

HANSARD

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COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, April 27, 2011

LEGISLATIVE CHAMBER

Department of Justice
Maintenance Enforcement Program

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Public Accounts Committee

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[Mr. Sidney Prest replaced Ms. Michele Raymond]
[Ms. Kelly Regan replaced Hon. Keith Colwell]

In Attendance:

Mrs. Darlene Henry
Legislative Committee Clerk

Jacques Lapointe
Auditor General

Mr. Gordon Hebb
Chief Legislative Counsel

WITNESSES

Department of Justice

Ms. Marian Tyson, Deputy Minister
Ms. Judy Crump, Director, Maintenance Enforcement
Ms. Susanne Carlin, Maintenance Enforcement



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, APRIL 27, 2011

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIRMAN

Ms. Diana Whalen

VICE-CHAIRMAN

Mr. Howard Epstein

MADAM CHAIRMAN: I'd like to welcome you to the Public Accounts Committee this morning. We are, this morning, looking at maintenance enforcement, the program with the Department of Justice, and we have guests with us from that department.

I'm going to begin, if we could, with the introduction of our members and guests.

[The committee members and witnesses introduced themselves.]

MADAM CHAIRMAN: Thank you very much and, as is our custom, we'd like to begin with a statement from you, if we could, Ms. Tyson, I'm sure you have something prepared. Not too long, please, because it does cut into the questioning time, but if you'd like to take the floor we'd like to hear from you. Thank you.

MS. MARIAN TYSON: Thank you. The Maintenance Enforcement Program is responsible for ensuring that recipients of orders from the court, or agreements which are court ordered for the payment of child and spousal support, so the program registers those orders and agreements, collects and enforces those orders and agreements which are registered.

This is important work which families in Nova Scotia rely upon. Unfortunately, in today's society, separation and divorce are a reality, and these events very often have a negative impact on the financial stability of families. Some families have difficulty supporting themselves with one household, and when there is separation or divorce we have two households and it makes it much more challenging and much more stressful. I can only imagine how frustrating it is for people in these circumstances when they don't receive their court-ordered payments, especially when they are depending on those payments.

Court orders are not always easy to enforce, as you no doubt are aware, but we are continuing to improve our enforcement efforts and I would be pleased to tell you about that. A couple of statistics: as of the end of last year there were over 15,000 cases enrolled in the Maintenance Enforcement Program and that would represent over 15,000 children; and in 2010-11, over \$59 million in financial support was collected by the program and passed along to families.

All maintenance orders made or registered by the Family Court or the Supreme Court of Nova Scotia, including inter-jurisdictional orders, are filed with the program. Cases get enrolled when either party submits the completed enrolment kit. Enrolment can take several forms, the goal being to encourage full payment, on time. Enforcement officers assess each case and determine which enforcement actions will most likely encourage payment. That's their objective. Typically, the type of enforcement escalates if payments are not made and, obviously, we hope not to have to use the maximum enforcement options, but they are used when necessary.

Some of the actions we can take are very broad. We can garnish wages, garnish pensions, and take rental income, lottery winnings and other forms of income. We can garnish any money owed to the payor by the federal government, such as income tax refunds or GST rebates. We can place a lien against a person's property so that the property cannot be sold or remortgaged without a payment to the program. We can request suspension or revocation of driving privileges, hunting privileges, fishing licences and other federal licences, including a passport or a pilot licence.

Staff in the program have been directed to maximize enforcement on all files in arrears. This means that files are being reviewed for higher level enforcement actions, including those that I've just mentioned. During the past four years we have made significant improvements to our services, both as a result of the Auditor General's Report in 2007, and in areas the staff of the program have identified as being helpful.

We have taken a more proactive approach to enforcement. We have focused efforts on cases where active enforcement is needed. We have responded and are responding to client requests in a timelier manner. We have made improvements to the system to track information, monitor financial security and ensure program consistency. We have revised our policies, strengthened our management functions, and we believe we have completed

11 of the 18 recommendations of the Auditor General. We are awaiting confirmation from the Auditor General's office of the status. The remaining recommendations mostly have to do with information technology, which are taking time and are difficult.

The changes that we have made have brought improved results - namely, we have reduced arrears and we have increased compliance. Arrears have been reduced by \$22.9 million since 2007 - \$22.9 million, that is, arrears went from \$106.1 million down to \$83.2 million. We think that's very significant, and since 2005-06 the average compliance rate is up by 10 per cent. I would award full marks to our staff in the Maintenance Enforcement Program who are committed to collecting the money, enforcing the orders, who have suggested changes to the program, and who are very proactively involved and interested in this program. It's due to their efforts that we have made these changes.

So we've made great progress, which we're very proud of, over the past number of years and we are investigating other steps that we can take. We're always open to looking at suggestions; we're looking at what other provinces are doing; and we're looking at how we can improve the program, always. So we're looking at improving our enrolment kit to make it more user-friendly - that was a suggestion made at the standing committee, in fact. We're hoping to equip our community partners so that they are able to provide hands-on assistance to clients in completing that required information. That was another recommendation that we heard from the standing committee - good recommendations which we were very pleased to implement.

We're looking at charging interest on arrears, a difficult one - there are pros and cons on that one, so we're studying it fairly carefully. We're looking at using our Public Safety Investigative Unit, which I mentioned at the standing committee. We're looking at using those investigators to help find the hard-to-find payors. We've completed the work to prepare for this initiative and we're just about ready to take that on now, and we're going to try to see how that works.

So these are all initiatives that are partly underway or completed and the bottom line is we know this is very important to Nova Scotians who depend upon these payments and we want to continue to do whatever we can to improve the program. Thank you.

MADAM CHAIRMAN: Thank you, Ms. Tyson. I wonder if you have those comments in a form that could be circulated.

MS. TYSON: Yes, we do.

MADAM CHAIRMAN: Perhaps you could give it to the clerk and she could make copies for us. I know it helps to read them over and see some of the stats that you've given us - that would be a big help.

Just before I turn the floor over to the Liberal caucus and the first 20 minutes of questioning, I wanted to draw the attention of committee members to something that has been circulated. It is on your desk and it's a potential motion that has been circulated by Kelly Regan, MLA for Bedford-Birch Cove. This is really in keeping with the custom of this committee. We've had discussion in the past about resolutions being made on short notice without enough time. This is being circulated now, and I'd say it's potential because we'll see if Ms. Regan, at the end of the meeting, is going to make that motion. I'd like you all to be aware of it and to have an opportunity to think about that before we proceed with the questioning.

With that, I will turn the floor over to Ms. Regan who has 20 minutes for the Liberal caucus.

MS. KELLY REGAN: Thank you very much, Madam Chairman. I would like to start off by thanking you all for coming in here today and in the interest of time, I'd like to request some information from the program. I'm actually going to distribute a list so we can move along quickly and it'll make it easier - a checklist. Okay.

If we could get the status of each of the 19 recommendations resulting from the 2007 Auditor General's Report on maintenance enforcement, defining each recommendation as either complete, not complete, or do not intend to implement. Would that be possible?

MS. TYSON: Yes.

MS. REGAN: We are also looking at the number of current cases the Maintenance Enforcement Program is handling, the number of current cases in arrears, which we would define as those cases where there are any monies owed to the recipient - would it be possible to get that number as well?

MS. TYSON: Yes.

MS. REGAN: Rather than taking up a lot of time going through some of this stuff here today, you could just send some of these things to us. We would also like a report that lists each current file, how much it is in arrears, if it is at all, and when that file first went into arrears. We do not want any identifying information on any cases, no identification of the payors or the recipients' names, we simply wish to see the list, and the dollar amounts and the date the file first went into arrears. If it's divided up among the regions, that's even easier. We want to see what the dollar amounts are that we're talking about files being in arrears - would that be possible?

MS. TYSON: Are you asking for - we have \$83.2 million in arrears - are you asking for each case individually?

MS. REGAN: We want a list of all the cases and we don't want to know who the payor is or who the recipient is, but we want to know how many - X case, how much is owed, and when it went into arrears.

MS. TYSON: Could I investigate how difficult or easy it is to get that information in that form and get back to you? We certainly can give you arrears; we can give it to you by region. I'm not sure on the individual, but we'll do whatever we can.

MS. REGAN: I don't think we get an accurate picture of what the impact is of this if we're just getting big lump numbers. Because they're so big, you can't really tell. If we're seeing amounts of \$150,000, for example, owed to women consistently, we want to see the numbers; we want to know how much is actually owed on these cases to individual women and children.

MS. TYSON: We can certainly . . .

MS. REGAN: I know it would be a lot of paper and if you can get 30 per page, it's not going to be quite as much as it would be if we were doing individual pages.

MS. TYSON: I'll see if that can be pulled off in a report form. If not, if I could get back to you and tell you what - if it's going to take us six months to do it, I would suggest that's not reasonable, but if we can do it, reasonably, we'll certainly provide whatever we can to you.

MS. REGAN: We'd also like a report that lists each cold case file, the amount owing and the date the file first went into arrears, again, with no identifying information. And we would like a list of each inactive file, the amount owing, and the date the file first went into arrears - so the same thing there.

If you could provide to us the percentage and dollar amount of total MEP arrears, that is child support versus spousal support. Please provide the percentage of recipients enrolled in MEP who are receiving social assistance. Do you have that information?

MS. TYSON: Yes, we do.

MS. REGAN: Also provide the percentage of women who are enrolled in the program whose cases are in arrears and who are on social assistance.

MS. TYSON: Yes, we should have that.

MS. REGAN: Then just a staff breakdown, the budget of the Maintenance Enforcement Program, the number of full-time employees, and the breakdown by staff, by location and position, which you probably have right here. Just looking for any instances in which there has been staff turnover over the past two years. Please indicate how many

court appearances MEP has had over the past year, and how many were for variances in court orders.

MS. TYSON: I can provide you with the breakdown in staff. We have 47 staff - we have a director; a manager of policy and compliance; we have four central enrolment clerks; four regional coordinators; 25 enforcement officers; 10 enforcement assistants; and two administration. Would you like me to repeat that?

MS. REGAN: No, because we'll have Hansard, so that will be fine, thank you.

I would like to know - just to start off, most of the recipients of Maintenance Enforcement payments are women, 96 per cent, and there are many men who take their responsibilities very seriously and fulfill their obligations to their children, so I just want to state that up front as . . .

MS. TYSON: That's correct.

MS. REGAN: . . . sometimes I think men feel like we're out to get them or anything and that is certainly not the case - I'm just wondering, in terms of communication with recipients, the number of current files that are actually active right now where you're receiving payments.

MS. JUDY CRUMP: The number of current files is just over 15,000 cases.

MS. REGAN: So the number of telephone calls received by Maintenance Enforcement every month.

MS. CRUMP: In the last month we had in excess of 24,000 calls to our info line.

MS. REGAN: So you're getting multiple calls - it appears that you're getting multiple calls about cases. Any idea why that would be happening?

MS. CRUMP: Clients can call the info line to request information and current status about their case, status of payments made, or status of enforcement actions - so it is conceivable that clients will call on a regular basis.

MS. REGAN: It came to our attention when we were doing some research on this particular issue that there is a direct number for payors to the Maintenance Enforcement officers, but for the women who are waiting for this money for their children, they don't get that. I understand why you're doing it for the men - you want to make it easy for them to get access to the program, but it does seem to me that it's a bit of a double standard here and, quite frankly, there are women waiting on tenterhooks, but the flip side of that is that the people who aren't paying them are getting through very quickly.

MS. CRUMP: I believe it was in 2009 the info line was created - I'd have to check that to confirm - the reality is that we are pleased to speak with recipients where possible. However, the information that we can provide to recipients is limited by the confidentiality requirements of our legislation, and so one of the reasons that the info line was instituted was to provide an efficient means of providing the information that we are able to provide to recipients within the confidentiality requirements of the legislation in an efficient means, 24 hours a day, seven days a week.

Recipients can call in and receive the information, the identical information that we are able to provide to them if we were to talk with them by phone. We do encourage and provide the direct line to the enforcement officer because we do want to encourage that relationship that does promote payments to be made.

We do provide the information to the recipient, to the best of our ability, through the MEP on-line, the Web site, or the info line and that is the precise information that we're able to provide to them. They can request a call back through the info line and we will make every endeavour to call those clients back if they specifically request a call back.

MS. REGAN: I've had some experience over the last while with clients getting a call back with incomplete information saying, your next court date is X date, not saying what time it is, not explaining that, in fact, it's not really a court date but is just a meeting. I would say that, perhaps, you would have fewer phone calls if the information that was provided was a little more complete because we have seen that as a problem.

In terms of compliance, during the program's appearance before the Community Services Committee in April of last year, Ms. Crump stated that 61 per cent of the cases were compliant and to quote from Page 8 of Hansard "We do know from Statistics Canada reports of last year that 61 per cent of cases are in compliance." But the Deputy Minister of Justice indicated in a letter to the committee clerk dated May 10, 2010 that 62.5 per cent of MEP cases were in arrears. Can you explain to me which is correct?

MS. CRUMP: I would have to investigate that further, actually as I look at our stats now for 2009-10, our compliance rate has increased to 64 per cent. That number would have been correct that we reported last year at 61 per cent or 62 per cent at the Standing Committee. At present the 60 per cent of cases that are in arrears is still accurate according to our statistics of our total case number of 15,043 cases.

MS. REGAN: So I'm assuming that there's a difference in interpretations in terms of arrears and compliance.

MS. CRUMP: That's correct.

MS. REGAN: And I'm assuming that is if a payor is in arrears and he negotiates to pay \$100 a month, that's deemed to be compliant, whereas they are still in arrears, is that correct?

MS. CRUMP: That's correct. We go by Statistics Canada definition of compliance in that compliance is defined as making a full payment within that month. So Statistics Canada, in their report, averages that at the end of year and that is the 64 per cent rate that we're in compliance, now that has increased each year for the past five years. There can be arrears on those files.

MS. REGAN: But a full payment could be something that's negotiated outside of what the judge has initially said?

MS. CRUMP: The full payment is the court-ordered amount that the court has ordered.

MS. REGAN: So you don't take someone who's just paid \$100 and say, well you're compliant because you've made some kind of a payment?

MS. CRUMP: No, that's correct. The compliance is the full court-ordered payment. There can be arrears on those files. Where a payment is received that is less than the court ordered amount that would factor in by Statistics Canada definition into the collection rate, the total amount of money that is received over the money that was expected during that year or during that specific time period.

But the compliance rate speaks to, by definition again by Statistics Canada, the full court-ordered amount.

MS. REGAN: It's in the previous month, is that correct? I'm just wondering what the time period is.

MS. CRUMP: If I look at the annual Statistics Canada report, to which we provide data each month, Statistics Canada does track that by month. Each individual month there's a specific table in the report and then at the end of the year provides the average for the year, by month.

MS. REGAN: In terms of delinquent payors, we discussed at your appearance before - no, it wasn't Human Resources - the Community Services Committee that there is little or no investigation being done on delinquent payors, that women are forced to ferret out the information on their exes and there isn't a lot of investigating going on.

Now a year ago we heard - Ms. Tyson, you said: "That's why we're now moving into resourcing our SCAN people - Safer Communities and Neighbourhoods people; they're ex-police officers." This is Page 11 in Hansard, by the way - "We are going to be

getting them to help us track people and try and do a little bit more undercover work, if you will, to try and get more of a handle on that.”

This morning you indicated that isn’t in place yet, it’s about to be?

MS. TYSON: Yes, that’s correct. We now have the resource in place and we have done the preparatory work in order to start that project. We’re going to start that as a pilot, and evaluate the pilot and make adjustments to the pilot. We feel that will take us one step closer to locating the hard-to-find clients or clients where their income or their resources are hard to find.

MS. REGAN: So a year ago, on I think it’s Page 23 - yes, Page 23- of Hansard you said: “... we are going to be calling on them to try and at least do a pilot”

MS. TYSON: Yes, that’s correct.

MS. REGAN: You haven’t done the pilot yet?

MS. TYSON: We haven’t done that yet, but we have done all of the preparatory work now and we are pretty well ready to start that pilot now.

MS. REGAN: And when will that pilot start?

MS. TYSON: It should start in the near future. I can’t give you a specific date, but I would say within the next couple of months it will be in place - maybe sooner.

MS. REGAN: Are there any trained investigators on staff yet? Is there any thought of doing that?

MS. TYSON: Yes.

MS. REGAN: There are? Okay. In terms of enforcement of actions, it seems to me just from the cases that I’ve dealt with in the last little while that a number of the tools at your disposal are easily flouted by the men who really don’t want to pay - for example, taking a licence. Nobody comes, nobody takes their licence, no police officer ever goes by to see if the man is driving or anything like that. It is like winning the lottery, or the opposite of winning the lottery, you have to be pulled over to get into trouble. I’m not sure what the point of all of this is if nobody ever checks up.

MS. TYSON: Well in terms of a licence, that would be one of the last resorts. Sometimes licences are needed by people to go to their jobs, in order to make the income that the recipient so desperately needs. If a licence is taken there is a requirement for the individual to turn that licence in.

MS. REGAN: But nobody comes and gets it, so they can just ignore the letter? Like no officer goes and collects it or anything like that.

MS. TYSON: They don't go chasing the person, but there is a requirement to bring the licence to the Motor Vehicle Branch and turn it in.

MS. REGAN: What about a passport, if that is taken?

MS. TYSON: It's the same thing, and it is an offence not to turn the passport in.

MS. REGAN: Well we still have people travelling with their passports because they now drive, they don't fly, they flash it on their way by, and again, nobody is going to get this and they are still getting away with it and they are not paying their child support and that is supposed to produce a result.

I'm just wondering how long it actually takes to move through - what's the average time, if you have somebody who is not paying and who is dead set against not paying, how long does it typically take to get to the point where you do the ultimate punishment, which is putting them in jail?

MS. TYSON: I'll just comment, then I'll ask the director if she has any further comments. Unfortunately there are people who do not comply with the law everywhere. We have a very visible example in impaired drivers who lose their licences and they continue to drive. Unfortunately, that's a reality in our society, but we do the best we can to enforce those laws. I'll ask Ms. Crump if she has any further information.

MS. CRUMP: I would just add that the Registry of Motor Vehicles makes the requirement for the payor to submit their driver's licence to the Registry of Motor Vehicles. So I'm not able to comment further on that requirement or what additional work could be done there, but on our end, as the deputy minister has indicated, we do our best in relation to these enforcement actions. With regard to the passport, again it's the Government of Canada and it's just within the past year the legislation has changed to require that passport to be surrendered upon revocation, that it is a Criminal Code offense if it is not surrendered, but yes, unfortunately, there are payors who will not return it upon that request.

If I could just add one further note - you had asked what the point of doing this enforcement action is, and I would say unequivocally that the point in initiating this enforcement action is to invite the payor to respond to the program. In other words, we send a notice to the payor each time we intend - or in these two instances - that we intend to take this enforcement action, and then we allow an appropriate period of time for the payor to respond to the program. And that's precisely what we would like to happen - we would like to engage with the payor at that point and encourage payment. That's the point of the

action. Unfortunately, there are instances, as Deputy Minister Tyson has indicated, where payors will not respond.

MS. REGAN: Do you have any figures on that?

MADAM CHAIRMAN: Ms. Regan, I'm sorry, but your 20 minutes has elapsed right now, so I'll have to move to the Progressive Conservative caucus and, Mr. MacMaster, you have 20 minutes.

MR. ALLAN MACMASTER: Madam Chairman, my first question would be have you heard anything from the legal or the judicial community - have they made any recommendations for improvements to the way the system works, have they identified challenges they face when they rule on cases that impose the law that impacts the work that you're doing in Maintenance Enforcement?

MS. TYSON: I have heard nothing from the judiciary and I believe it would not be normal for them, for the judges, to make recommendations to us - they are completely independent and they don't engage in that type of discussion. We do engage with the legal profession on a regular basis, back and forth, but I'm not recalling any recommendation to me by the legal profession as to how we might change some of our practices in the program - I will ask the director if she has heard from the legal profession.

MS. CRUMP: I have not as well.

MS. TYSON: We're open, though, to any discussion that anybody may wish to have with us. As I indicated earlier, we are open to any suggestions which will improve the program, and I think we have demonstrated that we are able and willing to take the suggestions, that we can, which will improve the program. So we're very grateful to have any kind of positive suggestions from the legal community, or anybody else, including our colleagues in other jurisdictions whom we look to on a regular basis for best practices and suggestions as to what they're doing, how it's working, and what impacts it's having.

MR. MACMASTER: I think that's positive that you would be open to the - because I'm just picturing people who work in the legal profession, they're dealing with a lot of these cases first-hand and they're probably seeing situations where they're getting frustrated, too, trying to impose the law and seeing people whom they get to know personally who are impacted by what we're talking about today. I'm just thinking they may have suggestions or areas that frustrate them because the law is the way it is, and they don't make the laws, they have to deal with it. So I think that's positive. Have you considered approaching them formally and asking for their input?

MS. TYSON: We have not; however, we are engaging currently with the legal profession and, in particular, the Family Bar of the legal profession, on improvements in the family law area and in respect of the services that we are able to provide to people

engaging with our Family Court and with our Supreme Court Family Division. So that is a priority of the Bar Society and of the Department of Justice, and we're involved in that discussion. So it may be that Maintenance Enforcement will become part of that discussion, and we're certainly open to that.

MR. MACMASTER: I know there are problems in the system. I'm sure there are people who are here today, or people who will be listening to this discussion that we're having today, who would like to see changes for improvements right away. Over the next three years, what would be your vision for an improved Maintenance Enforcement Program?

MS. TYSON: I would like to see the best statistics in the country here in Nova Scotia. We have moved, over the past three to four years, from among the bottom few jurisdictions in terms of collection and compliance, to now among the top three. I don't know if it's likely that we will achieve the number one in the country, but I would like to see that, and we are always aiming to improve. I am hoping that we will continue to improve as we have over the past three years.

MR. MACMASTER: What would that actually mean in Nova Scotia? You mentioned in the top three, statistics-wise - what would that mean in terms of real tangible results? Maybe you could just expand upon what the statistics would relate to.

MS. TYSON: I'm going to ask Ms. Crump to talk about the statistics in particular, but unfortunately, as you no doubt are aware, there are still quite a number of payors who are not fully compliant and present a challenge. In particular, the people who present the most challenge to us are the people who are moving from province to province, living in another jurisdiction, or the people who are working for cash and it's difficult to trace their assets. We can't garnish their wages and it's difficult to find out just what their income is, so we'll never be 100 per cent. We are doing now as well as most jurisdictions in the country and we're aiming to even improve upon where we are now.

I'll ask Ms. Crump to talk about the specific statistics.

MS. CRUMP: That statistic relates specifically to the compliance rate where we have improved, and so your question around what would that mean for Nova Scotians - it would mean that in each month a greater percentage of recipients and beneficiaries under an order would receive the full payment due to them by the court order.

MR. MACMASTER: What would that be like - say, out of every 10 people, would that mean that 7 out of 10 would be actually paying the spousal or child support?

MS. CRUMP: If we were able to achieve a 70 per cent compliance rate, yes.

MR. MACMASTER: What is the rate right now versus what we'd see, say, in three years time? - a rough percentage.

MS. CRUMP: Again, if we look in comparison to where the Nova Scotia Maintenance Enforcement Program stands in relation to other jurisdictions in Canada, we're doing very well. We have increased that consistently over the past five years. There are a couple of jurisdictions ahead of us in terms of percentage - one is quite a bit ahead of us and we'd like to understand what that's about, and so that's something we can explore and, perhaps, understand more. Quebec has an 80 per cent compliance rate. Another jurisdiction just ahead of us is Saskatchewan.

MR. MACMASTER: Just to clarify - and it's probably in the notes you provided today - what percent are we at?

MS. CRUMP: Sixty-four per cent.

MR. MACMASTER: Sixty-four per cent. You mentioned that a lot of people are getting paid in cash and it's hard to track income. I'll just run something by you here - I know this would probably need to be a federal initiative and it may fly in the face of other legislation, but I'll just run it by you - what about government having access to banking information of these people who have been ordered by the courts to pay support payments? Because if the government had access to their banking information they could set up a pre-authorized payment from the person who is required to pay support into the bank account of the person who is to receive it, and payment could be made each month.

I know some people get paid in cash, but most companies, or most employers, do have to have a record of payment. They pay by cheque or maybe even direct deposit. I know a lot of employers are moving towards that, but the person who is in receipt of those funds would need a financial institution to cash the cheque or to accept the deposit.

If we were able to empower the system to have that banking information, they could basically take the money out of one account and put it where it should be, as the courts have ordered. I also think if there were maybe a central reporting agency for banks across the country that they could report information into, maybe there could be a back check through the Canada Revenue Agency, because employers report when they pay their employees, because they like to claim that as an expense for their operations, so they're going to want to show that to Revenue Canada. That could be sort of a back check to make sure everything is working as it should.

I know it's complicated, but if it would work - again, I don't know if you've given these kinds of measures this kind of thought, but I'll let you offer comment.

MS. CRUMP: The comment I can offer is that we do obtain banking information at present, on demand. By legislation we can demand that information of the payor. What

you're referring to, though, is obtaining specific information through banks, as an automatic.

I do have limited information about this at present, but to say that the Maintenance Enforcement Program directors at a national level meet annually and at the first meeting I attended last June - and we continue to meet annually and discuss issues of this nature - that issue has arisen and a group of jurisdictions are exploring what additional information can be obtained through banks and the central Revenue Agency. It's early and we don't have further specifics about that.

MR. MACMASTER: Thank you. That would be a positive development. It would make a lot of the problems we have with the system go away, I suspect.

MS. CRUMP: Yes.

MR. MACMASTER: What about publicly identifying people who do not pay income support to their children or their spouses - has that ever been considered? Because if it was made public - if I weren't paying support to my child it would cause a lot of embarrassment for me, it would probably affect my likelihood of gaining employment, I guess it would shame a person into complying with the laws that have been imposed.

MS. TYSON: We are looking at that now. Some jurisdictions already do that. They will publish the name of a person they can't find, if they can't locate the person. We are looking at that. We are also taking into consideration the impact in a small jurisdiction on the children, trying to find out and assess the pros and the cons of taking that action.

MR. MACMASTER: What would be some of the cons of taking that action?

MS. TYSON: It would be the impact on the children, that's the main thing.

MR. MACMASTER: That makes a lot of sense. Yes, I could see that, because you don't want to be hurting the ones you're trying to help.

MS. TYSON: That's correct. But we are looking at it, and I think Ontario is one jurisdiction that does that. They're larger jurisdictions, so we need to figure out whether it's different in a smaller jurisdiction. I think Alberta also does that and they use it as a last resort, as would we if we move in that direction. They obtain the permission from the recipient as well. We are attempting to determine if this is a good solution for Nova Scotia.

MR. MACMASTER: For those who suffer lost income because their spouses won't pay support, what does the government do to help people who are put in that position - how does the system try to pick up to look out for those people? I'm sure a lot of people in our society pretty much live from month to month - most people don't have a lot of savings, our savings rate has been into the negatives until recently, I think it's about 6 per cent. I'm

sure there are many Nova Scotians - especially if they have suffered from a failed marriage or a broken family, there's even more pressure on them financially, so if income support is not being paid by the spouse, how does the system step in to look after those people? I can appreciate if we're deviating from our subject today, any comments you'd offer on that would be appreciated.

MS. TYSON: I can say that if a person is eligible for income assistance from the Department of Community Services, the government does make those maintenance payments and the department, the program, attempts to collect from the payors, in those cases. So a certain percentage of the case load is people on income assistance.

MR. MACMASTER: Does the Maintenance Enforcement Program try to help the Department of Community Services, or try to help the clients? Because I expect there could be some delay between the times the client is not getting the support payment, there could be weeks going by, and all of a sudden they've come up against a wall. They need some sort of income so they go to the Department of Community Services for support, but by that time there's probably no money left in their bank account. Does Maintenance Enforcement try to assist them, at that point, with Community Services, to fast track their application for income support from the Department of Community Services?

MS. TYSON: We do work with Community Services so it's an automatic payment to the recipient from the program and then the program attempts to collect back. As soon as they are on income assistance, through the department, then they are in receipt of regular monthly payments.

MR. MACMASTER: That sounds like there is no delay in that case, once they have made application to Community Services

MS. TYSON: Yes that's correct.

MR. MACMASTER: Community Services and yourselves would look at when they were supposed to receive their income support.

MS. TYSON: Yes we work together.

MR. MACMASTER: Well that's good to hear. I'm going to focus some questions on the Auditor General's Report of 2007. I have no doubt that when you're working every day your concern is about the people you're trying to help. We've noticed that a lot of the recommendations were not acted upon; there may be good reason for that.

Can you just talk about the challenges you faced in implementing the recommendations the Auditor General made in 2007 to improve Maintenance Enforcement?

MS. TYSON: It's frustrating to us, as well, that we haven't been able to complete all of those recommendations to date. We believe that we have completed 11 of the 18. Many of them deal with the technology, we have a complicated system. It was purchased from British Columbia, designed as a case-management system not a financial-management system.

It's very challenging to get the changes made. We've been working through that and it's taking longer than we've hoped, but we are hopeful that this time next year many of the remaining recommendations will be complete. Now we may run into unforeseen problems as we work our way through, as the IT people do that, but it's a priority for us.

MR. MACMASTER: You mentioned the system that you use is more of a case-management system, so it's perhaps not the best, capable of supporting the financial.

MS. TYSON: It's very complex.

MR. MACMASTER: Very complex and actually that was going to be one of my questions. What system do you use to manage and monitor the collection of support payments? Is there a capability within the current system to do that?

MS. TYSON: To manage the financial?

MR. MACMASTER: Yes.

MS. TYSON: With great difficulty and with the changes that are being made and Ms. Crump can speak in more detail.

MS. CRUMP: Yes I can speak to some of the remaining recommendations of the Auditor General's Report that we are specifically working on now. We have a manager of financial services who has been working diligently since her hire last June. We reported that at the standing committee last year that that hire was imminent. She has been working diligently, one of the things that she has been doing is we are on this side of reconciliations. We've completed annual audits and we're in an annual audit cycle now, according to government's fiscal cycle. That's completed and in progress.

In terms of the reconciliations, and more specific to the question you are asking, we currently have a project managed through the government's Internal Audit Centre to attempt to do reconciliations where possible. We're awaiting recommendations of that report right now, so it wouldn't be appropriate for me to pre-judge what those recommendations might be, except to say that we do anticipate that perhaps they would speak to what the deputy minister has addressed and that our case-management system is set up as a case-management system as opposed to a financial, so there is a challenge there around those reconciliations.

MR. MACMASTER: I think you mentioned that you were moving to a new IT system - have you any plans to move towards a system that would better serve your needs on the financial side?

MS. CRUMP: I think this project around the reconciliations and the recommendations that may come from that will provide us more information about that, about appropriate adjustments we can make where possible so that we can do those electronic reconciliations. But, no, we don't have plans to move from our case management system, but we do need to, and will, look at the financial aspect to see where that can be improved.

MR. MACMASTER: I presume that is one of the reasons why there have been some challenges in enforcing some of the Maintenance Enforcement orders - would that be the case?

MS. CRUMP: I think it's perhaps more a challenge - if I could continue, deputy - perhaps for our clients to understand the record of payment and the payments that have come in. We've received some recommendations around that that we are currently working on to make that report more user friendly for our clients. I think it speaks not to the enforcement side, but to understanding the information that we provide to our clients.

MADAM CHAIRMAN: Time is just about up – maybe just a final statement.

MR. MACMASTER: I'll resume on my next round.

MADAM CHAIRMAN: Very good. I'd like to turn the floor over to Mr. Epstein for the NDP caucus.

MR. HOWARD EPSTEIN: The government, of course, takes this function extremely seriously and I want to thank you, deputy, and your staff for a coherent account of what it is that you've been doing. We're very aware of how difficult the job is; we're also very aware of how important it is.

We share your view that the divorce rate is, unfortunately, a hard fact of current life, with enormous financial consequences for many of the people involved. We certainly want to make sure that the function is carried out in an effective way. We do understand that there are, what is often colourfully called, a number of deadbeat dads out there. We're aware of more traditional terms like scofflaws, I guess is part of the problem, and it's good to remind ourselves, I think, that there is a history here, so I'm wondering, first, if you could tell us when the Maintenance Enforcement Program started and perhaps explain what particular problem it was designed to deal with – so, essentially, recall for us what happened before the department was prepared to offer this kind of service.

MS. TYSON: The program was established in 1996, so it is really short in terms of a program that we offer. Prior to the program being established, maintenance orders were made by the courts and people had to go back to the court to try and have their orders enforced. It was very difficult for them and there were many more problems than we have today with this program, so that many people, if the payor did not pay, it was very challenging for an individual with limited funds to get back to court. That was time-consuming and then, once a person did get back to court it was very challenging to collect the money in that way, because the court might make an order but the person might not comply with the order.

The court may find the person in contempt or may make some other orders, and yet it was challenging as it is in other areas sometimes to carry out those court orders when there is nobody specifically assigned to follow up and to carry them out, so the Maintenance Enforcement Program and the regulations were designed to put people in place with the specific duties to follow up on court orders and to enforce court orders and to take any number of actions to recover the monies for the recipients.

MR. EPSTEIN: Fair to say, is it, that prior to 1996 and the establishment of the program that maintenance enforcement was essentially seen as a private matter between the parties, or that is where the prime responsibility lay compared with what is the post-1996 situation, where it's seen more as a public function with an array of tools available - is that fair?

MS. TYSON: That's absolutely correct, it was a private matter, and if a payor was not voluntarily paying because the payor wanted to pay, it was challenging.

MR. EPSTEIN: Thanks, I think it's good to remind ourselves where we've been in the past.

What I wonder as well is inter-jurisdictional comparisons - when did other provinces begin to become involved in maintenance enforcement as a public function?

MS. TYSON: I'm going to ask the regional coordinator who is responsible for the inter-jurisdictional support program to tell you about that.

MR. EPSTEIN: I may not have made my question clear - I certainly have a question about inter-jurisdictional enforcement, but I was actually wondering that when we compare ourselves with the other jurisdictions, the other provinces in Canada, when did the other provinces become involved in this as a public function? That was really my starting point.

MS. TYSON: I'm going to ask Ms. Carlin if she knows the answer to that.

MS. SUSANNE CARLIN: I don't. I know that recently other jurisdictions have - in New Brunswick, I think, probably most recently - moved from a court function, as we had

pre-1996, to a more established enforcement agency, enforcement program. As far as the years that each jurisdiction developed this type of program, I don't know specifically the years.

MR. EPSTEIN: That's fine, but . . .

MS. CARLIN: Each province in Canada has a similar type of legislation and similar types of agencies as Nova Scotia - all of the provinces and territories have established maintenance enforcement programs.

MR. EPSTEIN: Further on this theme of inter-jurisdictional interaction, I noticed that there was reference earlier to some level of co-operation amongst the jurisdictions, and I'm wondering if you can tell us how the jurisdictions keep in touch. I heard, for example, a mention of best practices, so I'm assuming you try to learn from one another - can you tell us a bit how that happens?

MS. CARLIN: The provinces and territories in Canada have similar legislation as our ISO, Interjurisdictional Support Orders, so that deals primarily with court applications when clients are in different jurisdictions, which is a challenge. Once an order is established in one jurisdiction and the clients are in different jurisdictions then the enforcement agencies become involved and inter-jurisdictional enforcement does create a level of challenges. One of them is communication and we're working to try to establish best communication practices with other jurisdictions. We have established operational principles and guidelines for reciprocal enforcement, which has been signed off at the Minister of Justice level for each of the Canadian jurisdictions.

It speaks to the guiding principles around communication and inter-jurisdictional enforcement, and we try to establish appropriate communication. With each jurisdiction it's a little different, and we have within our own unit - and I think that was one of the reasons that the inter-jurisdictional support cases were established in one unit, it was to try to develop some expertise and knowledge around the other jurisdictions and improve our communication with these jurisdictions. We - primarily, it's on a daily basis - communicate regularly with the other jurisdictions by phone, fax, and e-mail and it's a fairly steady flow of communication.

The enforcing jurisdiction is the one that's really in the driver's seat. So the cases that we are monitoring, where our recipients reside in Nova Scotia and the payor resides in a province outside of Nova Scotia, we try to react quite quickly to requests for information from the enforcing jurisdiction because we know that they require that information for enforcement. So from our perspective that's a priority for our inter-jurisdictional support order, when our payors are out of Nova Scotia, to be able to provide the information to the enforcing jurisdiction.

MR. EPSTEIN: Yes. So just to follow up a little bit - I think all the provinces now have reciprocal enforcement of maintenance orders legislation, or equivalent, so there are two situations that would arise, I guess. One is where the payor is here but the payee is somewhere else, and then there's the reverse. So is it those situations that lead to this kind of daily interaction on the phone?

MS. CARLIN: Where one client is out of the jurisdiction?

MR. EPSTEIN: Yes.

MS. CARLIN: Yes, in enforcement, communication is agency to agency. So if it's a case where we have the recipient in Nova Scotia and we have requested enforcement from a jurisdiction outside of Nova Scotia, then we would provide any of the information that's required from the recipient to the other agency. So we deal with the other agency and with the recipient. In the cases where we're enforcing for another agency, where the payor resides in Nova Scotia and the agency where the recipient resides has requested our enforcement, we deal with the payor in Nova Scotia and with the other agency. So if we require information regarding dependency or confirmation of status of an application or whatnot from the other jurisdiction, then we're in communication with them, with that jurisdiction.

So, you know, for the most part, the agencies that we deal quite a bit with, which would be a Canadian agency primarily - Alberta, Ontario and B.C. are obviously our biggest inter-jurisdictional cases volume-wise - we've got direct lines to enforcement staff in that jurisdiction and faxes and e-mail addresses. So it's quite a continuous communication back and forth.

MR. EPSTEIN: Okay, I'm glad to hear that that happens. One of the things I wondered, since I didn't doubt that there was that level of co-operation, was whether there are any formal opportunities for the jurisdictions to learn from each other and, again, I go back to this question of best practices - is there a formal mechanism in which the jurisdictions, that is the people responsible for maintenance enforcement, get together and talk with one another, or does the information really come to you through your daily interaction that you've described?

MS. CARLIN: Both. We do have federal, provincial and territorial subcommittees of Canadian Justice that support monthly teleconferences and one annual face-to-face meeting, so there's a subcommittee for inter-jurisdictional support orders. There's a subcommittee for enforcement, as well, and as recently as today one of the agencies is taking the initiative to bring together representation from each of the jurisdictions to deal with specific enforcement-related ISO issues.

So we're sort of bringing those two subcommittees into a group that has interest in inter-jurisdictional support, enforcement specifically. So there are opportunities for

monthly teleconferences and face-to-face meetings on the ISO and the application process for the court applications, which also impacts on the enforcement as well. So there are elements of the enforcement that are discussed at that level as well.

MR. EPSTEIN: Could you give us an example of a best practice or a better practice that you have observed or become aware of in other jurisdictions that you might be thinking over as a possibility for adoption here?

MS. CARLIN: Sure. There's one that we have recently - you may recall the notes from the standing committee that there was a question of capacity and whatnot with our ISO unit because our cases are quite high. So looking at what's happening with other jurisdictions, one that we're moving through implementing at this point is for cases that are coming into Nova Scotia.

We're recognizing that other agencies, in our dealings with them, ensure that they've got all of the documentation and can locate the payor in that jurisdiction before they make that file active. We're looking at that process in Nova Scotia as well, because once a file is active those arrears and inter-jurisdictional cases tend to be submitted to us with arrears owing. So once that file is active, those are arrears that come due and our responsibility to enforce.

We had encountered situations where we have done that, made a file active upon the information that was received from the other jurisdictions, tried to enforce that file and realized we don't have enough information or we may not be able to locate the payor. We're doing more due diligence in reviewing the information that's sent to us from other jurisdictions before we make a file active.

On the other side of that, for cases that are outside of Nova Scotia - when we're sending a case to another jurisdiction we've noticed there have been significant delays in having that case enforced in the other jurisdiction, and what we have done is looked at what we are we learning from this. What are the other jurisdictions asking? What do they need in order for a file to become active? We're trying to really reduce the time from us requesting enforcement of another jurisdiction to them taking ownership of that file and making it active, because really in that interim nobody's really taking strong enforcement because we know the payor is not here and the jurisdiction where the payor is, we're waiting for them.

So we have developed a guideline for enforcement staff to review to determine when it's appropriate to send a file for reciprocal enforcement. Once it's determined that it is appropriate to do that, we've established a checklist which we request enforcement staff to complete, which gets sent with the transmittal documents. Basically what we've done is looked at what they are looking for and, rather than waiting for them to ask, let's give it to them as we send the transmittal document, so they're aware of as much information as we have.

MR. EPSTEIN: Thinking about the process from the perspective of the client, that is a person who is a potential payee, could you just explain how they become aware of this service? I assume that they're informed in the court process, but are there other places in the system where people can be made aware of this option or possibility?

MS. CARLIN: That the file would be managed by another agency outside of Nova Scotia?

MR. EPSTEIN: Well, I think what you explained earlier, or what the deputy explained earlier, is that all orders for maintenance end up in the system, but then for active collection to take place it requires a request for the government to become involved - how is it that the clients become aware that this is the next step in the process or that this is a possibility for them?

MS. CARLIN: If it's an active file and we are aware that one of the parties has left the province, then we notify the client in the province that we are requesting enforcement from the other agency. If it's the recipient who is leaving the province, if the recipient is out of Nova Scotia, we request the recipient to enrol with the agency in the jurisdiction where they currently are residing. But we may continue to enforce that file if the payor is in Nova Scotia - we may continue to enforce that.

We do have information on our Web site that would indicate that we are able to look at cases where both parties are in Nova Scotia. So we don't require enrolment from clients when both parties are in Nova Scotia only - we do have that option.

MR. EPSTEIN: My question actually was just a little simpler than that, which is: I take it you contact the recipients - is that what you do? Who contacts the recipients and says to them it is your option to activate the government system to try and collect the money that you and your family are owed?

MS. CARLIN: Upon an order being filed with the Maintenance Enforcement Program, yes, we would contact the recipients and say an order has been received. We send the enrolment kit and request they complete that information to complete the enrolment process with Nova Scotia. Once that's done, if the payor is out of province, we would then take the initiative to request the enforcement from the other agency. The recipient who is in Nova Scotia would only deal with Nova Scotia Maintenance Enforcement and we would deal with ensuring that it is enrolled with the other jurisdiction.

MR. EPSTEIN: I think we're looking forward as well to some of the data about what percentage of the clients might also be Income Assistance recipients. What I'm wondering, as well, is whether the Department of Community Services, as part of a routine intake, would also ask their clients whether they've taken advantage of the Maintenance Enforcement option - do you happen to know whether that's part of their routine?

MS. TYSON: They would be automatically put in the system, so to speak, because any court order for maintenance, or any agreement sanctioned by the court for maintenance, spousal or child support, is automatically sent to the program, so all people who have orders are at the program level and then they are contacted, so people who are receiving Income Assistance are also in possession of court orders for maintenance support and that order is sent to the program so that the program is enforcing that order.

MR. EPSTEIN: Thank you, that's fine, I think that's good.

MADAM CHAIRMAN: You have one minute.

MR. EPSTEIN: Oh, dear, well I'm passing over to my colleague. Thank you.

MADAM CHAIRMAN: All right, thank you.

Mr. MacKinnon.

MR. MACKINNON: Thank you very much. This is an area that is near and dear to me, and my constituency office, and in the second round I have a number of questions for sure.

MADAM CHAIRMAN: Thank you very much, Mr. MacKinnon.

I'm going to allow 11 minutes for the second round of questioning, beginning with Ms. Regan for the Liberal caucus.

MS. REGAN: When we last spoke we were discussing the removal of passports and licences. I'm just wondering, do you ever meet with police departments about any follow-up enforcement there or do we just sort of hope the people turn in?

MS. CRUMP: In my time within the program I have not met with police departments on that question.

MS. REGAN: Do we know what the success rate is of payors actually turning in these documents - do we have a success rate for it?

MS. CRUMP: I do not have information about that.

MS. REGAN: Okay. If it's available, could you get that to us? That would be good. In terms of possible enforcement actions, last year we discussed getting access to a TransUnion database, that would be Page 34 of Hansard - has that happened?

MS. CRUMP: We have been working actively during the past year, and beyond that, to obtain a contract with TransUnion for receipt of information through them. We

have been unsuccessful in signing a contract to date. We are turning our attention just recently to their competitor, Equifax. We are still in hopes of doing that and we have reason to believe - we are hopeful that might produce a result for us.

MS. REGAN: What about affecting a payor's credit rating? That was mentioned at that same meeting - I believe it was on Page 38 - has that happened? It was Ms. Tyson: "We will look into it as to whether it might be applicable in Nova Scotia, what it would take and how we would put it in place."

MS. CRUMP: Is this specifically in reference to reporting to credit agencies?

MS. REGAN: Yes, that it would affect a payor's credit rating if they didn't pay.

MS. CRUMP: Correct, and we've done some initial work in that regard to explore that. As the deputy minister indicated earlier, we are constantly looking to other jurisdictions, what actions they are taking that we might apply within Nova Scotia. I have been able to pursue that initially with some other jurisdictions to determine the applicability of doing that here, and so have some initial results on that.

What I can say is that the attention that I'm focusing during my time within the Maintenance Enforcement Program to date has specifically been on implementing the full 18 recommendations of the Auditor General's Report. These are some of the things that we will turn our attention to, more specifically, and have more resources to, once we are able to fully implement.

MS. REGAN: What about charging interest on arrears? I believe my colleague for Halifax Clayton Park had mentioned that, and Ms. Crump responded that to charge interest on arrears might be an incentive, as you can well imagine, for a payor to begin to pay those arrears if there is interest being charged on that amount - has that happened?

MS. TYSON: We've been looking at that, and it's an interesting concept, but there are pro and cons. There are differing views as to whether charging interest on arrears is a positive thing to do or a negative. On the positive side, we think that maybe it would encourage people to pay more quickly, to avoid the interest. On the negative side, there's a concern that if they don't pay more quickly and the interest accrues it may be at the disadvantage of the recipient. People may be slower to pay because there may be more outstanding money, so we're still looking at that and looking at the impact in other jurisdictions. But we will continue to look at the very seriously and, hopefully, make a decision on that over the next year.

I will say that we're looking at any number of things that we might do, new initiatives or improvements to the initiatives we have. We have some challenging work to do to finish the recommendation for the Auditor General, and meanwhile staff is doing their daily work - we have to prioritize a little bit and do one or two things at a time.

We'd like to do everything tomorrow and make decisions very quickly, but that's not always possible. We have to run the program at the same and also we don't want to jump too quickly into something in Nova Scotia until we have a sense of the possible impact - we don't want to make things worse for recipients in other words. So those are the kinds of considerations that are ongoing on a regular basis with the program.

MS. REGAN: I would like to point out there are lots of women who are supposed to be receiving MEP payments who are in fact living on their credit cards, having their interest go up because they're not getting the payments – so that's the flip side of that argument.

I'm sorry for sort of going into the weeds here, but there are some issues around recording with Maintenance Enforcement. Maintenance Enforcement accepts large payments without requesting an explanation or breakdown, and a case came to my attention where a recipient received one such payment in February of last year, the payment of over \$13,000 was listed on her record of payments as an overpayment. Now the payer refused to provide an explanation and that resulted in the recipient having to go to court, which was a cost to her and a cost to system, to get a judge to order the payer's lawyers to write a letter explaining why the payment was made.

Well the fact was if anybody had bothered to look at the order they would have seen that anytime the payer got a bonus some of the money had to go to Maintenance Enforcement. Last year we heard that enforcement officers have to be able to interpret legal documents and financial documents. I'm just thinking, gee, if somebody had just read the order they would have known what was going on. I'm just wondering what the process for accepting a large payment is.

MS. TYSON: I'll just comment before I ask Ms. Crump if she can comment on the specifics of your question.

If you have a situation like that, any situation, we are very open to meeting with MLAs or talking with MLAs and trying to address that situation that you have in your office. I'll just make that offer, open it in case you're not aware of it - and I ask Ms. Crump if she can comment.

MS. CRUMP: I can comment in general terms, but I wouldn't be able to speak to a specific case, of course. I can comment in general terms to say that we are looking now in making some changes to our record of payment to make that more user-friendly for clients. I will actually ask further my colleague, Susanne, who deals with cases on a regular basis on the front line, more specifically to your question of what we do in relation to receipt of a large payment like that, but my general sense is that, yes, they are reported in lump sum presently.

We received recommendation on making our record of payment more accessible and user friendly to clients, and we are in process actively now of looking at some prototype records of payments that would more accurately reflect the payments that are coming in would be more readable to clients.

I'll ask Susanne if she has any further information at an operational level.

MS. CARLIN: If can refer to an order and understand perhaps why the payer may be making an excessive payment we would flow that payment through to the recipient. However the challenge for our program is we can't determine an amount if it's not clear on the face of the order. So it may be clear in the order that the payer is to pay extra upon receiving a bonus, so we would recognize that and release the payment, but unfortunately unless we are able to determine what that amount is, we couldn't offset that with an expense on our system unless it's clear on the face of the order what that is, which may require the payer providing that information, confirming with the recipient. It may, certainly, be the fact that it was an overpayment, although it was not in the court order.

MS. REGAN: Not an overpayment. Here's the problem, it gets recorded as an overpayment, so when the payer gets his receipt, it says that he has a credit, so he stops paying, right? That's a big problem there. Ditto if his income goes up, so he starts paying more because it says that he is supposed to pay more, and he does that, but there's no order there. So you have a problem right there, where the money goes to the mom for her kids and you turn around and suddenly he's got a credit to his account so he stops paying again.

There's a problem there with that whole end of it, where, for example, if a payer is in a union, you know when your pay is going up, and you are not accepting letters from employers saying that this person's pay went up, you have to go back to court. I see that as a big knot in our courts that takes more time.

I think you need to look at removing that knot, whether it is streamlining, whether the director of the program can make those determinations or something like that, but if you have the ability to not make that every increase in salary a reason to back for a variance, because as we heard last year, a variance takes - Ms. Tyson, you said it was six to eight months or longer to get a court variation, so by the time you get it, it's months later.

MADAM CHAIRMAN: You have one minute, Ms. Regan.

MS. REGAN: Okay. Well I guess what I'd like to say is I'd like us all to remember that we have 15,000 cases, 35 per cent are non-compliant. That means 5,250 are non-compliant and if we look at the number who are actually in arrears, it's almost 10,000 - it's above 9,000 - so that's a lot.

I guess we are hearing a lot of complaints about this program, I'm wondering if you would commit to surveying your clients the way that Workers' Compensation does. I'm

wondering if you have a formal complaint process because we hear a lot of complaints. That's probably just the function of our job because the people aren't going to call me up and say oh, Maintenance Enforcement did a great job for me today.

We do hear a lot of complaints and I'm wondering, do you have a formal complaint process and would you commit to surveying your clients, both the payors and the payees, to see if they are satisfied with the level of service they receive?

MS. TYSON: Yes, we do have a complaint process and it's on-line and we do receive a certain number of complaints. The number of complaints has been decreasing, fortunately, we're pleased to say, but still any complaint needs to be looked at.

We'll take a look at the possibility of surveying the clients. In respect to the point that you raising on a particular problem that a client had, I think you've raised something that we need to take a closer look at to see if there's anything that we can do to improve that situation and we will do that.

MADAM CHAIRMAN: Thank you very much. The time has elapsed so we have 11 minutes for the Progressive Conservatives and I'd like to call on Mr. MacMaster.

MR. MACMASTER: When we left off, we were speaking a bit about the IT system you have in place. One of the issues that has been raised today is when people who are not complying with Maintenance Enforcement, if they move to another province, sometimes they are hard to track. Should we be taking more of a national approach, like where all of the provinces would have the same IT system? Would that be helpful to be taking that approach to ensuring that if people are moving around, you are keeping better track of them because you have the system to help you to do that? Would that make sense?

MS. TYSON: Well I think I'm going to ask Ms. Crump if she can comment on that. It strikes me that that would be almost impossible to achieve.

MADAM CHAIRMAN: Ms. Crump.

MS. CRUMP: Yes, the only comment I can make is similar to my last in terms of the work that the MEP directors are doing at the national level in relation to banks. It's early days for me, having been to one face-to-face meeting with directors, but we are on regular conference calls as well, and the issue of communication has arisen. It is early days to be speaking about what that might look like but I think the issue is recognized about how we might convey, electronically, information from jurisdiction to jurisdiction. I do think a national case management system would be ideal but, as the deputy minister has indicated, it would be fairly challenging to implement.

MR. MACMASTER: Yes, I guess I can still see the value of doing it in the province just so that each province could communicate with each other. If they were on the

same system, you could just use that little interface if everybody's system was the same, but I respect what you said on it. So I guess it is early days, as you say, so we don't know, but it might be something that you would look at, trying to connect the dots once you get to the top, with all the provinces.

My next question involves - the Auditor General had commented that there weak internal controls and there were a couple of things I've noticed, that there wasn't annual audited financial statements for the trust. This would be the trust that the money flows into for further dispersal to people in receipt of spousal or child support. There was also no reconciliation of that trust account to confirm the inflows and outflows of dollars, I think several years had gone by. There has obviously been a challenge or a reason for that, can you give some comment for why that has happened and what you're doing to try to improve controls?

MS. CRUMP: I can't speak to why that didn't happen in the past but I can speak to what's happening now and that is, as I mentioned earlier, an audit of the trust fund account has been conducted. It was initially conducted for the calendar year 2009 and the results of that audit have been posted on the Web site, publicly. Since that time an audit has been completed for the months January to March, 2010 in order to then get into government's annual fiscal cycle and those audits will now be conducted on an annual basis.

On the financial reconciliation side, as I mentioned earlier, the manager of financial services is working diligently in that regard and we do hope to have an electronic reconciliation process. That project is underway and we're awaiting those recommendations. However, in the interim she has been completing those reconciliations on a manual basis. It is very time consuming work but it is being done.

MR. MACMASTER: Were there any recommendations made by the Auditor General in 2007 that you would have a different opinion of, where you wouldn't agree with the recommendations that were put forth?

MS. TYSON: I believe we accepted all of the recommendations. (Interruption) No.

MS. CRUMP: We did accept all of the recommendations. We have indicated one where we had indicated that we do not intend to implement and this is in relation to the 16th recommendation around bank processing of electronic fund transfers be delayed to allow for timely reconciliation processes to be completed.

I don't have the specific reason in front of me, I'm sorry to say, but we did indicate that there were specific reasons, because of the hold period I think for the banks, that it wouldn't be - I can provide further information about that, I do have information to explain why we weren't intending to implement that specific one. But each of the recommendations has been accepted, as Deputy Minister Tyson had indicated, and we're working very diligently to implement each of them.

MR. MACMASTER: And I think that you had mentioned in previous comments earlier today that there were 11 completed items that were sent to the Auditor General. About when were they sent? Was that something recent?

MS. CRUMP: We have been working since our last report to the Auditor General and so when we say that we believe we have completed 11 of the 18 since we last reported to the Auditor General, we've completed an additional number. We last reported to the Auditor General in September, I believe, and then met with the Auditor General's staff in November. Since that time we've continued to work toward implementation, so that it's now, that's current that we believe we have completed 11. That confirmation will come at a later date.

MR. MACMASTER: My next question. We had discussed earlier today where you mentioned there's about a 64 per cent success rate in getting people to comply with making their Maintenance Enforcement payments. Quebec has about an 80 per cent success rate and we're striving towards that. I believe the Auditor General had said the only performance information prepared or imported by management is a collection rate, and we found the statistic to be unreliable and inadequate. Now, I can respect you're not the Auditor General, but do you have any idea why the Auditor General might feel that way?

MS. CRUMP: I can't; I don't have the information about the reasoning behind that. It may be contained in the original Auditor General's Report that I could refresh my memory on by looking at.

MR. MACMASTER: In fairness, it's more a question to ask of the Auditor General, but I thought maybe there had been some communication, because it's important. Certainly if you were to look at a top-line figure of success of the program, that's the one I would think to look at, but there may be other reasons why we should be looking at other forms of measurement.

MS. CRUMP: If I could add further - it may have been due to unreliability about the information in our case management system at that point, because there were recommendations also about data integrity, which we've taken action to correct to the best of our ability, in the system. I will add also that we now report within the program on performance measures or key indicators that we're reporting back to our staff, so we have taken action in that regard.

MR. MACMASTER: I guess you're clarifying that the integrity of that 64 per cent number may have been in question and you've tried to take steps to improve the background for that number as to whether it's really a firm number, or if it's a firm representation of what's happening in the program.

MS. CRUMP: That is correct.

MR. MACMASTER: Madam Chairman, how much time do I have left?

MADAM CHAIRMAN: You have until 10:35, so two minutes.

MR. MACMASTER: There was an example in the past of some fraudulent activity with the trust fund or with the trust. I guess one of the things that I notice in government is sometimes there doesn't seem to be strong internal controls. I know people who come to work in government, they inherit the systems that were there previously and I know government traditionally hasn't worked like a company would, where a company is very careful about such matters. Government, there's a different corporate culture - could the Department of Finance be assisting your department with the work you're trying to do with internal financial controls, and have they been assisting you?

MS. CRUMP: I would say that yes they have, through the manager of financial services in consultation with the Department of Finance, in the work she is doing and through our Finance and Administration Division of the Department of Justice. I would like to speak about the internal financial controls we have instituted, as well, in that you're right to say there was a fraud committed within the program prior to, or at the time of, the Auditor General's Report. I can tell you that staff within the program now are very committed to this program and take the program very seriously, and their responsibility very seriously, and are aware of that fraud committed.

They're also aware of the measures we've taken to institute controls. We have segregated duties within the program so that people have access only to those parts of the case management system or the financial aspects of the program to which they are entitled under their position description. The case management system generates reports for us, verification reports, and they are checked by managers on a regular basis, and the system produces those reports and we can verify that the verifications have been done. So we've instituted significant financial controls as a result of the Auditor General's recommendations.

MADAM CHAIRMAN: Your time has elapsed. Thank you, very much, Mr. MacMaster. I will turn it over to Mr. MacKinnon for your 11 minutes.

MR. MACKINNON: I know you're making great efforts and compliance is up 10 per cent - I think you are third in the country in compliance now and you're trying to become first. We are looking for ways in which we can do better and I know you're doing that on a daily basis. How many of the enforcement officers are based in Halifax, and how many are spread throughout the province?

MS. CRUMP: We have 25 enforcement officers in the program; seven of those are in Halifax, in our metro office.

MR. MACKINNON: The reason I put that question forward - and I don't know if the department can actually get involved too heavily with friends and relatives and so on - but enforcement officers in the local area certainly know the clientele pretty well. One situation that my office got involved in, in tracking someone down, involved just a pleasant phone call asking for that person, finding a number and an address and so on, and this person was outstanding for quite some time. Without harassing relatives and friends and so on, can you do that kind of phone call?

MS. CRUMP: To search for payor information?

MR. MACKINNON: To actually track down someone who is delinquent.

MS. CRUMP: I'd ask if Ms. Carlin could explain what is done at the local level.

MS. CARLIN: We do have the ability to demand information regarding the payor and if we have reasonable - it's not just to go out there, because it's a rather extreme power - so if we do have information that somebody may be able to identify to us the location of a payor, or information about the payor's assets, we can do a demand for information to that person and demand information regarding the payor, the employment status of the payor, and the location or assets of the payor.

MR. MACKINNON: Some of the situations that we run into certainly involve inter-jurisdictional situations - someone perhaps working in a camp in northern Alberta and hard to track down. One of the real difficulties is the self-employed or those working for cash - how do you deal with them?

MS. CARLIN: That is definitely a challenge. Certainly we have the ability to require the payor come in for an examination, at which time they are required to complete documentation regarding their assets and whatnot. So if there is anything we can do as a result of that examination, we often will follow up with further demands for information. If we get some information on the payor, perhaps where they bank, we may do a demand to see if they have investments with maybe the investment arm of that bank, or what their accounts are at.

We are able to seize bank accounts, which we use in cases where payors are self-employed. As well, one of the tools that we do is the driver's licence or the passport - the federal licence denial tends to be an action that we can take when they are self-employed, because chances are they do require their licence or their passport. You're right, that's a challenging situation for us when there's nothing in the name of the payor or any assets that we can attach.

MR. MACKINNON: We find those who are evading payment, but we also find that some are unable to pay - how do you distinguish the capabilities of that person, or a person?

MS. CARLIN: One of the keys ways is an examination of the payor, where we get the financial information. Unfortunately, we're obligated to the order as it stands so we do find ourselves in situations where we are dealing with payors who don't have the income the order was based on. It's very challenging for us to enforce those orders. Oftentimes in those situations we enforce for what we can get. If there is no income from the payor, we request that they take the matter back to court because it's reasonable for the other party to have an order that is enforceable, that does relate to the financial situation currently of the payor and is able to deal with the expectations at that point of what's realistic for us to collect.

But we are obligated to the order as it stands - and it's challenging for us as well because we're bound by confidentiality, so there are situations where we're aware the payor is receiving income from a source that is not one that we can garnish. We monitor those situations for further follow-up to determine what the current situation is of that person. The best that we can do when their financials don't reflect what the order was based on is to really request that they have the matter brought before the court to make that application to vary their order.

MR. MACKINNON: Are the courts today, in the court orders, do we have any requirement on occasion for DNA in relation to establishing parenthood or fatherhood? I'm aware of one case where a person paid for a considerable period of time and ended up not being the dad involved - is there DNA involved in some cases?

MS. TYSON: There's certainly the ability of a person to request DNA evidence to establish that he is not the dad. But that would have to be at his request to the court to have that done, or it could be done with agreement.

MR. MACKINNON: The member for Bedford-Birch Cove mentioned the statistics that you're dealing with - 96 per cent payor male, and 4 per cent female. I'm running into more single-parent dads - even last weekend on the doorsteps in the federal campaign, running into a couple of situations like that. Are the numbers changing there? Are we finding probably at one time closer to 100 per cent would have been male payors - are the figures changing any?

MS. TYSON: That's the most recent statistic that we have - Ms. Crump, has it changed?

MS. CRUMP: I'm not aware of a change in trend. There may well have been over time, I'm not aware of it. Those are the latest statistics we have, and those are consistent across Canada.

MR. MACKINNON: There was some talk about getting private investigators involved - I think the deputy minister mentioned that. Is that something that you're really looking at?

MS. TYSON: Yes, we are about to launch that pilot. We've done the work over the past year. We have a resource added to our public safety division. These people will have the ability to go out and look for individuals who are hard to find, and look for assets which are hard to find. We hope that this will help and we're going to establish that program as soon as we can. I think I said we should have it up and running within the next two months, and maybe sooner than that. We will then be monitoring it over the next year to see whether having these people make additional efforts to search for people or assets, whether that is having a positive impact - and we hope that it will in our efforts to enforce.

MR. MACKINNON: Are other provinces using private investigators?

MS. TYSON: To some extent.

MR. MACKINNON: How many will be involved in the pilot?

MS. TYSON: We have five individuals. We have added one individual specifically to enable the unit in question to have the capacity to work with Maintenance Enforcement, but any of the five may be working with Maintenance Enforcement. But we've added the capacity of one individual - we've added one person to a unit, I should say.

MR. MACKINNON: So those private investigators will not, in any way, be civil servants - they will, in fact, be private investigators?

MS. TYSON: They are civil servants. They are, in fact, members of what we call the SCAN team - this is the group that goes out and posts houses where illegal drug activity is going on and takes those matters to court. They are all experienced, former police officers, so they have the ability to do the investigations and they are experienced at doing that, many years of experience. That unit was in operation and we felt that was a unit that could assist Maintenance Enforcement, and to enable it to do that we added one investigator to the unit - but it may not be that one person, the only person working with Maintenance Enforcement. There may be others working on Maintenance Enforcement as well.

MR. MACKINNON: Thank you very much.

MADAM CHAIRMAN: Thank you, Mr. MacKinnon, I know 11 minutes goes by fast. Since the rounds for questioning are complete, I wonder if Ms. Tyson wants to make any final comments.

MS. TYSON: I just want to repeat that we are open to suggestions from any source. We take them all very seriously and we are engaged in a proactive process and a process of continuous improvement.

If any of the MLAs have issues, all of the MLAs have the phone numbers of the regional coordinators. We are happy to meet with people at any time and deal with a particular problem that people may have, so thank you very much.

MADAM CHAIRMAN: Thank you very much. With that I'd like to turn to Ms. Regan.

MS. REGAN: Thank you very much for coming in today and providing a lot of information. I do have a resolution to Public Accounts:

Whereas in light of the fact that almost four years have passed since the Auditor General completed his audit of the Maintenance Enforcement Program; and

Whereas the department has not adequately responded to the serious concerns which the Auditor General highlighted in the 2007 report, completing less than half as indicated to us by the Auditor General, nor have the hundreds of Nova Scotian families who access this program been better served in the ensuing four years; and

Whereas the role of the Public Accounts Committee is to support the work and the recommendations of the Auditor General;

Therefore be it resolved that as a follow-up to the 2007 recommendations noted in the 2010 Auditor General's Report, the Public Accounts Committee shall retain the services of an independent auditor who shall be directed to conduct a value for money audit, otherwise known as a performance audit, in order to identify whether the program is achieving its mandate effectively and efficiently.

MADAM CHAIRMAN: Thank you, Ms. Regan.

Could I have a seconder for that?

MR. MACMASTER: I would be comfortable seconding that motion.

MADAM CHAIRMAN: Thank you very much. So there's a motion on the table, and I know Mr. Epstein would like to speak.

MR. EPSTEIN: Thank you and I want to say to my colleague, the member for Bedford-Birch Cove, that I appreciate having the opportunity to see the text of the motion at the beginning of the meeting, that's a helpful practice.

It was rather my hope that the member would have chosen not to make the motion today, for a variety of reasons. One is that of course when she began her questioning she began it with extensive requests for information. At this point we don't have all of the information that might ground any consideration of a motion, let alone this one, by our

committee. Furthermore, the information that we do have as a result of our questioning today rather leads to different conclusions than are asserted in the recitals, in the whereas clauses of this motion.

The suggestion that the department has not responded adequately to the 2007 report of the Auditor General doesn't really seem to be supported by the information we've received so far, nor does the assertion that Nova Scotia families have not been better served. In the intervening four years we've seen, for example, the data that there is increased compliance and that's certainly something that suggests better service.

Finally there is a very serious problem with the suggested action that this committee retain the services of an independent auditor to do a value for money audit. It's not clear to me that this is something that we can do, but in any event, it seems to me that, probably, the first line of action would be for the Auditor General's Office, which is, of course, the standard entity involved in looking at all government departments, should be involved.

In light of this I certainly had hoped that the motion would not be put. I have a practical suggestion which is we might put this motion aside, if the mover and seconder are prepared to do that, with the very firm understanding that we will return to the topic as a matter of committee business on a future date, when we've received the information from the department and we can discuss this matter again.

I would hope, in the intervening time, that the mover would reconsider the proposal. The intervening passage of time would give us the opportunity to hear from the Auditor General as to whether he has any definite plans to either re-audit the entity inside the Department of Justice or whether the auditor has any comments about the current state of play in the department as the result of the information back from that department.

It's not my intention to suggest that we abandon this topic. I want to be very clear that I'm suggesting that we would return to it, that we all do take it seriously, but that I would invite the mover to agree to let the motion be stood. If there is a vote today, we will certainly vote against it, which I wouldn't have thought would necessarily be the desired result of the mover, but with those comments, thank you.

MR. MAT WHYNOTT: This might be a point of order, I don't know. The Public Accounts Committee, in light of the "Therefore be it resolved" and the type of audit that is supposed to be done, the Public Accounts Committee in Nova Scotia, I don't believe, has the financial capacity to warrant such an audit. Is that correct?

MADAM CHAIRMAN: Thank you for raising that. That's actually a question that I thought might come up and I had spoken to our clerk about that. Under our Operating Principles and Practices, there is a clause on resources saying that we will endeavour to obtain all necessary resources including research support to fulfill its role and

responsibilities in an effective and efficient manner. Our funding is available for things that we've done in the past like having special meetings in other locations in the province or holding larger investigations.

MR. WHYNOTT: I understand that but I guess the extensive audit that this motion would ask for is a little bit outside the scheme of a meeting outside of Halifax.

MADAM CHAIRMAN: As I said, we don't traditionally do that, or haven't. However the Canadian Council of Public Accounts Committees recommends that all Public Accounts Committees actually further the work of the Auditor General, and that is our operating principle as well, and that we have the power to do other independent recommendations and reports. That is clearly in their mandate.

MR. WHYNOTT: In their mandate, but I guess in this House, in this Chamber, would be my . . .

MADAM CHAIRMAN: Well it is suggested that makes for an effective Public Accounts Committee, it's a recommendation. But I had spoken, as well, to the Auditor General and perhaps Mr. Lapointe would like to say something about engaging an outside auditor, because when we discussed it, it was explained to me that after they do an audit, the Auditor General then goes back three years later to see how well the entity has done and that is really where they stop. They rely on us to go further. So, Mr. Lapointe?

MR. LAPOINTE: That is correct; we go back and follow up on the implementations and recommendations. As you know, our follow-up last year was that nothing had been implemented in this program. I'm glad to see some progress made this year and that we'll be reporting on our next report, but that's the extent of the work that we do. We don't have plans to go back and conduct another audit in this area. I can't speak to your financial or legal ability to fund an external audit, but it's certainly doable, if you do hire someone to do something like that, following in the same type of criteria that we use.

MADAM CHAIRMAN: I think if there are no other speakers, we should perhaps return to Ms. Regan and see if you are willing to consider the suggestion made by Mr. Epstein.

MS. REGAN: I am willing to consider the suggestion by Mr. Epstein, but I guess I want a couple of caveats noted. Number one, there needs to be a time for reporting back. It can't just go off into the ether and I don't think you were suggesting that at all. Also, there has to be some way for us to follow up on the Auditor General's recommendations. He does his due diligence, he comes back three years later, he looks at it and then does it just go off into the ether? That's not acceptable. We need to have the ability to actually look at the effectiveness of programs.

MADAM CHAIRMAN: So, from what I understand, it is acceptable that we postpone this and look again when we get the further information. In your motion was there a time frame for the information?

MS. REGAN: No, because I wasn't waiting on the information.

MADAM CHAIRMAN: When you asked for the list information, I think in that it said, to be provided by May 11th, which is two weeks from now. I don't know if that seemed to be doable from Ms. Tyson if I could ask.

MS. TYSON: It's quite a bit of information that is requested and I'm not sure in what form we have it right now. We will immediately look at the list of information and what can be provided and how quickly. Perhaps we can - if it's acceptable to the committee - get back to you with a time frame.

MADAM CHAIRMAN: I know recently we asked for a long list of information from the Public Service Commission and a month was given so maybe at the outside we could say a month, but if you could get back to us and see what you could provide in two weeks, that would be good.

MS. TYSON: Thank you, I will.

MADAM CHAIRMAN: Thank you very much, I think that's good. Mr. Epstein.

MR. EPSTEIN: Again, just for emphasis and clarity, it's certainly my intention that the mover be free to bring this matter back to the committee and I would fully expect that either the motion or the topic would come back for discussion at a future date.

MADAM CHAIRMAN: On the issue of the resources, I think we could clarify what resources are in the Committees Office and that would address Mr. Whynott's concern as well. Because I do think that's important that we be aware of the cost of this as well and know that there are resources available. With that, I think that concludes our committee business. There is no meeting next week and we meet again on May 11th. A motion to adjourn, please.

MR. MACKINNON: I so move.

MADAM CHAIRMAN: We stand adjourned.

[The meeting adjourned at 10:58 a.m.]