

### **Annex 3: Input/Output Analysis**

At present there is no international standard setting process for legislative functions such as oversight and control of the public purse. Nonetheless, it would appear that a comprehensive framework for assessing PAC performance would encompass several different dimensions or types of information. The suggested indicators are summarized in Box 3. Each will be considered in turn. Beyond these indicators, there is a question whether the PAC is actually dealing with important issues such as the root causes rather than the symptoms of problems.

#### **Box 3: Benchmarks for Measuring PAC Performance?**

Activity level – the measurement of events and input resources used

- keeping up to date with legislative auditor's reports
- costs and time of staff, members, witnesses and others involved

Output level – the immediate visible results of the work the committee does

- recommendations made, followed and implemented

Outcomes level – durable improvements in public administration

- increased economy, efficiency or effectiveness of government programs
- better compliance with laws or regulations
- improvements in financial and control structures, such as prosecution of wrongdoers, stronger powers for legislative auditor
- more accurate, timely government information
- enhanced public awareness of government programs
- enhanced legislative knowledge about the state of the management of programs

*Source: Stapenhurst, Sahgal, Woodley and Pelizzo (2005), page 21, 22*

One way of measuring PAC performance is to compare the committee's input and its output. As a proxy for input, we can take the number of members per committee, and the number of staff the committee has available. As a proxy for a committee's output we can take the number of meetings, the number of reports produced, the number of hearings, and the number of inquiries. We can then divide the output over the input, and take the result as a proxy for efficiency. If the final number is  $<1$ , the committee is relatively inefficient, and if it's  $>1$  the committee uses its inputs efficiently.

#### **Input/Output Meetings**

Applying this framework to the number of meetings, we see that there are big differences per jurisdiction. This is because the fact that a PAC has a lot of members, it doesn't necessarily mean they have a lot of staff members as well. In fact, PACs do not have that many staff members at all. That's why in the final column all numbers  $>1$  (with the exception of British Columbia). We see that Saskatchewan, Canada, Nova Scotia, Quebec, Ontario, Prince Edward Island, and New Brunswick. Alberta (because of its large number of members), Manitoba, Yukon, Nunavut, Northwest Territories, Newfoundland & Labrador and especially British Columbia perform below standards.

*Table 13: Input/output Meetings*

	Members	Staff	Meetings	meetings/members	meetings/staff
AB	17	2	12	0.7	6
MB	11	1	6.7	0.6	6.7
ON	9	Na	17	1.9	na
PE	9	2	12	1.3	6
SK	7	6	16.3	2.3	2.7
YT	7	4	4.3	0.6	1.1
BC	12	3	1	0.1	0.3
CN	12	3	56.7	4.7	18.9
NU	5	Na	3.3	0.7	na
NB	10	Na	17	1.7	na
NS	9	1	21.3	2.4	21.3
QC	12	2	49.3	4.1	24.7
NT	5	2	4.3	0.9	2.2
NL	7	2	3.3	0.5	1.7

### **Input/Output Hearings**

The number of hearings (see Table 14) shows that only Canada and Quebec score well and use their inputs efficiently. Yukon, British Columbia, Northwest Territories, Newfoundland & Labrador, score below standards. Alberta, Manitoba, Ontario, Saskatchewan, and Nunavut had not held any hearings at all. We can also conclude that a large number of members or a large number of staff does not necessarily result in a large number of hearings per year.

*Table 14: Input/output Hearings*

	Members	Staff	Hearings	hearings/members	hearings/staff
AB	17	2	0	0	0
MB	11	1	0	0	0
ON	9	Na	0	0	na
PE	9	2	na	na	na
SK	7	6	0	0	0
YT	7	4	2	0.3	0.5
BC	12	3	5.3	0.4	1.8
CN	12	3	45	3.75	15
NU	5	Na	0	0	na
NB	10	Na	na	na	na
NS	9	1	na	na	na
QC	12	2	14.3	1.2	7.2
NT	5	2	2	0.4	1
NL	7	2	4	0.6	2

### Input/Output Inquiries

Of the 5 PACs that provided a response (Canadian Parliament, Ontario, Prince Edward Island, Quebec, Yukon) most PACs have had 0 – 3 inquiries per year (coded as 1.5 in Table 15). Quebec has the highest number of inquiries per year (4 – 6, coded as 5). It therefore also scores high on the output factors. The average duration of an inquiry was 3 months. There was considerable variation in the data because Yukon with an average duration of 9 months is an outlier. In all other cases inquiries last less than three months (coded as 1.5 months).

*Table 15: Input/output Inquiries*

	Members	Staff	Inquiries	Duration	inq/members	inq/staff
AB	17	2	na	na	na	na
MB	11	1	na	na	na	na
ON	9	Na	1.5	1.5	0.2	na
PE	9	2	1.5	1.5	0.2	0.8
SK	7	6	na	na	na	na
YT	7	4	1.5	9	0.2	0.4
BC	12	3	na	na	na	na
CN	12	3	1.5	1.5	0.1	0.5
NU	5	Na	na	na	na	na
NB	10	Na	na	na	na	na
NS	9	1	na	na	na	na
QC	12	2	5	1.5	0.4	2.5
NT	5	2	na	na	na	na
NL	7	2	na	na	na	na

### Input/Output Reports

CAN scores best, Ontario and Quebec scores well as well. Yukon and Saskatchewan have the highest number of staff available but score below standards. We can again conclude that a large number of members or a large number of staff does not necessarily result in a large number of reports per year.

*Table 16: Input/output Reports*

	Members	Staff	Reports	reports/members	reports/staff
AB	17	2	3	0.2	1.5
MB	11	1	na	na	na
ON	9	na	20	2.2	na
PE	9	2	6	0.7	3
SK	7	6	3	0.4	0.5
YT	7	4	3	0.4	0.8
BC	12	3	3	0.25	1
CN	12	3	70	5.8	23.3
NU	5	na	3	0.6	na
NB	10	na	na	na	na
NS	9	1	3	0.3	3
QC	12	2	12	1	6

NT	5	2	2	0.4	1
NL	7	2	na	na	na

### Input/Output Recommendations

For this survey, all respondents (no data for Quebec) reported to have the power to make recommendations, except Manitoba. Most of these PACs (British Columbia, Canadian Parliament, New Brunswick, Newfoundland & Labrador, Northwest Territories, Nunavut, Ontario, Prince Edward Island, Saskatchewan, Yukon) said they use this power in practice. Only Alberta, Manitoba, and Nova Scotia do not use their power in practice. However, there are only two PACs (Nova Scotia and Prince Edward Island) that describe their conclusions and recommendations in their annual reports.

Of the 5 PACs (Alberta, Newfoundland & Labrador, Northwest Territories, Saskatchewan, and Yukon) for which data are available, the average success of audit office recommendations is 66%. There is high dispersion in the data: Alberta reported an implementation rate of 100%, while the Northwest Territories reported no successful implementation. When applying this to the input/output framework (see table 17), we see that except Northwest Territories all respondents score well, especially Quebec.

*Table 17: Input/output recommendations*

	Members	Staff	Rec.	rec./members	rec./staff
AB	17	2	100	5.9	50
MB	11	1	na	na	na
ON	9	na	na	na	na
PE	9	2	na	na	na
SK	7	6	76.3	10.9	12.7
YT	7	4	18	2.6	4.5
BC	12	3	na	na	na
CN	12	3	na	na	na
NU	5	na	na	na	na
NB	10	na	na	na	na
NS	9	1	na	na	na
QC	12	2	85	7.1	42.5
NT	5	2	0	0	0
NL	7	2	na	na	na