Legislative Assembly of Alberta

The 30th Legislature
First Session

Standing Committee
on
Families and Communities

Ministry of Seniors and Housing
Consideration of Main Estimates

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First Session

Standing Committee on Families and Communities

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Standing Committee on Families and Communities

Participant

Ministry of Seniors and Housing
Hon. Josephine Pon, Minister
9 a.m. 

[Mr. Ellis in the chair] 

Ministry of Seniors and Housing 
Consideration of Main Estimates 

The Acting Chair: All right. Good morning, everybody. I’d like to call the meeting to order and welcome everyone. The committee has under consideration the estimates of the Ministry of Seniors and Housing for the fiscal year ending March 31, 2020. I’d ask that we go around the table and have all MLAs introduce themselves for the record. Minister, please introduce the officials that are joining you at the table. I am Mike Ellis, MLA for Calgary-West, and I’m substituting for Ms Goodridge as chair of the committee. I will look to the deputy chair, to my right, to continue.

Ms Sigurdson: I’m Lori Sigurdson. I’m the deputy chair and also the critic for Seniors and Housing, so I will actually be leaving this spot shortly and sitting down there.

Ms Gray: Christina Gray, MLA for Edmonton-Mill Woods.

Member Irwin: Janis Irwin, MLA, Edmonton-Highlands-Norwood.

Mr. Carson: Jon Carson, MLA for Edmonton-West-Henday.

Ms Pon: Good morning, chair and everyone. My name is Josephine Pon. I’m the Minister of Seniors and Housing and MLA for Calgary-Beddington. I’m pleased to introduce the ministry staff with me today: Susan Taylor, deputy minister; John Thomson, the ADM of the housing division; Evan Romanow, ADM of the seniors’ division; Suzanne Anselmo, ADM of strategic services; and Darren Baptista, the senior financial officer. I’m also so pleased to share my statement later on.

Ms Lovely: Jackie Lovely, MLA, Camrose.

Mr. Long: Martin Long, MLA, West Yellowhead.

Mr. Walker: Jordan Walker, MLA, Sherwood Park.

Mr. Guthrie: Peter Guthrie, Airdrie-Cochrane.

Mr. Jeremy Nixon: Jeremy Nixon, Calgary-Klein.

Ms Glasgo: Michaela Glasgo, MLA, Brooks-Medicine Hat.

Mr. Neudorf: Nathan Neudorf, MLA, Lethbridge-East.

Mr. Rutherford: Brad Rutherford, MLA, Leduc-Beaumont.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo.

Mr. Amery: Mickey Amery, Calgary-Cross.

The Acting Chair: Wonderful. Thank you.

I’m apparently the only substitution at this time, so we will continue.

Please note that the microphones are operated by Hansard and that the committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. Please set your cellphones and other devices to silent for the duration of the meeting.

Just a few things, a process review for the speaking order and time, which I will read into the record. Hon. members, the standing orders set out the process for consideration of the main estimates. Standing Order 59.01(7) establishes the speaking rotation while the speaking time limits are set out in Standing Order 59.02(1). In brief, the minister or member of Executive Council acting on the minister’s behalf will have 10 minutes to address the committee. At the conclusion of her comments we begin a 50-minute speaking block for the Official Opposition, followed by a 20-minute speaking block for the government caucus.

The rotation of speaking time will then alternate between the Official Opposition and the government caucus, with individual speaking times being set to five minutes, that, when combined with the minister’s time, makes it a 10-minute block. Discussion should flow through the chair at all times regardless of whether or not the speaking time is combined. Members are asked to advise the chair at the beginning of their rotation if they wish to combine their time with the minister’s time. If members have any questions regarding speaking times or the rotation, please feel free to send a note or e-mail to either the chair or the committee clerk.

A total of two hours has been scheduled to consider the estimates of the Ministry of Seniors and Housing. The scheduled end time of today’s meeting is 11 a.m.

Ministry officials may be present and at the direction of the minister may address the committee. Ministry officials seated in the gallery, if called upon, have access to a microphone in the gallery area. Pages are available to deliver notes or other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members; however, members have priority to sit at the table at all times.

If debate is exhausted prior to two hours, the ministry’s estimates are deemed to have been considered for the time allotted in the schedule, and the committee will adjourn. Points of order will be dealt with as they arise, and the clock will continue to run.

Any written material provided in response to questions raised during the main estimates should be tabled by the minister in the Assembly for the benefit of all members.

The vote on the estimates and any amendments will occur in Committee of Supply on November 19, 2019. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. The original amendment is to be deposited with the committee clerk, and 20 copies of the amendment must be provided at the meeting for committee members and staff.

Okay. I now invite the Minister of Seniors and Housing to begin with her opening remarks. You have 10 minutes, Minister.

Thank you.

Ms Pon: Thank you, Mr. Chair. I’m also pleased to be here to present the 2019-20 estimates for the Ministry of Seniors and Housing. It has been a great privilege to serve as minister. We are in a difficult economic time right now. Budget 2019 reflects our commitment to living within our means, ending overspending, and eliminating the deficit while maintaining the critical services on which Albertans rely. We are making thoughtful and targeted decisions to ensure that supports for seniors and vulnerable Albertans are sustainable for future generations.

Our ministry’s 2019-20 operating budget is $709.2 million. We have 267 staff. The ministry includes the department, the office of the Seniors Advocate, and the Alberta Social Housing Corporation. The department has three divisions: seniors’ services, housing, and strategic services. Our broad range of programs and services support 620,000 seniors and any Albertan, including seniors, in need of affordable housing. We are providing support for those most in need of seniors’ programs and services and affordable housing. It was our platform commitment to maintain funding for
use of mixed-income housing and, in return, create more jobs for Alberta. We are pursuing public-private partnership options to bring more private-sector capital in to help build more public infrastructure and get more value for tax dollars.

Budget 2019 delivers on our mandate of creating jobs and growing the economy. These partnerships with developers will create opportunities to expand on market options and make better use of mixed-income housing and, in return, create more jobs for Albertans. We must ensure the sustainability of our affordable housing system and our seniors’ programs for generations. As a result, we will identify cost-saving measures that address our debt.

I will now take a few moments to discuss the specifics of my ministry’s estimates. My ministry will spend about $425 million to provide financial benefits to seniors. We are allocating more money – $15.7 million, or 3.8 per cent, more this fiscal year – to seniors’ financial benefits to address a growing demand. The Alberta seniors’ benefit supplements the monthly income of more than 166,000 seniors. We are also maintaining stable funding for two of our loan programs, the seniors’ home adaptation and repair program and the seniors’ property tax deferral program. These programs help seniors to remain in their homes and communities. Our special needs assistance program, which is unique in Canada, will continue to make funding available to more than 34,000 seniors each year who may need help with essential needs. This includes items like appliances or diabetes supplies. We are protecting these supports for low-income seniors and maintaining some of the most generous seniors’ benefits in the country.

At the same time, we fully recognize the need to address our spending and make our programs more efficient. Seniors understand that we have to take fiscally responsible measures now, in the long term. We will protect the vital public services they count on. One such measure is a pause in the indexing of seniors’ benefits, which will save $1.9 million this budget year. In addition, by reconsolidating the office of the Seniors Advocate with the Health Advocate, we will save about $200,000 this budget year. These reductions will help us protect the services many seniors rely upon.

My ministry has been working on streamlining government processes and eliminating unnecessary red tape. We are delivering services more efficiently and at a lower cost by reducing red tape; for example, by automatically enrolling AISH clients into seniors’ benefits; and moving to online applications and claims. Our government promised to maintain seniors’ benefits, and we are delivering on that promise.

Now I will take a few moments to talk about my ministry’s work to provide affordable housing to Albertans, including seniors. About 11 per cent of all households in Alberta are in what we call a core housing need. That means that they pay more than 30 per cent of their household income to keep a roof over their heads. Our housing programs serve more than 110,000 people in more than 65,000 housing units owned and/or supported by the government. We are working with housing providers and community stakeholders on the transformation to make our affordable housing system more efficient and more effective. This is why we are focusing our spending on operating expenses and capital grant funding.

We will reduce our rental assistance budget by $475,000 for 2019-20. We must contain spending in our rental assistance program in anticipation of the federal funding that should be available to Alberta next year through the Canada housing benefit program. Operating grants for housing management bodies are reduced by $1.2 million for the remainder of 2019-20. In addition, there will be a reduction of $1.4 million in the special needs housing grants.

The reductions I have outlined are necessary steps to control our spending and reduce Alberta’s debt. Our capital plan includes $619 million over four years. It will deliver 2,700 new and regenerated affordable housing units and support the maintenance of 26,400 units owned by the Alberta Social Housing Corporation.

In Budget 2019-20 we are allocating $151.1 million for both capital investments and capital grants. As well, stable capital maintenance and renewal funding will ensure that safe and maintained housing units are available to Albertans with low income.

Thank you for the opportunity to present the estimates for the Ministry of Seniors and Housing. As you heard, the majority of the ministry’s budget provides financial or housing support for seniors and low-income Albertans. We continue to support those most in need of seniors’ programs and services and affordable housing. We are maintaining funding for seniors’ benefits, and we will continue working with housing providers, nonprofit organizations, the private sector, and stakeholders to create an innovative and transformative affordable housing system.

Now I look forward to your questions. Thank you so much.
so that is a concern because we do want our seniors to live in dignity and be supported.

We know also that there’s a gender analysis to be done. Many seniors are women. Women live longer than men, and also, too, in the affordable housing system, you know, the people in core need of housing are often single moms with children and older females who are seniors. So it’s really important for us to look at that to see, like, who is impacted by this budget. I just wanted to bring that up right away.

I also just want to talk a little bit about, you know, that there are certainly two aspects to providing services for vulnerable Albertans, and one is that there are just the human rights. People deserve to live in dignity – we live in the rich country of Canada – and that we care about others.

There’s the economic argument because if we don’t invest in services like affordable housing, which is fundamental to people’s well-being, then guess what? They end up in the emergency, they end up in higher level care, their quality of life goes down dramatically, and it actually costs less. But we have to, then, go out of our boxes of each ministry and look broader at, you know, maybe Health, too, because Health has emergency rooms. When we’re cutting in seniors, we’re going to be impacting Health.

With those opening comments, I just wanted to bring that up. Now I just want to ask a few general questions if I could just to understand that. You know, as we all know – and I certainly feel this even having been the minister – this is complicated stuff. It’s not simple. It’s not simple. As I know that all the staff know very well, numbers aren’t my thing, but I’m trying to understand it.

I just want to identify that on page 96 of the fiscal plan it talks about annual operating expenses of $638 million. That’s clear. I understand that. But then when I go to the government estimates on page 177, it says that the operating expenses are $455,426,000. Then there’s another kind of operating expenses, which are called consolidated expenses, and those are on page 182 of government estimates. That’s $709,186,000. So there are three distinct numbers, and I’m sure there’s a great explanation for it, but I’d just like to hear it.

Ms Pon: Thank you so much for the questions, MLA Sigurdson. Thank you for the opening. It is important to our government to support our vulnerable Albertans as well as seniors. This is our ministry focus, Seniors and Housing, and as well we do understand how we have to provide the support for those most in need of seniors’ programs and services. There’s no question about it.

Our government has a mandate. Our government mandate is that we want to provide accessible and affordable housing for seniors and for Albertans and also provide services for Albertans with low income, okay? This is our mandate, and we will continue to support it.

9:20

I just want to make sure to clear the record that we did not cut any funding for the seniors’ benefit. We are maintaining and actually increasing by $1 million the seniors’ benefit. Operating cost is $638 million, as you can see, and because we add another $41 million in amortizations and $25 million for the capital grant, and $5 million in debt servicing. That added together equals $709 million. It’s just what you can see on page 182, and that’s how it adds up to $709 million.

Ms Sigurdson: Okay. Thank you, Minister Pon.

How about the other one, on page 177 of the government estimates? It’s just those short three lines or whatever. There it’s $455,426,000.

Ms Pon: This is for the department’s votes only. That’s just where the number comes from.

Ms Sigurdson: So it’s not comprehensive – that’s why the $638 million is more – it’s not including all the capital.

Ms Pon: Yes. What we’re operating at is $709 million for my ministry.

Ms Sigurdson: That’s the consolidated expenses. Okay. That’s what we’re looking at, then. Those other aspects are added in. That’s why those numbers are lower.

Okay. The other question I do have just in general, I think it’s from the fiscal plan again, page 190. It says that the FTEs, the full-time equivalents, are 267 and they’re down by two. But my understanding, you know, of what we had in 2018-19 was that we had 281 staff, so that’s 14 positions down. I’m just kind of confused by that. I know that I’ve heard that some regional staff, like, when they quit, they haven’t be replaced, like in Calgary and things like that. This is making services less accessible to Albertans. I think that is something your government cares very much about, that people in all parts of the province need to be supported, not just people in, you know, the metro areas but people in Medicine Hat or Lethbridge or Grande Prairie or Fort McMurray. So I’m just curious about the sort of discrepancy, as I understand it, in that number.

Ms Pon: First of all, our government not just services Albertans but also we have to control our spending. Right now we are at over 60-some billion dollars deficit from the previous government, so we have to control that. Not just control the budget, but we also want to maintain and provide a service in an efficient and effective way.

That’s what I did in the Ministry of Seniors and Housing. The staff level would be adjusted by two FTEs for 2019-20, from 269 right now to 267 full-time employees. The positions adjusted in the 2019-2020 are a result of efficiencies, as I mentioned, and awakened managements to help get costs under control, and this is our government’s mandate.

The department’s current average vacancy rate is over 10 per cent and as we implement a program change, we will continue to minimize the jobs impact by leveraging the attributions and moving staff members into other vacancies and fund like roles.

We also have 11 temporary full-time employees as well. If you worry about the impact to services, I just want to let you know that we want to do things more efficiently. On October 1 we did kick off the online application process, which is long overdue and we’ve never done it before. Now all the financial assistance applications you can process online. So that makes a difference. That reduces 600,000 documents to process. This is online, and that’s what we call efficiency. That’s what my ministry continues to focus on and continues to do.

Ms Sigurdson: I didn’t hear, really, a response to the question just about, you know, the 2018-19 FTEs, which were 281, which is different than the figure here. So I’m a bit confused by that. Will you confirm that the regional staff are cut; they’re not being replaced; you’re not continuing to support people in areas beyond the metro areas?

Ms Pon: We are focusing on the 2019-2020 budget right now. If you do the math: 261, as I mentioned, full-time staff plus 11 temporary staff does add up to 280.

Ms Sigurdson: Okay.
Ms Pon: Yes. As I mentioned, we’re looking for efficiency. That’s why I have kicked off our online processing.

Ms Sigurdson: Yes. I think that we know, you know, that it depends very much on those seniors. Sometimes technology can be a real burden and difficulty for them, so having staff to support them through that process I think is really important. If we are wanting to support seniors, then I think those considerations have to be made. You know, my colleague here is probably much better with all the technological stuff on the Internet than I am at 60. You know, there is something that has to give. I don’t hear you talking about that at all.

Certainly, there are choices that governments make. Governments make choices, and your government made a choice right off the top, and they gave $4.5 billion to corporations as a handout, but here we are talking about very specific things to support seniors, so I’m concerned that your decisions are on the backs of seniors. They’re vulnerable, and you say you want to support them, but there are choices that governments have, and I’m not hearing you, I guess, entertain those choices. That concerns me, and I think that staff in the ministry make a big difference to supporting seniors.

I know that certainly in my time as the minister there was a big difference made for people to be able to access programs and give them support. Certainly, the Seniors Advocate, who annually gives reports, that’s one of the big issues that she always presents is about just system navigation. How can people be supported to do this? You’re saying: oh, well they can just go online. That seems, to me, not a good solution. It seems to me that that’s putting a big burden on seniors, and it’s very difficult for them. I don’t know if there’s anything that you’re doing to mitigate that. I would hope that you have other strategies.

Ms Pon: Well, thank you for asking those important questions. First of all, I just want to make the record clear that when you mentioned the $4.5 million handout, it’s nonsense. It’s untrue.

Ms Sigurdson: It’s in your plan.

Ms Pon: I just want to make sure that we make it quite clear, and my leader and our House leader mentioned many, many times that that’s a false statement, so I would just want to mention again that that is a false statement, and that’s nonsense.

Second, all of our focus for this government is to reduce and control spending that the previous government would bring us all in debt and actually on track to $100 billion. That’s what we are doing right now. I thought I’d just answer the question: that’s what we’re focusing on, to create jobs and build a pipeline.

One more question to answer, that’s about online processing. I’m not sure you read at all the social media that we’ve been posting and the website. Our paper-based is still available for the seniors. I agree with you. We’re concerned about that, too. If a senior is unable to match the technology, they can continue to still submit the application online. This is just additional, just helping to process the online application way faster.

Now, back to efficiency. Also, we are working with the stakeholders that provide them this opportunity, then other stakeholders, nonprofit organizations who are helping seniors, they can process them online and faster. That’s the whole thing. I just wanted to let you know that there are always options available for our seniors.

Ms Sigurdson: Thank you, Minister Pon.

I want to refer you to page 144 in your fiscal plan. It says very clearly, “Over the next four years, the government will provide . . .” Actually, I was wrong. It’s not $4.5 billion. It’s actually larger. It’s “. . . $4.7 billion in tax relief, with a net fiscal cost of $2.4 billion after accounting for” other things. It’s right there. It’s not a fictitious number. It’s a real number, and you know, you can say that it’s not, but it’s there in black and white, and obviously the record shows that now. Anybody can look that up. I just challenge your comments that were just made.

9:30

I’d also like to point out that on page 182 of the government estimates, the ministry is cut about 3 per cent from the 2018-19 actual, which was $730,898,000, to $709 million, which is the operating right now. So that is a cut. Again, I’m showing that seniors aren’t having even a flat line, which we know is a cut, but they’re not having an increase, and you’re not taking into consideration population growth or cost of living. This is making a significant difference in seniors’ lives. Maybe you can respond to that, because you said that seniors aren’t going to be cut.

Ms Pon: Okay. This government and my ministry remain with the same benefits, the same budget. We did not cut any benefits. We just reallocated some of the funding. For the seniors’ benefit, referring to capital grants, there’s a capital grant of $57 million in ’18-19 and $25 million in ’19-20. The seniors’ benefit right now carries $15.7 million. That is no cut. It’s an increase on top of the budget.

Ms Sigurdson: Okay. Obviously, we’re seeing things a bit differently from what the numbers say.

I just want to move you now on to page 179 of the government estimates. I want to talk specifically first about housing because, I mean, that’s the area that I think is the dramatic change, and that’s a change that’s not going to be very supportive for people in need of affordable housing, to seniors in our province, to people on low income. We know that people with the highest need of core housing are seniors; lone-parent families, who are generally headed by women; and also indigenous people. Those are the top three in core need housing. These are the people, these are the vulnerable people that are being hurt by these changes, and I just want to identify that these are the choices that you are making, Minister.

In 4.1, program planning and delivery, it is moving down. It’s probably about a 5 per cent decrease from this year. This area really helps, you know, sometimes seniors’ centres, sometimes housing management bodies. It really helps people facilitate with the system. To understand that, for example, I know Calgary’s one-stop shop – you know, many nonprofits in the Calgary area worked together to start this pilot. It was very innovative, and it made it much more efficient. I know that your government cares very much about efficiency. This pilot was supported through this program, and with the cuts and things I’m just wondering if that program is going ahead.

Ms Pon: Well, thank you. There’s no cut in the service. We just reallocated. This is line 4.1. That item represents the cost of staff, supplies, and the service required to deliver and monitor housing programs. All this is including the staff support for the Alberta Social Housing Corporation. I’ll just remind you that the Alberta Social Housing Corporation has no staff in there, so there are no expenses. All these line items include the cost for the staff who work to help Albertans with low income find housing options, manage housing programs and service, oversee capital projects such as maintenance renewal and new builds, and develop policy and programs. For 2018 to 2019, actuals were higher than budget due to additional staff to deliver the capital projects. The $200,000 difference is due to elimination of the carbon tax program and, specifically, that affordable housing energy savings program.
Ms Sigurdson: That was a great program, and it helped so many of the housing management bodies be able to, you know, update their old furnaces, windows, doors. It made such a big difference, saved them money in the long run, so it’s very tragic that it’s not in place anymore.

The Acting Chair: Okay. Thank you. The first 20 minutes have expired. Ms Sigurdson, do you wish to continue?

Ms Sigurdson: Yes.

The Acting Chair: All right. Thank you very much.

Ms Sigurdson: Okay. What I am hearing from you: this has totally to do with the staffing, those programs that you said that you’re no longer supporting, that government isn’t supporting. So it’s not so much about grants to, like, the Kerby Centre or Sage? They have social workers who facilitate the affordable housing system. I’m assuming, then, that that must be in 4.2, the assistance to the Alberta Social Housing Corporation. That line item, magically, is empty. There’s nothing there. I’d just like you to speak to that, Minister.

Ms Pon: It’s good it’s empty, which means that we have extra money, then, to utilize. In that empty spot here, the operating and the capital would transfer under 4.2. You see it’s empty here. It estimates that it will be zero for this year. This reflects the fact that the departments will not transfer cash or operating capital to the Alberta Social Housing Corporation. We will use existing cash on hand – okay? – to fund the ASHC operations and capital plan for 2019 to 2020 and before additional cash is transferred to ASHC.

Over the years there was an accumulation of cash from the capital, a cash-flow change as well as a small operating cash surplus in the ASHC. That’s why this has occurred historically, but the ASHC cannot spend this funding independently as it still must go through the GOA annual budget and the capital planning process. That’s why the measure is just for this year. The government has both a way to better manage cash resources as well as to reduce the debt and minimize the borrowing costs. The paying of interest is way too much, and we have got to manage our taxpayer dollars more efficiently and get more value. The government and the ministry plan to reduce the size of the cash reserve, which will also reduce the government borrowing requirements. The department manages the Alberta Social Housing Corporation, and it’s not independent entirely, like the agencies.

For capital and operating funds for funding the housing program to Albertans, it includes seniors and is delivered through the corporation. Cash is transferred to support the ASHC capital plans and operations, but it is based on the same planning and decision-making process as the rest of the department. This will have the government manage cash and debt service better, reducing interest payments to the corporation, which will help to support the future sustainability of the affordable housing program. This is just another way of getting Alberta’s books in order and reducing unnecessary interest expenses, that take away from the programming.

Ms Sigurdson: Minister, I just want to say that, you know, people are struggling in Alberta. Our economy is not doing great. When the price of oil plummeted in 2014, many people were thrown out of work, and a lot of them haven’t regained that work. People are struggling, and in struggling times that’s when it’s important for people to have government programs. But all I hear you talking about is concern about interest rates and not people’s well-being. That concerns me. This is your portfolio, and you are the Minister of Seniors and Housing. That should be what you’re advocating for, but I hear you talking about interest rates and not about people being able to live in dignity in facilities that are well maintained.

The housing management bodies: you know, when I became minister, there had been years of neglect in that sector by previous Conservative governments. We had a billion dollars in deferred maintenance. There were units that were closed that people could not use because they were just not fit. They couldn’t be regenerated. Our government had an unprecedented $1.2 billion capital fund because – you know what? – we prioritized people over balance sheets. People are important, and it matters that people have the supports they need.

9:40

Of course, it’s a very different view that I have than you have. You know, I’m absolutely here to stand very deeply in my shoes to tell you that I feel like this is wrong-headed and that people are suffering, and that’s going to cost, actually, more down the road. Besides what I said earlier about the human rights aspect of people living with dignity, there is the economic argument. Even if I can sort of, you know, try to understand a little bit of your thinking about this, it does actually save money, preventative social services, so that people can be supported.

I mean, I can imagine that the housing management bodies – there are over 100 across this province – must be not knowing what to do. A lot of times the allocations in those reserves that you’re now asking them to use for operating have been earmarked for something else. In large agencies like that it’s just good management practice that you have a cushion, but that’s going to be taken away. I know that they would ask me for solid three-year funding so that they could do planning, and it just seems like that’s all being stripped away, Minister. I’m just confused, and I don’t understand why this would be happening. It’s under your mandate, as you said earlier on, to make sure that people have the affordable housing that they need and that seniors are supported.

Ms Pon: Thank you for the questions. Times are tough. There’s no question that we have to control our spending at the same time that we do care for our seniors and vulnerable Albertans. That’s why you see this budget. We haven’t cut any budget. In fact, we increased it $1 million.

I would also like to stay talking about interest rates. I just want to let you know that this government inherited about $60 billion, on track for $100 billion, from your previous government. We are paying $5 million in interest payments a day to the bank, not to our seniors, not to affordable housing. This is what this government is doing right now: control the spending, reduce the debt, pay less interest, have those interest payments to spend on seniors’ service programs, and build more housing. That’s what this government will do, and that’s what Albertans voted us in for on April 16.

Ms Sigurdson: Well, Minister, I just want to remind you that our fiscal plan also balanced when yours is said to come to balance. What you’re saying: it’s not something that we didn’t have an eye on.

Mr. Amery: Point of order.

Ms Sigurdson: We want to make sure that people have the housing they need now.

The Acting Chair: A point of order has been noted.

Ms Sigurdson: I would just like to share some of my time with my colleague.
The Acting Chair: I’m sorry. I have to stop for a moment. Point of order.

Mr. Amery: Thank you, Chair. I’m just curious as to the relevancy of the comments that the member was making and where they can be found in the documents that we’re reviewing here today.

Mr. Carson: Which standing order is that under?

The Acting Chair: Good question. What standing order?

Mr. Amery: I don’t know.

Mr. Yao: What question is it supposed to be related to?

The Acting Chair: We still follow the rules of the Chamber, so I’m sorry; you’re going to have to refer to the standing order.

Mr. Amery: Okay. Well, I will withdraw for now, then.

The Acting Chair: Thank you.

Member Irwin: Thank you, Mr. Chair. Minister, respectfully, people are struggling. In my own riding of Edmonton-Highlands-Norwood the lack of affordable housing is absolutely stark right now. There are tent cities that have sprung up throughout the neighbourhoods. On 95th Street, take a drive: it’s absolutely shameful right now.

I’d like to just echo Member Sigurdson’s comments around the end of assistance to the Alberta Social Housing Corporation, line 4.2 on page 179. I worry about the downloading to municipalities. How is this going to be addressed by the province when you’re clearly not supporting these critical investments in affordable housing? You’ve mentioned a move to privatization in the name of efficiency. My question for you is: how will you ensure that there are adequate supports for affordable housing? And I don’t want the lines around efficiency, around debt, and whatnot. These are humans we’re talking about. These are people who are struggling. What will be your metrics to ensure that there are adequate affordable-housing supports for people in my neighbourhood and across Alberta?

Ms Pon: In the budget for housing what this government is wanting to do is work with housing providers to make a more affordable housing system that is more efficient, effective, and returns value for the taxpayer. As well, we make sure that when we make partnerships with partners, we can increase and build more housing. We take care of what has picked up right now, but we found an innovative way to build more housing and ensure that we support the most vulnerable Albertans, and we have continued to do that since we took this government six months ago.

Our capital plan increased $690 million over four years to deliver 2,700 new and regenerated affordable housing units and to maintain the 26,400 units of the Alberta Social Housing Corporation, that owns the portfolio. We are also maintaining the capital maintenance and the renewal funding to ensure that safe and maintained housing units are available to Albertans with low income. We are continuing to do that, to look after vulnerable Albertans and seniors.

Ms Sigurdson: Okay. Thank you.

I’ll just talk a little bit about the rental supplement program. One of the things you identify that the housing management bodies hold is $14 million in rental supplements. There’s a reduction of 24 per cent. I was just doing some research when I did this, and I went to the Calgary Housing Company. This was yesterday. They have, you know, in bright red: we’re accepting no applications. Minister, you’re cutting these programs significantly. You’re suggesting that housing management bodies have the resources to handle it, because you’re not giving them any money, any operating. They’re supposed to just use their reserves, their allocations already. But obviously a big centre like Calgary isn’t even accepting applications, so this is a crisis. This is a crisis for people in Calgary, and as far as I know – many of your members are from Calgary – there are still significant issues with the economy. People are still struggling, very much so. You know, affordable housing is needed.

Ms Pon: Since the budget announcement, right away I contacted all the meeting stakeholders who assist us in working with the housing management bodies as well, along with my two teams, which are the seniors’ services team committee as well as my housing committee advisory team. Actually, they well know that these changes and the transition will occur in phases, okay? The first phase is to close the program to new intakes so that we can continue the existing agreement. Over the years the existing rental agreement will be reviewed once the new program is developed.

Ms Sigurdson: When will that be?

Ms Pon: The new programs will take into consideration the new federal Canada housing benefit in April 2020. The federal government has announced the creation of the Canada housing benefit to begin in April 2020, again. The level of funding received by a household will not allow us to align our rental assistance program with the proposed new Canada housing benefit. We must create consistency in our benefits to households to make the most effective use of federal funding.

Ms Sigurdson: It sounds like there’s a significant period of time. You know, you’re talking about April next year before we even know what’s going on. People are in housing need now, and it just seems very sad. Obviously, as my hon. colleague MLA Irwin just talked about, people need housing now. That’s the thing about government. Certainly, there are two aspects of it. There are services that need to be provided now, but there needs to be long-range planning. I understand that. But just to say, “Oh, well, you know, right now we have to wait for the feds, and we have to do that”: that seems very uncaring. It’s important, I think, that things need to be in place right now. Albertans are hurting; you know that yourselves. Jobs continue to be lost. It sounds like, obviously, you’re not concerned about that.

9:50

Another aspect I just want to talk to you about is just that you talk about operational efficiencies, again, in the fiscal plan of $15 million to $25 million over four years. That’s a lot of money, and that’s kind of vague. What do you mean by operational efficiencies? I mean, it must be beyond just a website where you expect seniors to be able to register for programs themselves. You know, it has to be something significant, so I’d like to hear more about that.

Ms Pon: Thank you. I’ll just remind you that this is a rental assistance initiative. This will be phased in in an approach over three years, so we don’t immediately just cut completely. We’re just stopping taking applications and looking for innovative ways to build more housing. I just want to let you know that we are constantly keeping in touch with the private sector, nonprofit organizations, and want to do partnerships, the P3 partnerships. Also, we hope for an outcome to get some capital and private
capital, not all government, that will build more affordable housing.

Mixed-income housing means that the offer is to vulnerable Albertans who have different levels of income. As well, of course, it’s mixed-income and P3 partnerships. This is the innovation this government does plan, to use less capital from the government and to use partnerships with the private sector and nonprofit organizations to build more housing. This is not just about the financial. This is all about building more housing for the vulnerable, for seniors and as well to maintain and keep on track with the growth of the senior populations with low income.

Ms Sigurdson: Certainly, you know, I just want to say that we agree on something, the mixed-income approach, that was something that our government began, and sort of that integration of people with different levels. Of course, the changing of some of the regulations so that people whose incomes actually improved – they’re no longer under the threshold; they actually sometimes have to move out of affordable housing. That was changed so that people could stay in, and that has supported that mixed-income model. We know that people feel a part of those communities, so I think that’s something that our government began, and sort of that integration of people with different levels.

But we know that, you know, we’re sort of talking about the nonprofit sector. I mean, the nonprofit sector needs support, and certainly I don’t see your government stepping up to support them. These are significant funds needed to support this sector. Nonprofits can’t do it, and – you know what? – the private sector doesn’t really want to, especially rent geared to income. It doesn’t make sense for them financially. They can’t make a go of it. That’s why the public sector needs to step up and continue.

I mean, we have a long history of housing management bodies supporting their communities throughout Alberta for decades. It’s something to be extremely proud of, and your previous Conservative predecessors had the forethought and vision to see that. In years previous to our government being elected, that had eroded over time, but that network and that support – you know, think of the lodge system. I mean, those are the beating hearts of many small-town communities.

It’s important that your government see the value of that, and we need to support the public sector. It’s not something that just the nonprofits can pick up or that the private sector even wants to pick up. You know, oftentimes the private sector is just interested in the 10 per cent below market. They don’t care about rent geared to income. They can’t provide that. There are some flaws in some of what you’re suggesting, that all of a sudden these other sectors are going to pick up and take care of affordable housing in Alberta.

Let’s talk a little bit about the federal government now, because, of course, they do have the national housing strategy. Some of that is matching dollars to make sure – and I mean, we want to take full advantage of that program. I know that, you know, one of the things that I remember speaking about when I was a minister was just about how we could match some of our already existing allocations – one of them was in rent supplement programs – to some of the expectations of the federal . . .

The Acting Chair: The second 20-minute block has expired. Ms Sigurdson, do you wish to continue?

Ms Sigurdson: Yeah. Thank you.

The Acting Chair: Ten minutes on this one.

Ms Sigurdson: Okay. The rental assistance program could be counted towards the federal sort of requirements to do that.

I’m also just wondering: where is that number in terms of the allocation? What is that number – it’s probably just in the capital plan – about how much Alberta is stepping up to contribute to what the federal government is offering?

Ms Pon: You mean the matched funding under the national housing strategy – right? – with Canada Mortgage and Housing?

Ms Sigurdson: Yeah. Like, how much is Alberta contributing? And I’m just curious if we’re counting the rental assistance program here. Even though you’re cutting it by 24 per cent, I’m just wondering what the ramifications are for the national program.

Ms Pon: Yes. This is another strategy, that we structured the funding in a different area. Yes, definitely, the CMHC, that matching program, with $678 million: that’s combined with an equal match on affordable housing from 2019 to 2028, which is about nine years for this funding. Right now we haven’t started yet. We have to submit that as an agreement. We already signed, but we’re going to start to submit the action plan.

I just wanted to give you some background. In March 2019 the Alberta Social Housing Corporation on behalf of the government of Alberta and the CMHC on behalf of the government of Canada signed an agreement under the national housing strategy. This agreement outlines the terms for Alberta and the federal government to spend the combined $678 million, equally cost matched, on affordable housing, 2019-2028: from Alberta, $198 million; the CMHC contributes $110 million. Okay? Also, Alberta’s also exceeds the losses of matching requests as well. For that agreement, Seniors and Housing has developed a three-year action plan. In that, we outline how Alberta will maintain the expiry for units and repairs and building affordable housing for our Albertans.

Ms Sigurdson: Well, I trust that the ministry staff and you, Minister, will take full advantage of that program because, you know, it’s a significant contribution, and we will need to make sure that we use it to the best advantage to be able to develop enough units to maximize that.

Now, I want to go to the business plan, 2019-2020. Just looking at the different allocations for capital, it talks about family and community housing development and renewal. That’s $50.1 million. Again, I just want to reiterate that oftentimes that program is supporting a lone parent, oftentimes women, who are, you know, raising children alone. You know, that’s a significant contribution to that program, so I just want to commend you on that.

The next one is seniors’ housing development and renewal, and it is $49.3 million. Again, this is another area of significant core housing need, as are lone-parent families, so again it should be prioritized. But this actually is quite a bit less than the previous years. Like, we had allocated $90 million. That’s more than half, but it’s still quite a decrease.

The lodge program, that I’ve spoken about already: we know that a lot of the lodges in Alberta are very aged. They need to be replaced. Certainly, I’m sure you’re having this experience, that whenever any of the rural municipalities are around, their lodges need to be replaced. So this is significant. You know, really, it’s a cut from where we were going. I mean, I think there was still significantly more to do in this area. I guess I just want to understand how come that was such a significant cut there, because seniors’ housing, especially in rural Alberta, is badly needed.

10:00

Ms Pon: Well, thank you. Just for your information I did two road trips since I was appointed as the Minister of Seniors and Housing, in six months. On those two road trips I was visiting 30
Ms Sigurdson: So what did you learn, Minister? What did you learn?

Ms Pon: Also, I have organized a number of stakeholder meetings, each one with over 10, 25 people of those leaders from the nonprofit organizations which serve vulnerable Albertans, to get together, sit down, and see what we can do. That’s what I did in the last six months to listen to vulnerable Albertans and listen to stakeholders to make a better plan, to see what we can do to allocate our budget for those programs and services they most need.

Ms Sigurdson: So what did you learn, Minister, when you went on that road trip?

Ms Pon: Can I ask you a question? When you talk about all this, can you just refer to which line you are referencing? Then I can give you a proper answer.

Ms Sigurdson: I’m looking at the business plan right now.

Ms Pon: Okay. What line?

Ms Sigurdson: It’s page 132, initiatives supporting key objectives, in 2019-20 the $50.1 million. That’s what I’m talking about.

Anyway, I know that our time is ticking, so I’d like to go on. One of the things that’s missing from this allocation of, you know, this capital funding is the indigenous housing capital program. Again, this is a high core housing need area, and there’s nothing. Certainly, our government had created a plan, and we’d received submissions for that. That was in process, so I’m just wondering what happened with that.

Ms Pon: Thank you for bringing up this very important question. Our government, since we’ve been in power, has been connecting with indigenous leaders in all the communities and listening to what we can do better and how we can improve our current system. I just want to answer your questions about the indigenous housing capital program. Indigenous people in Alberta often face additional challenges, we know, finding welcoming, appropriate, and affordable housing in Alberta. We know that the design of the current program does not meet the needs of some indigenous communities across Alberta. We also have an Indigenous Relations minister that constantly has meetings, goes to the communities to visit them to continue getting feedback and meet them face to face.

We are reviewing this program for alignment with our platform commitments to develop mixed-income buildings in partnership with developers. Just for the record on that indigenous housing capital program we have allocated $35 million over four years for affordable housing, and we will continue to partner with indigenous peoples and civil society organizations to enhance the supports and also pursue opportunities for housing. It is working right now. We will also, for organizations that submit a proposal for receiving planning funding, make sure that the effort today does not go to waste.

Ms Sigurdson: Minister, just to give you a bit of information about the indigenous housing capital program. It was created with extensive – extensive – consultation with the indigenous community. So when you say that it doesn’t meet their needs, that sort of flies in the face of what actually happened. We took additional time. Our $1.2 billion investment to roll out went out much quicker than the one specifically to indigenous people because we wanted to make sure that we didn’t do exactly what you said would happen, you know, that it didn’t meet their needs.

The Acting Chair: Okay. Thank you, Member. The first 50 minutes has expired.

We’re going to go to government caucus for the next 20-minute block. Who is going to be starting out? Mr. Rutherford.

Mr. Rutherford, do you wish to go back and forth with the minister?

Mr. Rutherford: Yeah.

The Acting Chair: Okay. Thank you. You may begin.

Mr. Rutherford: Thank you, Minister, for being here today. I’d just like to point your attention to page 129 in the business plan. It outlines the ministry’s strategic plan and structure. I understand it falls under four categories – the seniors’ services division, the housing division, the strategic services division, and the Alberta Social Housing Corporation – under this framework. If you could describe for me what the priorities are under this framework of your ministry?

Ms Pon: Okay. Can you just give me a minute, and then we can give you more information on that question?

This is a very important question about the priorities for Seniors and Housing. When we are in difficult economic times like this, our government is committed to being open and transparent about the state of our province’s finances. Budget 2019 represents prudent decisions to ensure sustainability of the programs Alberta depends on, including seniors’ programs and services and affordable housing.

In the budget we demonstrate our commitment to maintaining seniors’ benefits at the current level, ensuring that the most vulnerable seniors can count on a stable source of income and financial assistance. We are also focused on working with the housing providers, nonprofit organizations, and the private sector to create an innovative affordable housing system. In fact, our capital plan committed $619 million over four years. At the same time we recognize the need to address the government’s wild spending and finding innovative ways to make our programs more efficient.

We will work with the Seniors and Housing stakeholders through avenues such as my advisory committees to identify and understand the issues and identify innovative ways to solve them. Most of all, we will ensure that Albertans get a good return on investment of their hard-earned tax dollars and that all vulnerable Albertans have been looked after by this government.

Thank you.

Mr. Rutherford: Thank you, Minister.

If I can just point your attention now to page 179 in the government estimates, at line 1, ministry support services. It indicates that the operating expense for ministry support services is below the 2018 forecast. How are you maintaining the important services that seniors and low-income Albertans rely on?
Ms Pon: Well, the adjustment in the support services operating line was due to the lowering of staff costs related to the employer portion of pensions as well as one-time costs in the deputy minister’s office for vacation payout.

My ministry is providing support for those most in need of seniors’ programs and services. We will maintain seniors’ benefits at the current level, ensuring that the most vulnerable seniors can count on a stable source of income and financial assistance during this financially difficult time in Alberta from this government. Our capital plan includes $619 million over four years to deliver 2,700 new and regenerated affordable housing units and to maintain the 26,400 units owned by the Alberta Social Housing Corporation.

Mr. Rutherford: Thank you.

The UCP government as a whole wants to engage with Albertans, and this budget and business plan showcase the positive steps in engaging with stakeholders. How does the ministry plan to engage with Seniors and Housing stakeholders this year?

Ms Pon: These are such important things that we are continuing to do. The government of Alberta is committed to listening to and working with the key stakeholders to ensure that Albertans have access to the programs and services they need while making the most of their hard-earned tax dollars. Since being appointed as minister, I have been visiting communities across the province, listening to thousands of seniors, their caregivers, and the community groups that serve them and hearing from the people on the front lines about the issues that are important to them. In September I travelled 1,750 kilometres in northern Alberta, visiting 30 communities and participating in 25 meetings and tours in four days. That’s our commitment.

10:10

I have also established two minister’s advisory committees, one on seniors and one on affordable housing, which were well received by those leaders related to housing and seniors. They thought that this is a government that listens to them. This is a government that will do something different to make all Albertans have a quality life. These committees are also an opportunity for our government to gather insight and advice from the individuals and organizations that I mentioned who provide services directly to seniors and Albertans with low income. Together we are working to make the Ministry of Seniors and Housing more innovative and more efficient and effective, of course.

Mr. Rutherford: Thank you, Minister.

Mr. Chair, that’s all the questions I have.

The Acting Chair: Great. Thank you very much.

Next on my list is Mr. Neudorf. Go ahead, sir. Do you wish to go back and forth with the minister?

Mr. Neudorf: Yes, I do. Thank you, Chair.

Thank you, Minister. I appreciate all your thoughts and your thoughtful responses on this budget and the hard work that you’ve done to help address the $7 billion deficit that we were handed. As we know and as your hard work shows, it just won’t take care of itself; we actually have to make some difficult decisions. Thank you for taking the time to do that. It’s very much appreciated.

Referencing page 130 in your business plan goals, you identify opportunities for red tape reduction and cost-effectiveness. This government is committed to reducing that red tape across the province, and I’m hoping that you can take some time to share what reduction measures in red tape you’ve identified to date and some plans going forward.

Ms Pon: Thank you so much for the question. Yes, our government is committed to reducing government red tape by one-third and to also save time, money, and resources and to make it easier for Albertans to access Seniors and Housing services. We already cut red tape by automatically enrolling AISH recipients in Alberta’s seniors’ financial assistance program once they turn 65, ensuring an uninterrupted benefit and less stress and paperwork for seniors with disabilities. We also launched an online tool that lets seniors submit their financial benefit applications and supporting documents online, cutting red tape and modernizing the process. But it’s just a beginning.

As a minister I have travelled, as I mentioned, and listened to the seniors and had meetings with all the stakeholders. Most important to us is hearing their ideas on how we’re going to the cut red tape that they are looking for. After all of these hearings my team will continue the work to reduce unnecessary regulations and administrative burden on Albertans.

Mr. Neudorf: Thank you very much, Minister. I appreciate that. I do want to point out that in Lethbridge seniors are a very significant demographic for my constituency, and many of them will be very interested in your responses and very much appreciated the time you took to come and visit Lethbridge, to see our needs, particularly our housing and the situation there, and spending the time that you did this summer. It’s very important to them that they see you and meet with you.

My second question is referring to page 179 of the government estimates. Your ministry’s budget shows an increase to the supplementary accommodations benefit compared to the previous government that decreased funding to this program. Can you explain more fully how this benefit supports seniors and what your decision-making process was to deliver that service? I believe that’s line 3.3.

Ms Pon: Thank you. The supplementary accommodations benefit is income based and provides the monthly income that is supplemented to support affordable housing accommodation costs for residents in long-term care and designated supportive living facilities. I have been visiting all of those facilities, many, many of them, in my two road trips. The important benefit that it ensured is that seniors have at least $322 each month in disposable income. That’s why this ministry watches how it spends the dollars and is prepared for the population growth. In 2035 our senior population will reach over 1 million seniors. That’s a lot. The supplemental accommodation benefit has increased to meet the growing demand for this program.

Mr. Neudorf: Thank you very much, Minister. I appreciate that. That concludes my questions, Mr. Chair.

The Acting Chair: Great. Thank you very much.

Anybody else from the government caucus? Mr. Nixon, do you wish to go back and forth with the minister?

Mr. Jeremy Nixon: Yes, please.

The Acting Chair: Thank you. Proceed.

Mr. Jeremy Nixon: First of all, thank you to the minister for her hard work in this. I want to echo what’s already been said. We know that people are struggling, and we know the importance of
affordability of housing and lifting up the vulnerable in our community. I certainly appreciate the minister’s heart and her dedication toward this issue.

I also wanted to note that affordability of housing is not a new issue. This is something that consecutive governments have struggled with and that consecutive governments have invested a significant amount of resources in, both successfully and less successfully. That said, we know that there are immense needs in our community and an immense need to support our seniors and provide affordability of housing, but resources are limited, especially as we take a look at massive deficits. So I’m happy to see that we are going to be investing in new and innovative ways to develop that support and to create affordability of housing and the importance of reaching beyond government and partnering with private as well as NGOs in accomplishing that.

That said, the budget announced last week for Seniors and Housing, in the fiscal plan on pages 95 and 96, is an indicated 1.5 per cent increase in services, which is great to see, but even with those necessary social programs, can the minister explain how they are exercising fiscal restraint during this very difficult economic time?

**Ms Pon:** Well, thank you for the question. It definitely is not an easy time. It was a tough decision. It was hard for this government to come out with such a good budget at such a difficult time, and we are so proud of that. When the ministry exercises financial restraint during this difficult time – we are in difficult economic times, and government believes that it is important to be open and transparent about the state of our province’s finances. Okay? Not everyone will agree with the decisions, but we have to admit that we cannot keep spending money that we do not have and paying interest to the banks. Instead, by saving those interest payments, we can build more affordable housing and create more services and programs for seniors with low incomes.

We are making a thoughtful and focused and very important decision to ensure that the support for vulnerable Albertans is sustainable for future generations. We are not here to look only after the seniors. It’s the seniors, their children, and their grandchildren, generation after generation. This government takes responsibility to serve and to make sure that all the generations are looked after and that they don’t carry this debt burden. As a result, Budget 2019 adjusts the maximum benefit available for lift chairs and for foot orthotics under the special needs assistance for seniors program to more closely align with current market costs.

We are also combining the office of the Seniors Advocate with the Alberta Health Advocate to make the government more efficient for seniors and their families. When I did my two road trips in six months with 30 communities and a positive sweep over the big cities and speaking to over a thousand seniors and stakeholders, that was very important. They said: “You know what? Most of the seniors, when they ask questions of the Seniors Advocate, they ask lots of questions about health for seniors.” That’s why we made the decision to combine the office of our Seniors Advocate with the Alberta Health ministry, to ensure that we provide better service to our seniors.

10:20

We have focused the rental assistance program on vulnerable households to improve affordability and address local housing challenges. Budget 2019 also reduces spending on capital operating expenses and funding for the housing management body.

**Mr. Jeremy Nixon:** Thank you. Thank you again for talking about doing things differently, the transformational change, and figuring out how we make sure that we have an investment in our seniors housing today but also long into the future. That’s good to hear.

Line item 3 in estimates on page 179 includes an increase in funds for the Alberta seniors benefit program. The UCP budget estimates that it will increase spending compared to the previous government. How is the money going to be allocated?

**Ms Pon:** Thank you for this great question. The program is extremely valuable, which is why the Alberta seniors benefit program has increased by $8.6 million to meet demand. This government cares. Alberta currently has approximately 620,000 seniors, about 13 per cent of Alberta’s population. As I mentioned before, we estimate that number will double – I said double – to over a million seniors by 2035. Action must be taken right now.

The Alberta seniors benefit provides a monthly benefit to eligible seniors with low incomes to help with living expenses. It supplements federal benefits such as the Guaranteed Income Supplement and old age security. Approximately 160,000 seniors receive the Alberta seniors benefit each month. It is important to note that the MacKinnon panel report highlighted that Alberta has the most generous seniors’ financial assistance benefit relative to other provinces. The program is adjusted annually to ensure that benefits for vulnerable Alberta seniors are maintained as a result of increased federal benefits such as the Canada pension plan. The ASB is a regulated program, so all eligible seniors who apply will be provided benefits.

**Mr. Jeremy Nixon:** Thank you.

I’d like to pass my time.

**The Acting Chair:** Okay. Thank you very much.

**Mr. Walker:** Okay. You’ve got a minute and 30 seconds. Do you wish to go back and forth?

**Mr. Walker:** Yes.

**Ms Pon:** Yes.

**Mr. Walker:** Thank you.

My question. Seniors and Housing provides many programs and supports to the most vulnerable Albertans and ensures that our seniors are taken care of. The special needs assistance program ensures that eligible Alberta seniors get the support they need. How does the special needs assistance program help seniors, and how is funding allocated for the program?

Thank you.

**Ms Pon:** Yes, we had a good time in Sherwood Park, by the way.

**Mr. Walker:** We sure did.

**Ms Pon:** I loved that barbecue.

**Mr. Walker:** Thank you so much.

**Ms Pon:** Seniors and Housing delivers a range of financial assistance programs to seniors with low income, and the leads work on a government-wide program that supports seniors to live safely as well as independently in their chosen community. Our special needs assistance program makes funding available to about 30,000 seniors each year who may need help with essential needs. That
includes items such as appliances or diabetes supplies. Alberta has the lowest poverty rate among seniors in Canada thanks in part to the benefits and the support we provide seniors with low income. Alberta is the only— the only—province in Canada . . .

The Chair: Okay. Thank you very much, Minister. Time has expired.

We’re going to go back over to the Official Opposition. Just a reminder to everybody that the time will be reduced to 10-minute blocks.

I’m looking at Ms Sigurdson. You look like you want to continue.

Ms Sigurdson: Yes.

The Chair: And, I’m assuming, back and forth again with the minister.

Ms Sigurdson: Yes, please.

The Chair: Thank you very much. You may continue.

Ms Sigurdson: I’d like to move now from the housing program to the seniors’ program. One of the things that is kind of unique about seniors’ programming is that even though there are specific programs in Seniors and Housing, there are also programs in Health and other ministries, so it can be kind of a bit complicated. Things may be happening in one ministry and something else in another.

I mean, I guess one thing I wanted to bring up was the 47,000 Albertans who are going to be cut off the seniors’ drug program. Not only is this happening, which we’re going to be talking about in a minute, but there are other deep cuts to seniors. Certainly, when I was the minister, I would be wanting to know what was happening in those other ministries, so I would be working in collaboration. I just want you to know that there’s kind of a double impact or a triple impact, depending on how many things happen in other ministries. FCSS funding, for example: that’s another area. Seniors’ centres: many rely on them. Cuts to municipal funding: that’s another big area. They help in the communities. Seniors’ centres: with the allocations they help sometimes with elder abuse programs, things like that. It’s all very connected. Beyond what we’re talking about today, there’s much more.

I mean, I guess I want to talk first about just the deindexing. There are four programs: the Alberta seniors benefit, the special needs assistance grants, the supplemental accommodation benefit, and the seniors’ lodge assistance program. They’re all being deindexed. Of course, as I sort of said at the outset, we know that the cost of living goes up each year, so having these indexed creates more fairness and justice. I just want to say, speaking personally, that the reason that I even got involved in politics—I was sort of a reluctant politician—was because I cared about social justice. Alberta has the most income inequality of any province in Canada. This type of a program—this type of a program—is fundamental to making more fairness. Unfortunately, this government, as I said earlier, right away supports large corporations with a big giveaway, but it’s the seniors, the vulnerable people who are hurt. That is completely wrongheaded, in my view.

This deindexing: you know, again, it’s on the backs of seniors paying for this corporate giveaway. It’s creating more injustice in our society. I’m sure that I’ll just hear about interest rates again. Minister, with all due respect, I mean, it is troubling when right away corporations are given so much support.

Ms Pon: What is the question? Sorry.

Ms Sigurdson: Like, I’m just asking you to justify this decision to deindex.

Ms Pon: The deindexing. Okay.

First of all, I want to make the record clear and keep it on the record that a $4.5 billion corporate handout is untrue.

Ms Sigurdson: Well, $4.7 million. Page 144, Minister.

Ms Pon: Four point seven, four point five: it doesn’t matter. It is not true.

Second of all, we do talk and are working with others across ministries. This is constantly and closely.

Regarding indexing, I just want to make sure that we’re clear. You keep saying that it’s not existing. We are keeping indexing—okay—on pause for now. We are not cancelling anything. We just paused it because of that $60 billion debt from your government that we inherited. Somehow we do have to control the spending.

Ms Sigurdson: Excuse me, Minister. Just how long are you pausing it for?

Ms Pon: We are pausing it. We are working on it right now, and when we have time to refocus on maintaining the seniors’ benefits as far as ensuring the sustainability of these programs so that we do not endanger the programs and services for those who need them the most—we will review the indexing when it makes sense—as far as ensuring the sustainability of these programs, so we do not endanger the programs and services for those who need them the most. We will do the indexing when it makes sense.

10:30

Ms Sigurdson: When it makes sense. Okay. Thank you for that clarity.

Ms Pon: We are pausing indexing until we get our financial house in order. Also, we’re delivering on our commitment to maintain seniors’ benefits and protecting and supporting vulnerable Albertans while we ensure assistance is sustainable for future generations.

One more thing here.

Ms Sigurdson: Sorry, Minister. We don’t have much time, so I need to interrupt because you’re taking a lot of the time.

Ms Pon: Seniors understand that we have to do the measurement now . . .

The Acting Chair: Minister, I apologize. The member is correct. It’s her time; she may interrupt you. Thank you.

Ms Pon: Thank you.

Ms Sigurdson: Okay. So it is indefinite. Certainly, there are decisions governments can make, and your government is making the decision to, you know, balance the budget on the backs of seniors. That’s clear to me.

I just want you to move to page 95 in the fiscal plan. There is sort of a chart there. It’s comparing Alberta to Ontario and B.C. regarding, you know, the seniors poverty line. When I see this, what it seems to suggest to me, Minister, is that actually you want Alberta seniors to be below the poverty line. That’s the comparison. You don’t want seniors to live in dignity, actually. You want them to live below the poverty line like in these other jurisdictions. I mean, that’s all I can understand from this. What are you advocating here by saying that?
Ms Pon: No.

Ms Sigurdson: No what?

Ms Pon: We are not doing that. We are supporting our seniors. We would never ever put our seniors in danger. The answer is: no, we are not putting our seniors in poverty in trying to help them.

Also, I’d remind you that the blue-ribbon panel highlighted that Alberta has the most generous seniors’ financial assistance benefit related to other jurisdictions. Alberta is also the only province with special needs assistance, which covers personal and health supports in a way that no other province provides.

Ms Sigurdson: Well, I’m very proud of those programs. I would be standing up for them instead of cutting them or pausing them, as you say. I just wonder if you’ve ever talked to a senior on Alberta seniors’ benefits and they’ve said: oh, yeah, the government is so generous. No, no, no. It was the MacKinnon panel who said that, but they have a very different perspective. Someone who is actually living on the Alberta seniors’ benefits: they’re struggling, let me tell you.

On line 2.3 is the seniors home adaptation and repair program. There had been $2 million allocated for grants in that program. Now that’s been cut in half. How come?

Ms Pon: It’s line 2.3, right? Or 2.4?

Ms Sigurdson: Line 2.3.

Ms Pon: You’re talking about 2.4. You’re seeing that cut in half.

Ms Sigurdson: No, it’s 2.3.

Ms Pon: Okay. Thank you for the clarification.

We encourage seniors to apply to receive financial support if they need to repair and adapt their home. The SHARP grant program has been maintained. The grant budget was adjusted from $2 million to $1 million to align better to the anticipated demand, which was about $548,000 in 2018-19. As you can see on the statement there, the usage is a little bit lower. That’s why.

In 2018 the department conducted a survey of seniors who received the SHARP home equity loans, 91 per cent of seniors, and the program will help them to remain in their home longer.

Ms Sigurdson: Yes. Okay. Thank you, Minister. I appreciate that. Certainly, it’s a program that our government started, and it’s an excellent program, and it makes a huge difference for seniors.

In 2.4, the seniors community grants, I believe that some of this is the aging well in community grant, which was sort of allocated over three years, about $3 million, not quite. It’s my understanding that all of it is allocated. There are not new projects. Yet in your business plan you talk about caregivers – that’s kind of a new word that’s in there – and more allocations for elder abuse, which I don’t see. I’m confused by that. Like, if you are wanting the community, just like my hon. colleague was talking about, the nonprofit sector – they need the support, these grants, to actually support people in their communities. Where is the funding for that? I would think it would come out of this line item, but this line item doesn’t seem to be, you know, increasing. It’s not supporting the nonprofit sector. I don’t know if you were thinking about the private sector in this area or not, but how is that being supported? I don’t see what you’re doing with these grants to actually . . .

The Acting Chair: Thank you very much. Time has expired on this block.

We will go to the government caucus. Who is up next?
Ms Pon: We’re looking for a more detailed number for you. Of course, affordable housing for seniors is important. Since I took over this ministry, that’s the one thing that my team and I ask on all the projects: what can we do better, and what can we do that builds more housing for our seniors and the vulnerable?

Just for your information, it’s about 24,000 units that were dedicated to seniors. Also, all of the 65,000 eligible units go to seniors as well. That is our plan.

Mr. Yao: Thank you so much again for that very detailed answer.

My next question deals with the performance metrics on page 133 in the business plan. On page 133 in the business plan you outline the target of new and regenerated units built under the capital plan, where $619 million is dedicated to this over the next four years. How much will be committed in the 2019-2020 fiscal year, and do you have an estimate of how many units will be built, regenerated, or repaired? Again, my understanding is that a lot of the facilities that we have available have actually, you know, not necessarily aged well. They’ve been worn down, and there’s a large inventory that actually sits unused. As a fiscal conservative I do have great concerns about that. I’d get me and my team here to go out and fix some of these places up, but we’re too busy legislating.

I’m just wondering what information you have on these units that we can hopefully revitalize so they can provide a roof over the heads of some of our most vulnerable, please.

Ms Pon: Thank you. That’s why I did my tours, two tours in six months, going all over Alberta. That’s the whole reason that I go visiting all the lodges, to see all the projects that are owned by the government, to see and review what needs to be changed, what needs to be improved, and what needs to be repaired. I bring back all the feedback, all the suggestions and recommendations. Then I had a team meeting with my team to review what we can do better and identify and allocate a different kind of budget and how we can get more funding or a partnership to fix those that are outdated or some of the projects that require repair.

Our capital plan includes $619 million over four years to deliver 2,700 new and regenerated affordable housing units and maintain 26,400 units in Alberta Social Housing Corporation’s own portfolio.

You mentioned one very good question on those empty or outdated lodges that have been empty there: are we doing anything? Unfortunately, when I talked about this at the Seniors and Housing ministry, I found out that a number of projects have been empty the last four years and that we are putting in operating costs every month and every year just to maintain them without any plan. It’s just shocking that that costs us over a million dollars just to keep those empty spaces, empty facilities without usage. That is a waste, and we are going to work on it to correct that and make sure that we utilize them or make sure they are of value for our taxpayers’ money.

In 2019-20 the Alberta Social Housing Corporation will spend $151 million to support the development and maintenance of a sustainable and affordable housing system. We also maintained the capital maintenance and renewal funding to ensure that safe and maintained housing units are available to Albertans with low income. That’s why at the meeting with all the stakeholders, with all the lodges we organized a co-ordinator. We’re continuously getting feedback, and it’s extremely important. Our government promised to eliminate the carbon tax and to freeze all the programs it funded. We have kept that promise.

This is the update on how we’re looking after our seniors and affordable housing.
Ms Pon: Perfect. Thank you very much.

Well, first of all, I just wanted to put it on the record, I guess, thank you to the ministry staff that have provided and prepared this budget. I do want it to be known that I do not really see the increases in funding to make these things happen. Certainly, that’s my concern.

I also just want to really identify that certainly, when I was minister, I did have an advisory group. I travelled the province extensively and certainly worked very closely with the mayors in the big-city centres, so I just want to make the record stand to show that, certainly, we were very connected to community. What we heard is that they needed government to step up, which is completely different than what you’re saying.

I’m just going to pass it on to my colleague to ask a question.

Mr. Carson: Sure. How much time do I have left?

The Acting Chair: You have four minutes and 30 seconds.

Mr. Carson: Thank you very much.

Well, first of all, I just wanted to put it on the record, I guess, thank you to the ministry staff that have provided and prepared this budget. I do want it to be known that I do not support what we’re seeing in the Seniors and Housing department here. I’m very concerned about what implications are for the future if you keep touting that line. “We do the best, so maybe seniors can live with a little less” is what it sounds like.

Ms Sigurdson: Okay. Thank you, Minister. I understand that, you know, those are what you’re targeting, but I don’t really see the increases in funding to make these things happen. Certainly, that’s my concern.

I also just want to really identify that certainly, when I was minister, I did have an advisory group. I travelled the province extensively and certainly worked very closely with the mayors in the big-city centres, so I just want to make the record stand to show that, certainly, we were very connected to community. What we heard is that they needed government to step up, which is completely different than what you’re saying.

I’m just going to pass it on to my colleague to ask a question.

Ms Sigurdson: Or a lot less.

Ms Pon: We work as a team, so it doesn’t matter who is going to present that. We will just deliver the same message. Since I am the minister, I am going to take this question.

Alberta has the most generous seniors’ financial assistance benefit related to . . .

Mr. Carson: Minister, with all due respect, we’ve heard that line several times today. Now, my concern is that you keep presenting that line that we provide the most supports and programming. I think that what Member Sigurdson raised, the fact that you keep presenting that idea: you’re making it sound like we should actually be reversing that fact. I am very concerned about what the implications are for the future if you keep touting that line. “We do the best, so maybe seniors can live with a little less” is what it sounds like.

Ms Sigurdson: Or a lot less.

Ms Pon: We maintain a budget. In fact, we are giving over $1 million in our budget for seniors’ services. Seniors and Housing provide the Alberta seniors’ benefit program, again, to support seniors with low income. This monthly assistance is intended to supplement the federal government, so old age security and the guaranteed income supplement programs.

Mr. Carson: Thank you very much, Minister. You’ve told me about $1 million that you’re increasing in a specific piece of your portfolio, but the problem is that we’re seeing $100 million pulled away from programs like Alberta Social Housing Corporation. So I have grave concerns. You’re talking about a million dollars in extra spending in one program, which may not even make it to the delivery of that program – it might just be based on inflationary costs or population growth – while you’re absolutely decimating the Alberta Social Housing Corporation, saying that it is now up to these organizations, that have three months to come up with how they’re going to solve the $100 million of budget cuts that you’ve given them. That’s a very big concern.

I guess my question would be: how are you expecting these organizations within three months to come up with the revenue and the operation costs that you’re putting onto them?

Ms Pon: I’ll just clarify that we put a $15.7 million increase for the seniors’ financial benefit. That’s what we want to do in this government, maintain seniors’ financial benefits. We will continue to do that.

Mr. Carson: Minister, I also – how much time do I have left, Chair? No time.

The Acting Chair: Zero.

Mr. Carson: Thank you.

Ms Pon: Perfect timing.

The Acting Chair: Thank you very much.

Mr. Long: Thank you, Mr. Chair. Minister, I know that when you visited West Yellowhead, a number of the seniors that we talked to were extremely concerned with the previous government’s reckless spending and not just the potential impact that might have on their
own lives but also the potential impact that that might have on their kids and their grandkids. Minister, I want to thank you, first and foremost, for the time and the effort that you and your team have put in to produce a budget that makes sense for seniors getting the care that they need.

Budget 2019 indicates that the Alberta seniors’ benefit and supplementary accommodation benefit will maintain their funding. On page 130 of the business plan it outlines the initiatives that this ministry is taking to protect seniors in Alberta and the costs associated with standing up for our seniors. Minister, can you explain how valuable these programs are to our seniors?

Ms Pon: Thank you for these important questions. I’m going to find the list. I’m going to share with you all the information about the seniors’ program. These are very important questions. This is what the ministry is focusing on. This is what this government is focusing on, supporting and taking care of the most vulnerable Albertans and seniors. The program is extremely valuable, which is why the Alberta seniors’ benefit program has increased by $8.6 million to meet the demand and to meet the aging population.

Alberta currently has about 620,000 seniors. It’s about 13 per cent of the Alberta population, and that’s increasing. Again, by 2032 this estimate is going to double. That’s why we acted wisely to make sure that we meet the demand, and we are working on it.

The Alberta seniors’ benefit supplies a monthly benefit to eligible seniors with low income to help with their living expenses. It supplements federal benefits such as the guaranteed income supplement and also old age security. Possibly 160,000 seniors receive this Alberta seniors’ benefit each month, and it is important to look at the MacKinnon report again. The MacKinnon panel highlighted that Alberta has the most generous senior financial assistance benefit with the development of adjustments. The program adjusts the thresholds annually to ensure and maintain the benefit to vulnerable Alberta seniors as a result of increases to the federal benefit and also such as the Canada pension plan. The ASB is a regulated program, so all eligible seniors who apply will be provided a benefit.

The Acting Chair: Thank you very much, minister. I apologize for the interruption, but I must advise the committee that the time allotted for this item of business has concluded.

I’d like to remind committee members that we are scheduled to meet tomorrow, October 30, 2019, at 9 a.m. to consider the estimates of the Ministry of Education.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 11 a.m.]