

**HANSARD**

**NOVA SCOTIA HOUSE OF ASSEMBLY**

**COMMITTEE**

**ON**

**PUBLIC ACCOUNTS**

**Wednesday, November 23, 2011**

**LEGISLATIVE CHAMBER**

**November 2011 Report of the Auditor General**

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## **Public Accounts Committee**

Ms. Diana Whalen, Chairman  
Mr. Howard Epstein, Vice-Chairman  
Mr. Clarrie MacKinnon  
Mr. Gary Ramey  
Mr. Mat Whynott  
Mr. Brian Skabar  
Hon. Keith Colwell  
Mr. Chuck Porter  
Mr. Allan MacMaster

In Attendance:

Mrs. Darlene Henry  
Legislative Committee Clerk

Mr. Gordon Hebb  
Chief Legislative Counsel

## **WITNESSES**

### Office of the Auditor General

Mr. Jacques Lapointe, Auditor General  
Mr. Alan Horgan, Deputy Auditor General  
Mr. Terry Spicer, Assistant Auditor General  
Ms. Evangeline Colman-Sadd, Assistant Auditor General



House of Assembly  
*Nova Scotia*

**HALIFAX, WEDNESDAY, NOVEMBER 23, 2011**

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**9:00 A.M.**

CHAIRMAN  
Ms. Diana Whalen

VICE-CHAIRMAN  
Mr. Howard Epstein

MADAM CHAIRMAN: Good morning everyone. It is 9:00 a.m. and I'd like to call the meeting of the Public Accounts Committee to order.

This morning our agenda shows that we'll be hearing from the Office of the Auditor General, and we're visited today by the Auditor General and the assistant auditors to go over the most recent Auditor General's Report.

Before we begin that, I'd like to have the members of the committee introduce themselves.

[The committee members introduced themselves.]

MADAM CHAIRMAN: Thank you. With that, I'll turn it over to you, Mr. Lapointe, and you can introduce the auditors with you and begin your presentation.

MR. JACQUES LAPOINTE: Thank you, Madam Chairman. As you know, my Fall report was tabled with the House of Assembly last week. It was my second report in 2011 and covered audits completed by my office during the summer and Fall of this year, and I'm pleased to have the opportunity to discuss it with you today.

With me today are Deputy Auditor General Alan Horgan on my left, and Assistant Auditors General Terry Spicer and Evangeline Colman-Sadd on my right. They were each responsible for certain chapters in the report and I am sure that, among us, we can answer any questions you may have.

Before we begin. I do want to acknowledge the valuable work, dedication, and professionalism of all my staff, whose efforts made it possible for us to provide assurance to the House of Assembly on the operations of government. I also thank the many public servants in departments and agencies, whose understanding and co-operation were vital to the success of our audits.

There are five audits included in the report, covering a range of government activities, and we make 43 recommendations, in total, to improve departmental and agency operations and I will just briefly mention the topics covered. We examined the government's ability to recover from a disaster affecting its computer data centre. We found the financial systems are well prepared for a major interruption; however, the various non-financial systems, supported by the Office of the Chief Information Officer, are potentially at risk. The CIO needs to develop and implement a disaster recovery plan.

We found that the Department of Agriculture's meat inspection program to be deficient in its inspections - or rather, I guess, audits of slaughterhouses and meat processing plants. We recommended significant improvements to reduce public health risks associated with meat sold in the province.

On a more positive note, the Departments of Health and Wellness and Community Services are doing a good job of investigating and ensuring resolution of allegations of abuse in residential care facilities. We did recommend some improvements, including an appeal process.

The government has also done a good job acting on the recommendations of the Nunn Commission of Inquiry dealing with youth justice systems. Almost all of Justice Nunn's recommendations have been acted upon. The most significant remaining gap involves the recommendation for a bail supervision program, and we recommend that this gap be addressed.

Finally, we reported that we were unable to audit the operations of the Canada-Nova Scotia Offshore Petroleum Board. The board required an undertaking from us that any information provided by the two operators - that is ExxonMobil and EnCana - that is not already public would not be disclosed in our audit report without the permission of the operators. We would not provide that undertaking and the board, on instruction from the operators, refused us access to the information we needed to conduct the audit. We are therefore unable to provide assurance to the House as to whether the board is meeting its regulatory responsibilities; we cannot provide an opinion as to whether the public interest is being protected.

With that, Madam Chairman, it will be our pleasure to answer any questions that you may have on our report.

MADAM CHAIRMAN: Thank you very much, Mr. Lapointe. I should note that we have been joined by Mr. Skabar as well, so we have all members present.

I'd like to turn the floor over to Mr. Colwell, and you have 20 minutes for questions.

HON. KEITH COLWELL: Thank you. First of all I'd like to thank the Auditor General for the thorough report, like always, that you and your staff do. It's greatly appreciated by everyone. It's nice to hear, too, in your report that there are some positive things happening in some departments, that's always good to hear as well. It says a lot for the staff who work with government, and I thank you for that.

Several things concern me greatly, one is the fact that you weren't able to properly audit the Canada-Nova Scotia Offshore Petroleum Board. We've asked questions in the House of the Minister of Energy and unfortunately the Minister of Finance answered for him. How serious is this? I know we went through this before. Before the audit, the Act was changed by the present government and supported by all Parties to give your office more authority. Does the Act have to be changed again, or amended, to properly give you the authority you need?

MR. LAPOINTE: The recommendation we made was that the government sit and examine the entire legislative framework around this and that probably means the core of this is the two Accord Acts, federal and provincial. I think that's where the focus of any review should be and it's probably time to reconsider the contents of those Acts to clarify the whole issue of privilege and access to audit.

MR. COLWELL: There has been some suggestion by the government that it's easy to fix, you just go to court. I've never seen, any time you've ever gone to court, anything easy to fix. What's your feeling on that? You would know it better probably than anyone else.

MR. LAPOINTE: Yes, I know that the recommendation or suggestion has been made that we resolve this in the courts and I guess I come out saying I disagree with this. I do. I think there are different options that can be undertaken in the courts on this, including, to some extent, Section 14(6) of the Auditor General Act that has a dispute resolution mechanism which is what our discussion has been about.

My feeling is that isn't really applicable, it can't resolve the issues at stake. There are other ways that we could approach this and we've looked at these things and I'm still open to considering them. But I still do not feel that any of the possible legal avenues or

court avenues are really effective and would resolve the issues here and actually provide the freedom to not only access but to report that we need or require.

MR. COLWELL: Do you think the proper way to address them would be to amend the Act again to cover this? From your standpoint, what would fix this permanently? That's really what we're talking about.

MR. LAPOINTE: There are possibly different ways of approaching it. I wouldn't want to sit down and say right now, here is the definitive approach, make this change to this Act and that will resolve it, because there might be different ways to do it. I don't know if simply changing the Auditor General Act, to deal with this situation, would be effective because this is a slightly more complex issue.

In fact, the board itself has agreed with our recommendation, in writing, and they feel the Accord Acts need to be reconsidered and changed. Certainly changing the Accord Acts would resolve the issue.

MR. COLWELL: Does that require federal and provincial co-operation or is that just strictly provincial?

MR. LAPOINTE: I suspect that being two Acts, which are identical and part of an agreement with the federal government, this would require some consultations with the federal government. But again, I think that needs to be - to what extent, I can't really say, but I suspect it would need some discussion with them too, yes.

MR. COLWELL: That's something that the government would have to initiate with their federal counterparts and move that forward if they decided to do that.

MR. LAPOINTE: That's correct.

MR. COLWELL: What is the exact - or as close as you can be to exact - issue, the real issue, with the companies? Is it proprietary information they're afraid you will release with the audit?

MR. LAPOINTE: It's not possible for me to say what their exact concerns are about the information. I know that they were sticking with the letter of the Act, in the Accord Act, which they thought all information they provide to the board, of any kind, is privileged and requires their approval to disclose to anyone else.

So that is what they stayed with, and that is what the Accord Act states. That is one of the reasons we feel, and the board in fact feels, that the Accord Act needs to be re-examined, because that's a very, very broad provision - any piece of information that could be tied to the operators becomes privileged, according to their Act.

So, on the basis of that, they refused to provide us access to that information. We don't know what it all is, of course, because we haven't seen it.

MR. COLWELL: This of course, this information would be the information that they would have, the Canada- Nova Scotia Offshore Petroleum Board, and it would be all part of the negotiations and the deals that they would have with them, that would be the information regarding that, I would think - would that be correct?

MR. LAPOINTE: It could be any information in the files as defined as anything received from the board, so in fact an innocuous e-mail talking about setting up a meeting would be privileged. Any kind of documentation, any report that they made to the board on their operations to comply with the board's policies, pretty well anything that came from the operators to the board, in any form, is covered by that.

MR. COLWELL: Sounds something like when we were trying to get information from Cabinet documents that come all blacked out. I have a long memory of that and that was quite an interesting operation. As a result of that, your Act was amended the way it should have been.

I'm going to change now to the meat inspection program. You went through that in pretty good detail, well, always in very good detail actually, and there was some pretty interesting information you came up, and one thing that really concerns me, or the whole thing - and I'm sort of talking circles here this morning, but the one thing that really disturbed me was there was no way to know if there were any incidences of food poisoning, or any other problem.

Basically from what I understand - and correct me if I'm wrong here - if someone gets food poisoning, and it could be from meat, they go to the hospital, and there may be no system in place for the inspection department to find out about that. I don't know - would that be an accurate assumption, or am I all wrong with that?

MR. LAPOINTE: No, I'd say that's an accurate depiction of it. The number of cases that you could estimate of food poisoning of all kinds, from meat or anything else in the province, or across the country, in fact, is really very high. Most of it is quite minor, but it's still food poisoning of one kind or another. There is no process in place, nationally or provincially, to gather all this information. Most people just get ill, stay home, and come in the next the day; that's food poisoning. I'm not aware of any statistics that would let us have any kind of an idea of the full extent of it, here or elsewhere, and certainly not the extent that can be tied to any one food source, like meat.

MR. COLWELL: The question would be then, that's why your audit was so important, because if everything is inspected properly, documented properly, and proven that there's not a problem at that stage in the processing, until it gets to the grocery stores at

least we can have confidence that that part of the operation is safe and as safe as it should be - is that correct?

MR. LAPOINTE: Yes, the concern we have with the process that we were auditing was to see whether there is a very solid process in place to, I characterize it as minimizing the risk of food poisoning from these sources - you can't eliminate risk completely from any kind of food source. It's very difficult, as we found in other places in this country, things happen no matter how hard you try, but the program of meat inspection, if it's rigorously applied and done well, would reduce the risk as much as is possible to reduce it. That's really what we wanted to see - whether that was happening.

MR. COLWELL: Basically what your report said, or really pointed to, is that there's no quality assurance system at all for meat inspection - would that be correct?

MR. LAPOINTE: That's correct. There is not.

MR. COLWELL: That's very troubling for several reasons. Number one, a quality assurance system - which I did operate for a long time, a very, very stringent one - really does look after any kind of problem. It really does. I'm disappointed to see there isn't a quality assurance system in place through the department in this regard - and probably with all the stuff they do. Is there any indication that the department is going to put a quality assurance system in place to ensure that these things are done and documented properly?

MR. LAPOINTE: They have responded positively to our recommendations and have indicated to us that they intend to deal with the recommendations and implement them. I think that our recommendations on this are pretty comprehensive. I should stress that we're dealing with the inspection and audit of the facilities, the plants themselves. We did conclude that the inspection of the actual slaughtering process is actually very well handled, and we had very little to say about that - it's the inspection and audit of facilities that we're commenting on.

MR. COLWELL: In other words, there are parts of it done very well and the rest of it really needs some improvement.

MR. LAPOINTE: That's correct.

MR. COLWELL: But an overall quality assurance system would cover everything anyway, so if they had that in place, it would resolve all of these problems - is that correct?

MR. LAPOINTE: It would deal with the monitoring and supervision of the process that's happening in the field. There are other aspects to this that need to be put in place, as we've indicated in the recommendations, such as better enforcement tools like tickets and fines, but a quality assurance process would be a way to make sure that management is on top of the quality and quantity of the work being done in the field.



MR. COLWELL: Every quality assurance system I've ever been involved in is from the top; in this case it would be from the minister, right through the whole system. The ones that I've been associated with would be - in a business, the quality assurance people always report to the owner or the president of the company; not to a director, not to a manager, not to a deputy minister, but to the person at the top of the ladder, so that if they have a problem they can feel free to identify it and bring it forward without chance of retribution from anyone in the system who may not be doing their part of the process. Hopefully that will happen someday as we go forward.

Overall, we want to make sure we have safe food, especially here in Nova Scotia because we want to support more and more local businesses here, farms and everything else. Let me ask you - do you feel there's a real risk from any kind of problems with this because of this process, or is it something that just has to be tidied up in the department to make sure there's no risk?

That's sort of a loaded question.

MR. TERRY SPICER: That is kind of a difficult question to answer, but I guess the best way to answer it would be that any types of controls that any organization puts in place are put in place to mitigate certain risks. In this particular case the facility audit process is not working like it should be, and because of that it's not as effective in mitigating the risks associated with contamination of meat once it starts processing. From that perspective, it isn't being as effective as it should be.

MR. COLWELL: That is troublesome, of course, because if you have a total quality assurance system in place it looks at all of those things and it is all one factor; it all goes together. The thing about a quality assurance system is that a lot of times the quality inspector who comes from outside a company is always looked at with an "oh no, he's back again" attitude, and sometimes it's rightfully so that he's back and he should be back and maybe there are problems, but if it's done properly and very clearly laid out exactly what the standards are supposed to be, then they're glad to see him come because it's just a check of what they've done and proof that they did it right - and 99 per cent of the time, once that system's in place, there are very few defaults.

Have there been recommendations - I went through your recommendations but I just want it on the record - to do just that so that there are very clear objectives for the quality of assurance, the process to make sure it has a quality assurance system that follows through when it's backed up and traceable and, also, on the end of the supplier, that they're very clear what those requirements are?

MR. LAPOINTE: Well, the recommendations dealing with the quality of assurance, I've left to the department to design appropriately, but we had in mind a fairly rigorous quality assurance process that would cover the whole system. Now, it does require, however, in spite of that, as I mentioned, some other changes to be done besides

that in dealing with, for instance, ensuring that there's some bit of direction and control of the number of audits that are done, that there's a policy for how often a plant should be looked at, and that they are in fact done that often, and enforcement is strengthened.

So it requires a fairly broad scope of changes to resolve the issues in this program and I don't feel that any of them are excessively onerous and it can all be done. So I would expect that fairly quick action could be taken on this one.

MR. COLWELL: That is very positive and I'm sure that the department will. I mean, I think we have very good people working in our civil service and very dedicated to the jobs they do. Sometimes they don't receive the direction, or haven't had the opportunity or the support they needed, to do their work, in some cases. I'm not saying that's the case here, but it is troubling and it's something that I'm glad to see that your department did audit and is being addressed by government.

You're confident they're addressing this rapidly?

MR. LAPOINTE: Pardon me?

MR. COLWELL: Are you confident they're going to address this quite quickly?

MR. LAPOINTE: They have indicated a support for their recommendations, yes, so I have no reason to doubt that they will act on it.

MR. COLWELL: Yes, that's very positive. I'm sure they will. We just wouldn't want to see somebody get sick that could be traced back. I know you said in your report that that has never been shown to be the case but, again, once somebody realizes there might be a flaw in it, all of a sudden there might be some issues that arise.

How much time do I have left?

MADAM CHAIRMAN: A minute and a half.

MR. COLWELL: A minute and a half. I want to talk about the disaster preparedness system, but I don't have enough time to do that. I'll hold that to my second round of questioning, so I think I'll stop at this point.

MADAM CHAIRMAN: Okay, very good, thank you, Mr. Colwell.

Mr. Porter for the Progressive Conservative caucus, and you have 20 minutes, now.

MR. CHUCK PORTER: Thank you, Madam Chairman, and thanks to you, Mr. Lapointe, and your staff, for compiling the audit and the facts that we found within - and, of

course, making the recommendations as to where you think we need to go. I've got a couple topics I want to cover as well and I will start with the disaster preparedness stuff.

It has been interesting because I'm not sure that there was a lot of clarity around this whole piece. Some would have believed that we were fairly well set up, but I'm not sure that's what your report represents. I know maybe we are better served in some areas of disaster preparedness than in others. I know locally in my own area, in Hants West, there's a fabulous set-up there. There is a REMO that works together by way of the three municipal units. There's an organization, a whole facility set up in the basement of the Hantsport Town Council Chambers, and it's the latest technology. It's everything. There are spots for everyone to work. It's very, very well done.

I know from my previous employment at the provincial Ambulance Communication Centre that there's a backup site that is also very high-tech. It's probably 15 minutes away from our everyday location. It's up and running in minutes. There's a whole plan in place - much planning, hours, days, months, and years of planning went into actually making that all happen. I wonder if you can just speak to where the issues are within disaster preparedness so that the public is clearer, or maybe some of us who formerly worked in that sort of thing are more clear, as to what you find wrong and where we need to go.

MR. LAPOINTE: I'll make a couple of comments and then I can ask Alan Horgan to provide you with more depth on it. The overview is that we were looking at the data centre that stores the main computer servers. It's sort of the central hub of government computer systems. The concern we have with the security of that centre and the risk that things can happen to it - everything from fire to flood, as we know - that damage the computers and then have an impact on all the operations of all computer systems in government. What we were looking at was, if something happened there, given the centralization of these systems, what's in place to recover quickly?

That is where we found differences in the ability to recover. The positive news was that there are different groups operating different sets of systems in here. The financial systems, managed by the Department of Finance, were overall in good shape in terms of recovery from a disaster. We mentioned a number of things like a secondary site that they have and a good disaster recovery plan. We recommended a few improvements to that.

The concern we found was with the systems managed by the CIO, which is all of the non-financial systems of government, which had limitations in their ability to recover, for a number of reasons. That is where our concern was. I think Alan has a fairly high level of what we were looking at, and he can tell you a little more detail of what the problem was with that.

MADAM CHAIRMAN: Mr. Horgan.

MR. ALAN HORGAN: Certainly. What we found when we audited the operations supported by the CIO were things like the lack of an up-to-date disaster recovery plan, an actual document that brings it all together and says what should be done if any kind of major crisis were to occur.

MR. PORTER: Sorry to interrupt, Alan. Is that also the backup of the current data and all of those things? Is that all part of that, or is there something separate from that?

MR. HORGAN: It is a bit of both. A disaster recovery plan should indicate how to get the data that you've already backed up, up and running again. It's very important to have as much information as possible in the disaster recovery plan so that people can kind of follow it step by step. Especially if the people who might be knowledgeable on how to run these processes are not available after a disaster, it would be good to have these checklists that say, whoever is available, this is how you bring this data up and running.

Still, as you mentioned, it's also extremely important to have systems that do the backups. They have to be done regularly and the backups have to be held off-site so that any crisis that hits the data centre will not impact the data as well.

MR. PORTER: I'm very familiar with that; that's why I asked that question. It is a matter of being backed up immediately in some departments, I would think, given that we do so much stuff on-line these days and make services available and access to government and so on. That backup system is what I was more curious about, how much of that plays a part in this. It sounds as though it's all one and the same.

Are we backed up daily on the systems here in the Province of Nova Scotia? How does that work?

MR. HORGAN: I believe there are daily backups. It's a phase kind of backup, where perhaps daily they're just backing up major changes and then on a regular basis, maybe weekly or some other period, there will be total backups. There are different levels of backup and all that backup is sent to another location.

MR. PORTER: Right. So are we finding that the backup stuff is being stored on the same site and not being moved as it should be moved to a backup site that is ready to go within a number of minutes - or hours, what have you - in this particular case? Is that what we're seeing as one of the deficiencies, or is it more than that?

MR. HORGAN: It's a little bit more than that. We have no concern about where the data is being stored. It is being sent to another location. Now, the other location is around three kilometres away from the data centre, so there is maybe a little bit of a concern that if a disaster is large enough it may impact the data centre and this other place that holds the data. But for most kinds of crisis incidents the backup data probably would survive, so we had no concern about where it is kept.

MR. PORTER: And the backup location - it's all generated, powered, set up, ready to go, regardless of those issues? Can you just speak to that?

MR. HORGAN: Yes, that was the other part of it. No, that is not the case - there is no secondary processing site that would be sufficient to bring up all the critical systems that the data centre runs, so the data is off-site. But there are not great amounts of computer servers available to load that data on to if the data centre becomes impacted by a disaster.

MR. PORTER: And no way to access it anyway, if you are not backed up by way of a secondary source of power, i.e., a generator. Three kilometres apart is probably - I can see your concern in that, you probably want to be a little farther apart than that, I guess, all things being good. I understand that it's sometimes difficult to do, but that's interesting. Thank you for that.

So there have been some recommendations obviously made going forward, and I'm going to assume that the department is fine with that; they are willing to work. Have you had any indication that they feel they are strongly satisfactory the way they are, or do you think - I know that the worst part is in government and economic tough times and things and such, we appreciate that it's always about the God almighty dollar and what needs to be spent. These recommendations, I would suggest, are not to be taken lightly. So you have the co-operation from that department; I'm going to assume that these are going to get done in a timely manner.

MR. HORGAN: That's correct, they were very receptive to our findings and our recommendations, and I must say they were very co-operative and very helpful in the audit as well. The audit went very smoothly, very much due the assistance they provided. When the audit was over, they were quite thankful for what we came up with. They felt that what we had recommended was very consistent to what they, themselves, saw as the way to go, so it gave them some assurance that their plans are reasonable.

MR. PORTER: Excellent, and not surprising at all. I know that it's a huge undertaking to set up something like a backup-type system. It's a large and long-time project and there are a lot of finite details that go into that. A lot of people probably wouldn't think about that, but it's pretty detailed. I know from the experience of being part of that.

I want to move on now to the agriculture side of things and your audit - Mr. Lapointe, I guess I'll go to you first, and I believe this is a quote of yours: "the department is not adequately managing its duty to audit" - in other words, inspect - "facilities that process meat or slaughter animals for human consumption. That failure increases public health risks associated with meat and meat products." Those were your comments at press time last week.

The minister said last Friday morning, I heard him talking on the CBC about the fact that your report was not accurate. Do you think that your report wasn't accurate? Did you make a mistake? You've had a week to think about it now - and I say that sarcastically, of course - do you feel that there have been some mistakes made? Did you miss something?

I'm sure you've heard the minister's comments - what is your thought on that?

MR. LAPOINTE: We're always quite open to the idea that we do make mistakes in our report because we are only human, but there aren't in this case. We mitigate that risk of having an error or significant errors in our reports by going through a pretty rigorous process with the audited department, through the audit itself, to have them verify the factual accuracy of our findings.

We do sit down with them all the way through, especially near the end, and make sure that things don't creep in - and they do catch things. There's a reason for that kind of process - it is a form a quality assurance in a way. It was effective in this case.

I think our report is accurate and I think the conclusions we made are factual, and our recommendations, I think, are also effective in minimizing the risks to the public, if they are implemented. I don't think the people in the department would disagree. They've indicated to us that they are supportive of the recommendations, in fact. I'd expect that they would take action fairly quickly.

MR. PORTER: Was there anything during the audit in response from the folks working in the department that would make you think that there were any mistakes made in this? You sound confident that you worked well with those people in the departments that you audited. They were very forthcoming in assisting you to complete those tasks. There would be nothing in there to indicate to you that there was anything misrepresented - that may not be a very good word - but what I'm getting at is there was nothing to indicate that you were making any mistakes or concluding any wrong evidence or reviewing any documents that weren't accurate and so on.

MR. LAPOINTE: I don't think so. I don't think the accuracy of the report is really an issue.

MR. PORTER: Another quote, "when it comes to the Auditor General's observations about the . . . length of time between inspections at meat processing facilities, the minister told CBC: I have to say that I have to disagree with him. Even our records indicate that someone would be there, at least try to be there three times." What does he mean by that? Is there something not clear in what you're saying and what the minister is saying?

MR. LAPOINTE: Well, possibly there is a difference in interpretation of what is going on there. There was certainly no mention of such a policy three times a year or

anything else while we were doing the audit. The policy that we were told was informal, but was in place, that while the plant is operating it should have an inspector in every month. We audited to see if that was happening and found that was not happening as a general rule and quite often there were cases of long periods of time without that. It may be that since this time, they're reconsidering their policies, but at the time we conducted the audit, the informal policy, to the extent it existed, was once a month while a plant is in operation.

MR. PORTER: I guess in some respects it doesn't matter because he says - disagreeing or otherwise - he still says that he agrees, and states clearly, he agrees that we will accept all the recommendations put forward by the Auditor General, his report and his office.

MR. LAPOINTE: That's correct. In spite of any comments we might have had or they might have had in the media since the report, the department has accepted the report and the recommendations and has indicated that they do intend to take action on it. That, to my mind, is the important part of this - that the corrections be made to the system to improve it in the way we've suggested.

MR. PORTER: Given the significance of something like meat processing and the risks are pretty high, this is a pretty serious thing when you find deficiencies in areas such as this. Do you, as Auditor General or your department staff, have an opinion of how much time it should take to implement something of this serious a nature?

MR. LAPOINTE: I think it might be hard to say how long it takes.

MR. PORTER: I guess from an auditor's perspective and someone who has been in and done the work, spoke with staff, reviewed everything in what is certainly fair detail, is there something from your perspective - three months, six months, a year, a month?

MR. LAPOINTE: It might depend on the individual recommendation, but I'll ask Mr. Spicer to talk to that as well, having done the audit.

MR. SPICER: I think, like Mr. Lapointe said earlier, most of the recommendations that we've made in this report are fairly easy to implement. They're process types of recommendations so they really - to put a timeframe on them is a little bit difficult, but I don't see them as being very difficult things to do. When we come back in two years time to follow up on the status of the recommendations, I think that two years should be plenty of time to do these things.

If you look at their response, as well as through our conversations with the department, I'm fairly confident that they'll have these done before that time period. A couple of them may be a little bit more difficult to do, but overall they are process-oriented types of recommendations that they should be able to deal with fairly quickly.

MR. PORTER: It was interesting to hear you say that. We're looking at two years before you go back and have a look to say, okay, well they've made the following changes and implemented the recommendations. Although food inspection is a fairly serious issue with very high risk, is two years in this case - and I realize maybe that's standard practice -, but is two years in something as high risk as food inspection and food safety adequate time, in the opinion of the Auditor General? I'll leave that to you. I'm certainly no specialist in it, but I'm thinking about the seriousness of the issue. Is that adequate time before you go back and say, yes, this looks okay?

MR. LAPOINTE: I think from our point of view our concern is to at least have a regular process to go back and see whether things are done. As to lighting a fire under people or adding more urgency to some recommendations, getting them done more quickly, my feeling is that is government's job.

Some improvements have been made on that kind of monitoring. I know that Treasury Board, for instance, is putting in a system of getting regular reports from departments on the status of these recommendations at least twice a year. That's something that we recommended for a long time and that is starting to happen now, so that the government itself can monitor progress on these things. The deputies themselves are the ones who have a stake in this, really, as the management of the organization. They are the ones who should be keeping an eye on that very issue, that higher-priority and higher-risk changes are made first. They have an opportunity to do that now with the new monitoring system.

MR. PORTER: Oversight is obviously going to be the key here, and quality assurance is number one in some areas. Maybe some non- or less-important items can take a little more time and probably don't have to be monitored quite as often, but something this significant would have to be.

Just a quick question - I'm probably getting close to my time, am I, Madam Chairman?

MADAM CHAIRMAN: You have two minutes.

MR. PORTER: Two minutes, I think I have time. I did hear a description from the minister, I think maybe in Question Period when I asked him a question; I certainly heard it in the media, with regard to the level of infraction. I heard examples along the lines of light bulbs and hinges. If I recall - hearing something more, and it could have been a media interview from you as well, that it was a little more significant at those levels.

Those were a couple of items that were mentioned, but it was more like the cleanliness of the machinery that was being operated versus maybe a light bulb or a hinge, and those levels didn't quite fit as significantly as they should have. Do you want to comment on that, Mr. Lapointe?



MR. LAPOINTE: We did find that there was not a lot of consistency in the three levels that they do have currently, and we did recommend they re-examine that as to how effective it is. What's categorized as a Level 1, 2, or 3 - one is inconsistent and doesn't seem to follow any kind of a system. We have examples.

For instance, I was just looking at them here, at Level 1, which is minor and no particular time frames for implementing, aside from light bulbs. There was a meat grinder that needed cleaning - that's fairly significant in my mind - and there was a kill floor that was dirty. In Level 2 we had freezer walls that needed cleaning, and in fact there was product on the floor that needed to be picked up. We had also, aside from some safety issues at Level 3, a hoist that needed repairing immediately, and some cleaning of the equipment in there too.

We found cleaning of equipment in all three levels, for instance, so we couldn't get a good feel for what kind of significance you could place in any of the different levels in terms of the findings that are in there. That is why we recommended that they examine this and get some guidance, so that when you look at any particular level, whatever they may happen to be, there's some consistency in what goes in those levels and there's some graduated process of enforcement as it becomes more serious, as you go up to the top.

MADAM CHAIRMAN: Thank you, your time has elapsed now. I would like to turn it over to the NDP caucus. You have 20 minutes. Mr. Epstein.

MR. HOWARD EPSTEIN: Madam Chairman, thank you, and Mr. Lapointe, thank you very much for your report. It addresses a number of important issues, a number of important topics, as is usual in the Auditor General's Reports. I think turning to the topic of meat safety and the position of persons in care and what has happened with the Nunn Commission and the provisions for securing IT information, this is all very useful and I want to thank you for having turned to those in such a useful way.

The focus of my questions, however, will have to do with Chapter 5 and the attempt to audit the Canada-Nova Scotia Offshore Petroleum Board. I wanted to make it clear that we're very appreciative of all the work that your office does. I am concerned, however, that the attempt to audit the CNSOPB was apparently not successful, and what I really want to try to find out is whether we can have a complete understanding of how it is that this process didn't go forward.

Before we look at that in some detail, I wonder if you could explain what it is that was proposed to be done; that is, perhaps why it is the CNSOPB was going to be looked at, what kinds of things you would have been looking for - anything about the background to it.

MR. LAPOINTE: I'll ask Terry Spicer to address that, if you don't mind.

MR. SPICER: The audit really originally started with contact from the federal Auditor General's Office, the Commissioner of the Environment and Sustainable Development who - this particular board came on their radar for something to audit and I think everything that has happened with oil spills and stuff like that, it just seemed that they wanted to look at this, and in Newfoundland and Labrador as well. They contacted us to see if we would be interested in doing a joint type of audit. Certainly, with the important things that this board does in the offshore, we said yes, it would make sense for us to do some work there.

MR. EPSTEIN: And just to be clear - this, of course, is a jointly constituted federal-provincial entity, isn't it?

MR. SPICER: That's correct.

MR. EPSTEIN: And there are mirror Statutes that set it up, with both the provincial and the federal government appointing people to the boards - that's right?

MR. SPICER: That's correct.

MR. EPSTEIN: And the idea here is joint supervision of various aspects of the offshore, with respect to petroleum product extraction - is that right?

MR. SPICER: That's right.

MR. EPSTEIN: So they were going to look at the environmental aspects and you were going to look at health and safety?

MR. SPICER: Yes, the original plan - and, again, this was very early on, we were in the survey stage of talking about this - originally the plan was that the federal OAG would look at the environment and perhaps governance, and we would take some of the other areas that are more specific to Nova Scotia, which would be offshore health and safety, the employment and industrial benefits area, the licensing area, and those types of things. But again, we really were at a very early stage; we were talking about how we might do this and these were the areas that we decided that if we were to go forward these would be the logical areas that we would each look at.

MR. EPSTEIN: In addition to the environment and health and safety and licensing, would there not be an additional ambit of authority over the payment of royalties - does that come under the CNSOPB and was that something that would have been looked at as well, or is that what you mean by licensing?

MR. SPICER: That's actually handled by the Department of Energy. The board has little to do with that, so I understand. Again, we were early on in this, so I'm not familiar with everything that they do, but my understanding is that really it is the Energy

Department's area. The licensing was when they put a parcel of land, or area, out for development, how they determine who is successful in getting that licence and that type of stuff. That's sort of the licensing area.

MR. EPSTEIN: Okay, I think that clears up some of the background. Is it fair to say then that when the federal Auditor General's office, your counterpart, came to you with the suggestions that the CNSOPB was an appropriate entity to look at, you agreed and were quite prepared to start your part of the audit - that is to say you thought it was a worthwhile audit to do?

MR. SPICER: Yes, that's correct.

MR. EPSTEIN: And does it remain a worthwhile audit to do?

MR. LAPOINTE: Well, yes it does. I would say it's still a worthwhile audit to conduct.

MR. EPSTEIN: And the state of play at the moment is that your audit has been frustrated, is that right?

MR. LAPOINTE: I suppose you could characterize it like that, yes. It has been extremely difficult to do simply due to the lack of information that would be available to us.

MR. EPSTEIN: I'm sure it's impossible to do the audit without the information. What I wondered was, I think the word "abandoned" has sometimes been used - I'm not sure by whom - to characterize the state of play. Do I take it that you haven't actually, necessarily, decided that you would never do this audit, or you wouldn't do it, but that for the moment you are frustrated, is that fair?

MR. LAPOINTE: I would characterize it that we've stopped the attempt to conduct the audit and made recommendations to government to change the legal structure around this board that would enable us to do the audit. If that was the case, then we would look at going back in again.

MR. EPSTEIN: So if the access to information issues were resolved, you could go back and conduct your audit?

MR. LAPOINTE: The access - disclosure to us - and also the undisputed ability to report what we find, which was really the core of the issue.

MR. EPSTEIN: Yes, and just to be clear, that is the problem that the officials at the CNSOPB raised. It didn't seem, from the documents, that they were objecting to disclosure of the third-party documents to you but they were concerned, and the originators of the

documents were concerned, that you might, in turn, disclose some of those documents publicly. Is that the focus of the dispute?

MR. LAPOINTE: Yes, the focus of the dispute is our reporting to the House after the audit and what could or could not be included in that report. The particular information that was the issue was any information that is provided by the operators to the board, they retain ownership of that information.

MR. EPSTEIN: Is it the case that we don't actually know, or you don't actually know what this information is, that is even the general category of this information, simply because you didn't get far enough into the audit?

MR. LAPOINTE: We don't know the details. We did provide a list of some information. In fact, maybe Terry could go into detail on what that is, if you like, but we did ask for certain information that was relatively specific at the start of the audit.

MR. EPSTEIN: Well, okay, it's general categories that I'm wondering about.

MR. SPICER: Okay, I mean basically what we did was - I mean we would have had survey meetings with certain management there in the various areas just to get an idea of what they do, so we would have asked for information related to health and safety, as an example, which may include responses from operators, as an example, on an OH&S incident. That would be a type of an example of a document that we would want to see, so that's an example.

I have a number of things we've asked for, some of which maybe come under their privilege, some of which would have been a board document, so there's that type of area. There are other things like licensing. We would have asked for licence applications and those types of things where, if we were going to audit that area, we would need to know how that worked and that type of stuff. So those are the types of things we would be asking about.

MR. EPSTEIN: That's fine. Mr. Lapointe, I was curious about answers that you gave to my colleague, the member for Preston a little earlier on when he was asking you about some of these points. For example, he asked you why you couldn't go to court and part of your answer was, you said that Section 14(6) of your own Statute was not applicable. Then you also said that going to court was not effective to resolve the issues.

I have to say I was somewhat puzzled by this and I wonder if I could start first by asking you if, when you encountered this resistance from the CNSOPB, you asserted any of the powers that you have under your own Statute to the CNSOPB? Did you draw their attention to the different sections of your Statute that would allow you access to documents?

MR. LAPOINTE: I believe we were quite clear to the board that our belief is that the Nova Scotia Auditor General Act has provisions that provide us the right of access to the information, and in spite of the existence of an Accord Act the Nova Scotia Auditor General Act did in fact give us the right to see any information that they have. That was my belief and it was pointed out to them during our discussions, but as for the specific discussions that later went on about possible alternatives, we did not get into a discussion with them.

MR. EPSTEIN: Their response seems to me to be a response that essentially says that their Statute trumps your Statute. That sounds to me very much like a legal opinion dispute - doesn't it sound like that to you?

MR. LAPOINTE: Yes, there are certainly disputes as to the applicability of different laws and, in particular, a complexity is having federal legislation involved. Legal issues may seem at first to be simple, but in fact anything that involves legal issues never turns out to be as simple as it seems, and the more you delve into these, the more complexities there are to any of the possible solutions.

MR. EPSTEIN: Right. Well, law is my background and I can certainly agree with that statement. But here's what I wonder: Did you obtain a legal opinion that advised you as to what your powers were in this situation, faced with an auditable entity that was resisting your attempts to audit it?

MR. LAPOINTE: Certainly I received advice from legal counsel so that I fully understood the issues.

MR. EPSTEIN: And the advice that you received, did it tell you that your powers were insufficient?

MR. LAPOINTE: It depends on what exactly you're looking at.

MR. EPSTEIN: I would like to look at it - do you happen to have your Statute with you?

MR. LAPOINTE: Yes, I do.

MR. EPSTEIN: Great. Let's see if we can just look at some of the sections and see if we can figure out how this works, because on the face of it I have to say it looks to me as if your Statute gives you a lot of very wide powers.

I would start with Section 11(3), and it says: "In conducting an audit or performing any other duty or function under this Act . . . the Auditor General has the same power to enforce the attendance of persons as witnesses and to compel them to give evidence and

produce documents, and the same privileges and immunities as a judge of the Supreme Court.”

So when I read that, that basically says to me that you could issue a subpoena to someone like an employee of the CNSOPB and say to them to come and bring your documents with you - did you do that? Did you issue a subpoena?

MR. LAPOINTE: No, I did not.

MR. EPSTEIN: Is there some reason that you think that power might not mean that?

MR. LAPOINTE: The power exists. I do, in fact, have very strong powers of subpoena, and I can compel evidence. I could go to a court to have a subpoena issued - I could issue subpoenas, but I think what would happen is that . . .

MR. EPSTEIN: You could issue a subpoena on your own?

MR. LAPOINTE: Yes, but I think that any such action can be challenged in the courts. Ultimately the power is that if a subpoena, you understand, is not complied with, then the recourse that I have is to go to the courts to ensure compliance. That is the beginning of a process of compelling evidence and can, in fact, wind up challenged in the courts. I feel quite confident that I could however, either through that means or through another means - through application to the court through 14(6) or some other - eventually, after some cost and time, obtain the information.

MR. EPSTEIN: And just to be clear, you haven't gone to court?

MR. LAPOINTE: No, I have not.

MR. EPSTEIN: Or started any proceedings?

MR. LAPOINTE: I may not have been clear, but I think taking legal action in this case is inappropriate. I felt that the recourse is to enable oversight and audit of this organization through change of legislation.

MR. EPSTEIN: When you answered the question earlier from the member for Preston, you said going to court wasn't effective; now you're saying it's inappropriate. "Ineffective" would have meant that the court couldn't give you the remedy that you asked for. Does ineffective mean something else - you didn't want to go to court?

MR. LAPOINTE: We can play with words a lot, but what I'm trying to say is that I decided that at this point the most effective means was to change the legislation. The effect

of court action, in this case, is uncertain, and obtaining access to information has not, from the start, been the issue. The ability to report that information is the issue.

MR. EPSTEIN: Which is a very focused question: Can you, once you obtain the evidence or information, include it in your report, and disclose it to the House? That's a very focused legal question, isn't it?

MR. LAPOINTE: That is, in fact, the issue at stake.

MR. EPSTEIN: Right. So everyone agrees that's the question. Doesn't that sound like the kind of question that we pay judges to answer?

MR. LAPOINTE: I don't think that the question, when it comes down to it, is as simple as that or that the answer on the reporting is as simple as it seems - keeping in mind that there's federal legislation involved. What I feel confident about, in legal action, are two things: one, that it could become costly and time-consuming; and two, that I can obtain access to the information. What I'm not confident on is the outcome of court action about disclosure of that information, because it becomes more complex.

MR. EPSTEIN: Isn't it the case that if the CNSOPB can successfully say to you, we're not giving you information, that every other auditable entity can say the same thing? Wouldn't it, therefore, be very valuable to have a court ruling interpreting the legislation?

MR. LAPOINTE: I'm not attempting to use an audit to obtain court rulings for any purpose; that's not my objective here. My objective was to conduct an audit to provide information to the House on the operation of the board, not to get involved in lengthy court action for any purpose.

MR. EPSTEIN: Were you advised that it would be lengthy? Is there any reason to think it would be lengthy?

MR. LAPOINTE: That it could become so.

MR. EPSTEIN: Let me suggest to you that where there is a focused legal question, the evidence goes to court and facts are not in dispute by way of affidavit, and then the courts just rule on the point of law – and, typically, this is not a lengthy process. It's not like a trial where the credibility of witnesses has to be assessed. Was that pointed out to you by your legal counsel?

MR. LAPOINTE: Well, perhaps. You know, I don't know if we can really get into the fine points of the different legal arguments here, because the fact just simply remains that my feeling - after discussing it with my counsel - was that the potential uncertainty and the risk of escalation, getting into legal arguments with the board and the operators, that the

outcome is uncertain. This is not a preferred route or preferred use of our time or our budget.

MR. EPSTEIN: So if I can try and sum up: The situation seems to be that you think it's valuable to do this audit, and it would be in the public interest to do the audit, but that you haven't asserted any of the powers that you have in your Statute and, having been met with resistance, you haven't used the mechanism that's available in your Statute, which is a court ruling to resolve points of law that are at issue between you and the auditable entity - is that where we are?

MR. LAPOINTE: The sections of the Act that you're referring to as empowering me to take a simple course of action to deal with the issue, I don't agree with. I don't think it's as simple as you say.

MR. EPSTEIN: Sorry, do you think your powers are not clearly stated and that you might lose?

MR. LAPOINTE: There are powers that are clearly stated. They don't necessarily clearly state to what extent they apply to this situation. This situation is a little more complex than it would appear, and the provisions of my Act were never meant to deal with the particular situations we're dealing with here and were never meant to deal with federal legislation. The minute you bring in the issue of federal legislation, it does become more complex.

Perhaps it's only a matter of opinion, but my opinion on this is that taking a legal recourse is not the preferred way, that it's simply not the best way to attempt to deal with this situation.

MADAM CHAIRMAN: Mr. Epstein, the time has elapsed on those 20 minutes. I just wanted the Auditor General to have a chance to finish his answer.

MR. EPSTEIN: Thank you.

MADAM CHAIRMAN: I'm turning it over now to Mr. Colwell for the Liberal caucus, and I'm looking at 16 minutes.

MR. COLWELL: Thank you. I want to just ask a couple of questions about this Canada-Nova Scotia Offshore Petroleum Board. The previous member had some very distinct views on it and I want to reiterate that it appears, at least in my estimation, being a layman and not a lawyer or anything like that, or an auditor, that you've taken the right approach on this from the standpoint that if you get legislation changed then it is not an issue in the future. At the same time, if you go through court action it could be a substantial cost to the taxpayers. Is that a good description of the approach you've taken on this?



MR. LAPOINTE: I believe it could be a substantial cost, not just a financial cost, but a substantial cost in our time and effort and diverting us from other work we could be doing, yes.

MR. COLWELL: Yes. If the right legislation, whatever that may be - and you've described that already - was put in place, then you don't have that aggravation and everybody is very clear on what the rules are once it's in place. Is that correct?

MR. LAPOINTE: That's correct. I would point out, as well, that we have no disagreement with the board on that issue. The board does agree, exactly, with our recommendation and has so stated.

MR. COLWELL: That's great. Is it the Department of Energy - and I want to make this very clear - that's responsible for this Act? Am I correct?

MR. LAPOINTE: Yes, it is.

MR. COLWELL: And it would be the Minister of Energy who would be responsible?

MR. LAPOINTE: Most certainly, as being responsible for the department, yes.

MR. COLWELL: Yes. So this is an observation; I don't want an answer. It's strange that the Minister of Finance is answering questions on behalf of the Minister of Energy; that's a little bit strange.

As this goes through, again, you cleared it up before that it would have to be an amendment to the federal and provincial Acts, so that's something the government has to negotiate - and those are really all the questions I wanted to ask on that.

Back on the disaster preparedness that I didn't get a chance to ask about before - and I hope I don't repeat any of these questions. If I do, just indicate so and I'll look it up on the record.

It seems as though this is quite a concern, that basically with all the problems that could happen today with computer systems and people hacking in and natural disasters and all the other things that could happen, most organizations that have a substantial amount of this type of sensitive information would have backup systems off-site and be well prepared for the event of a disaster. We've seen the disaster that happened on 9/11 - hopefully nothing like that ever happens again, but it could be something else that causes it and hopefully nothing like that ever happens here. How serious could this possibly be? That's really the question I'd like to ask - how serious could it possibly be, in the worst scenario?

MR. LAPOINTE: I'll ask Alan Horgan to answer that question.

MR. HORGAN: If we want to look at a worst-case scenario, which is probably a relatively low risk, but an extremely impactful scenario, would be one that completely destroys the data centre, so that none of the equipment is repairable and the facility itself perhaps would have to be rebuilt, and, that same disaster impacted the place where the backup data is stored. If that were to occur, the government would have to - it would be very difficult to recover from that, because recovery is so dependent on being able to bring backup data to some new processors or new computers to become functional again.

MR. COLWELL: In the backup - and I believe I heard this properly, and correct me if I'm wrong - the place that the material, the information, is backed up doesn't have the computer capability to really just click back on-line and go and - in the event, say, where the equipment and everything is operating today, and they had a fire and the equipment is just totally destroyed - which very easily could happen; that could be a minor thing that causes a fire - there's no actual equipment that they could put in place immediately to use that backup information. Is that correct or am I wrong with that?

MR. HORGAN: That is correct for the systems supported by the Chief Information Office. As we noted, the systems supported by Corporate Information Systems do have a backup site in which they can completely switch operations over, so in one instance it exists, but in the instance of the non-financial systems supported by CIO, that is exactly the case.

MR. COLWELL: And the non-financial system, what kind of information is on that?

MR. HORGAN: They would be running systems for, I would think, a majority of the departments in government - things like the justice system that supports the operation of the courts and the operations of the jails, that feeds information out to police forces. I would think of the land registries that record transactions for the purchase and sale of land; Vital Statistics, which keeps information on basically everyone in the province, information used to provide income assistance payments to clients of Community Services. Really, it's a substantial list.

MR. COLWELL: That's pretty scary stuff, some of the stuff on that list. If it were to cease to be operative, even though they had a backup - and I don't imagine the systems they have are systems you can replace in 24 hours. It must be quite complex systems that they would have to put in place and probably very expensive, otherwise they would have them there. Would that be accurate?

MR. HORGAN: It gets a little technical there. If you have the backup computers, it's not that difficult to replicate a system. With the technology they use, they can almost photograph some hard drive discs that might contain various systems configured in different ways, and just take that photograph and reprint it on another hard drive somewhere else. So the actual moving around of systems is not that difficult, as long as

those photographs, to use an analogy, are stored off-site. The key is to have the extra capacity in computers in which to bring those systems up again.

MR. COLWELL: And they don't have that in the one area where they would have Vital Statistics, the Registry of Motor Vehicles, police information, jail information - we've already seen some trouble with that, people being released who shouldn't have been released. That's when the system is supposed to be working, so I can't imagine what it would be like, the confusion if that ever happened. But they don't have the actual system, the hardware system that they need to run this. The only thing they have is a backup, off-site for that part of it - is that correct?

MR. HORGAN: Yes, the only thing they have is the backup data, as opposed to backup equipment. Now I must say that the department is in full agreement that they need that kind of redundancy of having two data centres which basically have the same systems, so that if one goes down the other can keep operating. They are actually pursuing some different alternatives that way and looking for vendors to propose some solutions that may give them that redundancy.

MR. COLWELL: That's very positive, but it is sort of startling to realize that computers have all kinds of weird things happen to them as they work away, and if they don't have the systems in place to back it up, there could be a lot of people in big, big trouble very, very quickly. I mean, outside the government, especially social services cheques, or even the police, if they're working on things that are quite sensitive. If they lost some of that information and couldn't retrieve it for a while it would be a pretty serious impact. A fire, which happens all the time, could easily - an accident or a malfunction in equipment or anything that could cause a fire. So the danger is real. Hopefully they'll get this sorted out pretty quickly.

As this information, especially in the ones that don't have the equipment to handle it, is it handled every day? This material is updated every day - how far behind is the backup system - every day is it backed up, or it is once a week it's backed up, or is it backed up hourly or instantaneously?

MR. HORGAN: We examined the backup process and we were quite comfortable with the systems they used to back up their data. As I mentioned before, they use a bit of a layered process where certain backups are done on a very frequent basis, and more comprehensive data backups are done at a weekly or a longer period. The backup processes used seem to be very reasonable and what we would expect at any data centre.

MR. COLWELL: That's very positive. They've indicated they're going to make the changes from your report, to see the information backed up, and they've said yes, we agree with your findings and they're going to take corrective action?

MR. HORGAN: That's correct.

MR. COLWELL: Did they put a timeline on that?

MR. HORGAN: They haven't. A lot of what they want to do will depend on a new solution for the data centre which, as I mentioned, they are seeking proposals on from vendors right now. A lot of the stuff that we recommend they can't move forward on until they determine what this dual data centre set-up will look like - who's operating it, how it's configured. Once that is done, then they probably can get most of this done in short order, but they can't do it ahead of time. I believe they have already gone out with the request for expressions of interest, and that was at the time of our audit - where they are right now, I'm not too sure.

MR. COLWELL: Well, it's reassuring that they're working on it . . .

MR. HORGAN: Oh they definitely are working on it.

MR. COLWELL: . . . and that's very positive and I understand these things do take time. Hopefully we don't have a problem in the meantime. That's usually what happens - when the worse situation is there that's when you have a problem. So let's hope that doesn't happen.

I'm going to switch topics again - I'm going to go back to the meat inspection. We talked a bit about quality assurance on this whole process. As I say, I ran a quality assurance process that was very, very comprehensive, to the point that it included management decisions, configurations of how components would be inspected, how they would be manufactured, everything in the process. It appears that the same sort of system would work very well with this meat processing.

It appears that all government, when asked questions about quality assurance - there doesn't seem to be any anywhere in government, and that's the one thing that would streamline government beyond anything else. It's very difficult to implement, but once it's there your audits would be so much easier because you'd be auditing whether this was done. You would just do some checkpoints and bang, it's done. Did you ever look at that, through governments, to see if there is any movement towards quality assurance?

MR. LAPOINTE: We have never done a government-wide audit or multi-department audit of that particular issue. But certainly we have run across it in the past and made similar kinds of recommendations in other programs. I certainly would agree that a very high quality, quality assurance system in a program like this, or many others, can almost take the place of audit to a certain extent, because it deals with the issues on an ongoing basis and helps to make sure, at least, that problems don't arise and, when they do, they are dealt with right away. So it's a very effective tool - it's one of the reasons we recommend it and have done so in other reports as well.

MR. COLWELL: Has anybody implemented them like you suggested, in any form?

MR. LAPOINTE: It is kind of hard to say at the top of my head where we might have recommended something like this and it has been done.

MR. COLWELL: It seems a consistent problem in government that either people aren't - that there is no real quality assurance. When I say, quality assurance, that if somebody is calling with information, how that information is handled and how it should be handled and if, indeed, there are checkpoints to see if it is handled that way. In every part of government it doesn't seem to be there.

I'm the converted. When my customers first said I had to have a quality assurance system, I said, what for? Two years later, after I implemented it, I found out what for and it really reduced all the things you're talking about. I was to a point that if a customer came in and found one problem with my system, today, and a year later they found one more, I lost my quality assurance and it took me two years to get it back. I cancelled every contract I had and I had to go back again. That's how stringent it was. It was so easy to operate when it was in place it was incredible. This meat inspection would be even easier to do.

The same as - we have all kinds of problems here with Maintenance Enforcement supposedly not calling people back. A quality assurance system would fix it and there would be requirements for each person. The individuals would know what they have to do and know when they're doing it right and their supervisors would know it's being done right and would have checkpoints to do all this.

It seems to me that all these audits always come up with all kinds of things that that could simply fix. It's expensive to put in place; it takes a long time, but once it's there, it would save this government millions of dollars every year. It just doesn't seem that there's any interest in doing anything like that. As I say, I went through this; I lived through it, and now when someone asks, do you want a quality assurance system, the answer is yes. It can really save a lot of money.

Maybe it's something, when you're going through these processes - and I could sit down with you sometime and describe what I went through. You don't need to be at the level I was at because I was doing military work, but it needs to be in place and the more you look at it, it's a fantastic management tool as well.

MADAM CHAIRMAN: Mr. Colwell, your time has elapsed. I'd like to turn it over to Mr. MacMaster for the Progressive Conservative Party, 16 minutes.

MR. ALLAN MACMASTER: I had a chance to read the return letter to your office from the Canada-Nova Scotia Offshore Petroleum Board. I have a couple of questions just to try to clarify the differences between your offices. On page two of the letter, I'll just read

a sentence from it. It says, "The reality is that you would have been free to publish your findings and conclusions of the Board's performance but that in doing so you may have been unable to disclose some privileged information submitted by Operators", which would be the oil and gas companies.

My question would be, could you have conducted the audit of privileged information, which would be proprietary information of those companies, and while not reporting specifics of that information, would you have been able to report that everything is okay with our offshore industry? Or, if things weren't okay, could you come back and say, government should review - whether it be an issue of employee safety, something to do with the environment or something to do with the royalty regime?

MR. LAPOINTE: Well, it's highly doubtful that we could make meaningful comments. If some of the information that we wanted to report involved some specifics, we could be so restricted that any of our comments would be meaningless, but we had no way of judging that ahead of time, of course, because we don't know what information out there might be a privilege, according to the Accord Acts, and what might not, and to what extent it might impact the audit.

That particular comment in the letter - which I should note, by the way, was addressed to my staff, but really should have been addressed to me as the Auditor General - the feeling seemed to be, in that particular comment, that, well, we could have reported at will, it's just that there would have been some restrictions. Well that, of course, is the whole point - no restrictions on our reporting were acceptable, and certainly if we could not predict what that restriction would be.

MR. MACMASTER: So in fairness to your office, it would be pretty hard for you to do your job without being able to have access to the information and to be able to report on it?

MR. LAPOINTE: Yes, well, certainly without the access to it we really can't conduct an audit, but even with access, if we have restrictions on what we can report, (1) it is not appropriate, and (2) it could potentially put us in the untenable position of having information that we feel obliged to report to the House of Assembly because of the seriousness of it and not being able to report it.

MR. MACMASTER: Had you conducted the research, conducted the audit, and had information that you couldn't report on because of restrictions, could you have been put in the position where if there were issues around the safety of people working in the industry and possible environmental damage - because maybe there are practices being carried out that aren't appropriate, or maybe even that we're not getting our fair share of the royalties - would you then have been put in a position where, instead of being able to report that to the Legislature, you would only be able to report it to the minister, which would in a way politicize your office - in the sense that, yes, you can go out and audit these entities of

government but you have to report back into the centre of government and let them address it without shining the light on it for Nova Scotians?

MR. LAPOINTE: The core of that issue is that I could be in a position of having that kind of significant finding that needs to be acted on, to my mind, and perhaps being able to discuss it with the minister, but my reporting is to the House of Assembly and it would mean that I would not be able to report it as I'm supposed to do. If the finding was significant enough and it perhaps, say, involved worker safety, the position is potentially untenable. I would not place myself in that position.

MR. MACMASTER: Exactly. You know, if we look at royalties - if there's no audit by the Auditor General, how do we know for sure that we're getting our fair share of royalties?

MR. LAPOINTE: I'll ask Mr. Spicer to speak to that.

MADAM CHAIRMAN: Mr. Spicer, please.

MR. TERRY SPICER: The royalty side of things is handled by the Department of Energy, so it's outside of the board's responsibility. I believe there is some audit work done on the royalty side of things. We didn't look at that as part of this audit, though.

MR. MACMASTER: Right, and I respect that there would be within the Department of Energy, but I guess the purpose of the Auditor General's Office is to make sure that people working in government are doing their job, to make sure that we're getting our fair share. As a backup, just to ensure that everything is running as it should, that's the whole purpose of your office in that particular case. Would that not be the case?

MR. SPICER: Possibly, but again, I don't know. We haven't addressed that issue. So I don't know what limitations might be there for us if we were to delve deeper into that area. I am aware that there is some audit work done by the Department of Energy on the royalty side. That's really all I know about that area.

MR. MACMASTER: Okay, thank you. I'll address this to Mr. Lapointe. The Minister of Finance believes that the impasse surrounding this issue of you being able to go in to do an audit, to do a proper full audit of the Canada-Nova Scotia Offshore Petroleum Board, can be resolved in the Supreme Court. Why do you disagree with him?

MR. LAPOINTE: Well, there are a number of reasons that I've stated earlier this morning. I've looked at this and discussed the possibilities with my legal counsel and have looked at the possibilities. I've never felt that taking legal action on this was the best way to proceed, for a number of reasons I discussed earlier. I feel that, to begin with, legal action - they are a provincial agency even though they are federal-provincial, they are an agency of government and court actions and legal disputes within government really are not the

preferred route, to my mind and I don't want to get into these kinds of things if I don't have to, so I've asked the government to take the role of resolving the issue by reviewing the Acts involved and resolving, in effect, the potential dispute.

Now I should point out that we in the board are in total agreement on this and we don't want to get involved in court actions and legal disputes. If I can quote what the board says to this, they have said that the board agrees with the recommendations of the Auditor General to the Department of Energy stating that the provincial government should evaluate the legislative framework under which the Canada-Nova Scotia Offshore Petroleum Board operates and make appropriate changes with respect to disclosure of third party information. They say the board has previously made a similar recommendation to both levels of government so, in effect, we are asking the government to take the action that is necessary to make the changes and make it possible for us both to work in harmony.

MR. MACMASTER: It amazes me that the government would put up walls to that. It seems that they are more interested in wanting this, I mean they've come out and said they want it to be solved in court, which to me is more about trying to be clever than being decent. I don't think there should be any debate. I can't imagine there would be any debate over getting to the bottom of making sure that people who work in the oil and gas industry are safe, that environmental regulations are being complied with, the departments responsible for doing that work are on top of it, and also to make sure that we are getting, of course, our fair share of the royalties. I think they represent upwards of - at one time they represented about 2 per cent of provincial revenues.

Has anybody given you any indication of why they would not welcome you to do your job and to be able to - I mean I respect that those companies that are to protect the interest of the companies to come here, to continually attract oil and gas companies to come and do their exploration and their extraction of the resource here, we have to respect their competitive information, but surely there's a way, without having to go to court, to get around the notion that for your office to be able to do your job.

MR. LAPOINTE: Well the government's initial and I guess official response to this, which we printed on the report, was that they would, in fact, at least review the legislative framework. The board as well has stated that they agree with the recommendation, or with the response of the government, to review the issue and make appropriate changes. As far as I know, that issue is not off the table and that approach is not off the table, so I think it's still open for discussion.

MR. MACMASTER: So in other words, the legislation could be one way. If the legislation were changed, that would be a way of solving the impasse?

MR. LAPOINTE: It certainly would and I think we could - assuming all parties were amenable to discussing this - I think we could all sit down and negotiate what those changes could be and find compromises that would provide the protection the companies



need and provide us the access and the freedom to report that we need. I'm pretty sure that's all doable. How long it would take or how difficult the negotiations would be, I don't know, but then it resolved the issue with clarity and without dispute, permanently.

MR. MACMASTER: You had spoken with the minister about this. Was there anything specific that came out of those discussions?

MR. LAPOINTE: No, we did have a short discussion about it at a certain point, but nothing. As I say, it was short and we put our positions forward and didn't say too much.

MR. MACMASTER: Did you specify the changes that could solve this through legislation?

MR. LAPOINTE: No, I haven't made specific recommendations on the changes, I thought that would be a little presumptuous, but I think it needs to be examined and get all the parties involved to put forward what they think should be done.

MR. MACMASTER: Okay, thank you. I'm going to move on to protection of persons in care. One of the things your report had concluded was that there was a need for an appeals process. Anybody who is in care of the province, if something has happened to them, if they've been abused and they report it and it has been decided there has not been any abuse, there is no process right now for that person to go and make an appeal - your office recommended that was necessary. That's what you recommended - could you make some comments on that?

MR. LAPOINTE: Yes, I could. In fact, we did make that recommendation - I must say otherwise we concluded it's a well-run program. But we did have concerns, given the potential risk to individuals, on this one if it doesn't run well.

I'll ask Ms. Colman-Sadd, who conducted the audit, to speak to that one.

MS. EVANGELINE COLMAN-SADD: That is correct yes, currently there isn't an appeals process. Typically, I guess, an allegation of abuse would come forward a lot of the time from someone other than the actual victim that the abuse alleged had occurred towards, it's more instances of say a worker in a home or a family member, or maybe an administrator of a facility who would make those - although certainly an individual would be free to allege an allegation. I just don't think that's typically how they come forward.

In either instance, the complainant, if you will, whether it be an administrator or potential victim of abuse, there isn't a formal process for them to go through and appeal if they don't agree with the outcome of that investigation.

MR. MACMASTER: Okay. Are there not other departments in government where systems like the one you've recommended would be where the department could copy a

system somewhere else in government that would work, instead of having to create one from scratch?

MS. COLMAN-SADD: I think so. I think even within the departments there would be some processes; for example, there are appeals processes within home care at the Department of Health and Wellness. I think it's important to recognize here that we're not suggesting a really complex legal tribunal appeal board. We're suggesting just a simple administrative review process really, within the departments, where someone perhaps more senior, who hasn't been involved at all in the whole complaint review process and outcome of the investigation, takes a look to make sure that everything has been covered, that all sides have been considered and that the outcome was appropriate.

It's really just a process for a second look. It doesn't need to be really complicated and involve large boards that have to meet and involve legal proceedings - something simple could, I think, deal with the recommendation.

MR. MACMASTER: That makes sense and it sounds very practical.

I have one last question - oh, I only have 30 seconds left. This is a bit of a technical one for the disaster response and the backup of information systems. We know the amount of data must be massive, but also that the cost of storing data is cut in half every two years. Is there any time in the near future where backing up this amount of data on-line - I think they use the expression "in the cloud"- would be feasible, or is the data just too large?

MR. LAPOINTE: I'll ask Mr. Horgan to speak to that.

MR. HORGAN: I agree with the premise of what you state. Bandwidth, which is basically the amount of data you can send through lines at any point in time, is expanding. Of course, the volume of data is expanding. Yes, I think that definitely the backing up of data in those ways, to the so-called "cloud", which is basically just massive clusters of data centres, is perhaps the future of operating data centres.

MR. MACMASTER: Okay, thank you.

MADAM CHAIRMAN: Thank you. Your time has elapsed. I would like to return to Mr. Epstein for the NDP caucus, with 16 minutes.

MR. EPSTEIN: Mr. Lapointe, I'm going to continue with some questions and comments about the Chapter 5 materials about the CNSOPB.

I really want to say first that I want you to be clear - that I would really like you to audit the CNSOPB. It is our hope that you will audit the CNSOPB, as you originally intended, and that you'll have full access to all materials that you consider necessary for the

completion of your audit. That's the position of the government. We're really trying to problem-solve here so, that said, let's see if can maybe try and solve the problem.

The first thing I wonder is whether the consultation you had with legal advisors is something you're prepared to show us. I have nothing but the most respect for solicitor-client privilege - I'm not going to even remotely attempt to compel the release of it, but I was wondering if there is a written opinion and, if so, whether you're prepared to share it with us so that we can think about it?

MR. LAPOINTE: Well, I know you'll understand if I say that in this case I'm going to stick with solicitor-client privilege.

MR. EPSTEIN: Perfectly fine. Absolutely.

Let's continue then, if we may, with our examination of the Act. We looked at one of the sections before, in which I pointed out to you the powers of a judge of the Supreme Court and you agreed that you hadn't attempted to use that power. That was Section 11. Now if we turn to Section 12(1) what it says is that: "the Auditor General may require any person to provide evidence, testimony or information under oath or provide documents respecting the matter under question and may issue a notice requiring such attendance or evidence."

And if you do that, and if the person fails to respond positively, you may apply to the Supreme Court which may, in response to an application from you, the Auditor General, "may commit the witness for contempt." Again, just to be clear, you haven't attempted to use the Section 12 powers either - is that right?

MR. LAPOINTE: No, I have not.

MR. EPSTEIN: Then if we look at Section 14(6), again, it puts a positive duty on any officer, employee and agent of any auditable entity to forthwith provide the Auditor General any such information or explanations that you may require. It says: "Where the Auditor General and the auditable entity are unable to agree as to what records are privileged records, either party may make an application to the Supreme Court to determine the matter." Again, just to be clear, you haven't attempted to invoke any of the powers under Section 14 - is that correct?

MR. LAPOINTE: I've attempted to invoke Section 14(1).

MR. EPSTEIN: You've asked for the material.

MR. LAPOINTE: Naturally, and I pointed out the fact to them that it requires them to comply and forthwith provide the information, and that's as far as I've taken that.

MR. EPSTEIN: Right, but this is obvious, you haven't attempted to go to court to back that up?

MR. LAPOINTE: No.

MR. EPSTEIN: Can we also agree that there are certain restrictions on your ability to disclose information that you do receive? I draw your attention to Section 15(3) of your own Act. It does say that where matters are "subject to solicitor-client privilege, litigation privilege, settlement privilege or public interest immunity," even though such information is available to you to do your audit, you're not supposed to reveal it, subsequently. You do have a limitation in the Statute - you're aware of that I'm sure.

MR. LAPOINTE: Yes, I am. I did, in fact, write that provision.

MR. EPSTEIN: Okay. But given all of that, is it your belief that you actually do have the power to conduct the audit of the CNSOPB? Now that you've thought about your Statute, you've been met with resistance by an auditable entity, is it your view that, in fact, you do have the legal power to compel the information to come, and do your audit?

MR. LAPOINTE: My view is that I would, in an attempt to compel, using these or other legal means, that I would have a very high chance of success in compelling. If it was strictly a provincial agency, there would be, in fact, no dispute, but the fact is that it then becomes a little more complex in being a federal-provincial agency, and so then I'm not certain of outcome.

MR. EPSTEIN: Okay. As you said earlier, there's always a little element of uncertainty on any legal point and that's where you are, but you think you would have a good chance of success?

MR. LAPOINTE: Yes, I would.

MR. EPSTEIN: Okay, that's fine. And again, the barrier is - I think you put it out - costs. Can I then ask about - the reason you said you didn't go to court is that you thought it would be lengthy, that it would take up money in terms of expenditures, and also use some of the time and effort of your office - do I understand your reason?

MR. LAPOINTE: That is one of the factors in my decision.

MR. EPSTEIN: Are there other factors we should be aware of?

MR. LAPOINTE: The primary factor is that this does not deal with the issue of reporting to the House. That is the issue. The primary issue is not access to the information. The board has acknowledged the fact that I have a right to audit. The issue is with my ability to then disclose any of this information in a report.

MR. EPSTEIN: Right, that's the legal issue.

MR. LAPOINTE: That is the issue.

MR. EPSTEIN: That would go to court.

MR. LAPOINTE: That is where we would potentially get into a - even if everything went perfectly, the issue could become a legal issue at the time of attempting to report to the House.

MR. EPSTEIN: Well, in fact it's a legal issue now. The CNSOPB has refused to give you the information unless you undertake not to report it to the House, so it's already a legal issue . . .

MR. LAPOINTE: That's correct.

MR. EPSTEIN: So the issue then really is - what I'm trying to understand is the reluctance to go to court to try and deal with this. Instead of going to court, you are suggesting that the Accord Acts could be amended to get greater clarity - is that your suggestion?

MR. LAPOINTE: That is my recommendation and also the recommendation of the board.

MR. EPSTEIN: The board being the CNSOPB?

MR. LAPOINTE: Yes.

MR. EPSTEIN: Fine. Can I point something out, which is - first, you do understand that because this is mirror-image legislation, if a clarification of the Accord Acts was required, this would require action both by the Nova Scotia Legislature and the federal Parliament? You do understand that?

MR. LAPOINTE: Yes.

MR. EPSTEIN: Okay. This, in and of itself, would be time-consuming - is that not correct?

MR. LAPOINTE: Perhaps.

MR. EPSTEIN: Okay. And in order to facilitate the audit that you contemplated, is it not also the case - let's assume that there's a problem with the legislation and that it does need clarification - wouldn't it have to be retroactive in order to clarify that the information that is already in the hands of the CNSOPB could be released? Normally legislation is what

is called forward-looking - it takes effect when it is passed, so it would affect information in the hands of the board in the future. Wouldn't you also want to look at information from the past?

MR. LAPOINTE: Now you are of course bringing up legal points of which I have no knowledge, and I can't answer that question.

MR. EPSTEIN: Well, you could ask your lawyer about that.

Even if there were amendments to the Accord Acts, if there was still a dispute, wouldn't that end up in court? Isn't the court the place that ultimately one goes to resolve this kind of question?

MR. LAPOINTE: Presumably the purpose of adjusting the Accord Acts would be to eliminate the likelihood of dispute.

MR. EPSTEIN: Yes, we try to write laws in the Legislature all the time and we strive for clarity as well as legality and that doesn't stop lawsuits. They happen all the time because people think about these things.

Again I put it to you, that is what we pay judges for, to resolve disputes.

MR. LAPOINTE: Perhaps.

MR. EPSTEIN: Earlier you suggested that there was an element of uncertainty, but also of cost. I'm wondering if anyone had pointed out to you that, broadly speaking, there are two different kinds of lawsuit - one is called an application and another is called an action.

If I may just explain for a moment: an action is usually what people think of as a trial, where the facts are in dispute and credibility of witnesses has to be assessed by the judge, and a lot of it is about facts - that is where things are protracted and there's discovery and it goes on and there are court hearings; then there's an application in which the courts really are focused on points of law and the facts are not usually in dispute and witnesses usually don't have to appear to give testimony - it's all done by affidavit.

I'm wondering if this difference had been pointed out, and wouldn't a dispute like this really be an application that is therefore shorter and more focused?

MR. LAPOINTE: That's correct; it would be through application and not through action.

MR. EPSTEIN: Do you have money in your budget that would allow you to take legal action to retain counsel, or do you have legal counsel available to you?

MR. LAPOINTE: I have legal counsel. There's no money in the budget for legal actions and, if money were required for it, it would come from some other part of the operation.

MR. EPSTEIN: Or you could make a request, I think, to Treasury Board for money, is that right?

MR. LAPOINTE: Yes, it would come from the taxpayers in any case.

MR. EPSTEIN: Yes, yes, it would, okay. I think I have to end with a plea to you, Mr. Lapointe, which is to perhaps reconsider this matter of whether it's more desirable to go to court than to try to seek legislative changes, leaving the entity unaudited. My plea to you really is to reconsider the possibility of using the powers that you do have in the Statute and to reconsider the efficacy of the powers that the Legislature here has given you, so that the good work of your office can go forward, so that the entity, in this case, can be audited.

So I'll finish with that request that perhaps you might want to just reconsider, think again, consult your legal counsel again and, if necessary, seek the funds. Thank you very much for answering the questions and for the discussion today. Thank you - a big help.

MR. LAPOINTE: I will say that I am always open to other ideas, and I will keep this and your suggestions in mind.

MR. EPSTEIN: Thank you.

MADAM CHAIRMAN: There are a few minutes left if you wanted them for the NDP caucus. No? Fine.

Mr. MacKinnon.

MR. MACKINNON: Sure, and very quickly if I could, disaster preparedness is really very important and when we look at the Chief Information Office, when did the audit begin at the CIO?

MR. LAPOINTE: I'll ask Mr. Horgan to answer that question.

MR. HORGAN: I would say last winter.

MR. MACKINNON: This is somewhat important because the Chief Information Office took over responsibility for disaster preparedness in the summer of 2010, so it was only a few months later that you began your audit - right?

MR. HORGAN: Yes, that would be correct.

MR. MACKINNON: Okay, so can you outline for me what steps have been taken since 2010 in relationship to better prepared readiness there with the CIO?

MR. LAPOINTE: Since 2010?

MR. MACKINNON: Yes, because it's my understanding that there are efforts being made, not just on your recommendations but fundamental changes that were taking place since the CIO took over that role.

MR. LAPOINTE: I would ask Mr. Horgan to speak to that.

MR. HORGAN: We did see progress being made while we were performing the audit. One thing that the CIO had prepared was a detailed plan for how they would become prepared and, of course, that's a logical first step for any large project - and this is a large project. We reviewed the plan that they had prepared. It was based on some best practices out of the U.K. We thought the plan that they prepared for this was quite reasonable. We noticed that they were assigning responsibility specifically to certain individuals for the preparation of the plan and that's a big part in making sure things get done - assigning very clear responsibilities.

They also mentioned to us that they were going to hire some additional people whom they would dedicate directly to this project, so all in all we found that they were definitely were taking it quite seriously.

MR. MACKINNON: With the other system, the Finance Department's Corporate Information Systems, CIS, you were quite satisfied with the CIS recovery plan and you also noted that the CIS regularly tests its emergency plans - is that correct?

MR. HORGAN: That is correct.

MR. MACKINNON: Now the CIS does have a high level of commitment to emergency planning, and with that we are assured that income-assistance clients, businesses, public servants, and pensioners who rely on getting paid should feel comfortable with the government's plan on that front - is that correct?

MR. HORGAN: I would agree with that statement.

MR. MACKINNON: Thank you very much.

MADAM CHAIRMAN: Mr. MacKinnon, your time is up right now. Thank you. I'd like to leave a minute or so here if there are any final comments that you'd like to make Mr. Lapointe, just about this Fall's audit.



MR. LAPOINTE: Madam Chairman, at this point I just want to say in closing that I, and my office, appreciate this committee's commitment to accountability in the Nova Scotia Government. We have appreciated the opportunity to discuss our report with you today. Thank you.

MADAM CHAIRMAN: Thank you very much.

There is no committee business today. We have a meeting next week, which will be the Department of Education.

With that, do I have a motion to adjourn?

MR. MACKINNON: So moved.

MADAM CHAIRMAN: Thank you very much. We are adjourned.

[The committee adjourned at 11:00 a.m.]