Accounts recommendations that are put forth or report that's put forth.

[The committee recessed for a period of time.]

Standing Committee on Public Accounts

The Chair: — We will reconvene at this point in time. The Chair actually questions at this point in time the definition, maybe seeks clarification from the auditor as to the term, a couple of minutes. I sort of suspected that that was two. I think we took much more than that. But I'm saying that more in jest here at this point in time.

We do move along here this morning with chapter 20 from the 2009 volume 3 Provincial Auditor's report. We're looking specifically at the Standing Committee on Public Accounts and we would invite at this point in time a presentation from the Provincial Auditor's office.

Ms. Lowe: — Thank you, Mr. Chair, and members. Chapter 20 of our 2009 report volume 3 has two main purposes. It responds to a prior request of the Public Accounts Committee regarding monitoring the status of its recommendations, and it highlights the work and accomplishments of the PAC [Public Accounts Committee] since the fall of 2008 when we last reported the status of PAC recommendations.

Since the fall of 2008 and at the time of this report, the committee met 10 times to discuss our reports. When this report was released, the committee's most recent report to the Assembly setting out its recommendations was its first report to the twenty-sixth legislature. It was presented to the Legislative Assembly on March 25th, 2009. That report included over 300 recommendations, including those where PAC concurred with our recommendations.

PAC asked our office to monitor compliance with its recommendations and to report on their status. Many of the PAC recommendations are included within ministry chapters. Those chapters provide an update on the status of the committee's outstanding recommendations. This format allows the committee to reconsider these recommendations. The exhibit in this chapter lists all of the committee's recommendations that the government has not yet fully implemented and are not already discussed in another chapter. All of PAC's recommendations that were not fully implemented by the government are as at the date we last audited the organization or area, which was usually March 31st, 2009.

We note that the committee's reports, including the first report of the twenty-sixth legislature, during the previous five years contains 583 recommendations. Some of these recommendations may take a number of years to implement. However as of October 2009, the government has fully implemented 59 per cent of the committee's recommendations. Also the government has partially implemented 64 per cent of the remaining recommendations.

It's been approximately one year since we last audited the organization or areas included in each chapter in the exhibit. As a result the report may not reflect the current status of the PAC recommendations because the government may now have dealt with some of the recommendations. That concludes my presentation. We would be happy to answer any questions that you may have.

The Chair: — I'd just like to simply say thank you for the report, as Chair as well, in detailing the information that you have. And I would look for questions and comments from committee members. Mr. Michelson.

Mr. Michelson: — Just noting, as you indicated, fully implemented 39 per cent and 64 partially, is that about ballpark where you think the auditors think we should be in . . .

Ms. Lowe: — It changes because of all the different reports that come out because there was over 300. So you'll see the fluctuations each time this report comes out. So the next report for volume 3 in 2010, you may see different numbers but they're relatively consistent. But you will see a fluctuation.

Ms. Atkinson: — Basically the one that I am most interested in is the Ministry of Finance where they were directed by this committee to review the implications of reporting actual results with the projected results for the GRF [General Revenue Fund] on a quarterly basis. And it indicates that it's not implemented as of September 10th of '09 and that Ministry of Finance officials noted when they were before this committee that they plan to include actual results for the GRF in the '09-10 mid-year. And I'm curious to know, did they do that?

Mr. Atkinson: — Chris, do you want to handle that one?

Mr. Bayda: — Thank you, Chair. No, I don't think that has happened yet and I think this would be probably a good discussion for the Ministry of Finance officials when they appear before the committee, I think perhaps next Friday.

Ms. Atkinson: — And what about the other recommendation which also, which is the recommendation just before the CRI under the Ministry of Finance where it recommends that the government publish financial statement discussion and analysis along with its audited summary financial statements, and this is partially implemented? If we could, could you provide us with any information as to what has not yet been implemented?

Mr. Atkinson: — Mr. Chair, yes. I'm pleased to report that this recommendation has now been met.

Ms. Atkinson: — Now just one other question. In terms of all of the outstanding recommendations, could you indicate to us whether there's recommendations that have been met? I think

that would be helpful in terms of meeting with all of the various ministries.

Mr. Atkinson: — I'll attempt. It may not be entirely accurate, but . . .

Ms. Atkinson: — Okay.

Mr. Atkinson: — But as far as just working through . . . Are you on page 386? Working from the beginning? This one is part . . . The first one, as it indicates, is partially implemented. That's the best information I have at that time. The managing for results in the cross-government part, again is partially implemented. The update we have there is I believe still accurate.

Dealing with Ministry of Corrections, Public Safety and Policing, the first recommendation on page 386, I believe that they have approved their business continuity plan, but it's not updated to ensure that it provides for the continuity of services that they do get from ITO [Information Technology Office]. So that is still partially implemented. But they've been making progress on it.

As far as the recommendations on the top of page 387 regarding Corrections, Public Safety and Policing, they have been making some progress on the first recommendation. They now have those assessment plans done within two months, is my understanding. But they're not within their policy. And Corrections, Public Safety and Policing's policy is that they be done within 28 days. So they are making progress on that. The next recommendation has been met, as far as I'm aware.

The next one regarding the monitoring, the proportion of inmates accessing planned rehabilitation programs, as I understand, there has been progress made but there is still a bit more work to do in that area. And that is the same comment on the next one, regarding the reoffending rates in relation to their rehabilitation programs. There has been progress on that but there is still more work to do, as I understand it.

[10:30]

For the Ministry of Energy and Resources, I believe that this is accurate as it is, and we plan to follow this up in 2010. Moving on to page 388, I believe that the recommendations dealing, the remaining ones on that page dealing with Energy and Resources I believe are accurate and we will plan to follow those up in 2010 as it indicates. Dealing with the Executive Council, there's been no progress, and I believe that's still accurate.

For Gaming Corporation, we have followed this up. I believe that they need to still continue to prioritize their HR risks and to analyze the HR gaps. So I think that one is still accurate as well. The next recommendation on 388 was dealing with the casino management system. And I believe that wasn't implemented and we plan to follow that up in 2010 to see what progress is on there. I'm not sure what they've done so far. And that comment would be accurate for the remaining recommendations for Gaming Corporation, and we plan to follow those up in 2010.

For the Research Council, for the recommendations, there's five of them. All of those recommendations I believe have been met

on page 389.

Over to the Workers' Compensation Board, I don't have an update on these. We plan to follow these up in 2010, as it indicates.

And we've dealt with the recommendations for Finance on page 391. So that's the best I can do at this point.

Ms. Atkinson: — Thank you.

The Chair: — Were there further questions and comments?

Without further questions and comments, I'd like to thank the Provincial Auditor's office for the report back to this committee, and it proved itself very useful for us, as committee members, to track the progress of these recommendations. And certainly allows us, at various stages when we have respective ministries and deputy ministers and ministers before us at different committee levels, to focus our energies and our questions on to some of these questions. So thank you for the work, and thank you for the presentation to us. It allows us to be effective as a committee.

At this point in time I would, I guess, call for a recess and would reconvene at 1 p.m. with Social Services. Enjoy your lunches.

[The committee recessed for a period of time.]

Social Services

The Chair: — We will reconvene at this point in time. Welcome back to considerations, with our primary focus here today on the Provincial Auditor's report 2009 volume 3. On the agenda here this afternoon, up next here is considerations as it relates to Social Services. We welcome Deputy Minister Zerr at this point in time, and I would welcome Deputy Minister Zerr to introduce her officials.

Ms. Zerr: — Thank you very much, Mr. Chair. Good afternoon, and thank you for the opportunity to share some brief comments with you to the committee regarding the Ministry of Social Services.

I am pleased to introduce the staff that are with me here today. To my left is Cheryl Senecal. She is the assistant deputy minister of child and family services. To my right is Bob Wihlidal. He is the assistant deputy minister of income assistance and disability services. And behind me we have Don Allen who is the acting assistant deputy minister of housing, Alan Syhlonyk who is the assistant deputy minister of corporate services branch, Lynn Allan who is the executive director of operational design and program policy in the child and family services unit, Lorne Brown who is the executive director of enterprise projects and risk management, Gord Tweed who is the director of program policy and operational design income assistance. And Jeff Redekop is back there I believe — executive director of income assistance and disability services operational design and program policy. And lastly Miriam Myers, our executive director of finance and administration. Thank you.

I'd like to begin by thanking the Provincial Auditor . . .

[13:00]

The Chair: — Sorry to interrupt, Deputy Minister. I think what we'll do, just to follow our similar processes, we'll maybe invite presentation first of all from the auditor's office and then we'll have you, invite your response to that.

I guess just to follow up here as well, sitting with us here this afternoon as committee members, we also have Mr. D'Autremont, Mr. Stewart, Mr. Michelson, Ms. Atkinson. And I see, as a visitor to participate in proceedings possibly this afternoon, Mr. Forbes, who I guess also serves as the critic for Social Services. So welcome, Mr. Forbes.

And at this point in time, I would turn it over to the Provincial Auditor's office to make presentation as it relates to their findings.

Mr. Ahmad: — Thank you and good afternoon, Mr. Chair and committee members. Chapter 17 on the Ministry of Social Services begins on page 325 of our 2009 report volume 3.

In 2009 the ministry spent 677 million for delivering its programs. The chapter report is the result of our audit of the ministry and the special purpose funds it manages for the year ended March 31, 2009 except for the Saskatchewan Housing Corporation. In our 2009 report volume 1, we reported the result of our audit of the corporation for the year ended December 31, 2008.

In this chapter, we do not make any new recommendations, but report many from the past years. Your committee has previously considered and agreed with all of those recommendations. On pages 329 to 331, we repeat our past recommendations related to disaster recovery, monitoring ITO security, multi-year IT plan, and business continuity planning.

The ministry needs to do more to ensure it can restore all its systems and data in the event of an emergency or a disaster. It has made some progress to ensure that computer equipment is available within 48 hours of an emergency or disaster and now tests major systems twice a year. However, the ministry needs to do more to know that it can restore the system and data in the event of a disaster by signing an adequate agreement with a service provider, that is, ITO.

Also the ministry prepared an IT operational plan for the year and business case for each IT project, but it still does not have a multi-year IT plan to ensure it has the resources it needs to address its objective. The ministry has developed a business continuity plan for its critical programs, but performed only limited testing to ensure the effectiveness of the plan.

On page 333, we continue to recommend that the ministry implement a system to know how many children are the minister's responsibility, who they are, and where they live. The ministry continues to work on a new electronic system and expects completion in 2011.

On page 334, we report our past recommendation for the ministry to follow its processes to ensure children in care are

protected and payments to the custodian are authorized. Exhibit 1 on that page shows the result of the ministry's compliance with the established policies.

On page 335 we continue to recommend the ministry follow its policies to review and approve foster homes when placing more than four children in the foster homes. Exhibit 2 shows how well the employees follow the established policy. Increased non-compliance with policies suggests the ministry must take immediate steps to ensure employees follow the established policies.

On pages 337 and 338, we repeat recommendations relating to monitoring the care those children receive who are wards of the minister and reside on reserves. The ministry has developed a standardized process to monitor such children but has not yet fully implemented that process.

On page 339, we continue to recommend the ministry follow its processes that ensure only eligible clients receive assistance and that they receive the correct amount of assistance. Exhibit 4 shows that the ministry's compliance with this process has declined from the prior years.

On page 341, we repeat two recommendations from the past reports. We do so because the ministry's record shows that the rate of error is higher than the target the ministry has established.

The ministry has made good progress in addressing our recommendations relating to supervision of community-based organizations. However, it has not yet established performance measures and targets to better assess CBOs [community-based organization], to better assess CBOs' progress in achieving the ministry's operational objectives.

On pages 347 and 347, we provide an update on the status of your committee's past recommendations that the ministry has not yet implemented, and we did not discuss those in the chapter.

For your information we have completed our follow-up work on the Housing Corporation's capital plan and reported our finding in our 2010 report volume 1. That concludes my . . . [inaudible].

The Chair: — Thank you very much. We'd invite a response from the deputy minister. Thank you.

Ms. Zerr: — Thanks very much. I'd like to begin by thanking the Provincial Auditor and his office for the co-operation and professionalism demonstrated through their work with us. We continue to work diligently to respond to the observations and recommendations as they are made, and we very much appreciate the accommodation on areas of improvement.

Our ministry's primary focus is to deliver services and programs to the people of Saskatchewan that ensure that children are safe from abuse and neglect; people have basic shelter, food, and clothing; and vulnerable citizens have the opportunity to participate in the community. Staff commit every day to meet these objectives.

Ministry staff work hard to help individuals and families in

need. As you're aware, we are called to respond to citizens, often when they experience the most difficult times, when they need help the most. This is both challenging and rewarding work.

The ministry's also reliant on effective service partnerships with First Nations and community-based organizations. Without these partnerships, the needs of many would be unserved.

The Ministry of Social Services is in the process of a transformation intended to improve the effectiveness and efficiency of our programs and services, while at the same time focusing on improved outcomes for clients. This approach is consistent with recommendations of the Provincial Auditor whose observations on our performance help us to understand where we can improve our services.

The auditor's recommendations for our ministry mainly fall into four categories: general administration, child and family services, providing necessary benefits, and working with and through CBOs to deliver services to the people of Saskatchewan.

We have provided our response to the auditor's recommendations and appreciate his acknowledgement. I am encouraged by the progress we are making. The auditor has correctly pointed us in the areas we need to improve upon. While we have already made significant gains, in many instances we do continue to strive for improvement. The report provides us with an excellent guide for improving the effectiveness, the efficiency, and the accountability of our programs and services.

My staff and I are pleased to be here today to answer any questions you may have. Thank you.

The Chair: — Now although there's no new recommendations before us here today in this report, there are many outstanding recommendations. I would look to the committee to field questions. To Mr. Forbes.

Mr. Forbes: — Thank you very much. And I want to thank the auditors for their work and the ministry folk to be here to answer some questions. And I appreciate the opportunity to ask a few questions about the findings of the auditors.

My first questions relate to some of the points made on page 332, particularly around the new computer system for Linkin that will deal with tracking the kids, the children in care. Can we just have an update on what are the anticipated costs of that computer system?

Ms. Zerr: — Certainly. Just give me a moment. The Linkin system, as it is now called, is a comprehensive information technology system set up in phases to take us from the initial notion of tracking children to the much more comprehensive approach of ensuring that we are able to case manage children along a continuum of care.

I'm going to refer to our executive director of enterprise risk to take a more fulsome answer to your question, Mr. Forbes. Mr. Brown.

Mr. Brown: — Afternoon. The Linkin case management project's divided into three separate phases. The first phase is due to be delivered, scheduled to be delivered in March of 2011. That will be followed subsequently by the implementation of a payment system for foster activities. And then subsequent to that, there is also a rollout of more functionality for the systems, for caseworkers and so forth from that perspective.

At this point the estimate for phase — completion phase 1A is what it's called — in terms of March of 2011 is \$18 million. And so that includes all the work that's been done up till now, even for the last couple of years getting ready for this system and getting it ready for the rollout and so forth. That also includes then the subsequent rollout of training of staff and bringing them up to date and so forth. That also includes activity that we'll be doing to deliver the payment system for . . . it replaces the foster payment system and that's due to be completed in November of 2011.

Mr. Forbes: — So you're saying that we should be now . . . Is the first phase completed in November '11 or all three significant phases?

Mr. Brown: — The second phase is completed in November 2011. The third and final phase would be done in June of 2012.

Mr. Forbes: — And so we're looking at a total overall cost of 18 million including training and all hardware.

Mr. Brown: — Training and consulting costs, software, licensing costs.

Mr. Forbes: — That's your best estimate going forward right now?

Mr. Brown: — Right.

Mr. Forbes: — Right. Okay. And you've talked about how comprehensive it is and I appreciate that because, you know, the auditor's comments are how many there are, who they are, and where they live. Can you tell us how many children or cases . . . Will it be just the children actually in care or will you be tracking families at risk? How big of a project is this?

Mr. Brown: — I'll defer to my colleague on this.

Ms. Zerr: — I think probably the best response here will come from Ms. Senecal.

Ms. Senecal: — I think that certainly our primary focus is being able to accurately count the number of children that are involved in our programs across the continuum. And of course that will include those that are taken into out-of-home care, including those that are put into foster care as well as alternative care-providing situations.

In terms of some of the other subsequent functionality that will come from the system in the initial two phases of implementation — as have already been outlined, culminating in the completion of phase two in the latter part of 2011 — I think that when we go into future phases of development, that's when we will also see the opportunity to increase the

functionality, or in other words, to increase the capacity of the system to undertake further analysis, further access to information that may involve for example the tracking of families that would come into contact with the ministry.

So at this point, I would say that there's a lot of future development that we will build on the foundational pieces that are being implemented in phase 1 and 2.

Mr. Forbes: — So at this stage you're basically . . . In stage 1 you'll be tracking or taking care of about 5,000 children.

Ms. Zerr: — We'll be taking care of the children in care.

Mr. Forbes: — And is that 5,000?

Ms. Senecal: — I'm just going to clarify that the initial phase of Linkin will focus on providing case management, case management functionality for the division, and that we will be able to provide client and provider registration to track the placement and removal and intake and investigation of children in care. It will also include the creation of ongoing case management and also including notifications, correspondence, contact logs, case notes. So it's very much focused on the rigour around improving our ability to have accurate and timely documentation on our case files.

Mr. Forbes: — But my point that I'm trying to get a handle on is just how big is this? Are we talking about 25,000 children? Are we talking about 10,000? Or are we talking about five? Because I know when we look in your statistics that you provide on the website, there are about 5,000, 6,000 children who are in care. And it can be . . . You can say less than 10,000 or over; I just want to get a sense of what size we're talking about.

[13:15]

Ms. Zerr: — So the exact number of children in care on December 31st was 4,797, which incorporated children in all of the various forms of care, whether it is our care or an alternate care.

Mr. Forbes: — I appreciate that. Thank you. And my second question is, when you get into phase 3, what I'm hoping — I think you're kind of alluding to this — that we can be looking at some preventative learnings from your data that you'll be . . . Because that's been a problem, I think previous, is we didn't know why children were going into care, whether it was because of families dealing with addictions, housing, strictly poverty, or education. Do you see this kind of data helping the ministry plan in that way?

Ms. Zerr: — If you are asking whether it would assist us in planning, I think that's probably correct.

Mr. Forbes: — Okay.

Ms. Zerr: — But the system doesn't track people that aren't in the system. What it does do, and what's really important for this committee to understand, is that when we talk about case management and continuity, that's the area where we presently have the most challenge.

When we have children whose files are on paper, they are dependent on the worker who has the paper at the moment. And if a child moves, and moves from worker to worker, whether they and their parents move or whatever else happens, we need the paper to move.

And so the real benefit of this system is the ability for the worker in Estevan and the worker in Saskatoon to see the same information and ensure that the continuity of care that we are then able to provide is manifest.

Mr. Forbes: — I think that's very worthwhile and clearly has needed to be addressed. So I appreciate that but my question is, in phase 3, in the out years for example, one of the issues I know that's been raised to me by Elizabeth Fry is how many women, how many mothers are in jail. But we don't know that answer. Corrections doesn't know that answer, and I don't think you folks know that answer. I'm not sure if I've asked you when you've been deputy minister that question.

But in the out years, I think that's good information to have as we plan issues. Right now I think there's a pressing need that we have to deal with, but in the out years, I'm wondering will you have that kind of field in the computer system that you could address.

Mr. Brown: — I can't speak specifically to that field, I guess, and certainly this all relates a little bit to the whole privacy issues that we may face in terms of what we can track and what questions we can ask or not ask, as the case may be. So whether there's any ability specifically what you're asking for, I'm not able to say that. But if those are relevant data elements that we want to keep track of in the future so that we can do further analysis, then those kinds of things will certainly be considered.

Mr. Forbes: — And I think you make a valid point, a very good point about privacy. Clearly you can't be drawing lines, but there has to be some social analysis because this is what groups are saying, that as just a general number, how many moms are in jail in Saskatchewan? We don't know. Unless we do know or if there's a different way. Corrections doesn't seem to track it. Social Services doesn't seem to track it. It's a very hard question to get an answer. And I don't know whether, if you have that answer. Some of you may have . . .

Ms. Zerr: — We do not know how many women are in jail who are mothers. We have a very broad scope already. I would choose not to make it any broader.

Mr. Forbes: — Sure. Yes. And I didn't actually expect that answer today. My point was, when you're in the third phase of this and you're looking forward and you're planning the fields that can help you plan, that's one of many that it's not, you know . . . But it has been one that's been brought forward, and I'm not just pulling it out of the air.

Ms. Zerr: — Mr. Forbes, one of the things that is I think important to understand as we undertake the implementation of the system is its utility in other ministries, and perhaps that gets to your question. As we implement this very broadly based case management system, there may indeed be opportunities at lesser cost for other ministries to lever the system we've brought in. And I believe the Information Technology Office is doing some

work in that area.

Mr. Forbes: — Well we'll be watching this part about the IT very closely, and I hope the auditors continue to monitor this. I have a question further about 334, if we could talk about that.

Ms. Atkinson: — I have some questions on this subject.

The Chair: — Sorry, Mr. Forbes. Ms. Atkinson.

Ms. Atkinson: — Thank you. I just want to follow up on my colleague's questions in terms of this information technology that we're about to, I guess we're developing and we'll see some of it within a year of the present.

So when Mr. Forbes says . . . I guess I want to be a little bit more specific. When children come into the care of the ministry, children come into the care of the ministry for a variety of reasons. And sometimes it's because mothers have mental health issues. Mothers may be incarcerated. There may be no family member available to care for that child. So I guess I want to follow up on Mr. Forbes's questions to you.

Are you looking at having a field in the database that would be able to give you, the ministry, some indication of why children are coming under the care of the ministry, whether it's permanent or whether it's just for a short period of time so that from a planning point of view you have an understanding about why children come into the care of the ministry? Because children come into the care . . . I have, I guess a children's crisis centre in my constituency, and children go there for a variety of reasons. Children go into the care of the ministry for a variety of reasons. It's not all because of physical and sexual neglect. There are other reasons. And will we have an understanding of that once this system is built and rolled out?

Ms. Zerr: — I'm going to defer a portion of that answer to Ms. Senecal, but I would say that the assessment portion of the case management piece is in fact part of the descriptor of why the child is coming into care. So there is certainly going to be some ability to look at that from the perspectives that I think you're asking. And, Ms. Senecal, I'll turn it to you.

Ms. Senecal: — Thank you. I certainly understand what you're asking and certainly our interest in having an automated case management system is to be able to have more fulsome information readily available. And certainly I think that it's also of primary importance to us as we're in the designing phase right now, is that we want to ensure that in the future we are able to be able to take various pieces of information and look for the threads between them so that we are able to understand what are the reasons that are bringing children into care.

If we're seeing an increasing number of children come into care for a particular reason that may be around, you know, using EFry [Elizabeth Fry Society] around issues of women in conflict with the law, then is that going to point us to a particular program solution that may be more targeted to that particular group of people? And is there something that maybe we can be doing to work more inter-ministry with CPSP [Corrections, Public Safety and Policing] to look at, you know, the possibility of how we might be able to reunite mothers who are in jail with their children more quickly and more effectively.

I mean, I think that we, at the initial stages of implementation, I think it would be unreasonable for us to say that we are going to have that analytical piece fully functional because we're going to be in the implementation of a system that will involve a significant amount of transition for our front-line workers in terms of working with and becoming proficient at. But certainly the system is being designed with the capacity that we are able to utilize what we're entering into it as a mechanism of analyzing, as I said, some of the common threads to understand the themes and to in turn use that as a mechanism to refine our programming and services.

Ms. Atkinson: — Second question. So the committee was informed that, as of December 31st of 2009 or last year, we had 4,777 children in care. But I suspect that if you were to look at the number of children in care throughout a fiscal year that in fact it would be more than that because children go in care and then they come out of care. So do we have any sense in a year, comparing apples to apples, how many children come into the care of the ministry on a total basis? Because I suspect we're dealing with more than 5,000 children, maybe not at one time, but throughout the year. And so I'm wondering do we have that kind of data?

Ms. Zerr: — And so on an ongoing basis we are now trying to be very correct about publishing our information on the website and are in fact going to be moving to a quarterly publication of the statistics to ensure that we're giving consistent, reliable, valid information to the public.

And so in terms of tracking the in and out, Ms. Lynn Allan.

Ms. Allan: — Good afternoon. Your question about our stats, what we put on the website is a point in time. So on December 31st at 2009, this is how many children that we had in care.

Ms. Atkinson: — So there are times when a child may . . . or children, several children because of housing issues for instance — lack of housing, a mother with a mental health issue — they might come into the care of the ministry in April and everything is sorted out by the end of August. Those children are returned to their parent.

I guess I'm trying to understand how many children in total during the year we would have in the care of the ministry. Is it 10,000? Because children come into and go out of the care.

Ms. Zerr: — Oh, you're trying to do a cumulative.

Ms. Atkinson: — I am.

Ms. Zerr: — And that's not how children in care are captured. When I refer to the fact that we were prepared to now, after the end of June, we'll be posting quarterly statistics, what we are able to say to you is that four times a year we can confirm the number of children in care in a way that ensures you have that look, and it will give you the trend in terms of numbers of children in care. And so we will be able to say that, for example, we know that in 2008 on December 31st there were 4,814 children in care. In 2009 on December 31st there were 4,797 children in care. We'll now be able to do that on a quarterly basis which gives you that accurate information in terms of how many are in care today.

The question you were asking is a much more complex question and I'm not aware that at this time we have the data system to calculate it.

Ms. Atkinson: — The new data system that's being developed by the ministry, will that kind of information, cumulative information, be able to be captured by the system?

Ms. Zerr: — It's our understanding that that answer would be yes because you would be tracking on separate identifiers. But I want to provide some caution here because it's about . . . You're actually talking about the churn, the in and out. And in and out is not a bad thing. If we can move children out, that's a good thing.

Ms. Atkinson: — I don't disagree. But I think we don't want to . . . And I'm not being critical here. When I say we, I'm talking about the state. We need to do a better job of understanding who comes into the system, who goes out of the system, what kind of factors cause someone to go out, and do they never come back in. And so we need to have an understanding of that.

The other thing, when you say \$18 million, this is a system that's going to track children. It's going to train the social workers, I guess, in terms of using the system. It's going to provide payment to foster parents or other third party agencies that provide service to those children. And what else is it going to do?

Ms. Zerr: — It's much more about the things that Cheryl described in that first piece. The absolute foundational, important piece of this system is the case management, that which allows us to understand not just where the child is, because with respect that's hardly the most important thing we need to do for that child.

[13:30]

It's, where is that child? What are the services they are receiving? What are the kinds of needs they have? Who is seeing them from our ministry? And how is payment being generated and for what? And where do they in and exit the system? So it's that broader case management piece which is really the important part of the system.

Ms. Atkinson: — I guess the point I'm trying to get at or understand: this is much more than an electronic record for each individual child that is in the care of the ministry. This is about that, it's about an electronic record of each individual child, but there's more to the system in terms of payment, foster parents, training, and so on.

Ms. Zerr: — Okay. And I will go to Ms. Senecal and Mr. Brown, but the training is for our staff in terms of the using of the system. And so Cheryl?

Ms. Senecal: — Yes, that's correct. When we refer to the training component, we are identifying the fact that, as I mentioned previously, it's a pretty significant learning curve for front-line workers who are not familiar with using an automated case management system to become competent and confident in their ability to work with the system. So part of our investment is certainly to ensure that staff are appropriately trained and

supported in the transition to using the new system. So when we talk about training, that's certainly what we're referring to. But yes, absolutely the system is also a payment system.

And as well, I have a few additional bullets here. It's the registration process of course, which is one of the first primary functions it will perform, the process of intake and investigation. So tracking those, making sure that they're timely, that they're being done according to the policy, creating ongoing cases, so certainly that would be in keeping with children moving in and out of care.

And so when they move out of care, it would be much more expedient now. If they're coming back into care, they're registered on the system. We're not going through a new intake process with them. We'd only be updating information as it may be necessary. Enrolling providers and tracking children with providers, so again, this is our out-of-home care continuum that might include foster homes, would also include persons of sufficient interest or extended family who are the care providers for a child in care, producing case-related forms and templates.

So a lot of that, as you can appreciate, today is very time consuming and very onerous in terms of having the creation of paper forms that, you know, and what have you. So those will be automated and flagged on the system, producing placement reports and ensuring that they're being done in a timely way, various administration functions, as well as interfaces between various payment applications, and being able also to ensure the compatibility of this being an enterprise platform for the potential of looking at income assistance also being built on this Cúram system.

So that's definitely future state and is not necessarily, you know, something we're anticipating, but is not something that at all is approved or finalized at this point.

Ms. Atkinson: — I've got one last question. This system will also indicate how many children are wards, permanent wards of the ministry. And I'm wondering if we're getting a little more proficient in having children that are permanent wards of the ministry available for adoption.

Ms. Zerr: — So in terms of adoption, we've had a 67 per cent increase in 2009-10 over 2008-09. That is in part due to some targeted efforts with an investment in the permanency planning side of the organization. Having the continuum of care clear for all to see will assist simply because it manages the time more efficiently. And so those children that are able to be placed permanently, whether in adoption or in a long-term situation, the system will assist us in managing that process better. I am quite confident in being able to tell you that.

Ms. Atkinson: — Just a follow-up to your answer. So we have children that come into the care of the ministry upon birth and they are placed, they become permanent wards of the ministry shortly after they're born. Do we have any data indicating how quickly those children are placed permanently or adopted? And is the ministry doing better than it has in the past where children might be two and a half, three, four, five years old, even though they'd been in the care of the ministry since birth, they were not permanently placed? So is that, do you have any data on that? And is the ministry becoming more efficient at placing children

permanently?

Ms. Zerr: — Ms. Allan will take the first cut at this answer.

Ms. Allan: — Clearly, like our deputy said, we've seen an increase in the number of adoptions over the last couple of years. But going on your example of, you know, when an infant comes into care, I think we also have to look at our process. Whenever a child comes into care, one of the very first things that we do is explore family and explore extended family and other options before we look at making a child a permanent ward. So that would be part of the process initially, but clearly it's an area where we continue to put some focus and effort.

You may be aware that we, over the last couple of years, had permanency planners that have been placed around the province to work at looking at resources, looking at family for placements. If we moved to a permanent wardship order for a child, then we would proceed as quickly as possible to get the child registered and placed for adoption.

We've also been looking at some of our processes in the adoption area so that it can be more streamlined, so that we're making sure that we can get the information as much as possible to the prospective adoptive parents and that they have the opportunity to ask any questions.

Ms. Atkinson: — Mr. Chair, I don't know how the committee feels about this, but I would be very interested in getting some data from the department as to your average times for children — I'm thinking of very young children — that become the permanent ward of the ministry, and how long it takes on average to place those children into an adoptive family or a permanent situation. Because, at one stage, I think that's why there was a decision made to have permanency workers to try and expedite that. And I'm just wondering in terms of whether or not that's working, if it's decreasing the amount of time that children that are permanent wards are placed permanently.

The Chair: — Mr. Forbes.

Mr. Forbes: — I'm not sure — I have a question on 334, and whether it's for the auditor or for the deputy minister, but it talks about . . . And I'll quote. It's just below exhibit 1.

For example, one of the Ministry's policies regarding social worker contact (visits) with children in care requires that, if the child is 5 years or older, the social worker should meet alone . . .

And it continues refer to a social worker. Now from what I understand, that many of the folks within the ministry who work are not actually registered as social workers. Is it actually stated in the policy that it's a social worker required to make the contacts, or is it a case worker? Who's actually the one that's going out?

And I think that I know this a significant issue, because in fact we know that many of the people who work in the ministry are not registered as social workers, you know. And I come from an education background where all members of the STF [Saskatchewan Teachers' Federation] . . . And I was struck here how many people who work with children are not actually

registered social workers. So is it the policy that only social workers can make the contact?

Ms. Zerr: — If you could just give us a moment, we're going to just check the policy. Our policy uses the language, case worker. However I do want to assure the committee that the credentialing process and the value of a professional ethics and professional body is noted within the ministry, and so we have undertaken some work recently to move along that trail.

Mr. Forbes: — Can you describe that work?

Ms. Zerr: — I would say it's at its initial phase and that we're undertaking is a look at how we might work with the association on a go-forward basis.

Mr. Forbes: — I appreciate that answer. And then on page 335, exhibit 2 talks about biweekly review and reapprovals not done. In 2009 it was 100 per cent which seems to me to say that the reviews and reapprovals were absolutely not done according to the sample of the auditor. And is that . . . What has been done to correct that?

Ms. Zerr: — And so with respect, this is a sample of audit files. And it's based on whether or not the documentation is in fact in the paper file, and we certainly accept the auditor's finding on the paper files that he reviewed. It is one of the challenges of a paper file. It's one of the reasons we are so looking forward to the implementation of the automated case management system. However in the interim, until we could get to the case management system, we took the auditor's recommendation seriously and went ahead and implemented what I would call an interim and very cost-effective system that would allow us to address this particular issue. I believe Ms. Allan can explain it better than I.

Ms. Allan: — Yes. In February of this year, we implemented the foster home information management system, and we've done training with our staff. There's approximately 250 users on the system currently. And this system captures the data that's entered into our ministry client index system and updates the system on a regular basis. It basically tracks the foster home placements. It will send emails, flag when there's an approval required for over the maximum of four foster children, and it initiates the approval and reapproval process. So that was put into place this year in advance of Linkin.

Mr. Forbes: — And this speaks specifically about senior managers' reapproval and biweekly review. So the 250 you are talking about, that's at the senior management level?

Ms. Allan: — That would be the staff. We went around the province and trained the staff on this new system. So that would be the supervisors and assistant supervisors and managers and front-line staff that are using the system.

Mr. Forbes: — Okay. But this specifically speaks to the senior managers making sure.

Ms. Zerr: — So the issue here is where is the delegation for approval of an over four. And so the message is that the system now has those folks at the front line using this system so that the appropriate delegated manager gets the notification on time

so that he may or may not approve a particular home.

Mr. Forbes: — Am I hearing that the problem was that the senior managers weren't getting the information, that's the reason why they weren't doing the approvals or reapprovals?

Ms. Zerr: — It could have been a number of issues.

Mr. Forbes: — Okay.

Ms. Allan: — Right. And this is an automated . . . So they will get an email indicating that they need to do the approval or reapprove it.

Mr. Forbes: — So they'll get an automatic email every week: have you done your checks?

Ms. Allan: — Yes.

Mr. Forbes: — Okay. So we hope that . . . I know we're running out of time, I think. Are we, Mr. Chair?

The Chair: — Just a question here maybe from the Chair's seat and then back over to Mr. Forbes. We have a minute or two left here. Is it the ministry's intent to comply with this auditor's recommendation that sits here today, as it relates to placing children into homes with more than four children? It's an outstanding recommendation. Compliance has yet to occur and certainly the stakes in these circumstances are high.

[13:45]

Ms. Zerr: — Are you asking me if we intend to comply with the recommendation to follow our policies?

The Chair: — That's correct.

Ms. Zerr: — And follow the policy which requires us to have approval when children are in homes of greater than four?

The Chair: — That's correct.

Ms. Zerr: — Then the answer is yes.

The Chair: — So is that the case here right now? Are you in full compliance with this recommendation that was outstanding then at this point in time?

Ms. Zerr: — Unless we did an audit today, I can't tell you if we are in full compliance today. The policy is in place. The system is in place. We have an internal audit mechanism that allows us to go in and audit as appropriate. And we of course also trust and value the input of the Provincial Auditor.

The Chair: — It looks like we're at the end of our time here. But Mr. Forbes I can see has a question that . . . [inaudible].

Mr. Forbes: — I hope at some time, or you know with the issue around CBO capacity in terms of delivering what the auditor's request is a concern as well. I don't need to ask questions about that though. But we'll mark it.

The Chair: — If you have a question, we could ask the

indulgence of the committee. Or are you suggesting that you will follow up through another mechanism? Do you have a direct question, and if so, does the committee . . .

An Hon. Member: — . . . if he has one question.

Mr. Forbes: — One question. And I think that it's an area that the auditor has highlighted. And I see that there's more reliance on CBOs. And my question would be: is the ministry doing work to provide CBOs with the capacity to meet some of the requirements that are required? And because CBOs are doing more and more of the work, and they do good work, and their intentions are to do good work, but quite often CBOs do not have the capacity in terms of what the auditors and what we look for in government in terms of making sure that the intentions of the government are followed out. Are you providing some support in that way?

Ms. Zerr: — The minister has done some significant work in strengthening both the financial and the program oversight of community-based organizations. We began standardized contracts on April 1st of 2009 that are intended to look at the multi-year process. And so the standardized contracts included requirement for operational plan reports, program review reports that demonstrate program progress or challenges experienced in the previous fiscal year. The multi-year process is assisting us with getting consistent reporting, tracking, and indeed submission proposal processes have become more consistent. It will also assist us, I think, in our reporting compliance.

Mr. Forbes: — Thank you for allowing an extra question. And thank you for allowing the questions.

The Chair: — Thank you, Deputy Minister, for coming before us today and for your officials doing the same. Do you have any closing comments you'd wish to offer at this time?

Ms. Zerr: — Simply to thank the members for their questions.

The Chair: — Sure, thank you. We'll recess at this point in time and we'll reconvene in a minute or two with ITO.

[The committee recessed for a period of time.]

Information Technology Office

The Chair: — Committee members, we'll reconvene at this point in time and focus our attentions to the Information Technology Office. I'd like to thank Deputy Minister Fiske for joining us here today and I'd welcome him to introduce his officials.

Mr. Fiske: — Good afternoon. I'm pleased to be here and once again have the opportunity to discuss the ITO's operations and the auditor's recommendations for improving the way we do business. I have with me today Phil Lambert who's the assistant deputy minister of operations, and Richard Murray, who's executive director of corporate services.

And before we begin, I'd like to make a few brief comments, if I may. As members of the . . .

The Chair: — Sorry. We'll just stay . . . My apologies and thank you for having some statements ready. Just to follow our process, we've been having the auditor's office make presentation first and then we'll come back to Deputy Minister Fiske at that point in time.

At this point in time I'd like to invite a presentation from the auditor's office, and as well have our auditor, Mr. Atkinson, introduce his officials.

Mr. Atkinson: — Thank you very much, Mr. Chair. Seated on my left is Jeff Kress. Jeff is a principal with our office and is going to lead this discussion for us.

Mr. Kress: — Thank you, Brian. Mr. Chair, members, and colleagues, good afternoon everyone. The ITO chapter begins on page 253 of the 2009 report volume 3. In the chapter, we describe that the ITO complied with authorities governing its activities and had adequate rules and procedures to safeguard public resources except for the matters raised in our security audit. In my comments I will focus the presentation on the security audit findings.

The ITO delivers IT services to government agencies. For government agencies to do their job effectively, they need to know that their IT systems and data are secure. We have audited the ITO's data centre since 2005. The audit examines whether the ITO has adequate controls to protect the confidentiality, integrity, and availability of client systems and data.

The audit period reported in the chapter is for the six-month period from September 1, 2008 to February 28, 2009. What did we find? Well weaknesses we identified in prior years continue to exist. We therefore continue to make the following three recommendations. The first was that the ITO establish information technology security policies for its clients; the second was that it protect its systems and data from security threats; and the third, that it have a disaster recovery plan for its data centre and client systems.

We also made two new recommendations in the chapter. The ITO needs to report on the adequacy of its controls to clients; however, the audit found that the clients received limited information. The ITO did not report weaknesses to clients or explain their potential significance. And that leads me to the first new recommendation. We recommended that the ITO provide relevant and timely security reports to its clients.

We also found that ITO employees did not consistently follow established procedures for granting and removing user access, changing passwords, and updating its computers. Our second new recommendation then was that we recommended that the ITO supervise its employees to ensure they follow established security policies and procedures. And with respect to the second recommendation, based on our current year audit I am pleased to report that the ITO is now adequately supervising its employees. We plan to include the current year audit findings in detail in our 2010 report volume 3.

Mr. Chair, that concludes my presentation.

The Chair: — Thank you very much, Mr. Kress. I would turn it over to Deputy Minister Fiske to provide a response.

Mr. Fiske: — Well thank you. As members of the committee are aware, late last summer the ITO was provided with a new mandate aimed at improving government IT services in a way that will benefit our ministry customers and the people of Saskatchewan. The mandate focused on four key areas: shifting from a technology-centric delivery model to one of a culture of customer service; providing responsive and value-added delivery of ITO services to our partner ministries; engaging the private sector firms in the efficient and effective delivery of ITO services; and enabling the efficiency and effectiveness of government through business solutions.

I am pleased to say that as an organization we have made significant progress over the past year. While there is still lots to do, thanks to the collaborative efforts of our staff we can point to a number of successes. Much of the work in the past year on the plans that we now have in place will address issues raised in the auditor's report.

Some highlights. Since the fall of 2009 the ITO is now providing ministries with firewall monitoring, stale account reports, security risk summaries. These are all done on a biweekly basis. We provide password reset reports on a monthly basis and employee security incident reports as required.

In conjunction with our customer security officers in this past year, the ITO has developed new policies covering mobile device usage, Government of Saskatchewan online credit card transactions, video surveillance, business continuity, egress filtering policy, and management of removable media.

These have all been communicated to our customers and our staff. The ITO 2010-11 work plan will see additional policies developed covering lost and stolen assets, information-sharing practices, control of access to local workstations, and a dozen others.

We have recently completed a customer satisfaction survey to assess strength and weaknesses of our service delivery system. We have developed a new memorandum of understanding that will replace old service level agreements. These new MOUs [memorandum of understanding] address many of the auditor's concerns with the older agreements.

And finally our office has released two RFQs [request for quotation] in the past three months seeking vendors qualified to manage government networks and data centres. Further improvement to government security will be an essential part of the services that will be provided by the private sector firms engaged through these RFQs.

The auditor has raised some legitimate points about the ITO's past operations and practices and we are generally in agreement with the recommendations in the report. I know my staff have recently met with the auditor's staff in advance of this year's security audit. We welcome this annual audit and it helps us to improve the services we have offered to our customers. Now my staff and I would be happy to answer any questions you might have.

The Chair: — I would turn it to the committee for questions. Ms. Atkinson.

Ms. Atkinson: — Right. Did I hear you say that there's now video surveillance? And can you describe what that entails.

Mr. Murray: — We've established video surveillance policies that strictly control when and where it is appropriate to install video monitoring equipment. And I'll give you a good example. We've got a facility that we store all of the computers and monitors and equipment that is going out to our partner ministries. We acquire them there, build them, and then send them out. So there are hundreds of thousands of dollars worth of equipment sitting in this location at any one time. It's appropriate for us to install video monitoring there so that in the off-hours we know no one is going to break in and steal the equipment.

The policies go further and state that they're not to be installed in publicly accessible places. We don't monitor hallways. We don't monitor office workspaces, places where people are working. They're strictly to be used for security of assets and protection of assets.

Ms. Atkinson: — So how many video surveillance cameras would you have across government?

Mr. Murray: — I'm guessing but I think I'll be pretty close to the mark here. We've got a warehouse facility. We've got another, I'm going to say probably four, four facilities that are monitored. And there might be two or three cameras in each of those facilities.

[14:00]

Ms. Atkinson: — Thank you. And, Mr. Fiske, you indicated that there is an RFQ that has been let two months ago. Can you explain what this entails?

Mr. Fiske: — Well an RFQ is a process where you go to the market and determine, get suppliers to submit their qualifications based on a set of criteria that we would establish prior. And through that process, then we can determine whether certain firms have the capability to deliver the services that we're looking for.

Following that first phase, then we would have them submit a solution in terms of running our network, for example, and pricing. And then based on that, then we would select the appropriate firm to deliver that.

Ms. Atkinson: — Can you explain how you go to the market? Do you send out letters? Is this on the Government Services tender site? Can you explain how you go to the market . . .

Mr. Fiske: — Yes. It's really similar to an RFP [request for proposal] process in that we would develop a document and, in the document, we'd describe what we're looking for. It would describe the criteria that we're going to assess the providers with. It would get posted on the Government Services website and then whoever so chooses bids on that. And then based on that selection criteria, we then have an assessment team made up of Government Services, ourselves, and an outside consultant to help us determine the best providers.

So then we would go to a short list and then once the short list

is selected, the short-listed suppliers would go through a due diligence process, examine what our services are and requirements are, and then come forward with a proposal and a price.

Ms. Atkinson: — So can you explain to the committee . . . You indicated that there was an RFQ a couple of months ago. Can you explain what you were looking for in the RFQ?

Mr. Fiske: — We were looking for a firm to run the Government of Saskatchewan network. The Government of Saskatchewan's network, the network we have today, there was 12 people running the network when I started in this position a year ago. Ten of those people are outside consultants, so they're hired as individuals to work on the network. So essentially the network was being run by outside providers, except we were probably spending more than we needed to and not getting the results we needed to.

Our network . . . For every day that the network is down, there's \$2.4 million in lost productivity to the province of Saskatchewan. A year ago we had two hours of downtime for the year, so that's \$4.8 million in lost productivity. So we're looking for somebody that can come in and run the network and provide 99.99 per cent uptime. So that's what we're . . .

Ms. Atkinson: — Thank you. And are there many companies that have this kind of capacity in the province of Saskatchewan?

Mr. Fiske: — We had six bids and then we short listed it to two. And, you know, we're in the process of making that selection.

Ms. Atkinson: — And can you describe what the two had that the other four didn't have?

Mr. Fiske: — I guess in simple terms they've got capability; they've got capacity. They eliminate a fair bit of risk for us, and ultimately we'll make a decision based on price.

Ms. Atkinson: — And are any of these folks located in the province?

Mr. Fiske: — Yes.

Ms. Atkinson: — Thank you. And so this will be a transparent process so that people who are the losing people will understand exactly why ITO will make the decision it's about to make?

Mr. Fiske: — Absolutely.

Ms. Atkinson: — And will that be available for the public to understand as well?

Mr. Fiske: — Sure.

Ms. Atkinson: — Thank you.

The Chair: — Thank you. Maybe focusing just specifically on recommendation no. 1, the recommendation that the Information Technology Office provide relevant and timely security reports to its clients. There was many aspects

highlighted by the deputy minister here today. Just from the deputy minister's perspective, where is the ministry at with respect to compliance on that front?

Mr. Fiske: — Excuse me. I've got this cold so I'm struggling. We believe that we've made a lot of progress on that in the last year, and as I said, we've got more to go. But I don't know . . . Do you want me to read that list over again?

The Chair: — No, I appreciate the . . .

Mr. Fiske: — So, you know, we've communicated security policies and procedures to internal staff. Oh sorry . . . [inaudible interjection] . . . Yes. Just on this one?

A Member: — Just this one.

Mr. Fiske: — Yes, okay. So I don't know what else you want me to say about it. I think we've completed a lot of these reports.

I should point out, I think that with this new network provider we're going to have increased security there. So we'll probably have more reports as well that we can provide to our customers in terms of how their security falls. But you know, I think that we've made progress and I don't know if I need to say any more than that, I guess.

The Chair: — With work outstanding and actions as you've noted, I would seek a motion of progress. Mr. D'Autremont.

Mr. D'Autremont: — Thank you, Mr. Chairman. I would move that we note concurrence with this and significant progress.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — Okay. It is agreed that this committee concur with recommendation no. 1 of chapter no. 12, Information Technology Office, of the Provincial Auditor's 2009 volume 3 report, and note progress.

We'll go ahead and move on to recommendation no. 2. Questions from committee members? I guess as reported to us by the auditor's office, just wanted to verify there, from their perspective at this point in time, compliance has occurred. So certainly I would seek a motion. Mr. Michelson.

Mr. Michelson: — I'll so move that we concur with the recommendation and note compliance.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — It is agreed that this committee concur with recommendation no. 2 of chapter no. 12, the Information Technology Office, of the Provincial Auditor's 2009 volume 3 report, and note compliance. At that point in time, this concludes the new recommendations that we're considering.

There are some outstanding recommendations. I don't know if there's any further questions from committee members at this point in time. Not seeing any, I invite Deputy Minister Fiske to provide a closing statement. And thank yourself and your officials for coming before us here today.

Mr. Fiske: — Thank you very much. We don't have much to say in closing. Just thank you for this opportunity, and we continue to work with the auditor as well.

The Chair: — Thank you. And I have a committee member . . . We still have a few minutes left on our clock as it relates to our calendar. I have Ms. Atkinson that has a question.

Ms. Atkinson: — One of the recommendations in the past was around the human resource plan. I see that it's been partially implemented, but ITO is developing a new human resource plan for this fiscal year. Has that human resource plan been developed?

Mr. Fiske: — We have just recently completed our workforce plan and presented that to the Public Service Commission and had it approved. So we're in good shape on that one.

Ms. Atkinson: — And do you see the number of people at ITO decreasing as a result of that workforce plan?

Mr. Fiske: — To some extent. I guess if you looked at the number of people that have worked at ITO . . . If you went back five years since consolidation, the head count at ITO has continually dropped off. And I'm also proud of the fact that so has the number of consultants that are in there. We've been able to reduce the number of consultants at the ITO significantly. And so we'll see that continue to drop off as well.

Ms. Atkinson: — Thank you. So I guess to the auditor, would you say that this human resource plan has been implemented or you can't determine that yet?

Mr. Kress: — I was responsible for the security part of the audit, not the regular audit, so I'd have to just defer and ask Tara Clemett if she has any additional information.

Ms. Clemett: — Yes. We're not done our assessment at this time.

The Chair: — At this point in time that concludes our questions and scrutiny of the ITO. Thank you again for coming before us, and we will recess briefly. At 2:15 we'll reconvene for consideration of the Public Service Commission.

[The committee recessed for a period of time.]

Public Service Commission

The Chair: — Committee members, at this time we'll reconvene committee here this afternoon, and we'll turn our attention and our focus to the Public Service Commission, chapter no. 16 within the volume 3 report from the 2009 Provincial Auditor's report. At this point in time we welcome Deputy Minister Wincherauk to the committee and his officials. I'll ask him to introduce his officials briefly and then we will turn it to the Provincial Auditor to provide their findings and

then subsequent response.

Mr. Wincherauk: — So with me today is Raman Visvanathan, director of employee service centre; Don Zerr, acting director of corporate human resources, management and employee relations; Lorraine Von Hagen, manager of corporate services; and Gisele Fontaine, director of staffing systems and support.

The Chair: — Thank you, Deputy Minister Wincherauk. We will now turn it over to the Provincial Auditor's office, and Mr. Atkinson will introduce his officials and present their findings.

[14:15]

Mr. Atkinson: — Thank you, Mr. Chair. I'm pleased to present to you today Tara Clemett. Tara is a principal in our office and will be leading our discussion on the Public Service Commission.

Ms. Clemett: — Good afternoon, Mr. Chair, members, and officials. In chapter 16, starting on page 317 and going to page 324, we report the results of our 2009 audit of the Public Service Commission including the results of our security audit that assesses PSC's central controls over its computerized HR and payroll system, also known as the MIDAS [multi-informational database application system] HR payroll system.

We conclude that PSC has complied with its governing authorities and had adequate rules and procedures to safeguard public resources with one exception as noted on pages 320 and 321. While PSC has implemented a policy on obtaining criminal record checks for certain ministry staff, it is still in the process of completing those criminal record checks. As of September 2009, criminal record checks were only 70 per cent complete. It expected to complete the remaining by September 2010. Criminal record checks help protect citizens from loss of public money.

Starting on page 321, we report the results of our security audit for the year ended December 31st, 2008. We conclude on page 323 that PSC had adequate controls to protect the confidentiality, integrity, and availability of the transactions on MIDAS HR payroll, except for two exceptions. We have previously reported these two exceptions to the committee and the committee has agreed with our related recommendations.

Our recommendations related to these exceptions are set out on page 324. First, since our 2007 report volume 3, we have recommended that PSC have policies and procedures for monitoring user access to MIDAS HR payroll. Starting in October 2008, PSC gave ministries a list of user accounts that have not been accessed for some time. We refer to these as inactive accounts. However, PSC did not require ministries to act on these inactive accounts within a certain time frame or automatically cancel access to them. As a result, users with inactive accounts had inappropriate access to MIDAS HR payroll system and confidential information contained in the system. PSC and the ministries were therefore at risk of unauthorized disclosure of confidential information.

Second, since our 2008 report volume 1, we have recommended PSC provide ministries with written guidance on processing and

approving payroll payments, in particular written guidance on properly approving payments as required by *The Financial Administration Act*.

During 2008 PSC began developing payroll policies and procedure, and it expected to complete these in 2009. During our 2009 audit, we found PSC has addressed both our recommendations with regards to MIDAS HR payroll. That concludes my presentation on this chapter.

The Chair: — Thank you. I'd turn it back to the deputy minister.

Mr. Wincherauk: — No real comments. We'd just like to thank the Provincial Auditor and his staff for their efforts and for the guidance they've given on this. We believe we have made some significant progress in both these areas, and I'd be more than happy to answer questions.

The Chair: — I would field questions from the committee at this time. Ms. Atkinson.

Ms. Atkinson: — Yes. Earlier today we had the Ministry of Health here regarding human resources available from the Public Service Commission to the ministry. And they have not yet got an agreement apparently with the Public Service Commission setting out the roles and responsibility of both the PSC and the ministry. And so I'm wondering is that in place yet?

Mr. Wincherauk: — What I can tell you is our service level agreements. We have signed service agreements with Agriculture, Justice, Education, Executive Council, Highways, Energy and Resources, First Nations and Métis Relations, Environment, Tourism, Municipal Affairs, the ITO, Provincial Secretary, and Enterprise Saskatchewan.

We are in discussions with Government Services; Finance; Health; Social Services; Advanced Education, Employment and Labour; and Corrections. So we hope to have those concluded. We also have specific service level agreements with these ministries in respect to the employee service centre.

Ms. Atkinson: — I just want to understand the process. Is the Public Service Commission, are they not involved when it comes to the hiring of managers and involved in the interview process and so on so that there's some sort of corporate oversight?

Mr. Wincherauk: — I think what you're speaking to there is the delegation of staffing. And this is not a new concept. This is something that we've had the authority to delegate staffing to ministries, and we have been doing this since, I believe it was the mid-1990s. And so this has been going on for close to over 15 years.

But having said that, we also know that the integrity of the hiring process is vital to the functioning of the public service. And so we still set the standards. We maintain the integrity, and if there is abuse and something goes wrong in that area, we will revoke that delegation of authority that we've granted to the respective ministries.

Ms. Atkinson: — But as I understand it, in the past when the human resources were out in the ministries, they were involved in the process for hiring managers before it was taken back by the Public Service Commission. So I guess what I'm trying to understand is, has there been a change in this? Because when there were people in the ministries in terms of human resource personnel, they were involved in the hiring of managers.

Mr. Wincherauk: — [Inaudible] . . . interview panels, etc. Yes.

Ms. Atkinson: — So now with this policy change where we tried to centralize human resources so that there would be some sort of corporate oversight, are we now saying that, for instance Health has . . . they can do what they want because there isn't someone now in the ministry?

Mr. Wincherauk: — Yes. So just a few remarks on that, is that, yes, in the striving to become a well-performing organization from a human resources point of view, it's essential that when we put competitions out there that we have to be able to turn that around rather quickly. And in the past, we've been running around 107 days to staff a competition. And in this day and age, doing that, we're losing our talent.

So one of the things we looked at was how do we become more efficient? How do we become more effective, and how do we drive that down? And our target is to get that down to 35 days per competition now. So we have heard from the managers over the years that they would like to . . . they don't believe they need us actively involved in a lot of the staffing. We have created a whole series of tools that are on our website that people can go in and get interview guidelines to assist them in doing all this.

And so that's where we've moved over the last while. And like I said, this has been going on for close to 15 years. But I'll turn it over to Gisele, and maybe you can speak in a little bit more detail to that.

Ms. Fontaine: — Okay, you mentioned the Health, for example. Health has an HR service team of the PSC that serves the Ministry of Health and a couple of other ministries. In days gone by, they would have sat in on those interviews, and today that consulting role remains the same. They aren't necessarily sitting in on each piece of the process, but they're doing all of the consulting with their client in that ministry. They're ensuring that they have all the tools that they need, the support that they need, just not in the capacity of managing that process.

Ms. Atkinson: — So how can the public be reassured that there is no management nepotism, let alone political interference? Because with all due respect to the deputy minister, there was a significant involvement in the Public Service Commission when it came to hiring not only people in the in-scope but out-of-scope. And one of the concerns was that we needed to have more of a corporate approach to HR planning, à la the reason why HR people were moved in to the Public Service Commission out of the ministries in over . . . to have oversight from the Public Service Commission.

But it sounds as though there's been some devolution and delegation. And so that I think, in my view, leads to some, can lead to some very significant issues. And so how are people

such as myself and others assured that we are going to continue to have a professional public service where people who are hired, they are not hired without oversight?

Mr. Wincherauk: — A valid point. I think what you have to speak to here is the integrity of the Public Service Commission itself, the integrity of our deputy ministers and our assistant deputy ministers, executive directors who are all involved in those hiring processes. You know, we still are responsible for the staffing standards. And if there are incidents where something is not proper, then we will simply revoke that delegation of staffing authority.

Now when it comes to in-scope, there's a different process for that, and we can have Don speak to that if you would like to. But we take very seriously the integrity of the hiring process. It is foundational to a well-performing public service.

Ms. Atkinson: — I understand that the Public Service Commission certainly in the past has taken that very seriously and worked very, very hard to have a professional public service where people who are hired had the skills, particularly in management, and there was a need to renew management as people retire and so on. But I guess with this devolution that you're talking about, how can the . . . just to me, it's not enough to say, well we have integrity, and so therefore everything's going to be fine.

I want to know that the policies of the Public Service Commission, the procedures, the process, all of that sort of thing that has been there in the past is still there so that we can be assured, as the public, that we have a genuine, professional public service and there is no interference in that. And I'm not sure how we can be assured if the Public Service Commission is delegating this off to the ministries, how can we be assured that there isn't, you know, wink-wink, nudge-nudge, if the Public Service isn't there monitoring who is being hired?

Ms. Fontaine: — If I may, I think that that comes down to the supports and tools that are being put in place for those managers, for the hiring managers to use. We've been doing a very . . . We took on a big staffing training initiative with managers over the last year and so far have trained about 500 people, put them through this staffing workshop.

We've established templates for them for the various kinds of jobs that they're staffing. As Don mentioned, the staffing standards are established. Reviewing the files, developing assessment tools — none of that has changed except that the accountability now for the hiring decision is aligned with managers' accountability for all other parts of HR management that is their role.

Mr. Wincherauk: — And this would link back to a manager having responsibility for financial resources within their organizations or how they manage their programs that they deliver to it. I don't see it as being any different.

Ms. Atkinson: — I guess, you know, we used to have assistant deputy ministers that came through the Public Service Commission. We moved away from order in councils to a Public Service Commission process. That's no longer the case. They're order in council. Many of the deputy ministers came

out of the public service. We now have deputies that haven't necessarily come out of the public service. And so I'm just . . . You know, when you have the Public Service Commission with its legislation, its procedures and so on and so forth, and its oversight, then you can feel somewhat confident that people who are being hired are being hired legitimately.

And so I guess I just want to put this on the public record, as a member of the public and the official opposition, that there was quite a lot of work that went into developing a professional public service. And I hope that we're not going backwards by having this devolution that you spoke to.

Mr. Wincherauk: — Well, I believe that it is still obviously a very proper system. I know, you know, we still have ADMs who come up through the Public Service Commission or are through the classified part of the public service. We still have . . . Yes, deputies and associates are OC appointments as they've always been.

[14:30]

Ms. Atkinson: — Assistants are now, and they removed . . . Associates were OCs and there was only one . . . And then the ADMs [assistant deputy ministers], the assistants — they were moving into the classified service. But that's not the case anymore.

Mr. Wincherauk: — But there's always been a combination of that. And you know, I've gone back to this since 1988 and . . .

Ms. Atkinson: — It changed.

Mr. Wincherauk: — Yes. There's always been OCs, and sometimes there's one or two. Sometimes there's been one or two associates who were OCs, and then there have been other times when there have been more than that. So it's been that way in the past, and it will be that way in the future. But I do believe that we do have a system, and that is a proper one, and that people enter the competitive process through interview processes, and those who are selected as the best candidates get the job.

The Chair: — Any other questions at this point in time from committee members? Well then I think I'd simply like to thank Deputy Minister Wincherauk for coming before us here today and for your officials for doing the same. Are there any closing remarks that you'd wish to leave us with?

Mr. Wincherauk: — No. Again I'd like to thank the auditor and his staff for the guidance they've provided us and the questions from the members. Thank you.

The Chair: — Thank you very much. We will take a short recess, and up next for consideration will be the Justice and Attorney General chapter.

[The committee recessed for a period of time.]

Justice and Attorney General

The Chair: — Committee members, we'll reconvene at this point in time with our attention on the Provincial Auditor's

2009 volume 3 report, specifically chapter 13, Justice and Attorney General.

At this point in time, I'd like to make mention that we have another member joining us at this point, Mr. Quennell who also serves as critic for this portfolio. And I'd like to welcome Deputy Minister Tegart and invite him to introduce his officials. Once that's complete, we'll invite the auditor to make a presentation of their findings and then return the invitation to the deputy minister. So introduction.

Mr. Tegart: — Thank you, Mr. Chair. With me today are Ken Acton who is the assistant deputy minister of courts and civil justice. Coming in a moment or two will be Rod Crook who is the assistant deputy minister of regulatory services, and Cathy Drader who is the director of information management branch.

On my right is Jeff Markewich, the director of assurance and financial reporting. And on my left is Allan Snell, QC [Queen's Counsel] who is the chief executive officer of the Saskatchewan Legal Aid Commission, and with him is Jerome Boyko who is the director of finance for Legal Aid Saskatchewan.

The Chair: — Thank you. I would invite Provincial Auditor Atkinson to introduce his officials and to present their findings.

Mr. Atkinson: — Thank you very much, Mr. Chair. Seated beside me is Kelly Deis. Kelly is a principal with our office and will be leading the presentation. Also joining us this afternoon, seated beside Kim is Melanie Heebner. Melanie is a manager with our office and is here to observe your proceedings this afternoon. Thank you.

Mr. Deis: — Good afternoon, Chair, members, and officials. We're going to be covering chapter 13 in our 2009 report volume 3.

Chapter 13 of the Ministry of Justice and Attorney General begins on page 269 of our report. The chapter describes the results of our audit of the ministry for the year ended March 31st, 2009. On pages 273 to 275, we provide an update on five previously reported recommendations.

The ministry should: work with the Ministry of Corrections, Public Safety and Policing to ensure the voluntary payment option on issued tickets is consistent with *The Summary Offences Procedures Regulations, 1991*: secure credit card information in accordance with credit card industry security standards.

The ministry should sign an adequate agreement on disaster recovery and security with the Information Technology Office.

The ministry should adequately monitor security and availability of its information technology and systems and data and complete and implement its business continuity plan. Your committee has considered these matters in the past and has agreed with our recommendations.

On pages 275 to 279 we discuss a follow-up to a security audit we did at the Saskatchewan Legal Aid Commission. We made six recommendations in 2008. As of August 31st 2009, the commission has met three of the six recommendations and has

plans to address the other three remaining recommendations. We continue to recommend that the Saskatchewan Legal Aid Commission follow its password standards and monitor user access for its systems; adequately configure, update, and monitor its computers and network equipment; and develop and test a disaster recovery plan for its information systems and data. Your committee has considered these matters in the past and agreed with our recommendations.

On pages 279 and pages 280, we provide an update on recommendations previously made by your committee and their status. And that concludes my overview of the chapter.

The Chair: — Thank you. And I would invite a response from the deputy minister.

Mr. Tegart: — Thank you, Mr. Chair, committee members, and provincial audit members. I want to begin by thanking the provincial audit for their efforts in 2008 and 2009. Before I begin my formal remarks, I want to highlight a positive achievement for the Ministry of Justice and Attorney General.

In the 2008-09 report, the ministry was not cited for the issue of recording, tracking, and enforcement of tickets. The Provincial Auditor had cited the ministry for this issue every year since 2002, and in 2008-09, the ministry spent over 600 hours of staff time analyzing the issue. In doing so, no fraudulent activity or abuse was discovered, and there was no indication issued tickets are not being reported properly to court services. The ministry did identify areas for improvement, mainly with respect to tracking and reporting of voided and spoiled tickets, and it has implemented changes. So in our view this is a notable accomplishment.

Now I will briefly comment on the four areas cited by the Provincial Auditor as needing improvement in the auditor's 2009 report volume 3 for our ministry. And then after that, I'll turn things over to Allan Snell to speak to the issues related to the Saskatchewan Legal Aid Commission.

The first area noted is fines not in accordance with legislation. The ministry is committed to working with the Ministry of Corrections, Public Safety and Policing to ensure the voluntary payment option on issued tickets is consistent with *The Summary Offences Procedure Regulations*.

Annually over 100,000 tickets are issued throughout the province. Regrettably there is a human element in issuing tickets, and errors will be made. In reviewing the three incorrect tickets out of the 23 tickets tested by the Provincial Auditor's staff, the errors noted had the wrong victim surcharge. As it happened, each of the tickets had been issued shortly after the victim surcharge changed on July 1 of 2008; however, the tickets did not reflect the change. The ministry has discussed the errors with officials in the Ministry of Corrections, Public Safety and Policing. It has been determined that the errors are transitional in nature due to the change in the victim surcharge rates and do not point to a larger training issue.

The next area is compliance with credit card security standards. Since November 2007, the ministry has been working with the Information Technology Office and an external security contractor to determine and implement the necessary changes to

ensure compliance with the credit card industry security standards for the corporations branch website and its COBRA [corporations branch] application, as well as the ministry's other websites that process credit card transactions, and those other websites are the Queen's Printer and fines online.

In March of 2009, ITO successfully implemented an infrastructure change for the corporations branch, which was one of the changes required to be compliant with the payment card industry data security standards. A compliance scan was then completed by an approved Payment Card Industry Security Standards Council scanning vendor. The scan provided certified proof the external COBRA environment for the corporations branch is compliant with the payment card industry scan validation requirement. However, the scan identified that there are still some outstanding network compliance issues.

The ministry continues to work on the resolutions required to ensure that the corporations branch website and its COBRA application are payment card industry compliant. Furthermore, in February of 2010, the ministry received a final assessment report from its external security contractor stating that although the Queen's Printer and fines online websites do not retain credit card data, each still requires some small process changes to become compliant.

The majority of outstanding compliance efforts for the ministry involve modifying current internal procedures. An internal committee has been established to work on these efforts. Procedural changes for all areas of the ministry that accept credit cards are expected to be completed by December of 2010.

[14:45]

The next area is better information technology processes needed. The ministry continues to work with ITO to improve its information technology processes. The ministry is also working with the ITO to ensure that its disaster recovery processes meet the ministry's needs. The ministry is committed to monitoring the security and availability of its information technology systems and data and ensuring information technology processes and policies are being followed on a timely basis. The ministry is working with ITO to receive information regarding the adequacy of ITO controls, and how weaknesses at ITO could affect the ministry's systems and data.

The last area, business continuity plan needed. The ministry has updated its business continuity plan to incorporate the delivery of information technology services through ITO. As mentioned earlier, the ministry is working with ITO to ensure that ITO's disaster recovery processes meet the ministry's needs. The business continuity plan has been updated to include the ministry's pandemic response plan and to reflect the lessons learned from two tabletop exercises which were completed on November 19th of 2008 and September 23rd of 2009. The ministry tentatively plans to do another tabletop exercise in this fiscal year to further assess and update its business continuity plan.

So now I'll turn things over to Al Snell to speak to the issues related to the Saskatchewan Legal Aid Commission.

Mr. Snell: — Thank you, Mr. Tegart. Mr. Chairman, the Legal

Aid Commission about two years ago acknowledged the IT security audit report and replied to the report that we were at that time beginning to implement processes that will assist the commission in meeting the standards described in the memo.

We also reported that some of the recommendations may take some . . . a little bit while longer to implement. At the current time there are two outstanding recommendations. The third that was mentioned actually has been completed as of the commission meeting on June the 4th in which a disaster recovery plan was adopted by the commission, and we're in the process of testing day to day that plan.

The commission has an IT management committee which consists of three members from the central office: the director of finance who's with me this afternoon, Jerome Boyko; the director of planning and administration; and the administrative assistant, system administrator. There are also two other staff members, a legal director and a legal secretary, on the committee. As well we have a support contractor who is also involved with responding to the recommendations. This committee does recognize the importance of the IT security audit recommendations and has listed this as a standing item on its agenda.

The Chair of the Legal Aid Commission, Mr. Brent Gough, Q.C., has also requested that the members of the commission be updated at each commission meeting to ensure that the recommendations will be implemented. The board, the commissioners, are aware of management's intention to resolve these matters as quickly as we can.

We are pleased to report, Mr. Chairman, that the commission has not had any issues related to any breaches or compromises of the IT systems. With that, Mr. Chairman, I would like to invite Mr. Jerome Boyko, our director of finance, to speak more specifically to the individual recommendations.

Mr. Boyko: — Thank you, Mr. Snell. Chair, members, officials, Provincial Auditor, thank you for allowing me to respond to the recommendations. I'm going to speak to them specifically as they are addressed in the document.

The Provincial Auditor has summarized the recommendations under several headings. The first heading was showing management's commitment to security. The auditor recommended that Legal Aid Saskatchewan update its information technology security policies and procedures based on a risk assessment. The auditor did conclude in the report that the commission has met those recommendations. We acknowledge that no further action is required and we'd like to further report that Legal Aid management will continue to review the threat risk assessment on the annual basis.

Under the heading, protect systems and data from unauthorized access, the auditor's recommendation was that the Legal Aid Commission physically secure network computers, specifically the servers, located in each of their area offices. Again the auditor conclusion was that this recommendation has been met and again no further action is required by Legal Aid.

The third recommendation was that the Legal Aid Commission follow its password standards and monitor user access for its

systems, and the auditor concluded to continue with this recommendation. Legal Aid has password standards implemented on commission-owned workstations. The password policy for administrator accounts still remain outstanding. The commission is presently engaged in rewriting its current case management system, and the administrator accounts are tied very closely to this database.

It is anticipated that the matter regarding the administrative passwords will be resolved with the introduction of this Legal Aid information network. The timeline for resolution is later this summer.

The fourth recommendation that the Legal Aid Commission adequately configure, update, and monitor its computers and network equipment. Again, the auditor concluded to continue with this recommendation.

The auditor recognizes, and we responded to them, that we have not yet improved the configuring and monitoring of our firewalls. The commission IT management committee recognizes this, notes the commission's infrastructure includes multiple levels of security which includes our workstation server operating system security, internal firewall security, government email services, Barracuda firewalls, CommunityNet infrastructure and its firewalls, and SaskTel infrastructure and its firewalls.

The committee also recognized the importance of ensuring that the assets have the most current security updates. As a result, the commission has engaged the services of an external IT consultant to review the area offices' server and firewalls. It is anticipated that this report of the consultant will recommend the capital required to meet the auditor's expectations. The report should be available for review by the commission's IT management committee during this summer, and we plan to implement them later this fall.

Under the final heading, keep systems and data available for operation, the auditor recommended that the Saskatchewan Legal Aid Commission adequately store, secure, and test its backups of information stored on its computers. The commission has met the recommendation and no further action is required.

The auditor's final recommendation was that the Legal Aid Commission develop and test a disaster recovery plan for its information systems and data. The commission, as indicated by Mr. Snell, is that it has been presented to the board. The legal directors and key staff in each of the offices are being provided with this document and legal directors are asked to maintain this document off site.

We value the information provided by the auditor and recognize the significance of their audit. In conclusion, we agreed with the recommendations outlined by the auditor and anticipate having these recommendations resolved in this fiscal period. This concludes the specific response to the recommendations of the Provincial Auditor IT security audit for the Saskatchewan Legal Aid Commission.

The Chair: — I'd like to thank you for going through in significant detail the outstanding recommendations. Thank you

for that. Should also make mention that we have a substituting member at the table here now, Mr. McCall in place of Ms. Atkinson. And at this point in time I would turn it over to committee members for questions.

We appreciate the thorough report that was provided there, and in many cases that's not provided on the front end of the presentation. And I look around the table and I think you've satisfied the many questions that existed here. Certainly we look forward to the follow-up with the auditor to track the progress and compliance or coming into compliance with respect to these recommendations. So it looks as though we don't have questions at this point in time from committee members. We thank you for coming before us today, Deputy Minister Tegart, and your officials. Is there any closing comments you'd wish to offer at this point in time?

Mr. Tegart: — No. I just want to assure the committee our feelings aren't hurt by the fact that there are no questions. And again, I want to thank the provincial audit officials for all of their good work and also the comptroller's office for their support throughout the year.

The Chair: — Thank you very much. We'll recess just briefly, just a couple of minutes, and then we'll meet as a committee with respect to the 31st annual conference of the Canadian Council of Public Accounts Committees. Thank you very much.

[The committee recessed for a period of time.]

The Chair: — Our last piece of considerations here today, we'll reconvene and that would . . . The piece would be specifically the invitation that we've received to attend the annual conference, this being the 31st annual conference of the Canadian Council of Public Accounts Committees. This will occur this year from August 29th to 31st. And certainly this has served itself as a useful tool for professional development and in understanding what's going on in other jurisdictions. So I would welcome discussion from the floor. Certainly in years previous we have sent committee members to this conference. Mr. D'Autremont.

Mr. D'Autremont: — Thank you, Mr. Chairman. I think that there is some value in members attending this particular conference. However, when I look at our committee, we have seven members on the committee. And when we look at the other conferences that we attend across the nation or with the Commonwealth, we do not send the majority of the members of any one committee or of the House to attend conferences. This being also a year of some fiscal restraint and responsibility, I think we should limit the number of members who attend this 31st annual conference to two members, being the Chair and Vice-Chair or their designates.

[15:00]

So if the Chair can't attend, then the Chair can provide an alternative member to attend, or if the Vice-Chair cannot attend, then the Vice-Chair can delegate an alternative member from the committee to attend. You know, I think that 50 per cent or more of the committee members is excessive. And I think one member, which as Chair and Vice-Chair is one member from each side of the aisle, is a responsible way to do this. And so

that would be my recommendation that we sponsor, as the Public Accounts Committee, two members being the Chair, Vice-Chair, or their designate.

The Chair: — Mr. McCall.

Mr. McCall: — Yes. Just very briefly, I'd certainly agree with Mr. D'Autremont on the main points of his arguments. It enshrines the parity between the sides that has been observed in past attendance by members of the committee to the PAC conference. So I thank him for his thoughtful and equitable suggestion in this matter, Mr. Chair.

The Chair: — At this point in time I guess we can work on getting a motion put together here. I'm wondering with all this talk of fiscal constraint and responsibility if I'm not looking at a Finance minister in a couple of weeks here, but I guess that will be announced sooner than later. I see Mr. D'Autremont has a motion to put before the committee.

Mr. D'Autremont has moved:

That this standing committee authorize the attendance of the Chair and Vice-Chair, or their designate, of the PAC committee to attend the CCPAC conference to be held in Quebec City, August 29th to 31st, 2010.

All in favour?

Some Hon. Members: — Agreed.

The Chair: — Agreed. It's agreed that this committee concur, or that this recommendation is so moved. I got into the habit of the recommendations of the auditor.

I'd be willing to entertain all sorts of discussion for many hours into the evening here, this being Friday afternoon. Of course, we have many individuals who have tuned in at home. We thank them for doing so and caring about the public resources and the safeguards that this committee presents. But without seeing any other questions and comments at this point in time, I would entertain a motion of adjournment.

Mr. Michelson: — So moved.

The Chair: — Moved by Mr. Michelson. All in favour?

Some Hon. Members: — Agreed.

The Chair: — So moved. We'll reconvene next Friday at 9 a.m.

[The committee adjourned at 15:06.]