

EVIDENCE**Whitehorse, Yukon****Tuesday, February 12, 200 -- 10:00 a.m.**

Mr. Mitchell: I will now call to order this hearing of the Standing Committee on Public Accounts of the Yukon Legislative Assembly.

Today the committee will consider the Auditor General of Canada's report entitled *Government of Yukon's Role in the 2007 Canada Winter Games*.

I would like to thank the witnesses from the Department of Community Services for appearing. I believe Mr. Tremblay, the deputy minister, will introduce them during his opening remarks.

Also present are officials from the Office of the Auditor General of Canada; Andrew Lennox, Assistant Auditor General responsible for territorial governments; Eric Hellsten, principal in the Vancouver regional office; and John Sokolowski, director in the Vancouver office.

I will now introduce the members of the Public Accounts Committee. The committee members include me, Arthur Mitchell, the Chair of the committee; Steve Nordick, who is the Vice-Chair; Brad Cathers, who is substituting for Mr. Hart today; John Edzerza; and Don Inverarity.

The Clerk to the Public Accounts Committee is Dr. Floyd McCormick.

The Public Accounts Committee is established by order of the Legislative Assembly. We are a non-partisan committee with a mandate to ensure economy, efficiency and effectiveness in public spending -- in other words, accountability for the use of public funds.

Our task is not to challenge government policy but to examine its implementation. The results of our deliberations will be reported back to the Legislative Assembly.

I would just like to make a few specific comments about the Canada Games, which we are examining today. I would like to note for the record that the members of this committee, like all Yukoners, are very proud of the success that the Canada Games were for Yukon. Most of us took part as volunteers in one way or another.

Our questions today are meant to examine what occurred, how money was spent and learn lessons for the future and should not be construed in any way as criticism of the games, of the volunteers, the host society or of government officials. We all know that these were considered with great pride by Yukoners for a job well done.

To begin the proceedings Mr. Lennox will give an opening statement summarizing the findings in the Auditor General's report. Mr. Tremblay will then be invited to make an opening statement. Committee members will then ask questions. As is this committee's practice, we devise and compile the questions collectively. We then divide them up among the members. The questions each member will ask are not just their personal questions on a particular subject, but those of the entire committee.

After the initial round of questions, which are organized into different thematic areas, time permitting, we will give an opportunity to members of the committee to ask any additional follow-up questions that may arise based on the testimony here today. Those questions will not necessarily be based on the particular area that the members are focusing on in their initial round.

At the end of the hearing, the committee will prepare a report of its proceedings and any recommendations that it makes. This report will be tabled in the Legislative Assembly along with a transcript of the hearings.

Before we start the hearing, I would ask that questions and answers be kept as brief as possible and to the point so that we may deal with as many issues as possible in the time allotted for this hearing.

I would also ask that members, witnesses and advisors wait until they are recognized by the Chair before speaking. This will keep the discussion more orderly, and allow those listening on the radio or over the internet to know who is speaking. However, in order to expedite matters, while a particular Public Accounts Committee member is asking questions, I will recognize that member initially and then I will simply recognize the witnesses but not continually acknowledge the member until we move to a different member.

We will now proceed with Mr. Lennox's opening statement.

Mr. Lennox: Thank you, Mr. Chair, and good morning to everyone.

I am pleased to be here today to discuss a report on the Government of Yukon's role in the 2007 Canada Winter Games. I am accompanied by Mr. Eric Hellsten, principal, and John Sokolowski, director responsible for this audit.

Along with the City of Whitehorse, the host society, the Canada Games Council and the Government of Canada, the Government of Yukon was one of five key partners in the games. It contributed about \$64 million out of the total games cost of \$120 million and provided many staff to support the planning, coordination and delivery of the games, as well as the use of many of its facilities at no charge. An event of this size, importance and visibility, with planning and delivery involving several key partners over a number of years, is a major undertaking and tests all the elements of good project management.

The audit looked at how the government identified and managed the risks associated with its involvement in the games; identified and met its obligations and, where possible, ensured that the resources it contributed were used economically, efficiently and effectively.

We also looked at whether the government recognized and properly accounted for the costs incurred for the games and whether it evaluated the results of its involvement. Our audit included the planning and construction of the athletes village by the Department of Community Services.

The government met all of its significant financial, human and physical obligations related to the games.

Risk management practices are important for an event of this size in managing the uncertainty of future events and the

potential impact of the identified risks. We found that the government managed the process well by taking steps to mitigate most of its risks relating to the involvement with the games. It entered into agreements with its partners that clearly spelled out the obligations of each.

One of the key risks to the games was in providing accommodation for the athletes. However, information on the problems the host society was having in its arrangements to provide suitable accommodations came late to the government decision makers' attention. Management Board was advised only when it became clear that the host society would be unable to provide those accommodations. The government's opportunity to find lower cost options was limited by that time.

We recommended that the Government of Yukon should have a risk management plan for all major projects such as the Canada Winter Games. Such a plan would ensure that risks are identified, mitigated, monitored and reported formally to Management Board on a regular basis.

Once the government took control of the athletes village project, the Department of Community Services followed good management practices. Despite the difficult position it was placed in when it was assigned this responsibility, the department completed this critical project in time for the games. We found that the cost of the building was reasonable and that a process to control quality during construction was followed by the project management team.

We recommended that the Government of Yukon should carry out the required post-project review of the athletes village project to determine whether it followed appropriate procedures, observed economy and efficiency, met the objectives of the project and documented lessons learned.

The government has not yet evaluated the results of its involvement in the games. It spent about \$43 million more than the amount it estimated at the time that it supported the City of Whitehorse's bid for the games. Most of the increase is linked to the government's decision to assume responsibility for athletes' accommodation during the games that was converted into seniors' and student family residences.

We recommend that the Government of Yukon should carry out evaluations of major projects such as the 2007 Canada Winter Games. The government should also report the games' benefits and costs. Lessons learned during the Canada Winter Games can be applied to many activities upon which the Government of Yukon may choose to embark in the future.

We have made recommendations to the department to which it has agreed and has responded. The committee may wish to review these responses to determine whether it is satisfied with the specificity of the proposed action plan in three main areas: first, what needs to be done to address each of our recommendations; second, who is accountable to do it; and third, over what time frame?

Mr. Chair, that concludes my opening remarks. I, along with my two colleagues, would be happy to respond to any questions.

Thank you, Mr. Chair.

Mr. Mitchell: Thank you, Mr. Lennox.

Mr. Tremblay, I believe you have opening remarks.

Mr. Tremblay: Good morning, Mr. Chair, members of the committee, ladies and gentlemen. I'm the Deputy Minister of Community Services and with me today from the department I have some individuals from specialized areas that I'd like to introduce and whom I will rely upon for details that may be required throughout the questioning.

To my far left is Karen Thomson. She is the Director of Sport and Recreation. She is basically our guru for sport and is very knowledgeable in all of the areas of sport and was responsible during the games as the vice-president for sport and is currently the federal-provincial chair of the committee that handles the administration of sport on behalf of the provinces and territories, and in particular the games. She is also currently on the Canada Games Council, so she is very familiar with the workings of the Canada Games Council.

Between Karen and me is JoAnne Harach. Her role is Manager Special Projects for the 2007 Canada Winter Games in Whitehorse. She is basically my right arm. She assumed that responsibility at the eleventh hour when we lost a key player, Mr. Peter Milner, who is well remembered for the games. She also managed the athletes village project and is very familiar with all the details -- financial, contracting and otherwise -- of that particular project.

To my right is Temes Cherinet. He is the Director of Shared Services, responsible for finance, systems and administration of Community Services. He will be providing supports here in terms of corporate matters as we are appearing on behalf of the government for the games, and he is the financial advisor.

I'd like to thank the committee for this opportunity to appear before you, and I look forward to taking your questions. As I indicated, should you require information beyond what we're able to provide today, I certainly commit to get back to you in a timely manner.

The Office of the Auditor General looked at the Government of Yukon's role in the 2007 Canada Winter Games. This review was broader than the Department of Community Services, so while the committee proceedings normally require that my opening statement explain departmental goals, objectives and structure, given today's focus, I'd like to talk about the Yukon government's involvement in the games, legacies left, lessons learned and how we are moving forward.

The initial work to get the Yukon on the Canada Games hosting cycle started in 1990. It was not until 1995 that the federal-provincial and territorial ministers gave their collective support for Yukon to be actually included in the hosting cycle. Twelve years later, on the 40th anniversary of the Canada Games, Yukon hosted the rest of Canada for 22 national sport competitions, in what was a unique experience for all who attended and will be remembered by them all as a life-long highlight.

The Canada Games have been described as the "jewel" of amateur sport in Canada. They are made possible through a cooperative effort between all levels of government in hosting provinces and territories, along with Canada, and by the pas-

sion and determination evidenced in every host society that is formed to take on this megaproject, often in small communities.

Government of Yukon's involvement in the 2007 games was extensive. Many employees put in countless hours of their own time as planning volunteers. Government provided facilities leading up to the games that provided office and warehouse space. During the games, schools became sport venues. Hundreds of government employees, along with thousands of other Yukoners, stepped forward to volunteer during the games.

Together, Yukoners accomplished much in putting on these games and we have lasting legacies in many forms.

We provided truly bilingual games.

Northerners, the City of Whitehorse, the host society and the Yukon government pulled together in true northern fashion, at minus 30 and 40 degree temperatures, and showed the country that we are capable of hosting the nation's biggest multi-sport event.

Through the Yukon government's support of the Best Ever program, we had athletes who were the best prepared ever for a Canada Games. We were able to enhance coaching and access high level coaching for new sports such as freestyle skiing and snowboarding. Many sports began to utilize new resources such as sports psychology to prepare our athletes, and the medal results for Yukon were the best yet. We have proven that investment in sport can make a difference.

The Cultural Festival ran during part of the games and included visual and performing arts. Over 440 artists performed in 89 concerts and workshops. Also during the games, the Yukon First Nation Tourism Association hosted the Gathering of Northern Nations Aboriginal Trade Show and Cultural Expo, with 191 businesses, groups and individuals exhibiting.

With our sister territories, we presented a pan-northern approach to the games. This included a torch relay that covered over 100,000 kilometres and visited 83 communities as it crisscrossed the north.

The national marketing campaign, along with highlighting northern cultures, promoted the north as a great place to visit, invest and live. The campaign ran before, during and after the games and is continuing to produce results.

In support of the games, the government made strategic investments in new infrastructure, such as the Canada Games Centre and the athletes village, which are benefiting Yukoners and will continue to do so for many years into the future.

We as Yukoners, and the Yukon government as a significant partner in these games, are proud of these accomplishments.

We are the beneficiaries of the legacies that come from hosting the games. We have learned lessons and we are prepared to carry the torch even longer, until the sustainability of the games is assured by all the stakeholders and partners. We're prepared to do this because the benefits to communities, especially small communities, are significant and go far beyond the physical infrastructure that is put in place to host 22 sports at a national standard.

The games are the only multi-sport event that precedes an Olympic experience for athletes. They are uniquely Canadian, and there is nothing that matches them in other countries.

As a province or territory, hosting the Canada Games, you also take on new roles at the national sport and recreation table. The host minister becomes the provincial-territorial co-chair, alongside Canada's Minister of Sport.

In our case, we hosted the biannual federal-provincial-territorial Ministers of Sport conference, and we are continuing to work to improve the mechanisms that are required to sustain the Canada Games. There are ongoing issues of concern from each level of government that need to be sorted out in order to improve and operate successful games. Some of these include: the federal funding commitment; Canada Games Council governance; the retention of some corporate memory of the games by the council and improved due diligence for the bid process.

It is our view that the Canada Games are worth the continued effort by all provinces and territories and Canada to ensure their long-term sustainability and relevancy to sport development in Canada, especially at a time when we are preparing to host the world in 2010. This audit contributes to the effort to improve upon past experience and build a sustainable games platform.

On behalf of the Department of Community Services, I would like to thank the Office of the Auditor General for this report. We agree with the recommendations and will work interdepartmentally to undertake the actions we have committed to.

Thank you for this opportunity to provide opening remarks. I am pleased to take your questions.

Mr. Mitchell: Thank you, Mr. Tremblay. I just want to remind the witnesses in particular that these microphones are fairly directional and so, while there is a natural tendency to turn toward other people as we refer to them or introduce them, if you could try and speak into the microphones it will make it much easier for *Hansard*.

As I said during the introduction, these questions have been distributed on an arbitrary basis to the members of the committee. The theme of the questions that I am going to ask here this morning revolves around the topic of risk management. The auditors found that the government did not have an overall plan to sufficiently identify and mitigate the significant risks expected for such a large event in a small jurisdiction, including providing accommodation for 3,600 athletes at a reasonable cost. For example, it did not prepare a project brief that clearly identified risks and mitigating controls.

In paragraph 25, the auditors state that the government did not thoroughly review the bid prior to supporting it. For example, it neither identified nor estimated significant costs normally incurred as part of the games before it supported the bid and the games being awarded to the City of Whitehorse.

Paragraph 39 of the Auditor General's report says although government representatives were part of the host society's key committees, the auditors "found no documentation by these committees of the growing risk that the athletes village project could not be carried out as originally planned."

Paragraph 40 says the auditors found that "there was no formal reporting to advise Management Board of potential problems. As a result, the board could not determine if the government was monitoring and mitigating the risk of not providing athletes' accommodation, which could have jeopardized the games."

In paragraph 45 of the report, the Auditor General recommended that the Government of Yukon should have a risk management plan for all major projects such as the Canada Winter Games. Such a plan would ensure that risks are identified, mitigated, monitored and reported formally to Management Board on a regular basis.

The government has accepted the recommendation that there needs to be a risk management plan for all major events, so my first question today is this: how is the Department of Community Services coordinating with other departments to develop a formal risk management framework and guidelines? For example, based on the committee's 2007 report to the Legislative Assembly, the Department of Highways and Public Works has started to implement a risk management process. Is Community Services involved with that process?

Mr. Tremblay: In terms of risk management, we're seeing the broader responsibility here being one that is viewed as corporate in nature. Certainly for projects that the department is undertaking, it is something that will be of a higher profile than it may have been in the past. I think that, given our experience in both housing and liquor and other areas, risk management is something that we're looking at on an annual basis for any of the activities that we're involving ourselves in.

If I focus the risk management question on the future and projects such as the games, I see that, particularly in something like the athletes village, if we're not looking at the overall project, as a process that would be designed and managed and monitored by the agency in government responsible for project management, and generally, the requirement for a corporate structure for a risk management project when we're looking at something as large as the games itself. So I can't say that we have currently put something in place, and I don't want to suggest by leaving something out that it's something that I would see as necessarily a Community Services' responsibility. I think it's a corporate responsibility, and we'll be working with partners -- certainly Highways and Public Works, which is the agency that establishes the policy and processes for project management under the *General Administration Manual* -- and from a broader perspective, my deputy colleagues, in terms of coming up with a process for overall risk management for major projects that crosses all departmental lines.

Mr. Mitchell: Thank you for that answer, Mr. Tremblay. I would just like to reiterate that this committee, in discussing and examining this audit, recognized that the Yukon government was in a unique position, because it was only one of several partners in producing the games; therefore, some of the normal procedures that would occur when something was totally under the control of the Yukon government may not have, but our interest is in seeing -- be it with an NGO, a host society, a First Nation government, a municipal government --

how controls can be put in place by the government in terms of protecting the investment made by the Yukon government to make sure that that is done. Are you suggesting that you think that the risk management needs to be done at the highest level, or are you suggesting that whichever is the lead department in such a venture should undertake a formal risk management plan in any of these joint projects?

Mr. Tremblay: In my earlier response, I was leading toward a government-wide process that would be appropriate for any major initiative. That process should identify and make clear who has what role. By looking back at this particular exercise, we learned a lot. One of the bigger lessons for me was the reliance on others' footsteps that we had followed. We're not only working on developing a risk management process here for the Yukon government's benefit when we move into large initiatives, but I think we're bringing this experience to the federal-provincial floor to ensure that that kind of an approach is available for other jurisdictions. We found the same difficulties in New Brunswick and in Regina, and currently P.E.I. and Quebec are experiencing these challenges. There really isn't a template there because of the loss of corporate memory as it's an initiative that moves from one jurisdiction to another jurisdiction, with nobody having experience when you take it on. We're seeing this process as a process that can be beneficial not only for us, to improve our risk management capacity, but to assist others who are taking on a similar type responsibility.

Mr. Mitchell: The committee was wondering why costs such as marketing of the games or other capital upgrades that were needed and the cost of employee volunteers were not included in the territorial government's 2001 initial estimates?

Mr. Tremblay: Marketing the games and employee volunteers --

Mr. Mitchell: Some other capital upgrades and the cost of employee volunteers were not included in the government's 2001 initial estimates.

Mr. Tremblay: I'll start with the marketing initiative. I think we learned a lot in terms of the passage of time. A lot of the budgeting and information that was pulled together for the bid documents was based on prior games.

Prior to the Yukon gaining responsibility and about the time that the bid documents were being developed, there was a change in policy on Canadian content for marketing and broadcast and that type of thing in Canada. As a result, our bid documents were very much developed on the expectation that the same types of resources that were available for prior games would be available for Yukon. With there no longer being the need for Canadian content, broadcasters and other media were not as available as they had been for previous games, so the marketing initiative from point A to Z in terms of the games in the Yukon was a very different initiative than had ever been experienced previously, and we had to develop a new template. I would say that that was one of those areas of expenditure that we simply did not have the earlier information on or the skills at the time, and I think a lot of capacity was developed in that

area, and we will be moving forward to assist others in the future.

The costing of the employee-volunteer component is a fair question in terms of identifying what the value was. I believe, though, that the Yukon experience is one where this is not an exception or a surprise. We have hosted the Arctic Winter Games on numerous occasions. We have always had, during the time that I can recollect, policies for staff volunteers -- those who were instrumental to the hosting and support of athletes and support of delivering the Arctic Winter Games.

Rightly or wrongly it is not something that has been costed on an ongoing basis following the games; it is just the way that things have been done here. Retrospectively, I think that is likely how we were considering it when it was done for these games. It was recognition, going back, I believe, to the studies in 1997 that indicated that there was no way that these games could be put on without full support for volunteers by various employers -- certainly the host city and the Yukon government. Large efforts were made to extend that to other governments as well, but in terms of the forecasting it was not something that was highlighted as something that had to be identified from a financial perspective.

Mr. Mitchell: Do you then have recommendations for any future such undertakings that this be looked at more formally and costed out in advance as part of the risk management?

Mr. Tremblay: Leading up to the games and continuing on to now -- in fact, I was in a meeting in Toronto two weeks ago, trying to help to make the future of the games more realistic and manageable and for those who are getting involved to have a better sense of what they are getting involved in. From that perspective, a committee has been established to come up with the real costs of the games. Those kinds of exercises are impossible unless all inputs are identified and valued to determine what the risk is and whether or not they can be delivered. So I agree wholeheartedly that full evaluation of all the inputs, whether they come from provincial government, industry or wherever, are absolutely important in terms of knowing what you're getting into.

Mr. Mitchell: What did the government do to monitor the risks that the athletes' accommodation would not be provided in time for the games?

Mr. Tremblay: There are so many spokes to this wheel; I will try to be brief. The athletes village is a challenge pretty much to any community hosting the games that is not a university or military town that has numerous barracks or already has some pre-existing capacity that can meet this need.

Again, as you indicated at the outset, discussions, responses or questions are not intended to speak badly about anybody's work or any of the efforts that were undertaken but rather to assist so that in the future we can walk down a path that is solid. I really feel that the challenge was underestimated to some extent, although identified. I think the challenge was appreciated in terms of the need to come up with a mechanism to address the huge need for accommodation, so it wasn't underestimated in terms of people and the type of service that was

required. My retrospective assessment is that it was underestimated from the perspective of what the cost would be for resolution of that challenge.

It wasn't until, say, 2004, when the whole team -- the VPs involved, the host society, government officials and many people who had not experienced the full environment of the games -- had the opportunity to attend the Canada Winter Games in Bathurst/Campbellton. One of the exercises that we undertook -- it was actually the host society that did the risk analysis on every aspect of what had to be delivered. One of the things that was certainly being assessed and reviewed in full during our exposure to the Bathurst/Campbellton games was the athletes village.

It's my retroactive assessment that, having had the experience and the exposure there, there was a sense that a mobile solution was available. That mobile solution was used in Bathurst where they brought in basically house trailers or units that could be converted to house trailers and living accommodations post-games. It was only once we had that experience in Bathurst that we became more aware of what the cost was. In Bathurst, there was an injection, I believe, of somewhere in the neighbourhood of an additional \$6 million. By reviewing the costs in Bathurst, it became to us quite clear that the \$2.4 or \$2.6 million that was in the budget of the host society would pose a challenge.

At that time, there were different avenues that could be taken, having not appreciated the full risk prior to that. Avenues could be taken to seek more dollars. Avenues could be taken to seek options. Avenues could be taken to try to place the responsibility in different locations and see what people could come up with.

It is my sense that all parties were well-informed. There were certainly briefings of government leaders. There were briefings between the host society, governments, major partners, the City of Whitehorse, the board of directors of the games and executive committees. It was highlighted by the general manager of the games on his first few days on the job in January 2004. I don't want to suggest in any way that the challenge wasn't being recognized. I think that there may have been different processes that could have been used to document it or have it reflected with different bodies. But I'm quite comfortable that the information was there and the approaches that were being taken by government and the host society were somewhat joint.

The Yukon government didn't start a process on its own, independently, to try to come up with a resolution for the athletes village. But the Yukon government had its project management experts working with the host society and it had expertise from Yukon Housing Corporation working with the host society. Being a small jurisdiction with a limited number of personnel, it's my view that we put together all of the resources that we have collectively to come up with solutions. Having not previously costed the trailer option before Bathurst, I think we were surprised by the numbers, but we were aware, once we started putting together the options, what the numbers were.

Mr. Mitchell: Just to pursue this a little further, since you mentioned 2004 as obviously a critical time, we were wondering what steps the government did take to assist the host society prior to the society formally asking for assistance in October of 2004? In other words, can you provide us with a bit of a timeline as to how this was evolving and what involvement the Yukon government had in their interactions with the host society and the municipality prior to the formal request coming in from the society?

Mr. Tremblay: I'll do a bit of an overview and then I will ask JoAnne if she has any chronology there that would be specific to your request.

In advance of the Canada Winter Games in Bathurst, we had placed assistants in the hands of the host society, but the host society organization didn't become particularly effective and operational until a general manager was recruited. The general manager was provided with staff assistance from Yukon Housing Corporation in terms of a project manager who was available to work on the village committee. It would seem a significant enough problem to have a committee specific to the athletes village, as it had a committee for sport and a committee for bilingualism -- all of the major challenges for the games had its own individual committee and team.

On that committee, there was an appointee. I'm not sure if this individual was the architect and a project manager. There were two appointees from Highways and Public Works, which is our agency that has the expertise in that regard. They were tasked with putting their minds to the grindstone to come up with approaches. There were other inputs to the committees that included capacity from the architectural community in Whitehorse, builders and others who were involved. There was quite a brain-trust established to try to come up with solutions.

JoAnne, if you wouldn't mind, if you have a chronology there on some of the activities, that might be helpful?

Ms. Harach: The first athletes village think-tank meeting was held on June 23, 2003. Then there were monthly meetings of the athletes village technical planning committee following that. On that technical planning committee, there were members from the City of Whitehorse, as well as Yukon government members, as Mr. Tremblay mentioned, from Property Management Agency, a member from Yukon Housing Corporation, and a representative, Mr. Milner, who preceded me.

In October 2003, information was provided for a Cabinet retreat about the status of athletes village planning. There were meetings held with the board of directors from Yukon College in late 2003 and input was gained from the college. In the bid, if you recall, the site for the village was proposed to be at the college and the college had developed specifications for what they would like to see as a legacy component left at the college from the athletes village. That takes us to the end of 2003.

In early 2004, as Mr. Tremblay mentioned, the general manager was hired and he set to work very diligently on a two-day brainstorming session for the athletes village that was planned for and held in March. This brainstorming session involved over 50 members of the community. It was publicly

advertised. It included construction people, architects and there was interest from the private sector. That brainstorming session resulted in development of a plan for the host society to proceed with development of a village master plan. The host society retained a local Whitehorse architect firm to develop the athletes village master plan. They were retained in May 2004. Around this time as well, the athletes village planning committee continued to exist and guided the development of the master plan. As I mentioned, that planning committee had representatives from the Yukon government Property Management Agency and Yukon Housing Corporation.

Based on the master plan, in October 2004, the host society issued its request for proposals to see what could come forth from the private sector to build the village. That RFP closed on November 23, 2004. The three key components of that request for proposals were that the host society was looking for a private sector firm that would design and fabricate 100,000 square feet of temporary accommodation. The host society wanted that proponent to have an end user for that accommodation and the host society sought for that developer to be able to self-finance the project. Of the submissions received, none fulfilled those three criteria.

Mr. Mitchell: Thank you, Ms. Harach and Mr. Tremblay. Finally, I'll ask one more question, and then I will pass it on to the vice-chair, Mr. Nordick, who has some questions to ask.

We've heard of participation of government officials on various committees, together with the host society and other partners. How was the progress actually reported back to government?

Mr. Tremblay: A number of different means. There were -- I'm nervous about using the term "regular," but there were briefings between the host society leadership and government leadership on a fairly frequent basis. There were briefings with deputies on a regular basis. There was the development of background information and updates provided, which were circulated to all departments in advance of the establishment of an interdepartmental committee, which came, I think, in 2004. So in advance of the establishment of the interdepartmental committee, there was the preparation of updates that were shared. So until the interdepartmental committee was established, there wasn't a formalized process for communication. But once it was established, I think most of the information flowed back and forth and among departments through that process. Certainly, deputies also have -- and I can't speak for each department -- regular information sessions with their superiors.

Mr. Mitchell: And just very quickly, could you tell us when that interdepartmental group was established?

Ms. Harach: In late 2004, deputy ministers mandated the coordination of interdepartmental efforts for the Canada Winter Games and created a position within the Executive Council Office to lead the work. The first meeting of the committee was on February 15, 1005.

Mr. Mitchell: Thank you. Mr. Nordick?

Mr. Nordick: I'd like to thank the officials for being here today. I would also like to congratulate and thank everyone who participated in the Canada Winter Games. The Canada Winter Games was a success and a great achievement for the Yukon.

I'm going to carry on with my line of questions with relation to the host society and the Canada Winter Games, following up on some of the questions Mr. Mitchell was just asking.

Paragraph 8 of the report says, "The Government of Yukon was an important partner to the host society and played a central role in ensuring the overall success of the games. It had official representation on the Canada Games Council, the governing body of the Canada Games movement, and it was represented on several of the host society's key boards and committees."

The first question I'd like to ask is this: could you explain the role government employees played on these boards and committees? The reason I ask this is the report also says at paragraph 40 that "there was no formal reporting to advise Management Board of potential problems" despite the fact that Management Board was responsible for financial oversight and approving submissions for additional funding.

Mr. Tremblay: Thank you very much for the question, Mr. Nordick. There is no question that the Yukon government was an important and very involved partner in the delivery of the games. In fact, the involvement through boards and committees is the one area I'm proud that we did some due diligence in, in terms of our participation through the management and decision-making processes in the host society, recognizing the significant role that the government would have in the Yukon. The games were going to be the biggest organized event ever held north of 60. This wasn't something that was going to happen without detailed government participation. In order to be aware and have advance notice as much as possible, if we were going to support the games, we strategically required participation in the key areas.

First and foremost, on the board of directors, we required that there be two board members from the Yukon government. The process for selection of those board members within the government was to have one of the individuals from the Executive Council Office, so there was a good linkage with the Premier's office on what was taking place and a good storm warning system in place. The other linkage on the board was me; I was the other representative. Sport and recreation is my responsibility, so I could be monitoring and watching to make sure that the linkage, both federally and provincially, in terms of my responsibilities there and in terms of team development and delivery of the program, was possible.

So at the board level, or 30,000-foot level, we certainly had good linkages and had full awareness -- as much awareness as anybody else would have.

The next level of management for the games is the executive level, and that's the next level down. It didn't include all of the executive committees, but four or five members -- a couple from the city, a couple from the Yukon government and a couple from the host society. So on a weekly basis, as opposed to

the bimonthly or as-required basis of board meetings, we had people on the ground. And in fact it turned out that Karen and JoAnne, to my left, were the individuals who were meeting on a weekly basis with the host society and with the city to address emerging issues and put in place workplans or task programs to ensure that those challenges were being most effectively and efficiently dealt with.

Where there was a requirement for action within the Yukon government, those individuals, Karen and JoAnne, would bring it to my attention or to the interdepartmental committee's attention and action solutions as quickly as possible.

At the more detailed level, in terms of delivering the cultural or sport program or the venues or the bilingualism, we had individuals placed on the key committees. This shows how much input the Yukon government had. The vice president of the sport committee was Karen. Although a government representative and director of sport and recreation for the Yukon government, during the games she became the person responsible for delivering the sport program. Any questions and anything to do with any of the sports -- whether they were hockey, volleyball or table tennis -- the responsibility for making sure that the establishment, program and standards were in place fell on Karen's shoulders.

Again, she has a direct linkage with the Assistant Deputy Minister of Community Services, who has responsibility for sport. For games purposes, she had direct access to me and our minister. I'm sure you know that Minister Hart is an individual who believes in direct access, as well. We never had a difficulty moving program information back and forth.

Likewise, from the perspective of participation on the board, we didn't have any difficulty with access back and forth to the government's leadership.

In terms of how significant developments were communicated, where it was felt that the matter to be dealt with may be more political than operational, there was a good linkage between the leadership of the host society, the elected officials at the City of Whitehorse and the government leadership.

Mr. Nordick: I'll follow up a little bit on that question. I know that early on it was stated that there were two Highways and Public Works employees and one Yukon Housing Corporation employee on the committee for accommodations, so I don't need to ask whether there were government employees on that committee. But I was wondering: were the government employees unclear about the responsibilities to the host society and the government? Was there a lack of communication to Management Board about the problems with accommodations?

Mr. Tremblay: Clarity of roles is a very interesting question and one that poses a challenge even once greater definition is provided. I had some difficulty with clarity of roles and, in fact, on the housing staff position assigned to work on the games, for example. I wanted to make it clear that the individual's role was to be a participant of the committee and to work from the perspective of establishing processes and information and following up on the initiatives from the perspective

of being a committee member as opposed to being a government employee. But certainly, when an individual is tasked with bringing their expertise to that kind of committee, it does not exempt them from all of our conflict guidelines and that type of thing.

So specifically, I think that they were tasked to bring their expertise to the table and work as a team to come up with solutions. That is really outside of their government job, but they are not at liberty to do anything that would constitute a danger or a conflict for government. As time went on, some of these roles changed because, as it became clear that allowing -- for lack of a better term -- a third-party or hands-off process to try to come up with solutions wasn't being as effective as it might otherwise be, we had to withdraw from that and say that we've got to take the bull by the horns and deliver something, even if a committee process can't come up with the solution that is required.

So there was an evolution there. Initially, I think it was non-government, and it moved more toward government as the challenge became clearer.

Mr. Nordick: One quick follow-up on that: do you feel that if there are government employees on committees in the future, they should be reporting what potential problems there are to their supervisors, or is that not recommended?

Mr. Tremblay: I wasn't complete when I started, and so that's an excellent follow-up. Thank you for bringing me back on-line here. I don't mean to suggest that having the staff on committees and functioning as team members on the committees excluded the opportunity for information exchange and updates to the government. I think we did have a good information exchange.

The comment, in terms of bringing the information to the Management Board, is a fair comment from a formal perspective. But I wouldn't want to suggest that Management Board or our government leadership was not aware of what was taking place. It's my contention that the challenge was known. It took us a little longer than possibly it should have in an ideal situation to quantify the financial impact of that challenge, but there was knowledge from 2004 onward that we were putting forward every effort to address that and to better quantify it. I really don't believe that the lack of a formal process to bring information to Management Board had any impact on what took place.

Mr. Nordick: I'll move on to Exhibit 1 on page 5, which outlines the roles and responsibilities of various Canada Games partners. As far as the Canada Games Council is concerned, this exhibit says, "The council works with host societies to ensure that the standards and integrity of all aspects of the Canada Games are upheld and oversees the planning and organization of efforts of each city's host society." Did the Canada Games Council ever express any concern about the accommodations for athletes, coaches and officials?

Mr. Tremblay: As a games host, we are actually on the council or participating in that process throughout.

Did they have comment on the sports package or the athletes' accommodation? Most certainly, largely on the linkages

in terms of participating and coming up with what we were going to deliver. If I look at the sports package, the Canada Games Council was very much involved. In something like snowboarding, when the bid was established, snowboarding was not part of the package. As the board met and the organization evolved and matured, it became evident that we would have more and more difficulty with the marketing package if we didn't have sports to market that people wanted to watch. The broadcasters were asking, where is snowboarding? It wasn't part of the games when the bid was undertaken; it wasn't part of the standard. There was a lot of dialogue between the games council, the Yukon government, the host society and the provinces and territories to make that change to ensure that we could host snowboarding to make our marketing successful. It involved having the provinces and territories agree to put forward teams and on the technical packages. That is a lot of dialogue. Over the two-year period, we changed what is the games council mandate and package.

In terms of athlete accommodation, there was certainly dialogue there as well. In fact, in reading and preparing for this session, I recollected a letter coming from the Canada Games Council indicating their increased comfort, once the Yukon government took on the athletes village challenge. They were pleased that we could continue to provide the facility at the college where the food and technical people were going to be. They were pleased that we were able to come up with a solution that would allow for an athletes village that allowed fairness and equality for all sports, so that everyone was living in similar accommodations, in proximity to the food, and that it was going to be a good service that would not have a negative impact on an elite sport-type activity.

So there was dialogue on most of these matters on a pretty frequent basis. Wherever there was a challenge, the Canada Games Council was certainly available to work with the specific committees to bring as much corporate memory as possible. But we are arguing or, when we are talking to the Canada Games Council with provinces and territories now, suggesting that the corporate memory could certainly be improved, that the games council could be an increased asset for organizations that just do this once so that there isn't as much corporate memory loss from games to games.

Mr. Nordick: Paragraph 6 of that report says that the five key Canada Games partners -- the host society, the Canada Games Council, the Government of Canada, the Government of Yukon and the City of Whitehorse -- signed their multi-party agreement in March 2006.

This was almost five years after Whitehorse was awarded the games and only 11 months before the games were to take place. Why was this agreement signed so late in the process?

Mr. Tremblay: It comes down to money. There are probably a number of factors and I'll ask maybe Karen or JoAnne to speak more specifically on other factors, but I would say the main factor was in establishing what the financial contributions would be by the partners. Early in the process, there was recognition by the Government of Yukon that the financial contribution by Yukon that would be imposed by the Clear

Lake Resolution -- which was a framework established in 1997, I believe, for how Canada Games are funded -- was insufficient. Yukon, early in its commitment to the games, identified that it would provide a greater level of funding for the operating cost of the games than was established in the Clear Lake agreement.

From that point forward, there was dialogue between the parties and primarily efforts to have an increased contribution from Canada to recognize that costs for developing the games had grown from 1997 to 2007. It is my assessment that the prime reason that the agreement did not get signed until such a late date is that we were not able to get confirmation from Canada on what their contribution was going to be until that time. I'll ask Karen: Karen, you were involved in many of those negotiations. Would that be a fair assessment or were there a couple of other milestones that had to be reached?

Ms. Thomson: Yes. I think that was the number one thing: getting a confirmation of what the contribution from the Government of Canada was going to be. There was lots of wordsmithing with that number of partners at the table and the number of appendices attached to that multi-party funding agreement, including issues on bilingualism and what the sport program was going to be. We were also dealing with adding a day on to the length of the games, which was new and had never been done before, but it solved some problems for us in terms of providing a fifth arena. So all those negotiations took lots of back-and-forth meetings but the number one thing was confirming the funding.

Mr. Nordick: So do you feel that some of the problems would have been avoided if the agreement was signed earlier?

Mr. Tremblay: Well, certainly, funding was a big challenge for us. To let you know how significant we feel it is as a challenge, we're still working on it. We're not working on it at this stage from the perspective of seeing a benefit to Yukon but, among our partners -- and when I'm talking partners right now, I'm talking provincial and territorial partners -- we have a committee struck to work on Canada Games funding. It is a sufficiently difficult challenge that we have half of the provinces and territories committed to one position and half of the provinces and territories committed to another position. It is not something that we are able to address quickly, but it is something that is serious and, until we have national unanimity on an approach for funding the games, each individual host will run into this difficulty.

Mr. Nordick: Thank you. I have no further questions at this time.

Mr. Edzerza: Thank you, Mr. Chair. I welcome all of the officials here today. I want to commend you for a job well done on such a huge undertaking. I must admit publicly that one of my highlights of the games was pin trading. I have quite a few of them.

I'd like to start out with some questions on evaluations of the 2007 Canada Winter Games. In paragraph 61 of the report, the auditors found that the government had carried out an internal assessment of the benefits to Yukon from the games, but it

had not carried out any evaluation of its involvement. In paragraph 62, the auditor recommends, "The Government of Yukon should carry out evaluations of major projects such as the 2007 Canada Winter Games. The government should also report the games' benefits and costs." In its response, government said it "accepts the recommendation that post-project evaluations be carried out for major projects." My question to you: is the department planning to carry out an evaluation of the government's involvement in the 2007 Canada Winter Games and, if so, when will that evaluation be completed?

Mr. Tremblay: I have a lot of pins, too, so we might get together at some point and see what you're missing and I'm missing. The evaluation question is one that is -- again, I'm sorry that I move off quite frequently and talk about the future of the games, but because it's something I'm working on, I'm not emotional about it but entrenched in it. It is an important recommendation and something that we are committed to following up on.

I'm actually leveraging somewhat the development of the report by having the benefit of this audit take place that is making our work a little easier, at least in some of the areas where there was a good assessment done and some good thought processes put into it.

Again, I refer to a meeting for the sport deputies across Canada I participated in two weeks ago. I committed -- somewhat knowing that we had made a commitment here -- to Quebec in front of the other jurisdictions that we are doing an evaluation and that it will be of benefit to the future hosts. It is something that is not only being recommended in this report, it is something that is being asked for by other jurisdictions and something that we would have benefited from if governments who had the responsibility before us had undertaken it.

It's not a question of "whether"; it is, as you indicated, a question of "when". I would submit that it would be appropriate for us to have it done before the end of the summer.

Mr. Edzerza: Thank you.

Can you tell us if these evaluations will be made public?

Mr. Tremblay: Yes, I can. I think the evaluation will be made public because the value of it will be its availability to other jurisdictions. So, absolutely.

Mr. Edzerza: Thank you.

Who will undertake these post-project evaluations?

Mr. Tremblay: I am hearing the term "post-project evaluations." It is post-games, if you are taking it from the perspective of projects or different pieces of the games, Mr. Edzerza. I am looking at an evaluation in terms of the government's participation and delivery of the games overall.

The project being the games, I would see a number of components being in there. Some of those components have been completed. There have been final reports by the host society on each of these specific committees. Those aren't the pieces that I am so much interested in improving on. I think that package of host society analysis of the committee work in each area identifies pros and cons and things that could have gone better. I will ask Karen at the end of this answer if that is actually public information.

Actually, Karen, do you know?

Ms. Thomson: Yes, it is.

Mr. Tremblay: So we do have some reports now on the committee work for each of the committees that provide good information for future hosts. What we don't have is how government was involved in the delivery of the games, and that's the piece that I'm committing to developing over the course of the next few months.

Mr. Edzerza: Thank you for that answer. I know that it's common knowledge across the country that at different times there has been some criticism of other organizations across Canada who would do evaluations on themselves or projects that they had done. Do you see any difficulty in having government departments conduct evaluations of their own projects or evaluations of their own involvement with these games?

Mr. Tremblay: Yes and no. I think that there is a huge value in having managers or program areas conduct evaluations of the areas where they have activity. I think it's a function of management to evaluate and review your program areas or your areas of responsibility. But certainly, there is no value in that work. If it's not done from the perspective of being forthright and -- I don't want to use the term "honest" incorrectly here, but it has to be undertaken for the right purposes and done honestly. Often, to ensure that that kind of review or look occurs, it's helpful to have third-party input, third-party review or peer review. In this particular situation, I don't think we're looking so much at an assessment of whether things were right or wrong. I think we're trying, first of all, to make sure there's documentation of how it took place and give an indication as to whether or not it worked.

We can leave it to others who would use the information to determine if it fits their situation, because given it's a once-in-a-decade or multi-decade exercise, do we want to invest enough in this evaluation to say, "Here's how it should be done" or "Here's how we did it and here's where the problems were"? I think the investment in terms of actually coming up with the actual way it should be done can be made by somebody who would gain some benefit from that and could do that work more specific to their organization.

Mr. Edzerza: Thank you. As a committee member, I see a lot of value in the exercise you are talking about, because I'm quite sure that somewhere in the future, the Yukon government will be faced with a challenge of this nature again. So this will all be very valuable to ensure that a lot of the -- and I don't want to say "mistakes" either -- but you know, some things could have been done differently and it'll show up.

In paragraph 88, the Auditor General says, "The Government of Yukon should carry out the required post-project review of the athletes' village project to determine whether it followed appropriate procedures, observed economy and efficiency, met the objectives for the project and documented lessons learned."

In its response to the recommendation, management said, "The government accepts the recommendation that a post-project review be conducted and lessons learned be docu-

mented. The Department of Community Services will undertake the task of doing the review in 2008."

Is the department planning to carry out an evaluation of the construction of the two buildings that are now being used by seniors and students, and how will the government make the results of this review public?

Mr. Tremblay: Again, the answer is yes. There is value and it will be undertaken. I see this review as being very different from the last one that I was talking about in terms of the Canada Games as a project. The review of the construction and the athletes village project will give us much more internal benefit. We will get an immediate return by investing in the review, because we piloted to some extent or allowed a little more leniency in terms of the approaches that we took for contracting, given that we had a clear and unmovable time frame within which to deliver a turnkey operation. Because of the different framework and environment within which we were operating and had to deliver, a number of different considerations were made when we were tendering it and accepting bid opportunities. So I think that there is value here to specifically assess those and to see what our expectations would have been had we taken different approaches on some of the major decisions, because this information would be of value to the establishment of our policy in terms of project management practices. It will feed and inform that policy development. So yes, this review is being undertaken, and JoAnne is offering further information if it is of value to you in terms of the numbers of tenders that we looked at and that type of data.

I think I'll leave my comments with there is value in doing the review, and it is different from the overall project review and will be undertaken, again, before the end of the summer.

Ms. Harach: Could I offer just some information on our tendering processes? We complied with the contracting directive throughout the athletes village project. What we did do that was a little bit different -- section 18.1(c) of the contracting regulations requires that you go to public tender. That section allows you to go to public tender, but it also allows you, as an alternate to public tender, to go to everyone on the source list. Early on when we were putting out tenders, we did not get a lot of response. The contracting community was very busy. We tried the public tender process and we got little response. Few bids were received. In many cases, there was only one bid.

So we did use this source list process extensively, where we sought to attract contractors who normally do not bid to the Yukon government. They're smaller contractors. They bid to a general contractor, and the general contractor submits the large bid to the Yukon government. Starting in the fall of 2005, we used that process for the majority of our tenders. In some cases, we invited 54 firms and we got two bids. So that was an example of where, as much as you try, when the contracting community is busy, you maybe still cannot raise the interest. I did want to get that information out to the committee, because it is something that we did differently.

One of the successes of this different approach was that we did attract a number of smaller Yukon contractors who did significant work on that project. We had a siding contractor who

has done many, many residential houses, but he was a successful bidder and did literally miles of siding on those buildings. A general contractor out of Dawson City came and bid and ended up with, I think, close to \$200,000 in work doing roofing on those buildings. So because of that extra effort by our project management team to directly contact these small Yukon contractors from the source list, which is specifically in the contracting directive as a way to go -- we did that route -- we were successful in bringing in a whole different group of contractors to bid to the Yukon government.

Mr. Tremblay: If I could add a little more, just to be clear, the review here is one that is looking at the approach. I am comfortable from the audit and, if you'll allow me, I'll just quote a little bit of the audit, which identifies why I wouldn't be really doing a review of the adequacy or legality or anything like that of the contracting.

The management response includes -- and is accepted, I believe -- that it needs to be recognized as confirmed in the report that prudent due diligence has been exercised in the management of the project. Further, the report confirms that appropriate procedures were followed, that the buildings were constructed within a reasonable cost, that the change in project cost was not significant and the objectives of building them in time for the games as well as having immediate subsequent occupancy with the intended end-use tenants have been accomplished. I am pleased that the audit has confirmed that the processes were followed and that good results were achieved, but when I am accepting and agree with the recommendation that we should be doing a project review, it is in terms of the process and some comparative analysis on how it might have been done in a less time-constrained environment.

Mr. Edzerza: Thank you for those answers.

My final comment would be that I believe Yukoners have really witnessed a new way to put up such structures as was done with these two buildings. It was quite fascinating to watch them be constructed with a crane. I never believed this could happen.

I want to thank you. I have no further questions at this time.

Mr. Inverarity: Thank you for coming. We really appreciate it. For me, I have to say that volunteering for the games was a unique experience. I think one of the real pluses for me was that I ended up meeting long lost relatives from as far away as P.E.I. who ended up here and I never even knew existed. It was a real experience. I think a lot of Yukoners appreciated those kinds of things that came out of the games as side products.

I'm going to be talking a little bit about the athletes' village. I know we've had a number of questions on it.

In paragraph 2 of the audit report, it says that "Prior to its involvement in the games process, the Government of Yukon ... carried out a feasibility study in 1997 ... The report raised concern about the lack of facilities in Whitehorse to house the athletes." Despite this, the decision was made that the host society, which was largely a volunteer organization, would be given this crucial responsibility. How was this decision made

and why was it made if it was such a crucial component back in 1997?

Mr. Tremblay: That's a good question and it's one that I struggle with as well in terms of looking at the experience and the effort that we have had to put into successful delivery of the games. I would say there are two major challenges. One was the athletes village and the other was the facility for opening and closing ceremonies.

In terms of identifying the nature and significance of those, I think they were lost somewhat in the earlier work and the due diligence that was done. Although identified and recognized in 1997, there was some intelligence put toward the challenges when the bids were developed and we relied somewhat too much on the work of the bid committee. I don't want to suggest that the bid committee work was incomplete, but I think that in retrospect we can say there would have been value to have followed up more on some of these challenges.

In fact, I give credit to the bid committee in terms of the quality of what they were able to put together because there were games being hosted as they were developing their work that was demonstrating exactly what they were putting forward. It's after the bids that we found some of the challenges in terms of costs, and rising costs have been huge in the area of construction.

So, yes, the early reports identified certain challenges. Some of them we hit on the mark. For some of them, our estimates were off. This is certainly one in which our estimates were off.

Mr. Inverarity: During this period of time, 1997 to 2004, did the government monitor the host society's progress on the athletes' village?

Mr. Tremblay: I would say yes. Personally, I was involved, as well. I had two or three staff who were fully involved in advance of JoAnne becoming a project manager with that responsibility. The person who was in her job was on the committee. I had people from Yukon Housing Corporation on the committee. Again, as I indicated in the opening questions, I think it was in 2004 when it became very clear to us how big the challenge was that we were facing. It wasn't until then that we started to actually quantify it.

As I indicated, as early as 2004, the host society was also communicating with government, saying we have a challenge here, and here are the approaches we're taking to deal with it. We advanced resources and we advanced our personnel who had skill and capacity in that area to work on it, as opposed to developing parallel mechanisms to come up with solutions. Throughout the processes, where effort was going into coming up with solutions on how these athletes will be accommodated, there were timelines. There was always, "Here's the last date that we can go to trailers. Here's the last date when we can have this kind of construction. Here's the last date for where some other alternative might be possible." We were monitoring that option analysis or program analysis to ensure that we did not get beyond a point of no return in terms of coming up with some mechanism.

The point of no return wasn't where the planning could have been better. Where the planning could have been better would have been in terms of the recognition of the cost of the alternatives. That cost was substantially more than we had anticipated or forecast.

Mr. Inverarity: Would you say that you were monitoring all along, but the real wake-up call was when you went to the Canada Games in Bathurst?

Mr. Tremblay: I would say that that is where the order of magnitude was better visualized and understood.

Mr. Inverarity: Paragraph 42 says, "In January 2005, Management Board was requested to approve funding of \$20.8 million for the host society to construct 100,000 square feet of accommodation consisting of 75,000 square feet of permanent space and 25,000 square feet of temporary modular space." We talked about this a bit earlier.

According to Exhibit 2 on page 10, the actual costs rose to \$31.8 million. Why was the final cost more than 50 percent higher than the estimates in 2005?

Mr. Tremblay: In 2005, the final solution still wasn't developed. There was work being undertaken to come up with different approaches, looking at a couple different buildings, and the type of space, although it says temporary modular here, was not confirmed. The estimates were being based on potential approaches and the plan was not complete.

It has just been indicated to me that the \$20.8 million was for 100,000 square feet, and the ultimate requirement was 140,000 square feet, so there is a difference there in square footage and all that type of thing.

What became evident though, when there was an opportunity to discuss the \$20.8 million -- which is much better than the previous figure of \$2.4 million -- and it was clear, basically, that the host society was looking for assistance, the dialogue changed. If \$20.8 million was going to be required to come up with a solution, a different mindset was placed to the consideration. If we were going to be spending that type of money anyway, what can we get for it? It switched much more to a legacy for Yukoners than a number of the options that had been considered when the master plan was done.

When the master plan was done, there was potential for the private sector to access some of these modular units for private development or corporate construction, or to go to communities, and it wasn't a complete plan. When it became evident that government was going to have to put in \$20.8 million and the private sector wasn't coming up with those kinds of orders of magnitudes in their proposals, the shift in attitude was one of, well, if we're going to, in fact, be making this kind of investment, what is our best return?

It was around that time that we went to all departments and asked what the space requirements were and looked at the needs of the Yukon government specifically to see that if we could channel the investment toward requirements that would fall upon the government, and even in the event that the games were not held, that we could get some leverage from this expenditure. I would say that the difference in attitude, in terms of our ability to expand our thinking process in terms of the

solution, has led to some of the changes in the dollars there and, certainly, in greater certainty in what the project was.

Mr. Inverarity: In paragraphs 42 and 43, the report indicated that by the time the host society approached the government for assistance in late 2004, the government had a limited amount of time to consider options in providing athletes' accommodation. What other options did the government consider?

Mr. Tremblay: It really boiled down to three approaches. One approach was -- we were now to the point where it was quite clear from the experts that a stick-built, from scratch up, building was not available. We had an opportunity for modular construction, which is what you see on the site now.

We also had an opportunity for mobile units, as was done in Bathurst/Campbellton. That was basically the \$18 million to 20 million solution, and required investment in underground services -- let's not call them underground, because they wouldn't be very deep -- plus water and sewer services and that type of thing. In the \$18-million range, to be fair, we really did not have a revenue stream. There was potential that there could be some offset to that expenditure by the sale of trailers, but putting I think it was 70 or 80 trailers on the market at one time in the Yukon would not generate the kind of return that New Brunswick got, and New Brunswick's return was very poor.

The third option was to use other facilities like schools. That's basically what it came down to, because all the motel and hotel space and most people's houses were being occupied already. That option would have required an acceptance by the Canada Games Council to a change of standards and it was not an option that was seen to be one that would be easy to sell across the country. It would have been one we could put forward, but it could have resulted in a withdrawal by the Canada Games Council of Whitehorse as a successful bid and put the games in jeopardy for 2007.

So there weren't a lot of other approaches that could be taken. It was either the \$30-million option, the \$20-million option or the risk that the games would be removed.

Mr. Inverarity: You mentioned earlier that in Bathurst, they ended up spending about \$8 million more than they had projected. Out of curiosity more than anything, how much did they spend in total for their athletes village? Do you know?

Mr. Tremblay: Their approach was somewhat different because they -- and I don't know the total cost, nor does the Government of New Brunswick because they leased. So they put out the call for proposals for a certain type of accommodation to be in place for two weeks. It allowed the private sector to develop the modular units and then move them. We don't know how much the private sector spent on developing them; we don't know how much the private sector got in terms of revenue. We just know that the Government of New Brunswick had to pay the lease fee.

Mr. Inverarity: Thank you. Paragraph 82 says, "The Government of Yukon should carry out quality assurance audits of all larger projects to ensure that it accepts only those

projects that satisfy industry standards, technical specifications, building codes and tenant requirements."

The government accepted the recommendation that quality assurance audits be carried out for all large projects. The *General Administration Manual*, Directive 2.17 (Project Planning and Implementation), will be updated in 2008 to incorporate guidelines to be observed with respect to standards, technical specifications and other project specific requirements as the basis for project acceptance. Why didn't the department request that the construction manager carry out quality assurance audits as provided for in its contract before it accepted the completion of the buildings for occupancy?

Mr. Tremblay: I am going to give a kind of 30,000-foot level and then I will ask JoAnne if she has some specific inputs there. Again, not being a specialist in construction or project management, I can only comment on what I experienced on a day-to-day basis as the project was proceeding. My comfort was achieved by the competence of the project management and the construction consultants and the architects.

I am comforted by the reality that prior to final payouts or the final conclusion of any of these contracts, that there was a detailed assessment by our experts on the delivery of what was requested. I can't say that we had a soil specialist come in and do something that was in addition to what is required to ensure that we had the right compaction or that some electrical quality assurance specialist came in and oversaw beyond what our architects who are well certified in the design, and our construction managers who are well certified in terms of ensuring that what was designed was delivered, and our project manager who went to the extent of climbing up on top of scaffolds to ensure that what was supposed to be up in the higher levels of the project were actually completed before he allowed the contractors to take down the scaffolds.

There may be additional steps. Not being expert on contracting law, theory or procedures, I can only say that I was quite comfortable that we were getting what we were asking for. I will ask JoAnne if there is anything to add in this regard in terms of, if there was an opportunity for further quality assurance, was there discussion in terms of whether we should or shouldn't take another step.

Ms. Harach: In addition to what we did have, we had a construction manager on-site, so we did have skilled people in the construction/inspection field on-site. Some of these fellows were engineers. It was their job on a day-to-day basis to be inspecting the work of the contractors. We also had the architect's representative on-site on a day-to-day basis. Normally, the architect's representative inspects a site about once a week, maybe twice a week. We had the architect's representative on-site every day. We also had an electrical specialist. The design firm, a local electrical firm that was a subcontractor to the architect, did all of the detail electrical inspections, and all of those were signed off by qualified electrical engineering expertise. So we had that local assurance as well. Same thing on the mechanical side: all of the mechanical systems were inspected and signed off. Not only were they inspected by the engineering specialists, but they were also inspected in accordance with

the city bylaw by the city plumbing inspectors, by the city electrical inspectors. So we had all of those inspections in place. And where we had to call YTG in, for example, on the elevators, we had those inspections done as well. So all of the proper inspections were done and documented. Could we also have called in quality assurance? Absolutely. We could do that now. The Auditor General's Office did also bring in engineering expertise, and we did go through the building with them. But could we have done it before December 4, when we got our occupancy permit? No, I don't think we could have done that.

Mr. Inverarity: Just a couple more questions, I think. Are there any outstanding construction issues that still need to be resolved?

Ms. Harach: We have one outstanding, and it's not a construction issue. It's a system that is in place, and it has to do with an alarm system in the seniors building, and the alarm system that we have in there is a very comprehensive system, but it's not exactly what we thought we were purchasing in the beginning, when we had to make a decision to wire it into the walls.

So we are continuing to work with the modular contractor to come to an agreement on what government will pay for that system. Oh, yes, and there is another small after-construction item that we have discovered. We have an oil-fired hot water heating system in both buildings. The bathrooms are quite large and they are designed to be barrier free. The bathrooms do not have a heating register in them; so in the seniors building, the seniors have mentioned that the bathrooms are too cool. So Yukon Housing Corporation is installing an electrical base-board heat specific to the bathrooms. We have not had the same comments from the student building.

Mr. Inverarity: My final comment is that I would like thank you, the government, for stepping up to the challenge and doing it and delivering it on time. I think that you do deserve some real kudos for bringing off the Canada Games as well as you have.

Hon. Mr. Cathers: To begin, thank you Marc, Temes, JoAnne and Karen for appearing before the committee today. In beginning my questions, I would like to begin by recognizing the effort that thousands of volunteers put into this. Many government employees from every department and yourselves - I know that you were all actively involved in this and I appreciate the fact that this was a very significant endeavour. It has been referred to on many occasions as the largest event ever staged north of 60. Recognizing, as you've indicated in some of your responses, the fact that there is no manual for this type of event and that, in fact, a collective experience with games, not only in Canada but around the world, shows that these types of endeavours typically end up with unexpected challenges, cost overruns, other situations. Comparatively, I think that the performance done here is very illustrative of a job well done in the scope of what was known and what was not known at the time, of course recognizing that there are areas that hindsight can tell us what we could have done better.

That is part of the point of this process, of course. From my perspective, the primary benefit in this is to determine what

government can learn from this in terms of moving forward with projects of a similar scope or similar complexity to ensure that we develop the best plan for moving forward and doing things to the very best of our collective capability.

Moving on to the questions, one that springs to mind -- again, I will be asking questions related to future projects -- is what is being done right now to formalize the communication between government managers and Management Board on the monitoring and reporting of significant risks?

Mr. Tremblay: That's a difficult question to answer from a particular department, but I can talk about our process somewhat. Certainly, when we reference Management Board in our context, it is generally where we go for decisions. There is a large role between deputies and ministers in terms of keeping the government informed of challenges that are coming up in program areas and evolving program requirements, and that type of thing.

We don't tend to use the Management Board as an updating mechanism, although it happens. I can say that sometimes it happens very much for a purpose because a minister wants to ensure that his colleagues are aware of a particular challenge that has primarily interdepartmental consequences.

We have different mechanisms for bringing information forward and different mechanisms for decisions. For policy decisions, we pretty much use Cabinet, unless there are smaller program policy matters that are dealt with between the department and the minister. For certain levels of financial flexibility, again, that's departmental if it's not having significant impact on others. And we also have a caucus process that is used for information sharing and getting dialogue going to assist the minister with providing departmental direction.

In terms of formal communications processes, they exist, and they are used primarily for decision making. In terms of information flow -- I guess, given the experience I have with the government, it is my sense that the information is flowing. We use different processes for different information.

Mr. Cherinet: I think that currently all departments are following the rules prescribed in the project planning and implementation manual in terms of advising Management Board when there is going to be a cost overrun beyond a certain limit and all that. But, going into the future, what is going to be very important is that in consultation with Department of Finance and Highways and Public Works, the project planning and implementation guidelines have to be revised to include comprehensively the concept of risk management and reporting to Management Board, as well. That's what's going to help the government, this government or any future government.

Hon. Mr. Cathers: Now, there is another area that I'd like to move on to in terms of questions about future projects. As you know, one of the areas in which some concern was expressed regarding this project by local contractors had to do with the contracts let by the host society. Recognizing, as I lead into the question, that it was outside the purview or responsibility of government -- it was under the authority of the host society, and once the process commenced, it was clearly their responsibility and not the responsibility of Community Services

or any other department. The question is, in considering future potential endeavours with partners, can the government insist that its contracting rules are followed on any project that it is funding and would that be a good idea, in your view?

Mr. Tremblay: The question of whether they can do it is probably a little bit outside of my realm because that is something I would have to seek legal advice on.

Can we impose this? Certainly, it is my sense that where the government is a major funding partner, we enter into agreements, and we do this all the time, with other organizations, or communities, or what have you. There are opportunities when we are providing dollars to indicate on what conditions we provide those dollars.

So, can we? Subject to further legal advisors, I would say that there are mechanisms for us to impose whatever social benefit we would see when we're spending money, particularly when we are the major partner or major funder.

Do I think that this was the right thing to do? I would have difficulty generalizing on that, in terms of whether or not we would want to do that all the time. Certain communities have different objectives when they're moving forward with projects and the objectives of a generic policy could at times be counter productive to the objective of what the expenditure is for.

So, yes, it can be done. Is it appropriate to do it in all cases? I think rather than have it generic, you would want to look at the situations.

Hon. Mr. Cathers: Considering the structure of the unique relationship here, about which there has been some previous discussion in the committee earlier in this hearing, there are many people from every department that were involved in this process on multiple committees, and you've provided some information since the drafting of these questions, Marc, which gives more light to this. One of the areas that the committee in its preliminary discussions had significant questions about was the nature of that reporting relationship and the employees who were on committees as part of their job versus those who were on a committee of their own volition or volunteered by government as a resource to that committee.

Although you have indicated that information certainly was flowing, the question becomes whether, in a future project, it would make sense for one person to be tasked with overall responsibility for a large project of this nature, or alternatively to formalize or otherwise alter the reporting structure to either Management Board or DMRC.

Mr. Tremblay: I think in retrospect there is no question about it. I look at the Olympics, and, you know, for a jurisdiction this size and a government this size -- although we can't for a second say that it is similar to the Olympics, which is an international event with all the languages and everything that comes with that -- the actual scope in terms of operations and delivery and numbers of sports is equivalent and greater than the Olympics. British Columbia didn't, for a second, start with their role for the Olympics being on the side of someone's desk. They established a separate department, a deputy-level person, for the Olympics. That doesn't include their tourism pieces that go to it or their sport pieces and team development

that goes to it. That position is established with a complete bureaucracy — and I don't mean "bureaucracy" in a negative way — and administrative support to make sure that it can occur. I think that's part of what we've learned. I know that Nova Scotia established a group right away for the development of the games, and more and more it is seen as something that does require a direct focus. It's a major event for any small province or territory, and it isn't something that can just be added on to people's responsibilities.

And that goes for the people sitting with me here. I have to say it is only based on their commitment and their staff's commitment to the other sporting activities and responsibilities that they had that the programs were able to carry on during the games. Because Karen, JoAnne and Temes were working 24/7 to make sure that this event happened, that team development was happening and that the heat stayed on at the rec centres and that the swimming pools operated during that summer. It is almost unfair to ask folks to commit that much, but it was that important and, in retrospect, I think we should have provided a little more certainty in terms of resourcing for staff.

Now your question went beyond that in terms of the relationships. I don't believe that there was difficulty in terms of people's jobs when they were volunteering. I think we have enough experience that being supported by the government to be a volunteer did not cause any kind of conflict between being an employee or being a volunteer. We have it happening all the time in terms of coaches, in terms of team travel or in terms of organizing national sporting events that are hosted in the Yukon.

And people are able to distinguish between what their normal job function is and what their function is in volunteering. I would also say that there is no difficulty in establishing the clarity of roles where we had clear secondments, because that was another category of support provided by the Yukon government: people moved right out of their job and into a job with the host society. As I indicated in earlier comments, because they retained the right to return to their substantive position, conflict guidelines would apply and, as the employer would expect, they would not take any action that would jeopardize their relationship with their employer.

Where it gets a little more difficult is in those roles -- an example would be Karen's, where she was tasked with being a vice-president of a committee responsible for sport and is the director of sport for the Yukon government. I'm not aware of having run into any difficulties, but this is a significant weight to put on the shoulders of an individual who already has the weight of making sure that this major sporting event is successful from her responsibility as director of sport and recreation. She also takes on a personal responsibility for the delivery of all of the sporting aspects of the games. I think it's a little much to ask, but individuals who were up to the task delivered and were happy to be part of it.

So I appreciate the question. I don't have an answer for that part. I think it's a lot to ask.

Hon. Mr. Cathers: Although earlier I thanked all who had put the time in on this, I think it brings up the point that the

thank you is due to your families as well for those who were putting in extra hours and whose substantive positions, or responsibilities, were not reduced in any way, shape or form by the fact that you had taken on this new role. So that is indeed appreciated.

Focusing on the concept of future projects and what we can learn from this going forward where YTG enters into agreements with one or more partners -- whether that is other levels of government or NGOs or as in the case of Canada Winter Games, some of each -- what lessons have the Canada Winter Games taught us about how government should go about assessing the risk of its partners failing to fulfill their obligations, both prior to the project and on an ongoing basis throughout the lead-up and commencement of the project and, secondly, how to manage what expectations -- legal or political -- might fall to government in the event of one or more of those partners not honouring their obligations? I know that there is not necessarily a simple answer to that, but any thoughts on that would be appreciated.

Mr. Tremblay: I would tend to go back to some of our earlier discussion in response to some of the exchange we've had. There is huge value in doing upfront due diligence. Certainly the upfront due diligence includes risk analysis and risk assessment. The risk assessment is of value to the extent that you have knowledge. In terms of this project, I'm thinking that there are mechanisms in terms of the governance of the Canada Games and the approaches that are taken that would be of value, and we are working with our colleagues in other provinces and with the Canada Games Council to improve that upfront due diligence piece and try to introduce greater corporate memory.

From the perspective of our organization -- "committed" is the wrong term, but we firmly believe, strongly believe, for something of this order of magnitude, the risk assessment needs more than consideration by those who are putting forward the proposal or those who are intimately involved and have a particular bias. It is not meant to be negative in any way, but I would suggest that, in terms of Canada Winter Games, most of the people who were involved prior to the decision making as to whether the games would be held or not were people with a particular interest in seeing the games happen.

When you look at something with that kind of focus, it is quite easy to get caught up in the momentum of the spirit and not be quite as in-depth. So an earlier comment I mentioned, when we were doing our own reviews, is that some third-party analysis, or analysis by another set of eyes, is of value. I would suggest that our process for major projects like this would include that unbiased assessment.

If I can, Temes wanted to offer a little of an extension on earlier questions you had, Mr. Cathers.

Mr. Cherinet: Yes. That was regarding your question on whether or not government should be concerned about the money that it is giving to NGOs and other organizations. I think that definitely government has to be concerned about whatever money it gives; it's the taxpayers' money and those who are receiving the money have to be accountable. To that

end, there has been an internal audit done to look into how transfer payments are going out and how they are being accounted for, and Internal Audit has come back with a recommendation based on which the Department of Finance is going to Management Board with a revision to the transfer payment policy. So, definitely, other than grants that are legislated, all transfer payments to any party or partner have to be accounted for.

I think that that would also be the recommendation of the Auditor General. I think that's what I was going to say. I don't want to create any confusion. Legislative grants such as comprehensive municipal grants -- we don't want accountability or reporting back on those, because we do that through annual review of their financial statements anyway, but transfer payments other than those have to be.

We have consistently said, as you might have read in the response to the recommendations made in this report, that there has to be a revision of the project planning and the implementation. Risk assessment can be addressed in there and the reporting to Management Board can be clearly identified and at what stages. But with respect to this specific project, the athletes village, we are talking about, or the Canada Winter Games, it has to be recognized that the project risk assessment process is very tedious if we take it all the way from A to Z. Risk management can be applied depending on the kind of project and depending on the time frame. If we had to go through a series of risk management steps and processes on this project, the project probably wouldn't have happened. It would have taken about six months or something like that. But in general, the Auditor General has identified risk management measures, although informal as it is, have been taken. I just also wanted to point out that risk assessment or risk management process is not necessarily a panacea for all situations.

Hon. Mr. Cathers: That was even more information than I was asking for, so thank you for your comments on that.

Moving to the next question I had, what lessons has the government learned from involvement in the games and in particular, what lessons were learned about identifying and acting on problems before they occur or get out of control? In this case, I am primarily, but not exclusively, referring to the problems faced by partners such as the host society.

Mr. Tremblay: I think there are a number of lessons, many of which are reflected in the committee reports that will quantify and clarify in a final report. But if I, in response to your question, focus down to two or three major clarities that have come about as a result of our experience, I can't overemphasize the due diligence upfront and the due diligence having to be done by the right people. Okay? So, I'm excluding individuals who have particular vested interest in a particular outcome, and I would like to see, though, without having a vested interest in a particular outcome, people with experience in either having delivered or having previously been involved. This is where I'm working on the Canada Games Council to develop that kind of capacity so that the due diligence is more complete and done on the basis of experience, rather than on the basis of expectation.

One of the areas that I -- both here and in Regina -- have commented on is the reliance on a small number of people to take on additional roles. There is certainly a risk of burnout; there's a risk of turnover -- add them all up, and they're substantial.

If we weren't living in jurisdictions where lifestyle and commitment is the extent that it is -- and I don't want to talk about London, Ontario, or some large city -- you wouldn't be able to put it on. So it ties into the due diligence one, but it is a recognition for human resources to put on an event of this magnitude and to give them the freedom to focus on that activity. Most of what I would say comes before; it comes before the games are actually in your town or the responsibility is in your lap. It really does. It has been identified well in this audit report that the information to make the decision is important, the planning upfront is important, and I can't overemphasize that there is where I would put more effort.

Hon. Mr. Cathers: Now, a lot of the focus in all of the questioning has been on what could have been done better or where there were questions about what occurred. I'd like to close by asking if there are any areas, particularly considering the difficult context in which government assumed responsibility for the athletes village, are there any aspects of that project that went better than were anticipated?

Mr. Tremblay: The doors were open on time. I think we actually got the keys and the heat running earlier than we expected. I give huge kudos to JoAnne and Mike Frasher and the construction manager for the weekends and the nights and actually having companies like ATCO double-up, double their production to get back on schedule. It was a huge exercise. I can't point enough to the people who made it happen, including the industry that doubled-up and made it happen. To have gotten to that situation is not desirable, but we were not expecting it to be complete and every part of it covered off and ready in time for the games. It was.

The venues and things that would seem simple to the outsider -- but to have the opening ceremonies tent in place to accommodate that number of people, to have you in a warm, comfortable situation, was a huge challenge and was undertaken by the host society, and I have to give credit to an organization that comes together for a number of months. They haven't worked together previously, and they worked together with a vice-president for Finance. They raised \$7 million-plus and put together a project like that, which would be difficult for a group of experts to put together. That's another bonus. I thought that some of our ceremonies might be taking place outside, or certainly in a much more cramped environment.

So those two major challenges of the games were addressed. They were addressed well. They were addressed better than I thought we could. I think if we went to Karen and JoAnne and Temes and the members of the host society, there are probably a lot of responses you could get. My main response was, what happened?

I think we put together a more unique games than we could have ever dreamed. I get comments from across the country that are fantastic. There are still people out there who, every

time they see somebody from the Yukon, there's a pat on the back.

So the recognition that we're getting from other jurisdictions and other Canadians is even bigger than the individual projects and challenges that we faced, and we're proud of that. I think the recognition is something that all Yukoners can be proud of, and certainly the major partners -- the city, the Government of Yukon, the host society -- should all be proud that they delivered over and above what anybody anticipated.

Hon. Mr. Cathers: Just in closing, thank you again for your comments. I again want to express appreciation to all who were involved. We've all heard kudos from participants in the games and from those who attended at a political level -- ministers of sport from other jurisdictions, some of the premiers and the prime minister. We have heard the comments of how well the games were put on. I'll just wrap up my questions by thanking you here and all who were involved and thanking you for coming forward today.

Mr. Mitchell: At this time, I would like to offer an opportunity to members of the Public Accounts Committee to ask any other questions that may have come to mind as they listened to testimony today. If so, please just indicate that to me and I'll call upon you. This is not in any particular order or area of focus.

Mr. Inverarity: Early on, you mentioned that we are now part of the Canada Games cycle. When is our next cycle?

Ms. Thomson: In 2027; it is not very far away.

Mr. Mitchell: I'm partially noting something, but I would like to hear your response.

This committee has the ability to request the appearance of witnesses other than Yukon government officials. In the case of the Canada Games, of course, the Yukon government partnered with the City of Whitehorse, with the host society and with Canada. Do you believe it would have been beneficial to have had the opportunity to have heard testimony today from a representative from the host society and from the City of Whitehorse to clarify any of the issues that were raised?

Mr. Tremblay: I'm looking at Mr. Hellsten and smiling. You are thinking a little bit along the lines of where I was hoping we might be able to go. As the audit plan was developed, it became apparent how huge an exercise this audit is already and how even more significant it would be if it were expanded to include some aspects of our agreements with the host society or some aspects of the committee work that was done and relationships with the city. Certainly, I see the value and I'm always pushing our internal audit and the Auditor General to get more out of them, because I find this to be such a valuable management tool.

In direct response to your question, I think that it may be helpful but if there were to be witnesses involved in the process, it would not be just at the hearing. I think that if additional resources or parties were to be involved in the hearing then they should be involved all the way from the establishment of the audit, through the audit process to the end, so that they would have opportunities to ensure that their input was being appropriately considered through the process and to make sure

that they had opportunities to protect themselves -- that is not the right term -- or ensure they had the necessary background for anything that they may be exposed to and that they would have had an opportunity to assess it and comment on it.

My response would be that we can't just bring people in at the last minute.

Mr. Mitchell: That's why we didn't bring them in at the last minute. I was thinking toward future opportunities.

At this time, before I adjourn the hearing, I'd like to make a few remarks on behalf of the Public Accounts Committee. First of all, I'd like to add my voice to those of my PAC colleagues in commending not only the officials who are in front of us today but all the officials across government, and indeed all Yukoners, for the job that everyone did to put on what I believe were the best Canada Winter games ever. It has set the bar high for other jurisdictions to have to meet.

Looking across, I see the orange volunteer vest sitting on a chair here in the Assembly. I know that I probably share with many, many Yukoners when I'm out in public or even walking the trails with my dog -- wearing the vest or the jacket from volunteering -- and you see people coming by and there's sort of a nod and an acknowledgement that we were all part of a big family for not only those two weeks but for a great period of time leading up to it. I think it did much to build great community spirit and relationships in this territory. I commend you for that.

First of all, I would like to thank the witnesses who appeared before the Public Accounts Committee today. Your answers were straightforward, and I believe they provided clarity on a number of issues that have been raised in the past as well as today. I would also like to thank the committee's advisors from the Office of the Auditor General of Canada and the Clerk of the committee for all of their help and assistance in putting on the hearings today.

The purpose of the Public Accounts Committee is to help ensure accountability for the use of public funds, and I believe that the committee made progress in accomplishing that task today.

I would also like to thank all the members of the Public Accounts Committee -- in this context I can say "my colleagues" -- for their participation today. I want to point out that we come from different political perspectives and, in different times, we appear as ministers or as opposition members, but our purpose today is a common purpose, and I want to thank all of my colleagues here for being able to bring that spirit to our planning meetings as well as here today.

The committee's report on these hearings will be tabled in the Legislative Assembly, and we invite those who appeared before the committee and other Yukoners to read the report and to communicate to the committee their reaction to it. I would also like to add that today's hearing does not signal the end of the committee's consideration of the issues raised in the Auditor General's report. It is our intention as the Public Accounts Committee to follow up with the department on the implementation of the commitments made in response to the recommendations of the Auditor General and of the committee itself. This

could but does not necessarily include a follow-up public hearing at some point in the future. With that, I would again thank all those who participated in and helped organize this hearing.

I now declare this hearing adjourned.

The committee adjourned at 12:20 p.m.