



Government
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Report to Parliament on Actions Arising from the Auditor General's *Report on the Office of the Privacy Commissioner of Canada*

Report Tabled by the President of the Treasury Board
and the Interim Privacy Commissioner of Canada

October 31, 2003

Canada

Background:

In the Auditor General's report tabled on September 30, 2003, she recommended that:

The Privacy Commissioner, in concert with the President of the Treasury Board, should act immediately to recover all money that was improperly paid. This includes improper cash-outs of vacation leave, performance awards paid improperly, improper payments on retirement, ineligible travel and hospitality expenditures, and advances paid improperly.

She further recommended that:

The President of the Treasury Board and the Interim Privacy Commissioner should submit to Parliament a report that sets out the actions that will be taken to identify the full amounts owing of money improperly retained, and the steps that will be taken to ensure complete restitution, and the timeframe within which this will be done.

The Treasury Board Secretariat responded:

Agreed. The President and the Interim Privacy Commissioner will table a report before the end of October outlining actions to be taken. In this regard, it will be necessary to review with the Office of the Auditor General the specific findings of its audit. Once these actions are complete, a final report will be provided to Parliament.

Action Plan:

The following outlines the actions that have been or will be taken with regard to each category of expenditure raised by the AG:

1. Cash out of vacation leave

The Auditor General identified four cases in which she believes that vacation leave was cashed out improperly. Full restitution has been made in two of the cases. In the other two cases we are working with the Auditor General's representatives and our legal advisors to determine the exact amounts recoverable. Upon completion of that review appropriate recoveries will be made.

2. Performance Awards

The performance awards will be examined on a case-by-case basis to determine if performance awards were warranted and, if so, what the appropriate awards should have been. Arrangements will then be made to recover excess payments and to ensure the proper accounting of the actual awards.

3. Lump sum payment on retirement

We have sought legal advice as to whether any or all of this payment can be recovered. The legal opinion received indicates that the payment made was within the authority of the former Privacy Commissioner and is not recoverable.

4. Claims for travel and hospitality expenses

- a) The claims and other supporting information for each transaction will be examined. In order to complete this examination as quickly as possible and in a cost-effective manner, the reviewers will have to have access to and full cooperation of the Auditor General's staff.
- b) Based on this review and on legal advice a determination will be made as to the amounts recoverable. The individuals owing money will be presented with demands for repayment.
- c) Appropriate collection action will then be taken. This could include setting off the amounts owing against payments due to the individuals (for example salary, pension, severance and termination benefits) negotiating repayment schedules; and, if necessary, legal action.

5. Outstanding advances

The outstanding advances made to the former Privacy Commissioner will be set off against his termination payment, which has not yet been made.

Timeframes:

The timeframes for the identification and recovery of amounts owing are:

1. The examination phase will be completed by the end of December 2003.
2. Collection action should be completed or repayment schedules negotiated by March 31, 2004. The time required for collection is dependent on the cooperation of the debtors and their ability to pay. The completion dates cannot be forecast at this time for collection actions to be pursued through the courts.

Reporting to Parliament :

The President of the Treasury Board and the Privacy Commissioner of Canada will table a report by April 30, 2004, on the actions taken, on the amounts determined to be improperly retained and recovered, and future action as may be required.