

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, December 10, 2014

LEGISLATIVE CHAMBER

**Office of the Auditor General
December 2014 Report**

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Public Accounts Committee

Mr. Allan MacMaster, Chairman

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Ms. Margaret Miller

Ms. Suzanne Lohnes-Croft

Mr. Brendan Maguire

Mr. Joachim Stroink

Mr. Tim Houston

Hon. Maureen MacDonald

Hon. David Wilson

In Attendance:

Mrs. Darlene Henry
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

WITNESSES

Office of the Auditor General

Mr. Michael Pickup, Auditor General

Mr. Terry Spicer, Assistant Auditor General

Ms. Evangeline Colman-Sadd, Assistant Auditor General

Ms. Janet White, Audit Principal



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, DECEMBER 10, 2014

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIRMAN

Mr. Allan MacMaster

VICE-CHAIRMAN

Mr. Iain Rankin

MR. CHAIRMAN: Good morning everyone, I call this meeting to order. I will begin with introductions of members on the committee.

[The committee members introduced themselves.]

MR. CHAIRMAN: This morning we have the Office of the Auditor General with us to discuss the Auditor General's December 2014 report. We had an in camera meeting last week and today is our main meeting. Mr. Pickup, I'd ask you to begin by introducing your colleagues that you have with you and please proceed with some introductory comments.

MR. MICHAEL PICKUP: Good morning, it's a pleasure to be here today to take questions from the committee and provide details from our report which we tabled last week. Joining me here today are the three key people who delivered these audits.

On my far right is Janet White, principal responsible for the audit within Community Services; next to me on my right is Assistant Auditor General Evangeline Colman-Sadd, who was responsible for the audit related to surgical wait times and operating room use; and on my left is Terry Spicer, the Assistant Auditor General who was responsible for the audit of the Tri-County Regional School Board.

In addition, I would like to extend thanks to the staff of my office whose hard work input to the quality products that we delivered last week and on which we will be answering questions today. Very briefly, these three audits, in our view, covered some of the most important work that government must deliver in an economical and efficient way.

Our first audit was the case of the Department of Community Services, our second audit related to the oversight of educational services, and the third audit was of surgical wait times and operating room use. As you know, these three audits included some 31 recommendations for actions that have been agreed to by the entities that were subject to audit. However, agreeing on action is only a starting point and now comes the time for results for Nova Scotians. This committee has an important role to play in holding the government accountable for taking the required action to do so. This action is needed for the sake of students, surgical patients and those receiving services from Community Services.

We will now be pleased to respond to your questions, to assist you in this important role that you fulfill in our legislative system. Thank you.

MR. CHAIRMAN: Thank you, Mr. Pickup. We'll begin with Mr. Tim Houston for 20 minutes.

MR. TIM HOUSTON: Thank you, Mr. Pickup, for your opening remarks and for preparing this report. I want to start today with the surgical wait times. Back in 2012, which wasn't all that long ago, it was reported that Nova Scotia had more doctors per capita than anywhere else in Canada and I can table that article. I'm just wondering if during the course of this audit you were able to ascertain whether that's still true or not - in 2012 Nova Scotia had more doctors per capita than anywhere else in Canada. I'm just wondering if you have any sense of whether that's still true.

MR. CHAIRMAN: Ms. Colman-Sadd.

MS. EVANGELINE COLMAN-SADD: Thank you. My apologies this morning, I'm getting over a cold and my voice might be a little scratchy. We did not look at whether Nova Scotia still had the most doctors per capita or not. It is important to remember in looking at that statistic, though, that that would include all physicians, which would be family as well as specialists, so it can be a little misleading in terms of particular areas.

MR. HOUSTON: Yes, for sure, I appreciate that. At the time it was pointed out that the issue was that most of those doctors were in Halifax and not in rural Nova Scotia.

I guess what I'm trying to understand is whether the wait-lists, the waiting times that people in Nova Scotia experience for hip and knee replacements, I'm wondering if that can be attributed to a lack of resources or poor management of those resources, that's what

I'm trying to figure out - are the resources there but they're not properly managed or are the resources not there?

MS. COLMAN-SADD: I think it's difficult to say for certain whether or not some additional physician resources - if that's what you're getting at with your question there - are needed. I think it's very important that the resources that are there be managed as efficiently as possible, because when they're not managed as efficiently as possible, then it's difficult to know what, if any, additional resources you do need.

I think it's really important for the district health authorities and the Department of Health and Wellness to look at the recommendations in this audit and to look at surgeries in terms of operating room utilization and in terms of how things are allocated, how wait times are calculated, how surgeries are allocated to particular surgical specialties and whatnot, and look for the ways that they can improve in those areas. Once they've done those things, I think they would have a better sense then of whether or not additional resources would be needed.

MR. HOUSTON: I agree, and that's why I'm trying to get to who is accountable for doing that because that's what's not happening; that's what I'm trying to get my head around. In Nova Scotia it can take three times as long to get a knee replacement as the national benchmark, and knee replacements aren't that unusual of an operation nowadays. Many Nova Scotians will need a knee replacement in their lifetime.

During the course of the audit, in your discussions with the department, did they indicate to you - did they do any kind of forecasting as to what the demand will be? Will they see an increase in demand for hip and knee replacements over time with our aging population? I'm wondering if you saw any analysis of what that demand might be. That would be important for them to marry that up with existing wait times and waiting lists and try to come to grips with how they're going to handle it. Did you see that type of analysis in your investigation?

MS. COLMAN-SADD: I do believe the department does some of that. We did not look at that in great detail in our audit. One thing that is referred to in the audit near the end of the chapter is clinical services planning that's ongoing. That is something that needs to be moved forward because that is what will help the department to determine which surgical procedures and other types of procedures need to be carried out in which areas - that's what clinical services planning does. It basically says, well, these surgeries you'll do in these six locations and these other surgeries you'll do in maybe some different locations. All of that figures into your demand and how you're going to be able to meet your demand and whatnot.

MR. HOUSTON: So that's the existing known demands? I'm just wondering if they're looking ahead as to how that demand may change over time.

MS. COLMAN-SADD: My understanding is that they do some of that, but it was not part of our audit. It would be part of clinical services planning and that might be something you want to ask the department.

MR. CHAIRMAN: Mr. Pickup, do you wish to comment?

MR. PICKUP: One of the points we would want to make on this is that all of these issues are something that we believe need to be considered by the department and the health authorities in coming up with an overall plan that addresses targets. So look at all the variables, look at the demand, look at what you have, look at what resources you may have, look at efficiencies you can get and then determine how you get from 600 or 700 days on these surgeries in a shorter term with clearer milestones. The department agreed with this recommendation, and we would be looking for action in that way.

MR. HOUSTON: That's the thing - that hasn't been happening. That's what your audit confirmed and that's what needs to happen.

Scotia Surgery is an example of a partnership that has been used to try to reduce wait times within the public health system. Do you have any opinion, Mr. Pickup, on the value of those types of partnerships?

MR. PICKUP: We didn't look at a lot of detail on that and again, I would go back to my point. The people who are running the system, whether they're in the department or whether they're in the health authority - these are the ones who are really charged to come up with the approach as to how you go from where you are to where you want to be and how we're going to get there and what options might best solve that.

We've made the recommendation that there needs to be action, there needs to be a plan. What the details of that will be really are up to the department to figure out how they get there.

MR. HOUSTON: So you identified the "what" - the "how" you're leaving to them, I guess.

As you sit here today, have you heard from the department as to how they plan to address the wait-list issue?

MR. PICKUP: At this point, as part of our clearance on the audit process, when we make a recommendation, we clear that with the department and they get to respond. So if for example, where we say come up with an action plan and come up with targets, they have indicated that they've agreed with the recommendation and they will come up with targets. Realistically speaking, as part of our regular work, we will be looking to be back probably in two years to say, what has actually happened, given the commitments and the recommendations that were made.

MR. HOUSTON: Okay, but you didn't get an immediate sense of urgency from the department that said, look, we hear you and we're already acting on this - that hasn't happened?

MR. PICKUP: No, the process would have been clear: the audit, agree on the recommendations, and get the response to the recommendations. That would be fairly typical of the audit process.

MR. HOUSTON: Much has been written that the wait-lists are influenced or primarily attributed to operating time shortages but I've also been hearing that there are actual shortages in the system of knees and hips. Is that something that you encountered in your audit, that there is an actual shortage of knees and hips and that's why surgeries weren't getting scheduled?

MS. COLMAN-SADD: Do you mean the actual replacement knee or replacement hip that needs to be . . .

MR. HOUSTON: Yes, they just don't have them so they can't schedule the surgeries.

MS. COLMAN-SADD: That was not something that was identified as an issue to us during our audit in any of the entities we visited.

MR. HOUSTON: Okay, thank you. I'm going to move on to the IT. During the IT audits your staff were able to gain access to the entire integrated case management system. My understanding is that this is a system that contains home addresses, casework information, financial information, and health history for these thousands of Nova Scotians that are in this database. Would the database have also included their social insurance numbers, do you know?

MR. CHAIRMAN: Ms. White.

MS. JANET WHITE: In some cases, yes, some of the client records would have social insurance numbers, but they don't have medical history in them. It's not like a medical health record, just to clarify that.

MR. HOUSTON: So you would have the addresses, the casework information, which would be kind of sensitive family information, I guess, about the family, financial information, and social security numbers. I guess it would also have information on cases of children who are placed in foster care, maybe if the people are on medical disabilities and any form of social assistance, is all stuff that's in this database, right?

MS. WHITE: That is correct, yes.

MR. HOUSTON: Do you have any sense for a child who is placed in foster care, what type of information relating to them might be in the database? It would be case notes about their situation, I guess?

MS. WHITE: Yes, there would be notes from caseworkers, contact information, any decisions that were made related to the child being placed in foster care and intervention.

MR. HOUSTON: So all of this really sensitive information about people's circumstances is available in this database and it was open to people with malicious intent, to access this information. We're talking in some cases about individuals and children who might have been removed from abusive homes and their personal information on their circumstances is in this database and it wasn't being properly protected. They trusted the government with this information and the government failed them.

Were you personally surprised at the scope of the information that was available once you saw how they gained access?

MS. WHITE: Because it was case management software, we knew what kind of information would be in there, so how much information was not a surprise. The ease of getting access to that was the surprise.

MR. HOUSTON: It was a surprise to you and it was a surprise to your team, was it a surprise to the department? What was their reaction?

MS. WHITE: I wasn't actually there when the findings were taken to them but they made very quick action to fix what they could immediately. That suggests to me that they were surprised, but they also understood the impact and the significance of it.

MR. HOUSTON: So when the department was made aware of - when your team went to them and said look, we were able to gain access to this database, they weren't previously aware of that? In other words, there was nothing in their system at all that tripped them off to the fact that somebody was trying to get into their system? It was a complete surprise to them; they had no idea that your people engaged by the Auditor General's Office were trying to access. There was just no protection built in so that they knew that people were trying to hit their system.

MS. WHITE: I hesitate to make a comment on what they were thinking and what they knew. I can only tell you how they responded to our recommendations.

MR. PICKUP: I would add to that, just for clarification, they knew we were attempting to do this. We shared that information with them that as a basic audit test we would try this. We didn't sort of unknowingly to them just show up one day and say, we've

done this. So it probably would be, I'm guessing, less of a surprise knowing we were doing the test.

MR. HOUSTON: I guess the thing I'm trying to understand is, would we have any confidence that somebody may have breached the system last year or two years ago or last month? Did they have any kind of notification system that people were trying to get in?

If you went to them and said, we're going to try to get access to the system, and then you went away and did that and you got access to the system, and you came back and told them, and they really didn't have any insight as to how you did it or when you did it, that means that they wouldn't have known if anyone else with malicious intent was trying to get into the system over the last period of time. I think that's what I'm hearing. Is that your understanding?

MS. WHITE: For someone coming into part of the environment, they can log that information of who is trying to get in and who looked at what, in certain circumstances, but for the most part you are correct, they wouldn't know that there was an actual breach.

MR. HOUSTON: Yes, I think the logging would be attached probably to user name and password. Those are the people who are going in through the proper channels, and they would know that, but I guess they wouldn't have known if people were going in otherwise.

Now we had a system that had serious security weaknesses and that your team with reasonable computer knowledge was able to silently gain access to very personal information of roughly 200,000 Nova Scotians. I'm just wondering, as you sit here today, are you aware of the department taking any action to notify those people that their personal information may have been breached? Are you aware of anything today? Has the department notified those people?

MS. WHITE: They had not noted to us whether or not they had made contact with those people.

MR. HOUSTON: These are people who might have security risks for whatever reason. They might need their addresses hidden from people. Should they not have been notified that that information might have been breached?

MS. WHITE: The policy for the provincial government right now, as far as I understand it, people are notified when there is a known breach. It's not so much a potential breach that they are notified about that.

MR. HOUSTON: So in this case here, your staff did access the database - so the database was breached, even in the context of this audit, and they have no way of knowing whether it was breached before.

If this were to happen in private industry - I mean we've all heard the examples of Target and Sony. They went out and notified people that they may have been breached. Even when there is no clear evidence that their information was breached, they give people a heads-up of security holes in their system. This was a massive security hole in the system and it concerns me that the department hasn't at least notified people that their information may have been out there - people who may need to know that for security reasons.

I know in other provinces, they have policies around how they tell people this - when people should be notified that their information may have been compromised. In Alberta, they have the Personal Information Protection Act, which requires notifications to be sent out of, ". . . any incident involving the loss of or unauthorized access to or disclosure of the personal information . . ."

They have to tell people if there is any incidence of that. Should we have that policy here in Nova Scotia?

MS. WHITE: Actually I would like to have Michael answer that question, if that's possible.

MR. PICKUP: On this question, in terms of the control weakness that we identified, clearly we would like to see preventive control in place that would prevent these types of things.

Now when we brought this to the attention of departmental officials, they took it seriously and they addressed it. Now in terms of their policy on notification of people, they feel comfortable, in their words, that a breach would not have occurred and yes, there was an exposure.

It's sort of like when a control doesn't exist, it doesn't mean something happened, it means you had the exposure to something happening. I would make it comparable to not locking your door at night. You may not lock your door, but it doesn't mean somebody broke in; you probably increase the opportunity for someone to break in if you leave your door unlocked.

In terms of what action they may see fit on taking, in terms of their client base and what communication they may or may not want to take and how they've reached those decisions, I think that's better addressed to the department and let them speak to that.

MR. HOUSTON: Yes and no, I mean this is pretty sensitive information about people. The analogy about locking the door, I kind of take your point a little bit there but they just don't know if somebody accessed that data. In my mind, the exposure was there and the exposure is very significant to these people.

I would like to have seen the department at least send a notification to these people so they can take some steps, should they feel it necessary, and let the people make those decisions, as opposed to someone in the department saying that we don't think anyone breached it. They couldn't even tell that your staff had gone in or when they had gone in or how, so how would they possibly know that all this information could be out there in the public realm, used by people with bad intentions?

I would like to see the department take some action, come up with a plan for how they notify people of this, so people can protect themselves. I would at least like to hear from the department. We haven't heard anything from the department on their thoughts on this whole situation. It has just kind of quietly gone away, I guess, under the guise that they've fixed it for today. Is it fair to say that they have fixed every security issue that you took to their attention? As we sit here today, have they all been fixed?

MR. CHAIRMAN: Order. The time has expired. You can continue in the next round.

We'll now move on to the NDP and Ms. MacDonald.

HON. MAUREEN MACDONALD: Thank you very much, Mr. Chairman. I want to return briefly to the chapter on surgical wait times, particularly as they pertain to orthopaedic surgery. This is a persistent bugaboo, I think, for anybody who watches the health care system and has been involved in trying to improve the health care system.

I have to say that when your report was released last week, it troubled me a good deal to see that a working group in the department that was established probably three years ago or so, has not really made a heck of a lot of progress with respect to actually developing a plan with hard targets and a way to start to address the wait times.

Now before I talk a bit about why that might be and I ask you a bit more about why that might be, I'd like you to clarify for us what exactly is currently being measured by let's say the PAR system, in terms of wait times? What is being measured? There's always a debate about when a wait time begins - is it the time at which you see a specialist and they say you're going to require a knee replacement and I'm putting you on the list for that, or is it at some other point? What's being measured?

MS. COLMAN-SADD: So in the background section of our report, on Page 47, there's a small chart that talks about consult wait time and surgery wait time, so the time to actually see a specialist and all of that would be consult wait. Then there's some space in there when somebody might be seeing a surgeon - maybe having some tests run, different things. Ultimately at some point there's a date of decision for surgery, if a surgery is going to go ahead. Then that surgeon's office would submit that booking information to the hospital so that it can get into the system.

When that information is received, the hospital has so many days - I believe it is five - to enter that information in the system. From the time it is entered in the system until the time that person's surgery is completed, that is the wait time that is currently being measured by PAR-NS.

MS. MACDONALD: Now I note in your chapter that the department has estimated that to bring the wait times within the acceptable benchmarks, 90 per cent of the time, they estimate that this would require \$35 million additional dollars. Is that accurate?

MS. COLMAN-SADD: That is the estimate that the department provided to us. However, one thing that does not consider is opportunities to more efficiently use the existing resources.

In providing that estimate to us, department staff did acknowledge that there may be opportunities to better schedule ORs, various types of things that might lead to an improvement in wait times and that if you did those sorts of things then you would need to re-evaluate now what would be the cost to get to 90 per cent in six months.

MS. MACDONALD: So that \$35 million could be lower, is what you are saying, but they don't really know to what extent it could be lower?

MS. COLMAN-SADD: That's right.

MR. PICKUP: I would just add quickly to that. On that \$35 million, that was the one time to get it up to that percentage and then it would be an annual. We did not audit that amount so whether that number should be higher or lower, we didn't attempt to.

Again, I would sort of go back to what we would see as an overall plan with those targets, part of that would be how are you going to achieve that? Whether it is more efficient use of the resource you currently have, whether it is something incremental. We are in no way suggesting this needs \$35 million; what we're saying is that's what the department believes. So we've put that out there for information, but clearly not audited.

MS. MACDONALD: I know that last week there was some discussion about unused operating room time in a number of DHAs, or what are sort of DHAs now, former DHAs I guess. If I'm not mistaken I think Yarmouth was mentioned, Colchester was mentioned and Cumberland, Amherst was mentioned. However, none of those regional hospitals have orthopaedic surgery programs.

There are only four orthopaedic surgery programs in the province right now, if I'm not mistaken: Cape Breton; New Glasgow, the Aberdeen; Capital; and the Valley. So if there's additional surgical capacity in these other areas but there is no orthopaedic program there, when you look at the possibility of utilizing existing resources, are you suggesting there should be orthopaedic programs in those areas?

MS. COLMAN-SADD: No, we wouldn't be getting into where particular clinical services should be carried out. However, as part of the department's plan to determine how to address wait times, I think the department needs to look at OR time across the province and consider, for example, just because there is unused OR time doesn't mean that that specific OR needs to carry out the orthopaedic surgery. Maybe other surgeries should be carried out there - more of those other surgeries - and then maybe free up some OR space elsewhere.

I think that's part of that whole clinical planning exercise that the department has had underway for a while and that I think really needs to be moved forward. That would determine which surgical procedures should be carried out in which locations - part of an overall plan with interim targets and short-term targets that moves you towards those national benchmarks over time.

MS. MACDONALD: I think one of the things that certainly people in the province are concerned about is the amount of travelling they have to do to get services. People want services as close to home as possible, and there's already a fair amount of moving around to get services. I have a wonderful older neighbour whose hip replacement was done in the Aberdeen. It's pretty difficult on some level for, let's say, somebody who is in their mid-80s or late 80s, in a lot of pain, having to travel from metro to, let's say, Cape Breton. It's not unheard of that people will travel that far to get orthopaedic surgery in a more timely fashion, if they're going to be waiting 15 months here and they can get in some place at nine months. It is very difficult and hard on people; I know that from talking to people in my own area.

One of the things in your report that I found a little concerning is, for the lack of a better term, the lack of standardization, I guess, in what is reported by the surgeons themselves with respect to the acuity of their patients. Your findings suggested that there were some surgeons, all of their patients were given a very urgent ranking, let's say.

What was the department's response to those concerns that you raise that there seemed to be some compliance issues around the reporting by the people that they have to rely on to provide accurate information?

MS. COLMAN-SADD: One thing about that particular area that is important to clarify is, it's not just that some surgeons were putting all of their patients in the highest priority - they were putting the majority. There are some surgeons who put the majority of their surgical patients in a priority band. It might be the lowest one, it might be the highest one, or it might be one in the middle. In the report we talk about the fact that some surgeries were done based on the priority assigned to them in the system by the surgeon. Some were done way earlier than they needed to be, if that was a true priority, and some were done way later than they should have been, if that was a true priority.

So it's not just that some surgeons are putting everybody they have - like, saying that they're the most urgent cases. That's not it. It's that they're putting them all in a particular band. The department is certainly aware of that. The department did mention that as a concern to us as well. In terms of what they're doing to deal with that, I think that would be a good question to ask the department.

MR. PICKUP: I think I would just add quickly to that, as the table shows on Page 53, clearly there is an issue here if 31 per cent of people are getting their surgery past target and 45 per cent of people are getting it before target. To me, that statistic speaks for itself as to say - what's happening here that we can have those variations in terms of the need for surgery?

MS. MACDONALD: I know that an additional orthopaedic surgeon was hired in the program in the Aberdeen in New Glasgow, and this particular surgeon had to build a patient list. People who got to see him were obviously able to get surgery more quickly because they weren't in a queue, it was a very short line. So his particular list, because he was new, certainly gave people an advantage. For people who know a bit about how the system is actually working on the front line, if they have that knowledge they can find the most recent person into the system and get a bit of an advantage. I'm not sure exactly what the plan is to deal with that.

My last question is about the Physician Resource Plan. There is a Physician Resource Plan, a 10-year plan for the province. My colleague from Pictou asked the question about how many physicians we have per capita. One of the things in the Physician Resource Plan that was identified as a shortage was orthopaedic surgeons; in fact, this province has a shortage of orthopaedic surgeons. Did that ever come up? Was that ever raised as you went through your audit, whether or not we had sufficient specialists and what the department's plan would be to address that?

MS. COLMAN-SADD: That was not an issue that was identified to us specifically as there being a shortage of orthopaedic surgeons.

MS. MACDONALD: It is in the Physician Resource Plan, absolutely, I remember it well. I'm going to give the remainder of my time to my colleague.

MR. CHAIRMAN: Mr. Wilson, you have just over five minutes.

HON. DAVID WILSON: Thank you for coming. I'll continue on with the audit on Health and Wellness. A lot of work over the years has been done to ensure that the reporting of health wait-lists are public, are out there, and that the website, Nova Scotians can go to that and look at the area they may be looking at having surgery.

A lot of the recommendations, when I go through your report, deal with specific areas. I look at Recommendation 4.4, for example, which says, "Annapolis Valley Health,

Capital Health and the IWK Health Centre should develop and document regular, internal elective surgery wait time reporting processes.” Through your audit, what kind of discussion did you have with the department when in April of next year really Annapolis Valley Health will no longer exist? What kind of discussion have you had that after the amalgamation of the district health authorities, how is the information going to be given to Nova Scotians? Is it going to change, that there will be just one wait-list for knees for the whole province and you won’t really be able to drill down on maybe where things are going well in the province? Has there been any discussion with the department on what happens after April 1st when Annapolis Valley Health no longer exists in the province?

MS. COLMAN-SADD: Our discussions with the department on what happens on April 1, 2015, would have been limited to an indication on our part that we would expect that the recommendations in our report would be applicable to the newly formed provincial health authority. We did not specifically discuss what the PAR-NS website might look like after April 1, 2015.

MR. DAVID WILSON: So the department hasn’t indicated to you that the reporting is going to stay the same? That concerns me and I mentioned this in our in camera briefing around a couple of the recommendations, especially around Recommendation 4.2, ensuring that the wait-list only reflects patients who are ready for surgery.

You can cut off a lot of patients on that wait-list who, come April 1st, we won’t know where they are in the province and it may look to the general public that the government has done a great job at reducing wait-lists but all they did was take people off the lists. It concerns me that there’s no recommendation to ensure that - or did you have those discussions that the reporting of the information that we currently have in the province continues to happen? How are you in two years going to go back and ensure that the recommendations you have in here - they’re quite specific to areas because not all areas in the province are doing a terrible job at surgery - how are we going to ensure that when you look back on how well the government has implemented your recommendations - how are you going to ensure that they really have looked at each of the areas that you’ve brought up in this audit? That’s my concern - post April 1st. Can you reassure us that you have the ability to make sure that you’ll have the ability to look exactly at your recommendations and make sure that they were implemented?

MS. COLMAN-SADD: There’s no doubt that the amalgamation of the health authorities and whatnot - given that we audited three specific health authorities and the department - will pose a complication in follow-up. However, departments change and entities change; there have been changes in the health system before in Nova Scotia. We’ve been following up on the results of our audits for a long time so we would look to the department, to the newly formed provincial health authority and to the IWK to see how they are addressing those recommendations. We would look at them at that larger entity level and we would follow a similar process that we would for all of our chapters in terms

of - our follow-up is a review, not an audit, so it's not as involved in terms of evidence as an audit, but we would be looking for support that the recommendations have been addressed.

MR. DAVID WILSON: So if I have this correct, you would expect that the government would be able to give you maybe Annapolis Health's wait times for knee and hip surgery to make sure they're meeting what they've committed to in this audit. I would assume that's what you're saying. You wouldn't expect that no data will be given to you in two years that will support their recommendations that they've implemented - am I correct?

MS. COLMAN-SADD: We really did not get into a discussion with the department of what the PAR-NS website would look like after April 1, 2015. We're two years out from that follow-up at this point. I guess we'll have to see what happens in terms of information that is available, but we would certainly be looking to follow up each one of those recommendations and we would be looking for evidence that those have been implemented.

MR. PICKUP: Very quickly, I would also encourage you to engage in that discussion when the department comes in, in terms of the details of their action plan.

MR. CHAIRMAN: Order, please. We will now move to the Liberal caucus and Mr. Rankin.

MR. IAIN RANKIN: I want to talk a little bit about education. I have a few questions here. I guess if you look across the country there are a lot of discussions surrounding school boards and the effectiveness of them - and the existence of them in often cases too.

I'm just wondering, did you do a scan of the other school boards in our province and why did you choose Tri-County? Was there any particular reason why you chose that one? In your opinion, would these findings be typical or atypical of the other school boards? I'm just trying to discern if this is an issue that can be brought to the other school boards - if these recommendations might actually have a wider impact on the province?

MR. TERRY SPICER: As part of our audit, we did talk to another school board just to sort of vet our recommendations and stuff like that, but we haven't done an audit of all the school boards so I can't say specifically whether we would find the same things in all of these school boards, but generally with every audit that we do - if we're doing an audit on a school board or a district health authority or any entity that there are several in the province, we would hope that management of those entities would look at our report and see what of these recommendations might apply to them and hopefully address them accordingly.

MR. RANKIN: When you were making these recommendations, did you review the governance model and establish what the original intent is of the school board, which also has different viewpoints in terms of the members and the management, and where we're getting the best public accountability? What is in your view an effective way of policy formation within the Department of Education? What is the best way of measuring outcomes and is it clearly defined within the school board governance model if they really do have a role in defining and measuring the outcomes from students.

MR. SPICER: As part of the audit, we would have definitely looked quite extensively at the Education Act which lays out the responsibilities of the school boards and specifically goes on to talk about the superintendent and the board and such. The Act really does put the responsibility of delivery of education with the school board.

Now the Department of Education and Early Childhood Development has played a role in that they developed the provincial curriculum, they provide support to the various boards on implementing that curriculum. But the responsibility really rests with the board as the Education Act is laid out now.

MR. RANKIN: So in your view it's clearly defined in the Act and there wouldn't be any reason to recalibrate their mandate or strengthen, in terms of the way they meet in committees and standing committees. In your view they are not delivering on what the Act is clearly defining, is that fair to say?

MR. SPICER: Well the Act is high level but I think it is clear that the overall performance of students is the responsibility of the board. Now the board is given some latitude within its own internal policies and stuff as to how they do that and make sure that they do their oversight and management of that to come to that high-level outcome.

The Act, again, is fairly high level when it comes to that but the specifics really rest with the boards.

MR. RANKIN: Also, just a quick question on the remuneration that they actually receive - is it more of a part-time job that these school board members have? What type of salary range do these members have when they are doing this important role?

MR. SPICER: I'm not sure of the exact remuneration. They get a stipend - I believe it's in the \$8,000 to \$10,000 range, I believe is what they get.

MR. RANKIN: These are obviously not full-time jobs.

MR. SPICER: They wouldn't be full-time jobs, no.

MR. RANKIN: It's a big responsibility. I know we have to go quickly - Community Services, I'm just wondering, obviously that was a big finding in terms of

looking at the controls. I'm just wondering, was there any empirical evidence that you found that showed there was a breach in the system?

MS. WHITE: We did not see any evidence of that. In fact we did ask the department if they had any evidence of a breach previously and they said no as well.

MR. PICKUP: Just quickly on that. Again when control weaknesses exist, it is very often raising what could happen by not having the control in place so often it's not "x happened" then, down the road, if something does happen, people say well why wasn't that control in place? So very often these types of audits point out things that should be in place so as to prevent something that could happen.

MR. RANKIN: Right, so there was no impetus coming from anyone who said they thought their information was hacked into or there was no indication from anywhere, really, that said that you should look at this in your report because of any theoretical breach that may have occurred?

MR. PICKUP: We would do this as sort of a typical given procedure in an IT audit. These things are fairly basic approaches that we would do.

MR. RANKIN: It seems to me that it's a great opportunity for the government to work alongside the AG's Office to rectify this control. Are you satisfied with the statement from DCS that says that weaknesses are partially addressed at this juncture? Is there any - would you find that that's a fair response from the department? Do you think they are taking it seriously enough that they are addressing the recommendation as quickly as possible?

MR. PICKUP: A couple of things on that. There are a number of recommendations in this report - 12 recommendations - and they are in various stages, so all of the weaknesses that were identified to this point have not yet been fully addressed. The particular weakness about us being able to access as part of our audit, we feel that they have addressed. We feel they have taken our recommendations seriously, they've agreed to make changes, so all of that is positive.

MR. RANKIN: Okay, thank you.

MR. CHAIRMAN: Mr. Stroink.

MR. JOACHIM STROINK: I guess I want to back to the surgical wait times. We've heard a lot of questions about the hips and the knees and a few questions about the \$35 million that will be needed to fix this. The minister has been very clear that he will work to bridge the gap on this issue but we also know that money alone will not fix this problem.

For you, what are the most important process and efficiency changes that need to be made right away to specifically make progress on the hips and the knees that you've seen through your report?

MS. COLMAN-SADD: I don't want to identify specific processes that need to be addressed. I think there are nine recommendations in our chapter that deal with the areas that we looked at during our audit where we think there is some room for improvement. I think the department, in determining how to make incremental improvements - how to make short-term improvements - needs to look at all possible areas and determine what's an appropriate short-term target and what's the plan to get to that short-term target? I really think short-term targets are needed to get to the ultimate long-term target of the national benchmarks.

MR. STROINK: I guess one of the things that you talked about in your report too is to implement a surgical plan. I guess part of having nine health boards to implement a surgical health plan would be one of the hardest things to do because there would be so many different layers to get that plan in place. Do you feel that going down to one health board would be a strong way of implementing the surgical plan?

MR. PICKUP: We haven't tried to look at how the switch from nine health authorities to one will impact that. The department has accepted the recommendations, including on the basis that they'll be going down to one health authority, so we are encouraged and hopeful and we'll sort of stay tuned as to what will happen. Our recommendations would stand in terms of being equally applicable in substance to the new organization and the department would acknowledge that as well.

MR. STROINK: One of the things we just heard today was the idea of having orthopaedic surgical areas all throughout Nova Scotia. Being down to one health board would make it easier for doctors and surgeons to use ORs around the province, so I'm assuming that would be a great solution to have a little bit more flexibility to work in different ORs to decrease the wait times. Would you not agree?

MR. PICKUP: Clearly to us whatever actions the government thinks it needs to take by working together between the department and the health authorities and the medical profession in order to solve that - that will be left with them in terms of the details. Whether that's three actions they need to take or 35 actions and how they go about doing that, that really is left to government.

As we have indicated, what we would like to see, if there is a commitment to getting to these national benchmarks, tell us how you're going to get there and tell us the process you're going to work through and the milestones. Where will we be in three months, six months, nine months, a year?

MR. CHAIRMAN: Ms. Miller.

MS. MARGARET MILLER: Thank you for being here today. It's really great to hear that some of the recommendations that you've made to the departments are being - it's something that has already been on their radar that they're working on or that they've certainly accepted your recommendations and are working on them.

One of the things I noticed in the report is that from district to district, every district deals with things differently, whether it's about managing wait times, about processing the OR usage times, things like that. Because everybody does everything differently, has that led to an increase in the cost of the overall system?

MS. COLMAN-SADD: That isn't something that we would have looked at in our audit. We wouldn't have examined the costs of specific processes in various districts or between districts.

MS. MILLER: I'll pass this on to my colleague. I know she's waiting for some education questions.

MR. CHAIRMAN: Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: Mr. Spicer, I have to commend you for your thorough report on the Tri-County Regional School Board. It is encouraging to see that the Minister of Education and Early Childhood Development has taken some leadership and has engaged Dr. Jim Gunn - who I have a lot of confidence in - in trying to rectify this matter.

I look at some of the notes here in the report and I'm sort of concerned about the way meetings were run by the board and I counted that there were 20 meetings a year that each member attended; 10 were education committee meetings, which are required, and 10 regular school board meetings. Were you able to review the transcripts and minutes of those meetings?

MR. SPICER: Yes, we would have looked at all of them.

MS. LOHNES-CROFT: Was attendance by school board members consistent?

MR. SPICER: For the most part. Looking at the attendance, we didn't see anything that struck us as being unusual in that way.

MR. PICKUP: I think for us the issue was not one of attendance or intent, it was one of focusing on really what you're there to do. You're there to educate children, you're there to see them do as well as they possibly can, so that really was our focus. Again, clearly they did meet and clearly they were busy with things; however, we believe they weren't focused on what they really needed to be focused on.

MS. LOHNES-CROFT: So part of their mandate is reading reports and discussing student performance. The report indicates that they rarely discussed below-average student achievements at board meetings. What types of things were they discussing if student achievement wasn't regularly discussed? What types of things were they discussing?

MR. SPICER: Typically the education committee minutes - and that's what we primarily focused on because that was directly related to the scope of our audit - the discussions tended to be more on sort of initiatives in the classroom. They were talking about education type of issues but not what we would have expected from a performance perspective.

As an example, one of the education committees had a lengthy discussion on the use of technology in the classroom - that would have been one - and initiatives around responsibilities of teachers - that would have been a good one. They had discussions on food service assessments. There were numerous things they talked about but not what we would have expected from a focus point of view of looking at well, how are the kids doing, are these initiatives working? It was very initiative based.

MS. LOHNES-CROFT: So your recommendations would consider student achievement to be a priority in bringing them up to the standards of other school boards?

MR. SPICER: Absolutely and I think that's one of the key thrusts of the report. You have information, in fact you have goals in a business plan that are fairly high level, but there's no regular reporting on how we're doing against those goals and if there's a plan to achieve that goal. It tends to be very school-specific and different schools are taking sort of different approaches to that. I think there's a lot of work they can do by the board in making sure that they're moving in the right direction and getting the results they want.

MS. LOHNES-CROFT: So operations would have been a big focus of the school board meetings?

MR. SPICER: Yes, that's a big part of what they do obviously. As we say in the report, they have many roles and they are busy people, there's no question about that. Operations would be one of them and there are a number of other things, but our focus in the report on what we think is the fundamental role of the board is making sure that their students are achieving what they should be achieving. That's where we found there were some areas they really needed to improve on.

MS. LOHNES-CROFT: Thank you.

MR. CHAIRMAN: Mr. Maguire.

MR. BRENDAN MAGUIRE: Thank you for coming today. I just want to jump back to the Community Services issue. So this system was implemented in 2007 so one can assume that these security holes have been there for going on seven years?

MR. PICKUP: While our audits are at a point in time and given that the controls didn't exist at that point, it would probably be a safe assumption that they didn't exist before that.

MR. MAGUIRE: I want to go back to something that was touched on here today with the potential for leaked information. During your research when you brought this back to the department, there are ways to determine if information has been accessed inappropriately or has been accessed from the outside. So things like non-approved IP addresses accessing the network, users and user rights - you can trace those to see if they've accessed files or casework that they haven't or weren't supposed to be involved with - was this looked at, and if so, was anything brought back from DCS to say there was evidence of this happening?

MS. WHITE: We didn't look at anything coming from outside the network. That was not the goal of the audit - we were looking from inside. You are correct in that you can determine who has been messing around in there and what they've been doing, but that's only if the logging has been enabled as a setting. In some cases some of the servers did have that enabled, but in some cases it did not.

MR. MAGUIRE: So I guess my question is, for those who have ever been in the IT field, the first class you take in networking and computer programming is backing up your files and security 101. I mean, this is simple, basic stuff here. So what happened here? It seems to me there was breakdown of leadership here. This has been seven years - seven years to literally right-click on a user and access their rights and check where they should be going and the network path they should be on. What happened?

MR. PICKUP: To some extent, I believe we can link this back to the two recommendations we made around the need to finalize and put in place an IT risk management framework, which you likely would have identified as part of that, and deal with it, and then some work on the strategic plan as part of your governance approach as well. The department has acknowledged that they need to finish this work.

At this point in time, we can say we found it. They made changes and they've accepted the recommendations. We selected this - as you have indicated, the system was around since 2007. We expected it to be mature, but we found these deficiencies.

MR. MAGUIRE: So back to my original question - we can say this is an issue that has been around for quite a while. These kinds of issues don't just pop up in the IT world. They've either been there for a while - so seven years of this problem sitting there, is it

reasonable to say that this government can fix it or the department can fix it in the next two years as per your recommendations?

MS. WHITE: Yes, absolutely, these items can be fixed fairly quickly.

MR. CHAIRMAN: Order. We will now move to the PC caucus and Mr. Houston.

MR. HOUSTON: I just want to wrap up on a couple of things with the wait times. This is not a new issue. This is an issue that has been around for a while and there have been various committees and working groups and studies and stuff. During the course of this investigation, were you able to quantify how much has been spent just on studying this issue?

MS. COLMAN-SADD: That wasn't something that we looked at within the scope of our audit.

MR. HOUSTON: I'm going to go out on a limb and say there has probably been millions of dollars spent just studying this issue. I'll raise a personal concern here - I don't see that changing. What I hear is more studies and more working groups down the road. I just wish that somebody would stand up and say, I will personally be accountable for trying to come up with a solution. I don't think we've seen that yet. I don't know if maybe I've missed something, but has there been any messaging to you from the department that says, this is the person - hopefully it would be the minister - that the minister is going to be responsible for fixing this, and we're going to stop spinning our wheels on this and we're actually going to try to solve it? Have you got any kind of sense from the department as to whether that's about to happen?

MR. PICKUP: We've been fairly clear, I believe, on what we expect. We expect an action plan as to where we're going from where we are, how we're going to get there, who is going to be responsible to deliver this, and how it's going to get reported back to Nova Scotia. If the results that are planned don't get achieved, why not and who is held accountable and that people be the judge as to if it doesn't happen, does that make sense. There may be new things that arise or maybe not.

MR. HOUSTON: I'm happy to hear that but I think it actually starts with making somebody accountable and the rest will flow from that. Until we see that happen, we might see more of the same. That's kind of my final thought, but Mr. Pickup.

MR. PICKUP: We will be holding the department accountable and we'll be holding the health authority accountable. They've agreed to these recommendations. You will have the opportunity to hold the department accountable in addressing this when you have a chance with them as well.

To go back to that point, we're hopeful by the recommendations as we look at other provinces that are able to do much better than Nova Scotia.

MR. HOUSTON: That has to be achievable, there's no reason we can't do it.

On the IT breach, I guess one of the things that struck me in the conversation here this morning is that the department said or made the comment that they didn't think a breach had happened. The issue that I'm most concerned with is that they have no ability to say that, they really don't know if there has been a breach here. In fact the negative impact of a breach probably wouldn't be felt by the department, it would be felt by the very people whose information got out there. They are the people who are going to be harmed by having their information out there, they are the people who would know something bad happened to them. They would be very unlikely to suspect that the reason their information got out there was because the government mishandled it.

For them to say that they don't think a breach has happened, it's pretty far out of line in my mind because it's the people who would feel the impact of it; they wouldn't suspect that it's the government's fault. Now those people have the right to know that this could happen and they should be alert and aware to bad things happening to them. Those are my final thoughts on that.

MR. PICKUP: I would encourage you to put that question to the deputy minister of the department when she is here, in terms of where they get the comfort level and some of those questions you raise in terms of them telling people and going forward on that.

MR. HOUSTON: Sure, because I do know that earlier this year the CRA had a security breach, I think it was called the Heartbleed bug and they were very quick to alert Canadians of this possible risk. Here we sit here today and our own Department of Community Services hasn't said boo about this to the people who are at risk. I wish we would see a sense of urgency to take some action on that. I'm really disappointed that they haven't.

I don't want Mr. Spicer to feel left out this morning so I do have some questions on the school board; we've had a bit of talk about the school board this morning. I guess my first question is, were you surprised that on the day the report was released that the minister came out and appointed Jim Gunn to review the Tri-County School Board? In other words, in my mind, building up to the release of this report, the department would have known that there were some issues down there - probably for weeks maybe - and no action was taken. Then the day the report goes public, an action of sorts is taken. I'm just wondering if that surprised you.

MR. PICKUP: As a normal part of our audit procedures, we of course would clear the audits and probably, starting six to eight weeks before the audit release date, clearing

the recommendations, getting a response from the departments as well. So the department would have known what was in the audit report and what the results were.

We can't comment what this will mean in terms of the advisor being appointed but in terms of the quickness of action, we will remain optimistic that this will put the department on a road to improving the educational results in that county.

MR. HOUSTON: I guess my concern is I don't think the quickness of action was there. I would have thought that the instant they heard about the seriousness, they would have got onto it. They wouldn't have waited a few weeks until the report was made public and all of a sudden the media was asking questions about it.

Was there any indication from the department, like as soon as you told them, hey, we're on this?

MR. PICKUP: The way this audit worked is essentially looking at the board oversight and the management at Tri-County; in Tri-County the board and the management were the primary audit entity we were dealing with, it was them that we were looking at. Education played a role as well. Once the report went to the Department of Education and Early Childhood Development, as part of our clearance, the deputy minister got involved and I had an opportunity to meet with the deputy minister on the report as well.

Just quickly, in terms of me being hopeful, I would go back to the point that we've had a long-standing issue about the low percentage of our recommendations that get implemented by the government, so something that is of concern to me is that we see greater implementation of our recommendations.

MR. HOUSTON: I can appreciate your hopefulness. There must be something about accountants that we're always optimistic by nature, because I'm certainly hopeful too. There are certain realities that we're faced with and I'd like to see the reality of the low implementation of recommendations to change, we all want that. I want that to start today - I want that to start yesterday, that's kind of where I'm coming from because I think how people react immediately to findings and how they react immediately to recommendations is a pretty good indication of how they'll react over the long term. That's why a lot of my questions are driven towards trying to get a sense of whether your team felt there was a sense of urgency and kind of surprise over some of these findings.

In the case of the school boards, I have to believe that the Department of Education and Early Childhood Development knew that the outcomes for the schools in this area weren't being met because they just weren't. We look at some of the results down there, the Department of Education and Early Childhood Development must have known that the outcomes weren't being met and yet they didn't seem - I haven't heard any hesitation in the department sending cheques to them to fulfill their \$69 million budget that they get every year.

I just wonder, why didn't the department have its finger on the pulse of what was happening down there and why did it take this report to highlight it to the public? I wonder if you have any thoughts on that.

MR. SPICER: Really that's better responded to by the department. Our audit really looked at Tri-County and what is happening there in Tri-County. Of course a lot of our stats in here are provincial assessment stats so they would be available to everybody, obviously including the department. But our focus was really on the board's oversight and management at the Tri-County. With respect to the department's involvement, really, it's better that they respond to that.

MR. HOUSTON: Now my colleague and friend, Mr. Rankin, brought up the other school boards. There are other school boards in the province and you haven't had the opportunity to look at those other school boards yet - I'm sure you will, in time, and if you're not, the department should be. Did the department reach out to you guys and say hey, look, these are pretty surprising findings here, we're going to go and look at the other boards ourselves, can you give us any guidance on what we might look for?

Was there any kind of collegiate atmosphere like that where they said look, we have to look at these other ones, again to the sense of urgency that the department may or may not have felt?

MR. PICKUP: I can assure you that whenever I meet with senior departmental officials I tend to be fairly quick to point out that we have limited resources and we can't audit everywhere as well. So any of these reports we do, whether it's on a school board or some other entity, we would hope that departments would take those results and sort of look at if you want a benchmark, if you want to do self-assessment, say okay, do we have opportunities to improve in other places. If that's what it's about, increasing economy, efficiency and effectiveness, to me that's a given and everybody accepts that when I meet with them, and I generally start with that point.

MR. HOUSTON: In terms of the appointment of Mr. Gunn who is a very respected professional person, I'll say that, and I believe he has good Pictou County roots as well. The fact that Mr. Gunn was appointed in response to your recommendations - do you have any sense as to what his mandate is? Is he going to implement some of your recommendations or is he on a fact-finding mission? Do you have any sense as to what his role is in terms of what your recommendations were?

MR. PICKUP: We haven't had any discussions with the department on the appointment of him or what he will be doing. We know essentially what you have read, we would have read, but again, I'm encouraged by the quick action and we'll see what happens.

MR. HOUSTON: Is that the way it should be? Is it kind of like, you put the recommendations out there and then set it and forget it? I can't believe that nobody would be reaching out to you for a little more conversation around what your recommendations are, particularly if they're going to send somebody down there to look into it. It almost seems like another review as opposed to actual action on the recommendations. That's my concern and I don't know if you share that concern or not.

MR. PICKUP: Again, I have been very focused on results, so however you're going to get there - if it's put person A, put person B, do A to X or do A to D - that's up to the people who are running the programs and to government, but do whatever it takes to get the results. Again, we will be back to look at the actions that have been taken to focus on not so much all the steps, but what the results have been.

MR. CHAIRMAN: We will now move to the NDP caucus and Mr. Wilson.

MR. DAVID WILSON: I want to go back again to the health audit. I think it's important that we recognize the importance of the work that your office does, and the importance of this committee to reflect on the reports that are brought forward.

I am concerned with the comment around follow-up and ensuring that the government follows through on their commitments to making changes, that the Assistant Auditor General indicated that it poses complication on follow-up - around the question of amalgamation of district health authorities and your ability to follow up. The Auditor General just mentioned how important that is. You want government to ensure that they do what they said they're going to do and they should be held accountable.

Maybe, if I could go back to Ms. Colman-Sadd's comments on posing a complication on follow-up, could you or the Auditor General maybe explain what that complication would be? Can you explain to me what you would consider the complication will be on follow-up in two years?

MS. COLMAN-SADD: I guess any time there is a change in an entity that you're following up, that's a complication. Maybe that was a poor word to use. Just to clarify, I don't have any concerns with our ability to follow that up. I don't have any concerns with the ability to follow up these recommendations. I mean, if we look at the recommendations that are directed to specific entities, I think they're all things that should be actually able to be followed up in the broader provincial health authority or whatever that entity might be called.

For example, "... document regular, internal elective surgery wait time reporting processes" - those are things that should be almost on an entity-type level, so we should certainly be able to follow those up. Operating room scheduling policies - right now there might be nine authorities plus the IWK, but even within health authorities at the moment - for example, the Dartmouth General might not have the same policy as the VG site has at

Capital Health or as HI has. So even within individual authorities, there are sometimes differences. It's certainly something I think that we should be able to follow up.

MR. PICKUP: I've already had discussions as well with the new CEO of the new health authority about following this up and she completely understands and accepts that it will be her responsibility to implement these recommendations and she accepts the recommendations and the actions they are getting tied into as well.

I can assure you in terms of follow-up, the points remain and the importance remains. Whether this is being delivered through one health authority or more - moving to one still requires us to see and for people to have a clear plan as to how this is going to happen and how we're going to get there.

MR. DAVID WILSON: Thank you for that response. By no means am I concerned with your ability to follow up, my concerns definitely will lie with the department and with the government so I want to be clear on that. I just thought we needed some clarification on that and we'll be closely monitoring as we go through that transition.

I'd like to return to an area my colleague mentioned. Through your audit - and I want to confirm this - the department had not indicated that the number of orthopaedic surgeons had anything to do or had influence on the orthopaedic wait-lists for knee and hips, specifically. So is that correct, that the department throughout that audit did not mention that the number of orthopaedic surgeons in our province has an impact on the wait-lists?

MS. COLMAN-SADD: There's a lot of meetings that take place in the course of an audit and of course I wouldn't attend them all. Can I say no one mentioned it? No, I couldn't make that statement, I'd have to go back and read through the minutes of a lot of meetings in order to be able to make a statement like that.

Can I say, though, with confidence that it was not something that was brought forward as a significant issue, like repeatedly mentioned and identified as a large part of the problem? That's not the message we received.

MR. PICKUP: I think a point of that to me would be if that's a challenge or an obstacle or something that is going to impact your achievement of meeting the waiting times, indicate that to people that, here are the risks and here is how we are managing them. Maybe it is going to take us, because of that, x months to meet this percentage, this many more months. That's what a plan is about - outlining all these things to people.

MR. DAVID WILSON: That's interesting. Of course with my background of sitting at that table, I spent a lot of time responding to that specific issue and that specific question and criticism from Opposition, that orthopaedic surgeons really do have a huge impact on the orthopaedic wait-lists. I'm surprised that it wasn't a significant issue, that

that wasn't one of the first things that maybe the department came forward with when talking about this, which is fine. I think a lot of my questions will have to be directed to the department, of course, so I hope you appreciate that.

I'd like to go back to the \$35 million that had been indicated that potentially is needed for the one-time costs. I know that could fluctuate if you find some efficiencies, that may drop, but I think it's still widely known that a large investment is needed. So that \$35 million, was that a response from the department when you went to the department and said okay, why is this, going through the audit? They came back and gave you that figure, saying this investment is needed - is that why we see the numbers we do on the wait-lists?

MS. COLMAN-SADD: I don't know if it was quite as linear as that. We would have asked the department if they had estimated what it would cost to meet national benchmarks and they had done that work. That's how we came to that discussion of the \$35 million which, as Mr. Pickup said earlier, is not a number that we audited. It's a number that we would have discussed with the department during the audit.

MR. DAVID WILSON: So throughout the audit process, the department has the ability to respond to your recommendations - I believe you made nine on this section. Were any of the responses from the government that they were anticipating an infusion or an investment in the coming year, for example? Did they mention that yes, this budget cycle - I know the budget is not out, but did they indicate to you that they were going to go and try to see if that investment could be approved through the Treasury Board or through Cabinet?

MS. COLMAN-SADD: We did not get into a discussion of what funding might be in 2015-16, if that's the budget cycle that you're referring to.

MR. DAVID WILSON: Definitely I'm just setting myself up to - of course, I wanted to hear on your side that potentially that will be a question I'll ask when we have the department in in the future.

I want to go quickly over to the Community Services Department audit and some of the concerns there. It's interesting reading through the concerns that were brought forward and made me reflect back to a lot of the concerns and issues that we heard within health care. Often throughout the years you hear about breaches, you hear about unauthorized access to patient information, and of course client information in the Department of Community Services.

So there had been work done in the Department of Health and Wellness around who has the authorization to look at health information or a health record of an individual. There was legislation brought in that was passed. To my knowledge, it's working well. There is definitely a procedure in place that if there is a breach of someone's information or health records, that individual is notified.

The legislation we have is specific to the Department of Health and Wellness. Looking through - and I know I spent a lot of time on Health and Wellness - did you make a recommendation that legislation should be brought forward to deal specifically with the information that the Department of Community Services have on I believe 20 per cent of the population of our province? Was that one of the recommendations? I apologize if it is, and if not, why wasn't it?

MR. PICKUP: Our audit really focused on the IT controls and not on that aspect of it. It was not something that we had considered as one of our primary audit objectives.

MR. DAVID WILSON: Would you agree though that would be beneficial? I mean, ultimately legislation - I know a lot is done within policy and regulation in our province, but when you put something in legislation it's very clear, especially to those who are working within the Department of Community Services or Health and Wellness. Just because you have access and the ability to get into patients' health records or client information in the Department of Community Services, you shouldn't be doing that unless you're specifically working on that patient or specifically working with that client - say, it's for services that they're trying to get.

Would you agree that legislation could possibly solve a lot of the issues that were recognized in the audit that here it's very clear and people know - these are the rules? Would you agree with that or do you have a comment on it?

MR. PICKUP: A couple of points. I think our recommendations stand on their own in terms of not requiring any sort of legislative change or any other policy change, those types of things. These are relatively straightforward, easier IT types of fixes.

I think in fairness to the other part of your question, to really get a wholesome answer to that, that really should be explored with the department because they may have gone down this road - they may have looked at it - and we wouldn't be aware of that. So to give you an answer, it may not be the best way to proceed.

MR. DAVID WILSON: I've been on the Public Accounts Committee a long time and I know you dive down deeply into the departments and the areas you audit. Is it often that the Auditor General would recommend legislation or is it more policy and regulation changes?

MR. PICKUP: We are not looking to obviously recommend government policy. That's what governments do. We may look at the implementation, the management, around the policy - how well something is being implemented that follows out of a policy - but the policy itself and the laws are left with the elected members.

MR. DAVID WILSON: I appreciate that, thank you.

MR. CHAIRMAN: We'll move to Mr. Maguire and the Liberal caucus.

MR. MAGUIRE: Once again, I just have a quick question and then I'll pass it on. How difficult is it to have a positive impact on the hip and knee surgeries when there are nine different strategies? We can go into what this government is doing and I'm not really going to touch on that, I just want to know if taking the nine different strategies from the nine different boards and streamlining it down to one, does this potentially have a positive impact if we have one hip and knee strategy for all of Nova Scotia?

MR. PICKUP: I think what our audit found is not focusing on the organization of the health authorities and how you structure the management approach, it's really about having a coordinated provincial strategy and approach in place of how you're going to do it.

MR. MAGUIRE: I wasn't asking about the amalgamation, what I'm asking about is the strategy in particular. If we have nine different strategies across this province and we streamlined that down to one, that is the same everywhere across Nova Scotia and we share resources and information and surgery rooms, will this have a positive impact?

MR. PICKUP: What we would like to see is a strategy and an approach outlined that the government believes will have a positive impact on the wait times, by doing A, B, C, and measuring it in terms of the reductions in wait times as we proceed over the next couple of years.

Can we assure you that doing A, B or C will result in this number of days coming off the wait times? No. But the department, being the ones who are going to implement this, coming up with a plan, they should have reasonable comfort that the plan they come up with is going to have a high chance for success in delivering upon these wait times.

MR. CHAIRMAN: Ms. Lohnes-Croft.

MS. LOHNES-CROFT: I'd like to reaffirm that I am encouraged by the minister's quick action on the Tri-County Regional School Board and assure members of the committee that Dr. Gunn is a man of action.

I'm looking at the IPPs for students and that there were 590 students who were on individual program plans. Typically these are done by a team, not just the resource teachers, so there's a team: assistive technology, speech therapists, school psychologists, classroom teachers, administration, as well as the resource teacher, and often an educational assistant will be in on that plan.

Were those plans communicated? Did that go up the chain - like principals, the superintendent and school board staff were meeting on a monthly basis, I would assume, like typical school boards?

MR. SPICER: Yes, of course the board would meet on a monthly basis. You're correct, those individual program plans are primarily managed at the school level - in fact, not primarily - they really are managed at the school level. What we noted in our report was there is still a role for management and for the board to make sure that whatever the outcomes are in those individual program plans, that students are making appropriate progress. So it is being managed at the school level but there's an element of oversight there that's missing. That's what we found in this case.

MS. LOHNES-CROFT: So was it a breakdown in communicating from administration up to superintendent to student services? I mean they would probably overlook that.

MR. SPICER: What we found at the Tri-County was on the management side they are reactive when it comes to IPP, so if a particular school is having trouble with a particular IPP, they will go to management and say can you help us with this particular IPP, we're struggling in whatever area it might be.

What wasn't happening was there wasn't sort of a step back by management and by the board to say our 590 students, are they progressing like we would expect them to progress? That's what's really not happening here and it's a significant number of students and a significant amount of resources that are used there. So that's where we think there's the breakdown and that they can certainly improve upon.

MR. CHAIRMAN: Ms. Miller.

MS. MILLER: A quick question; I was concerned about some of my colleagues' comments about the Department of Community Services and the IT issues there. Has there ever been a complaint? Did you ever encounter that there had been a complaint about information from the department that has been made public during those last seven years?

MS. WHITE: We were not made aware of there ever being a complaint, no.

MS. MILLER: Thank you. Would you identify it now? We've heard the term "breach" used quite often, would you consider this more of a breach or a weakness in the system that has been identified?

MS. WHITE: What we're talking about here in this report are weaknesses as opposed to an actual breach.

MR. CHAIRMAN: Mr. Stroink.

MR. STROINK: I just have a couple of questions on the Tri-County Regional School Board. I guess the recommendations have been in place and I just want to follow up

with Minister Casey's quick action in dealing with these issues. Are you pleased in the way that the minister has dealt with this in a very quick and effective manner?

MR. PICKUP: In terms of the action taken, I would go back to a similar comment I made earlier that we are encouraged by the commitment from the top to take action, but again, it will be about seeing the results over the next number of months in terms of outcomes and results.

MR. STROINK: Just one more question, going back to surgical wait times - I guess one of the problems in Nova Scotia is our geographical situation of people all over the province. With nine health districts it makes it very hard for people to go into different health districts to get the help that they need, so I think going down to one is a positive change. What are some of the first things that the new provincial health board authority could consider when tackling these regional discrepancies on wait times?

MS. COLMAN-SADD: As we've stated in our report, the department - and in this instance, the new authority and the IWK - will need to work together to develop a plan for how they feel the system is best served in terms of moving forward, in terms of developing some short-term targets, telling people - as was mentioned earlier - where we're going to be in six months, where we are going to be in a year.

We made nine recommendations that we believe are important recommendations to implement to see some improvements in the system, and then I think it's up to the department, the new authority, and the IWK to work together, to work with the physician community and to figure out the best way to move things forward.

MR. CHAIRMAN: Mr. Rankin, do you have any questions?

MR. RANKIN: No, that's okay. I'll put a motion forward whenever this concludes, if they want to make any remarks.

MR. CHAIRMAN: Mr. Pickup, we have exhausted our questions and would like to provide you with an opportunity for some closing comments on your December report.

MR. PICKUP: I'm very encouraged by the questions and interest today in our work. In supporting the work that we do and by considering our recommendations, I believe that you will provide further incentive for the government to meet its promises, to make the required change and do better than they have in the past.

The past track record is not good enough for Nova Scotians. At the end of the day this is more than simply being able to say somewhere down the road that a recommendation has been implemented, and ticking a box and indicating a percentage. This is about seeing more effective results in the most economical and efficient manner possible.

In this case, we will be back. We will be back within two years to assess whether the changes have been made and, more importantly, that the results are better. We are hopeful that the students at the Tri-County will do better. We would like to see wait times reduced and operating rooms used more efficiently in the process. Certainly we hope to see weaknesses at the Department of Community Services addressed in a very timely manner.

That will conclude our remarks, other than to wish all of you a safe and happy holiday season. Thank you.

MR. CHAIRMAN: Mr. Pickup, on behalf of the committee, I'd like to thank you and your colleagues for the work you're doing to make recommendations for improvements to government.

Mr. Rankin, I believe you have a motion you wish to put forward.

MR. RANKIN: Given the nature of this committee, I think that we would all collectively like to improve our relationship with the Auditor General's Office and help as best we can to make sure the recommendations are implemented on a more timely basis. Right now the two-year span gives the opportunity for some of the recommendations to not be aggressively looked at, I would say. The motion that I would like to put forward is that this committee collectively, formally, endorse the recommendations put forth by the Auditor General's Office. That is my motion.

MR. CHAIRMAN: Just to be specific, for the December report?

MR. RANKIN: Yes, the December report, the three chapters that are highlighted there, the recommendations that are encompassed in that report.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

There's unanimous consent, I believe, so the motion is carried.

Thank you, Mr. Rankin.

I will make the comment that this is something new that we've started doing as a committee by endorsing recommendations that departments have accepted to add weight to the work of this committee and the work of your office, Mr. Pickup, to ensure that those working in government understand the importance of carrying out these recommendations, to ensure they are implemented.

I know, just to follow up on that, we do have a couple of items of business. One of them is actually a letter that was directed by myself, as chairman of the committee, to the chairman of the deputy ministers' audit committee. That was directed back in July. We

have followed up on that letter and it has been indicated to us that there was an intention to reply. Something happened with the paperwork and we have not yet received a reply but there is word that we are expecting a reply very soon. It's something we can discuss again at our next meeting on January 28th. I believe that is important, too, because what we essentially asked and agreed to as a committee was that the deputy ministers' audit committee supervise and ensure that recommendations the departments have agreed to, that those recommendations are implemented.

We don't know what the response is yet but we do know that it's imminent and we look forward to that. Ms. MacDonald, do you have a comment? No, okay. I just wanted to provide the committee with an update on that correspondence.

Also, you have a copy of a Subcommittee on Agenda and Procedures record of decision from December 3rd. May I ask for the consent of the committee to proceed with the scheduling of those topics? Is everyone in agreement with that list of topics? Do I hear agreement?

There is full agreement on that so that is approved, that list of topics. Our clerk will take note of that.

We also had some correspondence from the Department of Transportation and Infrastructure Renewal and that is included in your package today. If you have questions on that, please ask myself or the clerk.

Before we schedule the list of meetings for the new year we have asked caucuses to let us know when their out-of-town caucuses will be, if they have any scheduled for February and March. We have heard back from one of the caucuses that is going to be out in the first week of February so I'd ask the other two caucuses to please indicate to our clerk, if you can, when your caucus is expected to be out of town on business, so that we can ensure efficient scheduling for meetings here.

The next meeting will be on January 28th to discuss the *Bluenose II* restoration project. We will have a briefing from the Auditor General at 9:00 a.m. that morning and our public meeting will begin at 10:00 a.m. Both meetings, of course, will be held right here in the Chamber.

Unless there are any other questions or comments, I would like to wish you all a Merry Christmas and Happy Holidays, Happy Hanukkah and Kwanza - one of the members mentioned Happy Kwanza. So with that, we stand adjourned. Thank you.

[The committee adjourned at 10:44 a.m.]