



Legislative Assembly of Alberta

The 30th Legislature  
Third Session

Standing Committee  
on  
Families and Communities

Ministry of Children's Services  
Consideration of Main Estimates

Tuesday, March 8, 2022  
9 a.m.

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**Legislative Assembly of Alberta  
The 30th Legislature  
Third Session**

**Standing Committee on Families and Communities**

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Sigurdson, Lori, Edmonton-Riverview (NDP), Deputy Chair  
  
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\* substitution for Richard Gotfried

\*\* substitution for Roger Reid

**Also in Attendance**

Pancholi, Rakhi, Edmonton-Whitemud (NDP)

**Support Staff**

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**Standing Committee on Families and Communities**

**Participant**

Ministry of Children's Services  
Hon. Rebecca Schulz, Minister



9 a.m.

Tuesday, March 8, 2022

[Ms Lovely in the chair]

**Ministry of Children's Services  
Consideration of Main Estimates**

**The Chair:** I would like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Children's Services for the fiscal year ending March 31, 2023.

I'd ask that we go around the table and have members introduce themselves for the record. Minister, please introduce the officials who are joining you at the table.

**Ms Schulz:** Good morning, everybody. Joining me this morning we have Children's Services deputy minister Sherri Wilson; assistant deputy minister for child intervention delivery, Leann Wagner; the assistant deputy minister for child care and youth services, Joni Brodziak; and senior financial officer Darren Baptista. In the gallery, Madam Chair, we also have assistant deputy minister for Indigenous partnerships and strategic services, Cynthia Dunnigan, and assistant deputy minister for regulatory compliance, quality assurance and business support, Michael Walter, as well as our director of communications, Nancy Bishay.

**The Chair:** Thank you, Minister.

My name is Jackie Lovely, and I'm the MLA for the Camrose constituency and the chair of this committee. We will begin starting to my right.

**Mr. Hunter:** Good morning. Grant Hunter from Taber-Warner.

**Mr. Smith:** Good morning. Mark Smith, Drayton Valley-Devon.

**Mrs. Frey:** Good morning. Michaela Frey, MLA, Brooks-Medicine Hat.

**Mr. Toor:** Good morning. Devinder Toor, MLA, Calgary-Falconridge.

**Mr. Stephan:** Good morning. Jason Stephan, MLA, Red Deer-South.

**Ms Sigurdson:** Good morning. Lori Sigurdson, Edmonton-Riverview.

**Ms Pancholi:** Good morning. Rakhi Pancholi, Edmonton-Whitemud.

**The Chair:** I'll go to the members participating remotely. Please go ahead, Member Amery. That was Mickey Amery. He's just having some technical difficulties. We'll hear from him in a few minutes.

I'd like to note the following substitutions for the record: Mr. Toor will be substituting for Mr. Reid, and Mr. Stephan will be substituting for Mr. Gotfried for a portion of the meeting.

A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard*. Committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and visual stream and transcripts of meetings can be accessed via the Legislative Assembly website. Members participating remotely are encouraged to have your camera on while speaking and your microphone muted when not speaking.

Remote participants who wish to be placed on a speakers list are asked to e-mail or send a message in the group chat to the

committee clerk, and members in the room are asked to please signal to the chair. Please set your cellphones and other devices to silent for the duration of the meeting.

All right. Just one moment, please. Hon. members, the standing orders set out the process for consideration of the main estimates. A total of three hours has been scheduled for consideration of the estimates for the Ministry of Children's Services. Standing Order 59.01(6) establishes the speaking rotation and speaking times.

In brief, the minister or a member of the Executive Council acting on the minister's behalf will have 10 minutes to address the committee. At the conclusion of the minister's comments a 60-minute speaking block for the Official Opposition begins, followed by a 20-minute speaking block for independent members, if any, and then a 20-minute speaking block for the government caucus.

Individuals may only speak for up to 10 minutes at a time, but time may be combined between the member and the minister. After this rotation of speaking time we'll then follow the same rotation for the Official Opposition, independent members, and the government caucus, with individual speaking times set to five minutes for both the member and the ministry. These times may be combined, making it a 10-minute block. If members have any questions regarding speaking times or the rotation, please feel free to send an e-mail or message to the committee clerk about the process.

With the concurrence of the committee, I will call a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Does anyone have any opposition to a break? All right. Hearing none.

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 and are asked to please introduce themselves for the record prior to commenting.

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 three 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 individual speaking times will be paused; however, the speaking block time and the overall two-hour meeting clock will continue to run.

Any written materials 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 estimates and any amendments will occur in Committee of Supply on March 21, 2022. 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 with 20 hard copies. An electronic version of the signed original should be provided to the committee clerk for distribution to committee members.

Finally, the committee should have the opportunity to hear questions and answers without interruption during estimate debate. Debate flows through the chair, please, at all times, including instances when speaking time is shared between a member and the minister.

I would now invite the Minister of Children's Services to begin her opening remarks.

**Ms Schulz:** Thank you, Madam Chair. It is my pleasure to present the 2022 budget estimates and 2022-25 business plan for the

Ministry of Children's Services. Joining me this morning, as I've already introduced, are officials from the ministry. As they're in the record, I will not introduce them again. I'm very grateful for the work that they do and for them being here with me this morning.

Madam Chair, Budget 2022 is great news for Albertans. We are moving Alberta forward by getting more Albertans working and bringing our finances back into the black. A balanced budget and a strong economy are crucial for the well-being of children and families because they enable us to care for our most vulnerable. Alberta has programs and services that ensure all kids and youth are safe, supported, and set up for success. We also have a child care system that makes it possible for working parents to benefit from Alberta's economic recovery.

My ministry's three-year business plan, starting in 2022-23, sets out how we will work to meet the ministry's objectives. The first of these objectives is to improve access to a range of licensed early learning and child care options for parents right across Alberta so that they can go to work knowing their kids are safe and supported.

The second objective, Madam Chair, is to ensure the well-being, resiliency, and cultural connections of children, youth, and families are supported and children and youth are protected. We're improving access to early intervention and prevention services to keep families unified, strong, and connected with their communities and their culture. For situations where it isn't safe for children in their homes, we're also strengthening caregiver supports and training so that those who provide loving, temporary homes for children and youth can give them the best possible care.

Our third objective, Madam Chair, is to cut red tape that creates unnecessary barriers and administrative burdens for families, organizations, and businesses that rely on our services. This involves modernizing legislation and making it easier for Albertans to interact with government.

Madam Chair, to do all of this, I am happy to report a more than 39 per cent increase in funding for Children's Services. That extra \$700 million will help us transform our child care system, support parents as they get back to work, and help families and communities flourish. It brings total funding in '22-23 to \$2.4 billion, and I'd like to break down how Children's Services is allocating these dollars in this fiscal year.

Madam Chair, a strong child care system is more vital than ever as the economy recovers and parents head back to work. Today being International Women's Day, I think it's also fitting to mention that this also helps women get back to work or access postsecondary opportunities, especially as we come out of the pandemic.

As inflation and the cost of living rise, families are looking for help with their child care fees and the sector is looking for growth and stability. Madam Chair, the historic \$3.8 billion Alberta-Canada early learning and child care agreement with the federal government respects parent choice, includes our mixed market of private and not-for-profit operators, and is designed to meet the diverse needs of families and child care operators alike. This made-in-Alberta deal will help us lower the average cost of licensed child care in Alberta to an average of \$10 a day over the next five years by 2026. This is incredible news to parents throughout the province.

Budget 2022 invests more than \$1 billion in early learning and child care; \$350 million of this is provincial funding, and \$734 million is federal funding from two separate agreements. Our main focus, Madam Chair, for 2022-23 is reducing child care fees so that all families start seeing savings right away. We've expanded our child care subsidy program so that families with incomes under \$180,000 are now also eligible for an additional subsidy. We're also rolling out affordability grants to licensed operators participating in the federal funding agreement.

The grants and subsidy are working together to lower parent fees by an average of 50 per cent in 2022. These dollars have already started to roll out. Although Alberta was one of the last provinces to sign an agreement with the federal government, I'm so proud to say that we were one of the first two provinces to roll out affordability dollars and make sure that there are savings for Alberta parents and families. Through separate funding we're also providing subsidy supports for families with older children who need out of school care. In September 2021 families earning up to \$90,000 became eligible for subsidy, which was up from the previous threshold of up to \$75,000 of household income a year.

9:10

We also continue to support all licensed operators with workforce development funding so they can recruit, retain, and train certified educators. Budget 2022 allocates about \$120 million to maintain one of the highest wage top-ups in Canada for early childhood educators. There is also \$56 million in funding budgeted for workforce supports in 2021-22 to help centres recruit and retain the best staff and provide the quality of care that parents and their communities expect. Over the next three years, Madam Chair, \$300 million in funding is allocated for wage top-ups, professional development, and training for early childhood educators. We are working with operators to determine the best use of this investment. We'll also work with crossministry partners and postsecondary institutions to build capacity in the child care workforce so we have the qualified staff to support the new spaces and inclusive programming that are included in this plan.

Madam Chair, as always, the safety and protection of children and youth in Alberta is our highest priority. Budget 2022 provides \$846.8 million for child intervention, which is an increase of \$3.6 million. This increase will help grow and strengthen our kinship care programs and practice. Children's Services is increasing kinship and foster care supports by \$3.3 million. This will include a focus on a therapeutic foster care model and enhance support for kinship caregivers, which we've spoken about in previous years. Children in care experience better outcomes when they're able to stay close to the people and the communities that they are familiar with, and that's why prioritizing placing children with extended families whenever possible so kids can continue to feel a sense of belonging and familiar support is our goal.

Eighty-eight per cent of children and youth served by child intervention are served in family-based care, meaning they receive services at home, in kinship or foster care, or permanency placements. Family-based care is important, and caregivers and caseworkers require specialized training to be successful. We're committed to providing increased training so every kinship caregiver who opens their home to a child has the knowledge and skills to provide excellent care. As always, Madam Chair, we're improving our policies and practices especially to address the overrepresentation of Indigenous children in the child intervention system. Our commitment to reconciliation and our role in keeping Indigenous children rooted in their family, cultural, and spiritual traditions remains a top priority for Children's Services.

We know that transitioning to adulthood can be especially challenging for young adults who were formerly in care. That's why I was pleased last week to announce our new transition to adulthood program so young adults can achieve independence while feeling supported at every step. The TAP program also includes vital financial supports, just like advancing futures. Advancing futures is a one-of-a-kind program in Canada which provides social, emotional, and funding supports so young adults who were in care can get help to attend postsecondary education, and I'm proud to continue our investment in that area.

Madam Chair, it is always best to prevent a family crisis before it occurs. Over \$63 million is being allocated to continue to help provide safety and support the well-being of families and communities to prevent the need for greater interventions and supports down the road. Family resource networks deliver programs that build parenting skills, improve child and youth development, and provide social supports for vulnerable families. Today 70 network hubs are co-ordinating and delivering services in every area of the province through 136 agencies with that budget of \$63 million.

Madam Chair, the dedicated and caring women and men at Children's Services are wholly committed to protecting and supporting Alberta's children, youth, and families. I do want to take this opportunity to thank the excellent staff here with me today and everyone in the ministry for their dedication to Alberta children. Many of our front-line staff are social workers, and as this is Social Work Week, I really do think it's fitting to thank them for the very, very important and often difficult work that they do. I also want to thank the child care operators and early childhood educators right across the province as well as our nonprofit organizations that support families in need for all of the work that they do to support kids and families across Alberta as well.

Budget 2022's focus on recovery and growth supports and gives families good reason to be optimistic about the future of our province, Madam Chair. I am confident that this budget we've put forward will give us the resources we need, and I do ask for your support of the Children's Services budget.

Thank you so much for your time today.

**The Chair:** Thank you, Minister.

For the next 60 minutes members of the Official Opposition and the minister may speak. Hon. members, you will be able to see the timer for the speaking block both in the committee room and on Microsoft Teams. Member, would you like to combine your time with the minister?

**Ms Pancholi:** I would like to, yes.

**The Chair:** Minister?

**Ms Schulz:** No.

**The Chair:** All right. So we'll go with block time. Please proceed.

**Ms Pancholi:** Thank you, Madam Chair. I'd like to begin by acknowledging that we are all gathered here today on Treaty 6 territory and to recognize the Métis people, who share a deep connection with this land. I'd also acknowledge that it is International Women's Day, and I'd like to congratulate all the strong, educated, smart women who are in this room right now. But to all women out there today: let's celebrate International Women's Day. We have a lot of work to do. I'd also like to recognize Social Work Week and all of the many social workers, who are professionals, who dedicate their time to supporting children and families, particularly within Children's Services. And I'd like to thank all of the staff who are here today as well for joining us and bringing your expertise to this discussion today.

I'd like to highlight for those who are listening that the decision by the minister not to combine time today means that the minister will have the opportunity to pick and choose which questions she will answer, and I really hope the minister will be forthcoming and make her best efforts to answer all of the questions that are put forward before this committee. There are few opportunities for transparency and accountability under this current government, and this budget estimate is one of them. I do have a number of questions

for the minister, and I hope she will be forthcoming in answering all of those.

I'd like to begin with the child intervention budget, and I'd like to note for the record that this has been a devastating year for children and youth in care. We've seen a record high number of deaths for children and youth receiving child intervention services, 2.5 times higher than 10 years ago. We also know that the minister, you know, co-chaired a Child and Youth Well-being Review Panel, which highlighted the disproportionate impact of the pandemic on vulnerable, Indigenous, racialized, and low-income children and families. We've also seen a rise, of course, in opioid use, addiction, and homelessness in our province over the last period of time, so it is a particularly challenging time for vulnerable children and families.

However, the child intervention budget that's been presented in Budget 2022 is essentially a flat budget. It actually demonstrates no increased commitment of supports or resources for children and families, and in fact if we were to look at the original budget that was tabled in 2021, it was \$35.6 million higher than what we're seeing today. This is at a time when we acknowledge that children and youth are more at risk, and the government's own reviews and reports indicate that. I want to note that for the record right now.

I'd like to begin by discussing the transition to adulthood program. Line 4.2 of Budget 2022 indicates that the budget for youth in transition for last year, 2021, went up from \$14.4 million to \$51.2 million. My guess is that that's because there has been funding that used to come out of another ministry's budget that has now been allocated to Children's Services to reflect that increase. I'd like to know whether or not it was moved from another line in the Children's Services budget, or was it moved from, perhaps, Advanced Education? I'm making some assumptions here, and I'm hoping for clarity as to whether or not the postsecondary tuition costs under advancing futures were previously paid out of the Advanced Ed budget and now they've been moved here. There's a big jump in the number for the budget that's reflected in 2021 and 2022.

However, accounting for that change, if we look over the past two years, we actually see that the funding for youth in transition has decreased significantly. In fact, from two years ago, prepandemic, the budget was almost \$10 million higher for youth in transition than is presented in 2022, and it is also \$3.3 million less than last year. I would like the minister to sort of explain the change in budget numbers. For a government that claims that they are supporting youth in transition, there are actually fewer supports being provided to young people who are transitioning out of care.

I also would like the minister to share with this committee: how many young people in care does the ministry anticipate turning 18 in fiscal year 2022? How many are projected to turn 18 in 2023? How many young people transitioning out of care do they anticipate to turn 22 in 2022, meaning that they will no longer be eligible for financial supports, and how many are projected for 2023?

The number of young people 18 years and over who are currently receiving the SFAA supports who have died since April 1, 2021, is now at 20. This is double the number from two years ago. This age group has, devastatingly, seen the largest increase in deaths, which speaks to the particular vulnerability of this period of time, as we know the office of the Child and Youth Advocate has spoken about many times, of emerging adulthood and transitioning out of care. I would like the minister to explain why Budget 2022 line 4.2 actually allocates less money for this vulnerable group of people.

**9:20**

Under the transition to adulthood program, line 4.2 of the budget, I'd like the minister to clarify that each of those young people, between the ages of 18 up to 24, will continue to be provided a dedicated caseworker from Children's Services until the age of 24.

I'd simply like some confirmation of what we've seen reported in the media. Then I would like to actually ask the minister to clarify the origins of this transition to adulthood program.

For the committee's record I would like to note that the decision to lower the age of eligibility for the SFAA program was first announced by this government in October 2019. These young people were told that at the age of 22 they would no longer receive a dedicated caseworker from Children's Services. In March 2020 the only reason that that change did not come into effect was as a result of a court injunction issued as a result of a constitutional challenge from a young person who was losing supports under the SFAA program.

A year later, in March 2021, the minister claimed that she would not be cutting those young people off the supports, including a dedicated caseworker, during the pandemic. A mere six months later that promise was broken, and the minister did move forward with cutting off young people from their dedicated caseworker at the age of 22, and that was still during the pandemic. As this government will recall, we still had the devastating fourth wave right after that and then the fifth wave, so the minister broke that promise.

Now we are a year later with Budget 2022 and the minister's comments, and we're hearing that the minister is now reversing course and is now going to continue to provide a dedicated caseworker to these young people transitioning out of care, and that is good news. That is good news because we know that emotional support is critically important, but the young people in this province who are transitioning out of care in the SFAA program, many of whom I've spoken to, many of whom I know the minister has spoken to, were absolutely devastated by this back-and-forth response by this government with respect to cutting off their dedicated caseworker over the last two years. Let's be clear. The decision here to reinstate a caseworker for these young people transitioning out of care really was the result of one brave young person who sought to challenge this government in court that it was a constitutional breach of their right to security and safety of the person to cut them off from critical emotional supports as they transition into adulthood.

I'd like to give the minister an opportunity right now in this committee to apologize to those young people who she quite abruptly announced she would be cutting off supports two years ago.

**The Chair:** Hon. member, could you please direct the conversation through the chair?

**Ms Pancholi:** Through the chair, I'd like to give the minister an opportunity to apologize in this committee to young people who have been on this yo-yo of being told they would have supports, then they would not have supports, and it's only because of a brave young person who went forward and challenged this in court that they are now reinstating this dedicated caseworker support to these young people. I'd like to have the minister, through the chair . . .

**Mr. Hunter:** Point of order, Madam Chair.

**The Chair:** I'm sorry, everyone. A point of order has been called.

**Mr. Hunter:** I'd just like to know how this has to do with the budget estimates. I mean, she's asking for an apology when we're talking about budget estimates. I'm trying to understand, Madam Chair, how that has anything to do with budget estimates.

**Ms Pancholi:** Thank you, Madam Chair. I repeatedly referenced line 4.2, which is the youth in transition budget. I'm trying to

understand whether or not a dedicated caseworker has been assigned under this. The minister herself in her opening comments referenced the transition to adulthood program. It's completely related to what's going on here.

**Mr. Hunter:** Madam Chair . . .

**Ms Pancholi:** You had your chance, Mr. Hunter.

**Mr. Hunter:** Madam Chair, I appreciate that she's referring to a line item, but, once again, asking for the minister to apologize for something in estimates I think would be completely out of order.

**The Chair:** Thank you, Member.

You know, I don't see this as a point of order. I will allow the minister to address these if it's something that she has time to in her remarks.

Please proceed.

**Ms Pancholi:** Thank you, Madam Chair. Lastly, I'd like to ask the minister if the transition to adulthood program has been in the works for some period of time to continue to provide dedicated caseworkers to youth transitioning out of care. Can the minister please explain why two FOIP requests indicate that between the periods of time of January 1, 2021, and November 26, 2021, there was absolutely no communication between the Minister of Children's Services and her office with the Deputy Minister of Children's Services or with the office of the Child and Youth Advocate related to the supports and financial assistance agreement programs? One would think that this should be a top priority given the number of deaths in care and the fact that there were discussions potentially to reinstate a dedicated caseworker, so I'd like the minister to comment on why there was no communication by her office with her deputy minister or the Child and Youth Advocate.

Lastly, if the minister can confirm for this committee that she continues to plan on publicly reporting on the deaths and serious injuries of young people receiving services up to the age of 24 even though financial supports are being cut off at 22.

Thank you, Madam Chair.

**The Chair:** All right. That concludes the – no. Sorry.

Minister, please proceed.

**Ms Schulz:** Thank you very much, Madam Chair. I'm just getting down the last of the questions. I do intend to answer all of the questions that the member opposite has raised as I know she had asked for that in her opening remarks, and I do want to assure her that I think that this process is an excellent opportunity for us to discuss the budget estimates and the business plan of the Ministry of Children's Services and that we will be responding to all of the questions she asked.

First, to start with child intervention, you know, I would say and I have said a number of times that this has been a difficult year. We have seen the additional deaths of children who have previously been in care or are in care, and that is of great concern to me. Not only is this a devastating tragedy, Madam Chair, but it is a call to action, and we committed to do something, to make changes where they need to be made. In addition to all of the reviews that are currently outlined within our processes and our policies, I've asked for an additional review so that we can determine what's happening here and we can address any concerns that are raised throughout that process.

When we look at the child intervention delivery budget, I can go through this, you know, one item at a time. What we see is that our child intervention delivery division provides support services to

children and youth who are in need of intervention under CYFEA, which is the Child, Youth and Family Enhancement Act, because their safety is at risk or may be at risk in the care of their parent or guardian. Involvement may include services to children and youth at home or in care, guardianship, adoption, postpermanency services.

The budget for child intervention delivery sees a slight reduction of .02 per cent from '21 to '22, primarily related to some of the continuous enhancements and improvements to the delivery models and procurement of services. We talked about that last year. This is actually a positive change in terms of how we procure support services like therapeutic foster care and some of the changes that we've been making in kinship. We do believe, as I know all members in this room have heard before, that children do better when they're connected to families and their culture and their communities, and that's why we've shifted our focus and our funding to support family-based and kinship care. The child intervention delivery decrease is due to savings from changes to the ministry's procurement model and the new therapeutic foster care model. The budget in foster care and kinship care has increased to reflect this shift in delivery. This is, again, something that's very important to us, and I'm happy to be speaking about this today.

Then when we move to the transition to adulthood program and line 4.2, when we saw the increase last year, I mean, that was an increase because we made a commitment to make sure that no young adult was transitioned off until they were ready. More than half of those young adults did successfully transition into adulthood, which is, in fact, the goal of the program, to make sure that there are supports in place for young people as they transition out of care. We know that transitioning to adulthood can be challenging for youth in care and young adults who have formerly been in care. That's why even in Budget 2019 we did speak about the need for a program that better addressed transitions of young people not only for young people who might be moving between placements within child intervention but also for young adults who are transitioning out of care and into adulthood. This was a financially based program in the past, the SAFA program. It was, you know, where a young person would check in and they would sign an agreement for financial support.

9:30

Really, oftentimes what's needed for these young adults who are transitioning into adulthood is soft supports and somebody to check in on them, make sure that they have natural supports in place, make sure that they have the skills and the things that they need to successfully transition and be successful in adulthood. So instead of a program that really just focuses on, you know, "Here's a monthly funding amount," we have a program that now will also have caseworkers dedicated to this work.

Whereas previously you may have had a caseworker with a caseload of children of varying ages, including young adults, now we will have caseworkers dedicated to this program specifically to say: "Do you need help accessing housing? Do you know how to apply for a lease? Do you need mental health supports and services? Can we help you connect to those support services that you might need, help build natural supports in a child's life, open bank accounts?" You know, if the young person is looking to get a job, "Do you have access to somebody who can help you write your resumé and prep for interviews and apply for jobs?" These transitions are difficult for any young person but especially so for a young adult who maybe doesn't have all of those natural supports in place. So this is a shift that we have been talking about over the last two years. It's something that we have been working on, and I think that this is very, very positive in terms of the changes that this will have on young people.

How it will work is that there are a couple of different pieces to this. Obviously, advancing futures: we're maintaining that funding. Then there is this stream that will provide financial supports to young people up to 22, but then the soft supports will remain in place until 24. This, I think, is just really important to help continue that transition. When it comes to the number of young people turning 18, typically there's an average of 550 young people who turn 18 every year, and about 150 turn 22 years old each year within that program.

Looking at line 4.2 again, I believe I answered those questions, but no changes have been made other than the changes that were announced in Budget 2019. Obviously, last year there was an increased budget that we budgeted for to support young people who were continuing to transition out, as was our commitment, during the pandemic. We wanted to make sure that kids were, in fact, ready to transition out of care. When it comes to continuing to report deaths of any young people who have formerly been in care up to the age of 24, that answer is yes for anyone receiving supports under the supports and financial assistance programming.

I do believe that I have answered all of the member's questions.

**The Chair:** Hon. member, please proceed.

**Ms Pancholi:** Thank you, Madam Chair, and thank you, Minister. If I understand correctly, then, in 4.2, youth in transition, the fact that this budget shows an increase even in Budget 2021, from originally \$14.4 million to \$51.3 million, is a result of new caseworkers being hired to provide that support to those youth who are transitioning under the transition to adulthood program. I'm still unclear as to why the budget line has changed significantly, and if that clarity can be provided, that would be appreciated.

Budget 2022 reflects an increase in the fiscal plan, reflects an increase of approximately 99 new FTEs in Children's Services. Can the minister tell this committee how many new front-line child intervention positions this represents, how many in early intervention as well as how many in the child care area? If we can break down those new 99 FTEs.

With respect to the front-line caseworkers and staff who work directly with children and families, what percentage of current front-line staff, either in the ministry or within a contracted service agency, are registered social workers? Apart from those registered social workers, what is the educational background of the non social worker front-line staff? Can she provide a breakdown as to what their educational background is?

The Ministerial Panel on Child Intervention, which speaks to the entirety of line item 2 of Budget 2022 as that informs the work under that line item: there was a recommendation from that 2018 panel around recruitment and retention of child intervention staff in rural and remote areas. The ministry now notes that this is a completed task. Can the minister table any assessments and analysis done by the department to determine that issues associated with staffing shortages and turnover in rural areas have been addressed as it's noted as complete?

Similarly, another Ministerial Panel on Child Intervention recommendation from 2018 that informs Budget 2022 and the work under line item 2 of the budget recommends that the minister has indicated – a recommendation that is noted as complete by the ministry is that the workforce, including front-line management and contracted services, reflect the population served. Since between 68 to 71 per cent of the children and families in the child intervention system are Indigenous, can the minister report to this committee that 71 per cent of the front-line child intervention workforce is Indigenous? If not, what percentage of the workforce self-identifies as Indigenous?

Back to line 2.4 of Budget 2022, which refers to kinship and foster care support, how many Indigenous children are currently placed in kinship homes? I'm not asking for the number of kinship homes or the number of foster homes. I know that's reported on. I'm asking for how many Indigenous children currently receiving services are placed in kinship homes and how many are placed in foster homes as well as how many are placed in group care.

In the business plan, performance measure 2(b), the ministry has a target of 87 per cent of children in family-based care, which actually collapses together foster care and kinship care. What is the ministry's target for the percentage of Indigenous children in kinship care, in foster care, and the same for non-Indigenous children? What is their goal, what is their target for each of those different types of care? Does Budget 2022 and the increase in FTEs reflect that the ministry is planning on creating more positions within the ministry to supervise and support kinship homes, or – I'm trying to pick up on the minister's earlier comments – is it to support those young people who are in this transition to adulthood program? If it is to support more kinship care homes, either of those, actually, will cuts be made to contracts with contracted service providers who currently perform that work? Essentially, are those positions coming in-house into the ministry?

One more thing on line 4.2 with respect to youth in transition. If it is, in fact, an increase in funding to reflect that there are dedicated caseworkers, I'm unclear as to how this is different from the way the supports and financial assistance agreement worked previously. My understanding is that under the support and financial assistance agreement it wasn't just the financial supports; it actually included the ongoing connection between that young person and their caseworker, so that caseworker continued to be assigned to that young person and work with them. I'm not sure what is new here unless it's simply continuing what was happening before.

As I know the minister is aware, many agencies supporting the work of the ministry in child intervention have seen significant staff shortages. In a survey conducted by Align, 68 per cent of members saw staff turnover of 45 to 100 per cent over the last two years. How much of what is set aside in Budget 2022 is dedicated to address this critical staffing challenge in agencies that care for children in care? How much more, as compared to last year, will the government be providing to these agencies to address this?

As well, like with all Albertans, the cost of living is impacting agencies, foster homes, kinship homes, and group homes with the delegated responsibility to care for children who are the responsibility and are legally in the care of the government. Again, overall, the budget for child intervention, as the minister pointed out, is actually going down a slight bit. While the minister says that that seems to be an achievement, you know, the rest of the child intervention budget is also flat. Where in this budget accounts for the rising cost of living and inflation on the services who are providing care directly to children that are the responsibility of the government? How much more, as compared to last year, will the government be providing to support these agencies in these increased costs? We know that they have been facing the same challenges in terms of the cost of delivering their supports and services to children and families as all Albertans are experiencing, but these are children in the care and responsibility of the government.

**9:40**

Under line item 2.4 the ministry is budgeting \$231.7 million for kinship and foster care. Has the minister considered under this budget line using a portion of these funds for a one-time emergency payment to foster and kinship care families to assist with the drastic increase in the cost of living and inflation?

With respect to child advocacy centres I was glad to see that the government followed through on the recommendation under the 2018 Ministerial Panel on Child Intervention to provide longer term funding agreements, three-year funding agreements, to child advocacy centres. That ability to plan for their funding is critically important, and I'm glad the minister followed through on that recommendation.

However, the current three-year agreements that were entered into with child advocacy centres were done prior to the pandemic hitting, and sadly we know that as a result of the pandemic, with the isolation and the stress that the pandemic has placed on families and children, children are more at risk. While there was an initial drop in the number of cases of child abuse that were being reported, as these children are now being around more trusted adults like teachers and nurses and social workers and coaches once again, we know that those numbers are going up significantly.

Child advocacy centres across the province have seen a marked increase in the number of children that they are supporting, upwards of 20 per cent at some advocacy centres. I'd like to know: what in Budget 2022 is being provided to child advocacy centres to actually support them with their increased caseload?

Apart from the capital funding for the Central Alberta Child Advocacy Centre, which I know is a significant achievement and that that advocacy centre raised \$19 million and that this additional \$3 million is very helpful for them – that is for the building. I'm wondering how much is available within this budget to increase the operational funding for child advocacy centres.

With respect to Bill C-92 there are currently eight First Nations that have provided notice to exercise their legislative authority over child and family services or to enter into co-ordination agreements with Alberta and the federal government. To date one letter of intent has been reached with Enoch First Nation, but some, like Louis Bull First Nation, gave notice more than 12 months ago and no co-ordination agreement has been reached yet. Can the minister report to this committee that the province is working in good faith as partners with First Nations by indicating how much of Budget 2022 is dedicated to supporting First Nations in exercising their rights to care for their own children in their communities? How many agreements does the province expect to conclude this fiscal year, and how many does it target to conclude in the next fiscal year?

One recommendation from the Ministerial Panel on Child Intervention that's currently stated as progress by the minister is that in the absence of federal funding for equity in child protection, Alberta will end the disparity with provincial funding. How does Budget 2022, which is flat – again, it is flat – in terms of funding for child intervention, reflect that your government is in the process of ending the disparity of funding on-reserve?

I'm aware that there was a federal government announcement that came out earlier this year about a settlement and potentially funds that will be going on-reserve, but of course the details of that are still unclear, and in the meantime children and families in these communities have waited for far too long with inequitable resources, and they deserve equity. How long will this government wait for the federal government before stepping up to fulfill their commitment, that they said is currently in progress, from the Ministerial Panel on Child Intervention?

I seem about to run out of time, so I will leave it there and leave it for the minister to answer those questions, please. Thank you, Madam Chair.

**The Chair:** Thank you so much, hon. member.

Minister, please proceed.

**Ms Schulz:** Thank you very much, Madam Chair. First, I'll answer the questions about number 4.2, youth in transition. We did address things within this line item like caseload increases, cost of tuition increases as we know that those costs are covered through the advancing futures program. Those case counts and costs are reflected in the ministry budget. That's, really, for both SAFAs and advancing futures.

You know, when it comes to that program and talking about it being financial supports, it really depended on the case, but primarily it was set up as a financial agreement. In I think it was Budget 2019, when we first made these changes to the program, the data we had showed that young adults at the age of 22 started to drop off the agreements, that they didn't want to continue that relationship, necessarily, with Children's Services like they had in the past. That's why those changes were made. So now we have a program that's not just a check-in, sign up for a monthly allowance – and in some cases not all of those young people would be checking in with their caseworkers or really having that structured program and outcomes that needed to be met.

Now, Madam Chair, we have a program that is really focused on outcomes. Yes, there is a monthly allowance, and that allowance is actually increasing by, I think, \$25 or \$28 a month, but it's also really about making sure that there is, essentially, a checklist for caseworkers to go through. The caseworkers are dedicated to youth transitions, so making sure that we're not waiting until six months before a young person is about to transition out of care to start that work, to make sure that right away there is a checklist in place, to make sure that supports and services are in place for those young people.

Then moving into the question of staff, the percentage of staff that are registered social workers is about 50 per cent. Not all positions require a registered social worker. Other education like university degrees, child and youth training, child and youth care counsellors, and social workers are requirements for some of the jobs that we do post. We also, I would say, continue to look at recruiting and retaining rural staff, reporting that this recommendation is complete. We have to continue to recruit on an ongoing basis, as is the case with any ministry, but that's something that we continue to work on. We continue to recruit all open positions within the ministry as well.

The increase in FTEs is all related to child care. We are reallocating front-line workers to meet demands of the system in child intervention and to support the transitions to adulthood and SFAA program. As I said before, what we previously saw was a mixed caseload for a caseworker, where they may be supporting children between the ages of zero and 18 as well as a couple of cases of young adults that are transitioning out of the system. Now we are creating a caseworker that is dedicated to a youth in transition caseload, whatever those programs are going to look like. This will definitely be more efficient and make sure that the caseworkers in those areas are dedicated to one area of focus.

The 99 FTEs, mostly front line to support the child care agreement and the implementation of the early learning and child care agreement, are funded through federal dollars in the \$3.8 billion Canada-Alberta early learning and child care agreement. We need to support the increased capacity in the child care sector. These positions will provide direct support to parents, walking them through affordability subsidies, as well as support an increased number of licensed quality programs. We expect to create 10,000 new spaces in the next year, so that does require staff to roll out that program and to make sure that those programs are, in fact, safe and high quality and following the legislation and regulations that we have in place to assure parents of safe and high-quality child care. A small amount of those positions will be dedicated to policy

development, research, data analysis, and IT support, but the vast majority will be focused on front-line supports.

When it comes to working with partners in the communities – and, certainly, both myself and the ministry meet with Align very regularly. We know workforce challenges are not just something that we're seeing in Children's Services, not something that we're just seeing in child intervention, not something that we're just seeing in child care. We're seeing that in many fields across the province. You know, I know this government, obviously, has a very clear mandate to support our workforce and the creation of jobs, and this is all part of that. We know that all employers are struggling, again, as we come out of this pandemic, and that's something that we continue to work with them on, and we're sustaining funding for them this year.

**9:50**

When it comes to the most common placement types for Indigenous young people, about 32 per cent are in foster care, 35 per cent in kinship, and 30 per cent would be a mix of group residential or they are currently in their own homes, receiving support services from the government. When it comes to how we fund Indigenous and non-Indigenous young people, we fund the same for all children off-reserve. The government of Canada does fund children on-reserve, and I do think that the member opposite is aware of that.

When it comes to the child advocacy centres, those were, in fact, three-year funding agreements, and this was a commitment we made early on. This was something that the child advocacy centres, when we first announced that, said was a very positive thing because previously it had been very ad hoc, and every year, much like our effort and partners, community organizations were waiting for the budget with bated breath to see if they were going to be funded, and now they have three-year funding agreements. This is very positive. As we work through these three years, we also have asked them to come up with data. We need data and numbers and maybe more stringency within the formula to make sure that our funding levels are accurate, and that is something we're working through with all of the child advocacy centres. We meet with them on a regular basis.

I would point out that we're not the only ministry that funds the child advocacy centres as well. When we look at things through a Children's Services lens, we look at, you know, children, obviously, who are receiving or are in need of prevention or early intervention services or child intervention services, but other ministries also fund CACs, so that's something that also adds to the complexity of the funding model. We are continuing to work through that.

Obviously, we still have some time in that three-year agreement, but we are reviewing those benefits so that we will be in a place to continue to fund them and make sure that we have transparency and make sure that the funding is really fair based on the caseloads that we're seeing and the number of children who would be involved with Children's Services if we have some way to measure that, but even common definitions of intakes and caseloads: that's not something that had previously been managed. The cheques were cut, and sometimes it was just based on historical funding but not necessarily on any specific numbers.

When we look at the ministerial panel, we continue to use all of those recommendations to inform policy and practice improvements within the ministry. We also are making sure that – obviously, you know, that requires us working with First Nations and communities to make sure that children are being placed in homes that are with their families and with their cultures and in their communities, so obviously that does require a lot of work with individual nations.

We also continue to work on trilateral agreements under Bill C-92. This is a federal bill. We have been asking the federal government where the funding is to come with their bill. That was one of the first asks that we made, and I know a number of Indigenous governing bodies that are looking to move forward under this legislation have made similar asks to the federal government. It's difficult for us to say how many we expect to sign because that's really up to the nations, to put forward their wishes and move forward in that direction.

**The Chair:** Thank you, Minister. That's the time allotted. Member, please proceed.

**Ms Pancholi:** Thank you, Madam Chair. Thank you, Minister. I would invite you, if there's opportunity, to look back on the *Hansard* transcript of some of the questions because I didn't get answers to all of my questions, and if those answers could be tabled before we consider estimates in the Legislature, that would be appreciated.

I'm going to move on to child care now, and I want to talk about line 3 in the budget, which states that the forecast for child care in 2021 is \$530.8 million. That was for what we anticipate for the end of this fiscal year. Putting aside all of the federal funding, how much of that \$530.8 million, that's forecast for 2021, was provincial funding? I'm not looking for the amounts for the bilateral, the one-time workforce funding, the Canada-Alberta ELCC funding. I'm specifically asking about what portion of the forecast of 2021 was provincial.

Similarly – I believe the minister may have addressed this in her opening comments – line 3 in Budget 2022: how much of that is provincial? I want to confirm that of that \$1.07 billion, \$350 million, or roughly about 30 per cent, of that funding for that budget is actual provincial funding.

Page 133 of the government's fiscal plan talks about the \$56 million – well, actually, it sets out the funding that was received and is anticipated for the year ahead. Where is the \$56 million, the one-time workforce funding, reflected in this budget? Which line item does it come from? Did that actually reduce provincial funding in that item? I believe the minister may have referenced that it came from child care quality and worker supports, line 3.2 of the budget. If that's the case, it means that that line item would have actually received \$168.5 million in 2021, but only \$140.6 million appears to be forecast to be spent, so I'd like to know the remaining amount and where that is being allocated.

With respect to the Canada-Alberta ELCC funding agreement, first, I'd like to ask if the minister can address in this committee whether or not that agreement and specifically Alberta's action plan, which I understand is supplementary to that agreement . . .

**The Chair:** Member, through the chair.

**Ms Pancholi:** Through the chair, can the minister make that publicly available, the actual wording of the agreement and the action plan with the federal government?

Fiscal plan, page 133, indicates \$666 million in 2022 is coming to the government through this Canada-Alberta ELCC agreement. Can the minister tell the committee: what is the specific breakdown of that \$666 million in federal funding in terms of what portion of that and how much of that is going to affordability, how much of it is going to accessibility, which I interpret to mean both space creation as well as Indigenous-led child care, inclusive child care? What portion of that is going to workforce development, and what portion of that is going to administration? If that could be broken down for 2022, 2023, and 2024.

Of the workforce funding that is allocated for 2022 in this budget, can the minister advise this committee: how much is budgeted to

increase wages and implement a wage grid in this fiscal year? I'm not asking about professional development and training or how much is budgeted in line 3.2 for that. How much of what is allocated in line 3.2, apart from the provincial funding for wage top-ups, is actually allocated to increase the wage top-up or to implement a wage grid?

Of the accessibility funding from the Canada ELCC agreement – and the minister has noted, of course, that in the business plan there's a goal of creating 10,000 new nonprofit child care spaces this year – how will that funding be used to support nonprofits and municipalities to actually create spaces? For example, other provinces are providing grants to nonprofits to renovate existing spaces or to create new spaces. Can the minister provide details to this committee about how that funding will be used to actually actively work and engage with nonprofits to create new spaces?

Can the minister advise: how much in resources have been set aside in this budget for engagement and consultation with the sector, including educators, for this fiscal year? Will the minister release publicly who the minister is consulting with and which stakeholders she is speaking to in developing the plan for implementation for this funding agreement?

I believe the minister already answered the question of how many new FTEs in child care are there to transition new federal funding. It sounds like all 99 of the new FTEs for the ministry for this year.

With respect to space creation, overall, we understand that this Canada ELCC agreement will create 42,500 new spaces over the time period of the agreement. Can the minister clarify for this committee: is that 42,500 new spaces from the day the agreement was signed, as in November 15, 2021? What is the starting benchmark as to when those new spaces will be created?

With respect to line 2 of Budget 2022 at the end of fiscal year 2020 the ministry issued the child care capacity building grant, which gave out 44 grants, for \$10.3 million, to create 1,600 new child care spaces in 2021. These funds were supposed to be used by the end of this fiscal year. How many of those new 1,600 spaces are now licensed, not just created but actually licensed, and how many of them are actually enrolled out of the 1,600 spaces? I understand that one unlicensed child care provider in Fort McMurray received \$417,000 under this child care capacity building grant but to date, almost a year later, still is not licensed and still has not created a facility or opened new spaces. How many other unlicensed organizations have received public funds under this grant but have not actually created licensed spaces that have opened for Albertans to use?

**10:00**

With respect to overnight care the child care capacity building grant was supposed to create 182 new overnight spaces. Can the minister report to this committee how many of those 182 spaces were enrolled and are actually operational, that they're actually being used right now? In total, can the minister report to this committee how many licensed overnight spaces there are currently in the province and how many of those licensed overnight spaces are actually enrolled?

With respect to the goal of licensed space creation can the minister table for this committee or report to this committee: by 2025-2026 how many licensed spaces does the minister project Alberta to have in total? What are the projections that the ministry is using in terms of how many children age zero to five there will be in Alberta in 2025-26?

The business plan for the ministry indicates that the total licensed spaces as of March of last year were roughly 143,469, I believe. How many licensed spaces are there currently, as of the end of February 2022? What is the most updated number of the licensed

spaces in Alberta? As well, what is the most recent number of the number of spaces that are actually enrolled?

With respect to early childhood educators how many early childhood educators are currently receiving wage top-ups at level 1, level 2, and level 3? I want to be very clear. I'm not asking for how many educators are actually certified by the ministry, because that does not actually reflect how many of those educators are actually working. I'm looking for – the minister should obviously have the number that are actually working based on wage top-up claims. So how many educators do we have at each of those levels who are actually receiving wage top-ups, and how many of those educators are currently working in preschools?

In 2021 there were 143,469 licensed spaces, so using a conservative ratio, about 1 to 6 educators to children. Alberta should need approximately 24,000 educators to staff those existing spaces, yet Alberta only had approximately 15,000 educators by the end of the 2020 fiscal year. We already have a shortfall in this province of roughly 9,000 early childhood educators. If the ministry expects to create 42,500 new spaces, requiring approximately another 7,000 educators, how does the ministry expect to attract and retain another 16,000 educators between now and then without any changes to the wage grid or top-ups for educators?

With respect to out of school care how many children are currently enrolled in out of school care programs in Alberta? Currently all of these families using out of school care do not have access to anywhere near the same support as other families using child care, meaning that some parents using out of school care will pay twice as much for one to two hours of before and after school care as a family who is using full-time child care. These parents also need help with their fees. I'm aware that the federal funding under the ELCC agreement is limited to preschool-age children; however, I'm asking the minister to report to this committee as to how much provincial funding in Budget 2022 is being allocated to expand affordability grants to the thousands of Alberta families using out of school care. How many educators are currently working at out of school care and at what certification levels? Again, I'm not looking for the number who are certified but the number who are actually claiming wage top-ups.

I will end there given that my time is running out.

**The Chair:** Thank you, hon. member.

Now over to the minister.

**Ms Schulz:** Well, thank you very much. Obviously, I will take any opportunity to talk about the made-in-Alberta plan and the agreement that we signed with the federal government to bring \$3.8 billion of Albertans' hard-earned tax dollars back to Alberta to support working parents so that they can take part in our economic recovery. We are seeing jobs created in this province every single day, 130,000 jobs created last year alone. Parents want to be part of that recovery. I would say that that's a major shift from the jobs lost under the former government due to bad policies, job-killing policies. You know, I think what we're seeing is that a pro-growth, free-market focus on the economy is creating jobs. That's positive, and we want parents to be able to take part in that. We are proud of the agreement that we signed with the federal government. Just to be very clear, \$3.8 billion: that's \$1 billion in funding for this budget year alone. That is something to celebrate. Those investments in parents absolutely matter.

I'm happy to break down kind of what that looks like in this year. There is about, as I stated in my opening remarks, \$350 million in provincial funding. That remains the same. We've said the whole time that federal funding is not going to replace provincial funding, that we will maintain our investments in this area. That's exactly

what we've done through this commitment, and that's a requirement, obviously, of the agreement with the federal government when it comes to child care. In this year alone – I can walk through the \$666 million of federal investments – we've essentially got, in line 3.1, 531 and a half million dollars that is dedicated to affordability.

Our goal really was to support parents first. Every province has a different approach to how they're going to roll these dollars out over the five years, and our approach really was to look at – I mean, when we have the second-highest wage top-ups in the whole country when it comes to level 3 early childhood educators, our priority was really about supporting parents. We saw enrolment go down, obviously, throughout the pandemic. There was economic uncertainty. There was uncertainty when it came to the pandemic, and, you know, our thought was really to support parents so that they have the choice to find affordable, accessible, high-quality child care in their communities. We are seeing enrolment go back up. We're not quite at prepandemic levels just yet, but that's a positive.

Then when we look at – we've got \$50 million for accessibility. We have, you know, an additional \$84.6 million that is dedicated. I know that the member wants very specific numbers on each line item, but that supports wage top-ups, professional development, curriculum enhancements that we committed to as well under this agreement, and the child care supports. That is part of the work that we're doing to consult.

I know formerly – I think the member opposite would know that when she had asked, Madam Chair, for, you know, some of the names of the people who had been part of the working parents group, there was really just a fear, quite frankly, of the fear and division and misinformation being shared by the member opposite. They were fearful to have their names published. They didn't want to be ostracized. They didn't want to be bullied by the members, so I did maintain my commitment to consult with that small group. But now we've been meeting with dozens – dozens – of child care operators already. There is a fulsome plan to continue to consult with operators and educators throughout the coming months because we want to make sure we get this right. We want to make sure that the investments are exactly where they need to be.

You know, when we talk about a wage grid, our wage grid in the agreement – the agreements: I know the member opposite is asking me to table those. That's not up to me to table. That's up to the federal government. They have said that they will be posting those agreements, so we'll continue to watch for that. Our grid is based on essentially our current wages, including the wage top-ups. That's a base rate to start. But, again, 70 per cent of operators pay over and above those base rates, which I think is positive. Operators are in the best position to make those decisions about their workforce, so we will continue to work on that. But there absolutely is funding in this agreement dedicated to that, and that will be rolling out, again, once we consult in this budget year.

When we look at the accessibility dollars and how we're actually going to get to creating 10,000 home-based and nonprofit child care spaces in this year, how will we actually do that? That work, again, had begun, you know, even last year: RMA, AUMA, then meeting with municipalities who we know were areas that were underserved in terms of child care spaces but also areas that were interested in creating spaces. We know that this is a lofty goal. It definitely is a lofty goal, and it's going to require flexibility, and, yes, it will require funding, just like it did in the previous expressions of interest. The process will likely be a little bit different, but we know that we will have to provide some of our nonprofit partners and municipal partners with seed grants.

10:10

We're changing the application process to make it a little bit more simple. You know, last year we did have 1,500 spaces that we were going to fund the creation of within our affordability grants. We really want to make it very easy and be really creative in terms of how we approach that, recognizing that every community in this province is different and may approach this in a unique way, so we are creating creative partnerships.

One of the major barriers that we have found – and it's something that we actually have a number of meetings on this week and next – is around the overnight care. There are a number of communities where municipal bylaws are preventing some of those spaces from getting up and running. When we talk about red tape, that's exactly what we're talking about, a municipal bylaw preventing something that should be enabled by an operator and a provincial government investment to create those spaces.

Of the 1,500 spaces that we invested in last year, over 1,000 of them are already licensed. We have 97 new overnight spaces that are operating. When we look at out of school care enrolment, we have 51,684 spaces; 32,353 of those are enrolled.

The federal government – and we asked if we could include out of school care in this agreement, and, you know, really, the federal government's program is designed at supporting those zero to five because that's where the cost of child care is quite high and can be a barrier for parents who are wanting to access training or workforce opportunities.

When it comes to the educators, I would say this. I mean, we're seeing our levels of educators in the field go up. I know the member opposite has some interesting data that she's been using in question period in the House, but it doesn't really match what we're seeing within our ministry numbers. It's actually quite positive that while we did dip in March of 2021, our numbers now – in March of 2020 in terms of staff we had 18,818, and we are right back up now to 18,558. I mean, that's up 500 educators since last month, which is very positive, working and enrolled in the system. This is very positive. I think, obviously, a lot of that is that enrolment is growing. I think that's also part of this agreement that we have with the federal government. As we see enrolment grow, we see educators come back into the workforce. That's exactly what we had hoped to see, and it's exactly what we're seeing. I think that it's very positive to see that happening.

When it comes to the levels that educators are and how many we have in each program type, it is looking like as of December – I have the numbers as of December; it reflects just over 18,000 workers, not the 18,500 that we see now – 7,100, almost 7,200, are level 1; almost 3,000 are level 2; and nearly 8,000, 7,921, are level 3s. We also, through this agreement with the federal government, do have goals to upskill and move educators throughout that grid from level 1 to level 2, and that's why – I know the member opposite wants to talk only about wage top-ups, but professional development is also very important because we want to make sure that we have the opportunity for educators to increase their training and then, of course, increase their salary through that wage grid, which I think is a positive for both kids and educators.

**The Chair:** Thank you, Minister.

That's our time. I do see that member . . .

**Ms Rempel:** Sorry. There's one minute left.

**The Chair:** Oh, sorry. There's one minute left. That goes to them. Please proceed.

**Ms Pancholi:** Thank you, Madam Chair. I will note that the minister continually refers to Alberta educators receiving the second-highest wage top-up, but they're still the third-lowest paid in the country. With respect to the – there are a number of questions that the minister did not get a chance to answer, so I'm hoping that the . . .

**The Chair:** Please direct the conversation through the chair. Thank you.

**Ms Pancholi:** Through the chair, I'm hoping that the minister will get a chance to go back and reflect on a number of the questions. If the minister is unclear, she can check the Atkinson report from 2020 to check the early childhood educator wages and how they compare across the country.

There are a number of questions there. I'd like to encourage the minister to go back and actually listen to all of the questions I asked because a number of those questions were not answered. I hope the minister will have an opportunity to do that and to table that in writing with this committee.

Thank you, Madam Chair.

**The Chair:** Thank you, everyone.

I see that Member Gotfried has joined us remotely here. Member, would you like to introduce yourself?

We seem to have some connectivity issues, so I will proceed with concluding the first portion of questions from the Official Opposition. We'll now move to our independent side here for 20 minutes of questions. Would you like to combine your time with the minister?

**Mr. Loewen:** I'd prefer to go back and forth if we could, please.

**The Chair:** Minister?

**Ms Schulz:** Sure.

**The Chair:** All right. Please proceed.

**Mr. Loewen:** Okay. Thank you very much, Minister. Appreciate that. I'll leave some of the other questions till later, but the questions I'm going at now: I think it'd be good to have the answers, and then it may negate some questions I have to ask later on.

We'll start with the revenue line on federal transfers, which, of course, I believe, is from the \$10-per-day daycare program. I'm obviously supportive of a means-tested daycare program that provides support for low-income parents to rejoin the workforce when and where they want to or need to. Right now I have five grandchildren in some form of daycare, and of course my wife and my mother-in-law both spent much of their lives in daycare and early childhood education, so I do appreciate the value of daycare, and I know my children used daycares and appreciate that. What I'm wondering is – I guess a lot of it has to do with the income and where this \$10-a-day daycare kicks in. You know, obviously, we could have – and sorry to use this – a cabinet minister making \$180,000 a year. We could have an MLA making \$120,000 a year. We could have a project manager making \$90,000 a year. Do they all qualify for the \$10-a-day daycare?

**Ms Schulz:** That's a good question. Just to give some background, Madam Chair, to the member for that question and kind of where this agreement came from, there were things that we in Alberta – obviously, we were not the first to sign. I said often – you've all heard me say it, you know, a million times – that we had to fight for a made-in-Alberta plan.

The federal government's agreement was essentially to reduce fees for all parents. They wanted to look at, quote, unquote, universal. What we saw during the NDP pilot is parents who would have access to \$10 a day weren't always necessarily the parents who needed those spaces. As the dollars roll out year over year and there's more money each and every year, this year being the \$666 million, you can roll that out in a variety of ways. A lot of other provinces are saying: look, we're going to pick some who are going to be in, and we're going to pick some who are going to be out. We see that out of information – you know, certainly, there have been a couple of other provinces that have said: we're leaving out private operators, which is what the NDP did. That was something we did not want to do. There has to be another way to make sure, because there isn't enough money to truly do it universally for every single child in the province. I mean, we don't see every single child in the province registered in a preschool or child care program.

So we did two things, I think, essentially, that really targeted these dollars in a way that other provinces have not. I will say that I am appreciative of the federal government's flexibility because means testing is not necessarily something that I think was a focus of the federal government at all. But I think we made a good case that you have to target the money, especially in the first few years, because there's just not enough to do it. The NDP pilot was so wildly disruptive to communities where then you had child care centres that had been open for 35 years not registered. Parents who were lower income couldn't get into the spaces. I had people write in: you know, we've got doctors in our spaces, and we have kids in need that need the space.

We just said: look, we'll focus on reducing fees for all parents by an average of half. Our child care fees in Alberta: the average is, I mean, somewhere over \$1,000 a month when we take every single space in the province, average that out. The operating grants: it's easier to go that way first. First of all, there's an operating grant. Say I'm going to use an example of a toddler-aged child, 19 months to under three years. That child care in a centre would receive an operating grant of \$510. So that would reduce, essentially, the fees, on average, by half for every single parent regardless of how much they make because that was a requirement of the federal government.

**10:20**

Then in addition to that, the family making up to \$180,000 a year – and, you know, I think, really, there the number was based on: how do we support low- and middle-income families but really just be inclusive and use the dollars as best we can? We know that that will likely change, these numbers will likely change, as more federal dollars roll out.

But just to give you an example, say a family with an annual combined income of \$120,000 has two toddlers in that 19-month to three-year-old range and they're enrolled full-time in a licensed daycare. In December their fees would have been, at the average of \$1,100 a month, \$2,200 a month. Now, in January, once these affordability dollars and the new subsidy program rolled out, the family would benefit from the \$510 affordability grant per child, and then they would also qualify for an additional subsidy of \$253 per child. That combined savings of \$763 a child means that their fees would go from \$1,100 a child to \$337. So for two children their fees have now gone from \$2,200 a month to \$674 a month. That's just one example, but it's, I guess, easiest to look at the operating grant reducing the fees and then that subsidy coming in later.

But, you know, one of the things that the federal government required was that they want to see every single space go to \$10 a day. We fought for flexibility to target those who need it most in the first year but recognize that with each year of the action plan every province is going to do different things as we roll those

dollars out. Again, this is on average. When we look at the average rates of child care across the province, but we just – our focus was not to leave anybody out.

I would say, too, having been to your community and met lots of your constituents, that I think we hear a lot about parent choice, part-time care being very important for parents who might be working from home or working part-time or stay-at-home parents who want just high-quality programming for their young kids' – right? – social and emotional development. This is positive. We included preschools, which was also a group that the former government left out completely.

I hope that answers kind of your question in terms of the genesis, what that looks like this year, and how it's going to change over time.

**Mr. Loewen:** Okay. Yeah. I think that that's helpful. Just to be clear, obviously, then, every family, no matter how much income, gets some benefit from this?

**Ms Schulz:** Yes.

**Mr. Loewen:** Now, is there a chart that you could provide us – obviously, this is maybe something to undertake – that we could have, like, in \$10,000 increments? What would parents pay for a – and it wouldn't matter if we picked one child or two children or whatever, just so there was some sort of formula that we could see, that people could look at and relate to.

**Ms Schulz:** Yeah. Absolutely. And that's all currently available online. I think it is under [alberta.ca/childcaredeal](http://alberta.ca/childcaredeal), but it does break down what the operating grants are for each type of child care, whether that's a centre or home-based, whether that's part-time, overnight, or full-time, and then as well what the subsidy charts look like. Yep.

**Mr. Loewen:** Just for instance, you know, maybe a single mother making \$20,000 a year: how does that compare to the previous means-tested system, the cost that would be incurred under the new program versus the old program?

**Ms Schulz:** The goal of the federal government, again, is to get every single family to an average of \$10 a day per child in all licensed spaces over the next five years. Again, means testing was something that we definitely pushed for. It's something that is not included in many other provinces' plans across the country. It's not an apples-to-apples comparison of what that subsidy looked like before because now we have the operating grants in place.

There was a lot of misinformation being shared about, you know, people paying more when they're low income. That is not true. Every family would see a reduction in their child care fees. However, for many lower income families that were already on full subsidy, they were already paying, in many cases, less than \$13 a day. It was an average of \$13 a day, so many families were actually already paying less than \$10 a day. They're still seeing a reduction. It may not be as big as the reduction in all of the spaces, but again that is partially because of the federal government's requirement to reduce those fees for every single family by half.

Obviously, it's important to note that we have programs, specifically in Calgary and Edmonton, through partners like Catholic Family Services in Terra Centre, where, for example, pregnant and parenting teens have access to free child care because we know that they need to finish high school. Those are things that we're going to look at as we look at creating new spaces as well. You know, that's an important group where they will pay nothing. I think it's important to highlight those support services.

**Mr. Loewen:** Okay. Is it fair to say that the real low-income parents, that were paying nothing in the previous program, will still be paying nothing in the new program?

**Ms Schulz:** It's not an apples-to-apples comparison because of the way that the subsidies work. On average parents who would have received full subsidy before would still be paying an average of less than \$10 a day already under this program.

**Mr. Loewen:** Okay. I believe that some of the low-income parents in the past program were paying zero for daycare if they were in maybe that \$20,000 range. Now, will that depend on how much the daycare is charging?

**Ms Schulz:** It does, yes, because the operating grants are general, right? They are based on the average, so different spaces would obviously have a different fee. Again, it's kind of the balance between the federal government's requirement to make sure that we have reductions for every single family and then our approach to make sure that parents still have choice and that there is flexibility for different communities to approach things differently, for operators to still remain open.

Private operators were completely left out under the former government. We had to also find a way to make sure that these often female entrepreneurs could continue to keep their doors open and not have to transition into a nonprofit, which is exactly what they were planning under the NDP's pilot program. They said that there was absolutely no way for them to operate – many of them told us this – as a private operator under that structure given all of the constraints that were in place.

You know, this is, overall, a very, very positive program. Again, we wanted to make sure that we were driving, essentially, workforce participation – right? – or access for postsecondary. As we continue to roll this out, these are exactly the types of things that we need to look at, too, in supporting parents and families as we continue to reduce fees over the next five years.

**Mr. Loewen:** Yeah. Okay. I guess, then, I think it would be fair to say that somebody was paying nothing before because they had a lower cost of daycare. With the new program it would probably still have them paying nothing, I'm guessing.

**Ms Schulz:** Yes. Exactly.

**Mr. Loewen:** That's fair, then. Okay. Perfect.

I guess another question here, maybe on a slightly different vein. When a parent is staying home and giving up their potential to earn more money for the household, are there any tax rebates for that decision?

**Ms Schulz:** There are two things. Those parents who are choosing to stay home would still benefit from the overall reduction in fees, right? That operating grant that is reducing their fees: if they choose child care, full-time or part-time, they would still see a reduction in child care costs. Also, there is, again, preschool. They are receiving operating grants which lower the costs for preschool and then additional subsidy for parents who may need it.

There is also a tax credit program. We did ask for – I mean, one of the things that we started at when we were asking the federal government in negotiations: we asked for flexibility to support all parents. Obviously, I think we all know the focus of the federal government's plan. You know, they made it very clear – and I'm certainly not here to speak for the Trudeau government, but they have pointed out a variety of times that the Canada child benefit was increased in the federal budget at the same time that they rolled

out this plan, so they weren't interested in necessarily a tax credit program at the provincial level.

**10:30**

We also have the Alberta family and child benefit, which supports lower income families and middle-income families with children under 18, and that's a direct financial benefit to those families. There's \$335 million identified for the Alberta child and family benefit. That's a direct benefit that goes to all low-income and middle-income families based on a specific formula regardless of the choices that they make as well.

Additionally, I would say that for parents who are accessing unlicensed child care – or maybe a family member is looking after their children – there are tax deductions available at the federal level as well to, I guess, reflect those costs.

**Mr. Loewen:** I guess that maybe that's more where I was headed with that one. If a parent, you know, stays home and then doesn't utilize daycare at all, are there any tax benefits or rebates for those folks who actually don't use the daycare but where a parent chooses to stay home with the children?

**Ms Schulz:** Yeah. Again, you know, for low- and middle-income families there is the Alberta family and child benefit, but then at the federal level there were increases. Again, I can't speak to their budgets, but they did say that they committed to increase the Canada child benefit, which is means-tested. That's at the federal level, so there are programs in place for those parents as well.

**Mr. Loewen:** Okay. Thank you.

Moving on, I guess, just a little bit, I'll go to some questions maybe just more on the financial end of things. On page 17 under revenue there's a line item called Other Federal Transfers. Is that the federal daycare program? I think it went from \$83 million to \$822 million. Is that increase due to the federal transfers?

**Ms Schulz:** Okay. When we look at other federal transfers, this includes the child special allowance and revenue for the Canada-Alberta early learning and child care agreement. The child special allowance is a tax-free monthly payment to help with the care and education of children who are under the age of 18 who physically reside in Canada and who are being supported by the province, where the province is the legal guardian. For example, in child intervention the CSA is paid to the province for providing care to the child. The current amount payable also includes a supplement to the CSA, which is the children's disability benefit, which is really intended to help with the cost of caring for children with disabilities under the age of 18 as well. And then, obviously, the Canada-Alberta early learning and child care agreement, which we did sign: again, \$3.8 billion over five years to build and support the child care programs here in Alberta.

**Mr. Loewen:** Okay. Going to other revenue – and that's, again, on page 17; it's included under other revenue – it decreased by \$20 million between the actual for '20-21 and the estimated for '22-23. I think it went from \$31 million, and the estimate is for \$7 million. What was that decrease of over \$20 million? That's on page 17 under revenue, and the line item is other revenue.

**Ms Schulz:** We're just looking to get that information.

**Mr. Loewen:** Yeah. No problem. I just wasn't sure if I described it good enough.

**Ms Schulz:** We can come back to that one, if the member would like, just so that we do not eat up your time.

**Mr. Loewen:** Sure. Okay. No problem.

Also on page 17 under revenue there's premiums, fees, and licensing. I just wondered: what's included in premiums, fees, and licensing?

**Ms Schulz:** That is costs that are charged for applications and licences representing revenue from licensing of child care facilities. There are no premiums or fees collected in Children's Services, but it is a licensing cost. It is \$200 for the initial application for a child care to apply for licensing and then \$100 for the renewal cost. The initial application is valid for one year, and then renewals are good for three years.

**Mr. Loewen:** Okay. Thank you.

Also on page 17, under expense, the Alberta child benefit appears to end. The Alberta child and family benefit: is that the replacement of that?

**Ms Schulz:** Yes. That change was made – I can't remember if it was in Budget 2019 or 2020 – and those programs were brought together into one.

**Mr. Loewen:** Okay. Thanks.

Again under expense on page 17, why did the Alberta child and family benefit increase so much compared to the actual '20-21 figures? I think it went from \$219 million to \$335 million in estimates.

**Ms Schulz:** Yeah . . .

**The Chair:** That's our time. Thank you so much, members.

**Mr. Loewen:** Excuse me. That's just the 10 minutes, right?

**The Chair:** This time now goes over to the UCP caucus. That concludes the first portion of questions for independent members.

I will just mention now that we will take the break after the UCP rotation, so that'll be at 10:55 as the other meeting is breaking after the independent rotation. That means we'll get fresh coffee.

Okay. We'll now move to the government caucus for 20 minutes of questions from the members. Would you like to combine your time with the minister?

**Mrs. Frey:** Madam Chair, I would like to combine my time if the minister is so willing. Thank you very much.

Thank you very much, Minister, for being here today. I just wanted to start off on the high points. I think this budget is obviously a historic budget for Alberta as a balanced budget. Also, I think what's really significant here is that we're seeing a 39 per cent increase in funding, which is something that can only be accomplished through strict fiscal discipline, which I have to applaud you for, Minister. I know that, as a little bit of a fiscal hawk yourself, you've probably made some big changes and have made this work. I just want to say thank you for your work in getting us to balance and also for being able to have flexibility in your budget to support the families that need it the most.

You said in your opening comments that this budget as well as the Children's Services budget respects parent choice and respects private operators and their ability to continue to operate. I would like to give you an opportunity because, Minister, I know you fought very hard for an Alberta-made child care program that supports as many families as possible regardless of their choice in provider. I just want to say congratulations again. I know I've said that to you about a million times, but congratulations again for getting this important work done. I know as somebody who hopes

to bring children into the world that this is a huge deal for Alberta families.

I also understand that Alberta is one of only a small number of provinces and territories to even begin implementing this program to start supporting families. Outcome 1 of your business plan relates to ensuring Albertans have access to early childhood education and child care options that enable participation in training, education, or the workforce. Minister, how does this agreement relate to outcome 1, and what should Albertans know about the agreement?

**Ms Schulz:** That's a great question. This agreement will support programs, of course, to meet the unique needs of Albertans through what we've been calling a historic \$3.8 billion agreement over five years with the federal government. You know, it's true that we've talked a lot about the delay in Alberta signing the agreement. That was not for lack of trying. We were the last province to receive our term sheet. We then had a federal election in the middle of our negotiations. These are things that are well outside our control.

But we worked really hard with community partners. We had the Supporting Working Parents Advisory Group, that really worked hard on a plausible plan. The minute that the election was done, we were reaching out with that plan. Oh, goodness, the support of our community partners: I think we couldn't have done this without the child care operators that took the time to give us feedback. That was really important, and I think it showed that this wasn't about politics, that this was about, really, reflecting and respecting the choices that Alberta parents are making when it comes to child care and not leaving anybody out, because we saw how disruptive that was, as the member opposite knows, in the former government's pilot program.

This agreement is focused on children age zero to kindergarten age. Again, kindergarten is something that we also pushed for flexibility on as the federal government really wanted to focus on kids age zero to five. Again, Alberta is unique when it comes to kindergarten, and we wanted to make sure that we had flexibility to support those kids, too. The goal is obviously to reduce child care fees on average by half, based on those average numbers in this year.

**10:40**

Those dollars, as the member pointed out – I guess I would like to say that we're a tie for first in terms of rolling out affordability dollars for parents, and that's for a few reasons. I mean, when we look at the number of spaces that we have and the enrolment numbers we have, we've typically been at around 80 per cent enrolment. That's because in years where parents were working and the economy was really good, we had private operators step up, again often female entrepreneurs, to say: "Hey, there's a need in my community. I'm going to support my neighbours, and I'm going to open up this child care centre to help them."

We did not want to go down the path that other provinces have or, quite frankly, the pilot program we had for \$25-a-day child care here, that left out those operators. That just, clearly, wasn't something we were interested in because that's well over 60 per cent of our providers and our spaces. You know, we made sure to include that and preschools, again supporting parent choice. We obviously have a curriculum framework. It's Flight. It's excellent. But we also know parents want choice in terms of the type of programming they offer, and those were changes that we made in our legislation that are reflected in the agreement that we made with the federal government.

We also know that high-quality care starts with high-quality educators. We negotiated funds for PD and training as well as wage enhancements for educators in this but also making sure we're investing in inclusive programming, cultural resources, and more

spaces, specifically focusing on areas of the province that really, truly need spaces. Probably right now our focus is not necessarily where we're all sitting today – there's lots of child care in our community where we're located in downtown Edmonton – but we need to look at some of the rural communities that are underserved or areas where enrolment is a little bit higher. We are really proud that that's included in this plan.

**Mrs. Frey:** Thank you for the fulsome answer, Minister.

I don't doubt your commitment to the program. I see that you are extremely committed and that you've worked very hard for a made-in-Alberta plan. I am curious because I have heard some concerns from constituents about the rollout, raised by providers and parents. What are you doing in Budget 2022 to alleviate these concerns by my constituents?

**Ms Schulz:** That's a good question. You know, the rollout of this was important. I would say this. First of all, I need to thank child care operators for their flexibility. Any time you're changing a program or the way something works, we know it creates uncertainty, for lack of a better word, for all of those who are included, and that includes child care operators. We value the insight and expertise of operators. We consulted on our legislative changes, the first broad consultation of this sector in more than a decade.

We also need to listen to parents, who are the users of the system. Our focus really was, first of all, on supporting parents. Who are we here to serve? The people of Alberta, the people of Alberta who want to get back to work or go back to school and take advantage of the opportunities that we have in Alberta. That was our first priority, to roll out the affordability dollars.

But there are a number of other areas of the agreement that require a little bit of feedback, specifically areas where we might have heard a variety of feedback or differing opinions – we may have heard different things in different parts of the province – those things. First of all, how do we refine affordability grants for hours in unique circumstances? That's something we've heard, things like overnight care or care for less than 50 hours a month. We will definitely work at that.

Our first focus is, obviously, part-time, full-time care. That's something that we need to look at. Creating spaces: what does that rollout look like in terms of the space-creation dollars and how we work with nonprofits, with day home agencies, with other agencies within the province that support children and families? Are there ways that we can think a little bit differently about how we've rolled out those things in the past and just be really flexible, knowing that every community is going to be a little bit different? In many cases we need to get rid of red tape to make sure we can bring those operators into the system, things like overnight care.

We know that we need to support our early childhood educator workforce. That's something that we've heard a lot. The feedback on that: again, it hasn't just been – you know, I know the opposition likes to talk about how more money just solves all the problems. I think that when we're looking at a billion-dollar investment in child care this year, that's exceptional news. There are dollars in this agreement to support both wages and professional development. But we need to look at also how we're moving educators up throughout those levels, making sure we're supporting their education, making sure that it doesn't just happen in Calgary and Edmonton, making sure that rural communities have different ways to access that training, too.

We've heard a lot of feedback for, you know, parents who are also educators saying: "I work full-time, and I need online programs. I need better distance programs. I need some creative ways that I can access this training." We're working with community organizations

and postsecondary institutions on that and really modernizing that funding approach so that we can get rid of some of that red tape and, again, be flexible. We know that 10,000 spaces this year is, I'll say, ambitious, but that's a good problem to have, and we're absolutely dedicated to it.

If anybody wants, you know, to be included in some of those round-tables, we'll be doing round-tables and meetings with educators. We've had lots that have reached out to my office, and we keep a list of those just because we need to hear that feedback. We've also had a number of tele town halls and information sessions with operators as well, and we continue to populate information on some of these pieces online, too, at [alberta.ca/childcaredeal](http://alberta.ca/childcaredeal), where they can go for more information. But those are some of the areas that – you're exactly right – haven't been worked out yet. I mean, I think we've seen exceptional flexibility and commitment from operators. I'm so grateful because without them we could not be doing this.

**Mrs. Frey:** Thank you very much, Minister. Actually, you read my mind. I was going to ask you about some of those 10,000 new spaces, but you covered that.

I do want to move on to page 15 of your business plan, still under objective 1.1. I want to go back to the concept of parent choice. You know, Minister, how important that is in my riding because you have actually taken the time to sit down with many child care operators in Brooks-Medicine Hat and southeastern Alberta. Your team has been exceptionally flexible in making time to listen to the concerns of my constituents. I just want to say thank you to all department staff as well as ministry staff who are here today who have really gone the extra mile to make sure that my constituents felt heard by government. That is definitely a refreshing perspective that we haven't seen in years prior. I do really appreciate that. And by "years prior" I mean with the previous government. So thank you very much for that.

This emphasis on parent choice sounds like an important change for parents and guardians across Alberta, one geared towards, of course, letting families choose the child care program that works best for them. I'm sure I'm not the only member here on this side who's happy to see that child care programs with parent choice being at the front of that are important for the Ministry of Children's Services. Why are you doing this? Why is this so important to you, Minister, and how will this impact Alberta parents and families?

**Ms Schulz:** That's a good question. First, thank you for thanking department staff. As I look to my left and my right, to my deputy minister, Sherri Wilson, and ADM Joni Brodziak, I will say this. In our last conversation with the federal government they also expressed how surprised – like, there was some surprise at how fast we were able to roll this out. I said: "When I told you that we were committed, we were committed. When I told you that we had a plan, we had a plan. When I told you that we were ready to go, we were ready to go." And it's really only because of the two amazing women to my left and right. The fact that they're still sitting here beside me is also amazing given all of the incredible heavy lifting they have done. So thank you for thanking them. I can't tell them how grateful I am. We wouldn't really be here without them.

When we talk about parent choice, that was something that came across loud and clear. In the consultations that we had done for our legislation – and I know that that's not necessarily related to the plan, but it's important. When you undertake a consultation that's that broad, the first time in over a decade that we've heard from that sector and engaged them in that way, we needed to take that feedback that we heard as well as the feedback from the pilot program about: how can we do better? How can we respect what Albertans actually want? Those are things like – you know, it's

great. Again, we have an excellent curriculum, but we also know that some parents want different types of programming, right? There are things like outdoor preschools. Amazing. Cool. Creative. Great for kids. There should be flexibility for that. Spanish, French, different languages, cultural aspects: all of that needed to be included in this plan.

**10:50**

As well, you know, we look at private operators and not-for-profit. Most parents don't know if they're in a private or nonprofit child care. We heard that from parents loud and clear. What they wanted was high quality. What they cared about was the educators, the safety of the environment that they were in. They didn't necessarily know who was operating and how it operated. The other point that we tried to make to the federal government or we did make – and that's why we were successful in including private operators, because there isn't a correlation between quality or cost, fees, and whether somebody was nonprofit or private. In many cases we had examples cited where some of the nonprofit providers, in fact, had the highest fees. I think that's really the point that we tried to make and why we were able to get so much flexibility in this agreement.

Again, preschool as well. I've talked about that. You know, especially the pandemic has changed the way that people work: part-time, working from home. Preschool is an exceptional option, again, so we're going to continue to invest in that, again, knowing that wage top-ups, support for educators: very important for safety. We also know that, obviously, child care doesn't stop at kindergarten, but the most expensive child care is in zero to five, as the federal government has committed to, so we'll continue to invest in those areas as well.

**Mrs. Frey:** Thank you very much, Minister. As you know, I could probably talk to you all day about this, but I will give the rest of this time to my hon. colleague from Taber-Warner.

**Mr. Hunter:** Thank you, Madam Chair, and thank you, Minister, for being here. I, first of all, want to say thank you to you and your ministry for helping us get to balance. This is something that the whole government has been willing to work on. Your ability to do this in your ministry and still be able to deliver high-quality care to our children: I thank you for that, and Albertans thank you for that. I wanted to say that, you know, your work that you've done with being able to bring in more spaces for all Albertans rather than just a very few is really commendable.

I also wanted to ask you a bit about the business plan on page 16. Now, in 2020-21 you were able to reduce red tape reduction by 23.6 per cent. In 2021-22 what's that number in terms of reduction? And then my last question that I'll ask you is that I guess you need to hit 33 per cent in order to be able to hit that magic number. Are you on track, and if so, what are some of the exciting red tape reduction issues that you've been working on?

**Ms Schulz:** Thank you very much for that question, and I do appreciate that. You know, when we talk about "What does a balanced budget look like?" I think one of the things we were really committed to, certainly at this table, was transforming the system and being okay to make changes. I often use the example of the changes we made in prevention and early intervention. We heard feedback that government just wasn't working the way that our nonprofits work and there was red tape and there was uncertainty. I said, "Why has nobody changed this, then, in 20-some years?" And they said: "Well, because, I mean, it's politics. You could answer that question better than me." So our approach was: if this is better – right? – if we have areas that are underserved and we don't have

outcomes tied to the dollars that we're investing, how do we know that this is the best for kids? So let's do something that's bold and transformative.

That was, really, the approach that led to the creation of the family resource networks but also that led to three-year funding agreements for those nonprofits to reduce tape, which is great. Same thing in the child advocacy centres, I think, even the transition to adulthood program: those were changes that are good changes. The changes we're making to therapeutic foster care and kinship care and how we procure services: we're going to get better care for kids in child intervention based on current research because we weren't afraid to change something and to try something new and to take that research that we have, the best practices that tell us how we should be doing things, and then make those changes and continually improve. That's our job, to do things better, whether that's feedback or whether that's research that tells us that changes need to be made. That's our responsibility. You know, I think that there are some positive things that came out of this transformational change that we tried to undertake.

When we look at red tape – it always sounds funny talking about red tape in a human service ministry, but this red tape makes a huge difference for our community partners that serve kids, often on our behalf. We are continuing to work on initiatives that help with our anticipated impacts to regulatory requirements, streamlining inclusive child care, for example, to make sure that we have consistent approaches to supporting kids with high needs. That will be a positive. Reducing the number of forms that operators have to fill out, making sure that we have equal access to services for those who need it most and that we're not setting up barriers for Albertans who need to come into contact with government or need to access supports and services.

Digital services includes things like – I know the member joined me at a child care centre when we changed our subsidy form, you know, something that used to take 10 days or two weeks and definitely transportation and a printer and a fax machine, and now you can do it in 10 minutes on your phone. Continual action is happening there when we come to the family day home agencies. The work that we need to address child care . . .

**The Chair:** Thank you, Minister.

That concludes the government members' first block of questions.

We now move to five minutes of questions from the Official Opposition, followed by – sorry. The five-minute break is now? Oh, fresh coffee is ready, everyone. Let's go have a break.

[The committee adjourned from 10:57 a.m. to 11:04 a.m.]

**The Chair:** Now we move to five minutes of questions from the Official Opposition, followed by five minutes of response from the minister. As mentioned, members are asked to advise the chair at the beginning of the rotation if they wish to combine their time with the minister's time. Please remember that the discussion should flow through the chair at all times regardless of whether or not speaking time is combined.

Now we proceed with the member.

**Ms Pancholi:** Thank you, Madam Chair. I'm going to presume the minister still does not want to combine time. No. Of course not.

Okay. I'd like to follow up on the 18,500 educators that the minister indicates are currently working in the system. If the minister can clarify how many of those 18,500 are working in preschools, please.

I'm going to move on to the issue or the question of the affordability grant. I appreciate the questions that came from the Member for Central Peace-Notley regarding this issue. This addresses line 3.1 of Budget 2022. The government promised to

reduce child care fees for parents by 50 per cent this year. However, the UCP decided to use one flat-rate affordability grant to reduce fees for all parents regardless of where they live and what their fees are. That means parents in Calgary, where the average fee is at least \$1,250 a month, or in Edmonton, in Fort McMurray, in Medicine Hat, in Lethbridge are actually seeing less than a 50 per cent reduction in their fees. Can the minister please provide a regional breakdown of average child care fees across Alberta before the new funding model was implemented and indicate how many parents are actually seeing their child care fees go down by 50 per cent and what percentage of parents currently using licensed child care this represents?

I'd like to actually follow up on the questions that were raised by the Member for Central Peace-Notley about low-income parents. I found it incredibly discouraging to hear the minister, in her response in this committee, dismiss the very real impact that this is having on low-income families. She seemed to suggest that it wasn't true that some low-income families are actually paying more, when I'm certain that there actually are. If the minister hasn't heard from them, certainly I've heard first-hand from parents and from operators who've spoken to staff within the Ministry of Children's Services to lay out how the new funding system has actually led to some low-income families paying more than they were before this funding arrangement was put into place. In fact, that's a result of the fact that it's a flat, one-rate affordability grant, that the subsidy rates have been reduced significantly along with the part-time rate that has been used by the government to implement this funding.

I have an example of a woman here in Edmonton who is low income, eligible for full subsidy, making less than \$50,000 per year as a household, and her child care fees have gone up a hundred dollars per month as a result of the way the new funding agreement has rolled out. Another example of a parent who was previously paying \$49.54 per month for child care in, for example, Jasper is now actually paying \$193.35 for child care, and this is because of the part-time rates and the reduction in the subsidy rates. As the minister is well aware, under the \$25-per-day pilot program those parents eligible for full subsidy as well as the \$25-per-day cap actually paid zero dollars per day. To the minister. I'd like the minister to address this issue and perhaps consult with her staff to see if they would like to confirm what the minister has said, that it is not true that low-income families are paying more, when actually there are examples where they certainly are.

Certainly, I'm wondering if the minister can advise whether her ministry has read the paper done by the Edmonton Council for Early Learning and Care, which talked about how low-income families are actually seeing the lowest reduction in their fees. Even those who are seeing the reduction are seeing a reduction of close to about 20 per cent in their fees, not the 50 per cent. Given that the minister has advocated repeatedly that this is incredibly important to her, that the most in need would get the most support – this is not, in fact, how this funding has been rolled out – how will this budget going forward in 2022 affect that and actually make sure that those lowest income families get the most support?

I would also like the minister to report as to whether any analysis has been done as to whether or not the lower fee for the affordability grant for day home providers actually results in some day home parents using licensed day homes paying more than if they were using a licensed daycare spot. The reduction – and I'm happy to table with this committee examples of how if the average day home rate is \$800 in a city and they're actually getting only \$300 off an affordability grant, they're still paying \$500 a month whereas if their daycare fees were \$1,000 a month and they're getting the full

\$650, for example, they're paying less. They're paying \$350 a month. Has this incentivized, and was it intentional to incentivize, daycares over day homes?

I believe I'm about to run out of time, so I will leave that there.

**The Chair:** Thank you, Member.

Minister.

**Ms Schulz:** Thank you very much. Those are some very good questions. First, I would say that when it comes to early childhood educators in preschools, as of January 2022 the number of educators, the total educators, in preschools is 1,171.

*11:10*

When we look at the questions about 3.1 and the reduction, it's important to point out that this is about reducing child care fees on average right across the province by half. It's difficult to do it region by region because, just as there is variation between regions, there is variation within regions. We had to look at this in terms of: in step one it's reducing all child care fees on average by half right across the province to support working parents in every single community. Obviously, there will be changes that continue to roll out over the next five years.

When it comes to lower income families, again, the federal government really wanted to focus on all families seeing a reduction to \$10 a day. You know, the fact that we are also doing income testing: that was our choice to do that instead of doing what the former government did, to pick and choose certain families in certain centres that would be able to access these supports, Madam Chair.

I would say that any operator – you know, I would encourage the member, Madam Chair, to maybe reach out when there are examples instead of trying to play politics. That is what our ministry does. The ADM to my left, ADM Brodziak, this is what her team does, work through this with parents and with families. I would encourage the member, instead of trying to create fear and chaos, to reach out to us, and we will absolutely work through this. We do this all the time.

Any operator who believes that they have found an anomaly within the system: our ministry has worked them through exactly what this looks like in terms of the operating grant and the subsidy. I have just confirmed with my ADM that we to date have not found a situation where a family is not benefiting from this plan. I will say that in part-time care, the under 50 hours, at our last town halls there have been some concerns raised about how those dollars are rolled out. That's something that we committed publicly to work on, and that's exactly why we need the feedback that we're getting from child care operators and providers, to make sure that we are reflecting and taking into consideration the changes that they're seeing.

When it also comes to day homes and daycare, this was, again, based on the averages for each class. The operating grants were based on the average fees for each, for a day home and for a child care centre. Again, we know that day home educators provide quality care. They're critical to our child care system. You know, I have said this before. There is absolutely no way we can get to the 10,000-space goal that we have, Madam Chair, in this fiscal year without bringing more day homes into the system. We know that a lot of parents make that choice, so we're going to continue to invest in that area and to take this feedback. I would also say that under the pilot program from the former government day homes were left out completely. That wasn't really part of the plan. We did fight to keep them included. Again, the grants were based on the average fees for each class, but on average parents choosing family day

homes do pay less than those choosing a facility-based child care. We are, however, meeting with representatives from the family day home sector as well as family day home operators to address some of the concerns that they have in this area.

Again, obviously, what we rolled out in January is just step one. April, you know, the new fiscal year, includes a plan for the next phase of reducing fees. In year 1 the goal was to bring child care fees down by half on average. Then we committed to working to, first, an average of \$15 a day in all child care – and, again, that’s on average – but then eventually working towards the \$10-a-day goal over the five years.

No, to address the member’s question, we have not yet – and that is confirmed by my ADM – seen a family that is in fact paying more, but if you have an example, please reach out.

**The Chair:** All right, Minister. Thank you so much.

Now we go back to Mr. Loewen. It’s your turn to address the group. Please proceed.

**Mr. Loewen:** Okay. Thank you very much. I appreciate it, and I appreciate the comments earlier, Minister. We kind of got cut off. I didn’t get to say thanks, but I appreciate that.

Are we willing to go back and forth again?

**Ms Schulz:** You know, it’s up to the member. I just want to make sure that I get all of your questions in. So if you’d prefer a block to make sure that we don’t run out of time to answer your questions?

**Mr. Loewen:** Yeah. The questions are fairly short, I think, so we should be good there.

**Ms Schulz:** Sure. Okay.

**Mr. Loewen:** Then I’ve got one other kind of point to make.

Now, I did find online the chart. You know, the zero to \$119,999 is kind of one set rate as far as, I guess, a rebate or benefit that they receive. Now, that is a pretty big gap from zero to \$119,000, so I guess my question is: what percentage of income is each family paying, depending on how much the subsidies are? I’m guessing you might not have a chart like that, that shows that percentage, but if that’s something you could undertake, I think that would be fine.

**Ms Schulz:** That’s a very good question. You know, previously that was one of the concerns that was raised with the pilot program as well: how do we measure things like economic impact, and do these investments actually make the difference for a family that needs to go back to school or wants to take part in the workforce? So we did procure an outside partner to do some of this work on economic impact, but we’re also working with our partners on some surveys that we can share with our child care operators and parents to get some of that information.

We’re also working with the Ministry of Jobs, Economy and Innovation to get some of that information as well. That was something that we, again, felt really strongly about and why we tried in year 1 to also make sure that we had a subsidy instead of just a basic operating grant. But I would say that this is definitely something that we’ve considered as we move through each year of the agreement. While we’ve released information on, “Okay; here’s step 1; here are the investments we’re going to make in year 1 of this five-year agreement,” there’s more to come when it rolls out over time.

**Mr. Loewen:** That sounds good. I understand that you’re under a bit of pressure from the federal government kind of wanting to mandate. I guess I look at it almost like it’s a flat tax, almost like a

regressive tax, where it doesn’t apply like the previous system that we had, which was means-tested. It almost looks like now the left is asking for a flat tax benefit, basically, where they’re normally after the progressive. This appears like it might be somewhat regressive in the way that it’s put out.

**Ms Schulz:** I would say that the goal was to meet the targets set out by the federal government. There was no way – Alberta parents didn’t want us to leave \$3.8 billion of their hard-earned tax money on the table to invest in child care in provinces like Quebec and B.C. They wanted to see us, essentially, sign this deal and bring their tax dollars back. Obviously, I believe it is a way that we could meet the goals of the federal government’s program while still maintaining our position on certain aspects of this plan, which did in fact include means testing.

I would say that as we continue to roll out future dollars, this operating grant and subsidy is in fact going to change to get those numbers down to the average of \$10 a day. It has to, right? Again, that’s going to be based on the feedback that we hear from parents as well as operators, because Albertans’ feedback matters to us. This isn’t a plan based on ideology; it is a plan that requires the feedback and, I think, the very thoughtful questions and concerns raised by parents and providers.

**Mr. Loewen:** I guess what I would like to encourage you is to keep pushing back on the federal government. Obviously, this is somewhat of an intrusion into, you know, what’s normally a provincial matter, dealing with child care. Of course, it’s great that they’re willing to put in money, but it’s also very frustrating that they’re telling us how it’s spent. I can gather from you that you’ve pushed back and tried to get it more like what we had before, which was means-tested, which is something I can support. I’d just encourage you to keep pushing back on the federal government on that as much as possible to see if we can get back to where it should be, a true Alberta system. Now we’ve got kind of a bit of a hybrid.

11:20

**Ms Schulz:** You know, that’s one thing, I know, the opposition said a lot: just sign. Like, they would have signed on the dotted line. I mean, we’ve seen them do that before, obviously. The Notley-Trudeau alliance, we’ve all heard, alive and well. That’s not something that we were really interested in doing. We had to fight for the flexibility.

I am proud of this deal because it is unique. No other province has done what we’ve been able to do. Did it take us an extra two months to sign the deal? Absolutely, it did. But did we get a better deal for Alberta parents and operators? Yeah, we did.

I appreciate your feedback. You know, there are lots of things that we agree on in that, and that’s essentially what we’ll keep pushing for moving forward, the flexibility to make decisions in an area of provincial jurisdiction while still recognizing the federal government’s goals to invest in this area, to support labour market participation. Absolutely.

**Mr. Loewen:** No, that’s good.

And I think you answered this just in the previous section there, that as far as you can tell, nobody is paying more for daycare now?

**Ms Schulz:** Yeah. Sorry. I think we might have missed that. We have not found a situation where a parent is paying more. Now, that’s not to say there may not be an anomaly, but our ministry and my ADM, Joni Brodziak, have just confirmed that we have not found an example where a parent is paying more. There have been some anomalies in the system.

A lot of the examples that were raised were some confusion because, again, it's a new system and the operating grant and subsidy work together in a different way. There have been issues raised with child care for families accessing less than 50 hours in a month. Again, that is something that when we were looking at this plan and really trying to focus on labour market participation – like, how can we actually drive economic recovery? How do we make sure that taxpayer-funded investments are doing what they said they would do, not just paying \$10-a-day daycare for people who might already be in daycare? Maybe they don't have those affordability challenges. How can we actually make sure these taxpayer dollars – it's not government money – are going to do what we said we would do? That's why our focus was really on full-time and part-time care.

For less than 50 hours is something that we are currently working on. We have heard the feedback from child care operators. I've heard it on our last town halls, so that's something that is one of our top priorities for this fiscal year to address within how we roll out this plan.

There might be anomalies in there, but we haven't seen an example where any parent is paying more in all of the ones that we've looked into.

**Mr. Loewen:** Perfect. Okay. In your opening comments you talked about kin care. That's something, I guess, a little more near and dear to my heart now. My daughter has taken in two young girls, a five-year-old and a three-year-old. Of course, I call them my granddaughters; they call me Papa Todd. Just this last weekend we got to take them to the skating carnival in town and everything. So I appreciate your work on that. Obviously, I think that's very important. Yeah. It's good to see these young children being taken care of that are in this situation in their lives. You know, it's very sad to see. But I appreciate that.

Just one thing I did want to mention quickly is that the training courses to be a foster parent were shut down, I guess, through COVID or partly shut down through COVID or restricted at some point. I know that there were some parents that were trying to get in but couldn't get in because of COVID. I just want to make sure – my understanding now is that things are back up and running, and I'm just wondering if there's any backlog there that needs to be taken care of. I guess, going forward, I would hate to see that important work of people that want to become foster parents being restricted because of the pandemic. I think there had to be way. A lot of courses were done online during that time, and that wasn't an option for potential foster parents at that time.

**Ms Schulz:** Largely, the training for foster and kinship care caregivers had moved online; however, there were some courses like first aid that can't be done online. However, there is no backlog, and courses have resumed as normal. Good question.

**Mr. Loewen:** No, I think that's good, then. I'll cede my time. Thanks.

**Ms Schulz:** Thank you.

**The Chair:** Minister, is there anything that you wanted to add during this last 30 seconds?

**Ms Schulz:** I would just say, you know, that especially when it comes to child care, I know that there have been a number of questions, Madam Chair, about the rollout. Two things I'd point out: every province is going to do this differently. When we worked on this agreement with the federal government, we worked on the action plan specifically for the first two to three years. That's the way that they set this up with every single province across the

country, knowing that as we roll this out, we get more information, and we're all expected to make changes based on the feedback and what we're actually seeing in the provinces. I just want to reiterate how grateful I am for the great questions and feedback in this area.

**The Chair:** Perfect. Thank you, Minister.

We'll now move over to the government members. Please proceed.

**Mr. Smith:** Thank you, Madam Chair, and thank you to the minister for being here with us today and for all of her staff. You guys are doing a great job, and we just want to thank you for being here. Are we prepared to combine the time, or how do you want to? I want to start by thanking you for coming into my constituency. When was that? About a month and a half ago or a month ago? Whenever it was.

**Ms Schulz:** A month.

**Mr. Smith:** Yeah. A month ago. And coming to the Enoch reserve. It was just a wonderful afternoon. I really enjoyed it, and I think everybody there did as well. I know that Chief Billy Morin was really happy to have you there, and I know that all the workers in the various facilities, especially in the daycare, just had a lot of fun.

**Ms Schulz:** That's great.

**Mr. Smith:** I don't know about you, but as a former educator being able to see those little ones going through their music class, that was pretty cute.

I want to start then by looking at C-92 – okay? – and the impact that that's going to have, the federal legislation there. Obviously, it says that First Nations communities have an inherent right to oversee child and family services. I can see on page 15 of the business plan, key objective 2.2 under outcome 2, that you've committed to partner with Indigenous governing bodies. I think that the time that we had out at the Enoch reserve was an example of that. So maybe you could help us understand how this aligns with the objectives of Bill C-92 and the transition that's going to be coming out of that, maybe focusing on that word "partnership" because I think that's a pretty important thing. If you could speak to that for a few minutes.

**Ms Schulz:** Yeah. That's a great question. We did have an excellent afternoon, and I think it was just amazing and encouraging to see the leadership from Chief Morin and how much is happening at Enoch. I mean, you know, we toured and learned about prevention and early intervention services, some crisis services, wraparound supports for young people and families who need it, as well as child care. When we talk about partnerships, what you mentioned in terms of just being in a child care centre and seeing kids interacting as normally as they possibly can, it was amazing. I know your question is about Bill C-92, but I think that there's a pattern in how we approach partnerships.

You know, we heard that day about – we, obviously, were days away from a commitment to licensing an on-reserve child care facility. There was money in the federal government's budget around an Indigenous ELCC program as well. We tried to get information on that, and they just said that they'll have a separate process – it's yet to come – working through AFN and directly with Indigenous governing bodies. We just said: "Okay. Great. Like, let's cut through that red tape, and let's just license this provincially, and let's come to a yes. Let's get to a solution. Let's listen to what, in this specific case, this First Nations partner was looking for and say, 'How do we do that?'"

And with C-92, again, the intent of the legislation – you know, there are things, and we've had, I would say, Indigenous governing bodies come to us to say, "Look, there are going to be things that we might disagree on, but we want to get to a yes," and every Indigenous governing body is going to have a different approach and has different goals. That day we spoke a lot about prevention, early intervention. Some Indigenous governing bodies want to take over responsibility of child intervention kind of starting first, some want to focus a little bit more on prevention and early intervention, but, again, that's not up to us, right? We as a provincial government are here as one of three partners coming together in these agreements to make things work in the way that they work for each individual group.

**11:30**

Under this act, you know, we would enter into co-ordination agreements with First Nations. We have to comply with minimum national standards as outlined in the federal act. I think the benefit there is that their minimum standards in their act are very similar to what we see in the Child, Youth and Family Enhancement Act. We work with federal counterparts to continue to operationalize that act.

Right away when that act was released, there were lots of questions around liability funding. What does, you know, data sharing and transferring caseloads look like? We were hoping for some of that flexibility, but instead that's being worked through at, I guess, a more specific level through each individual co-ordination agreement, but essentially we are committed to engaging with Indigenous communities who are interested in working with us in this area in the way that works best for them.

**Mr. Smith:** So I'm going to assume, by your answer there, that you're talking about the flexibility that you bring to each community. You know, on page 14 of your business plan it states that "the ministry is committed to honouring the cultural aspects of communities and the child's involvement in those communities." As a part of that flexibility in working with Indigenous communities, is your ministry committed to seeing this outcome for Indigenous children in communities in particular, focusing in on their cultural aspects of each of the communities?

**Ms Schulz:** Yes. So there are two ways that we do that. First of all is making sure that within our own ministry our legislation, policy, and practices are being followed, that when a child is not safe in their own home, we are exhausting every avenue with a First Nation or Indigenous governing body to find a placement that is either family, a kinship care connection, you know, secondarily, in the same community but essentially all with the goal of keeping kids connected with their cultures and, of course, their families and communities, because we know that that is what helps drive some of the best outcomes for children and youth in need.

We also have training programs that are implemented to support staff at all levels to deliver services in a way that acknowledges historical trauma, community strengths, promotes better outcomes. We know that that has been a focus. We need to learn and better understand Indigenous cultures, perspectives, and history and use that as a lens as we move forward in that path. That's within the ministry, within child intervention, under our legislation. But, yes, then, too, under Bill C-92 it's respecting that every Indigenous governing body – and that's the definition by the federal government, but we are in discussions with bodies that are either individual nations or they're groups of nations coming together. Again, they take the lead in essentially putting forth their intention to move forward under this bill and outlining what areas they want to focus on first.

Our approach has been to listen and to respect the intentions and the wishes of those nations wanting to move forward while still making sure that there are things we need to do when we look at – you know, there is a federal law, there are Indigenous laws being created with each of the Indigenous governing bodies, and then we also have our provincial law. We need to make sure, I often say, that as three levels of government are trying to figure this out, figure out this transition, no one is falling through the cracks, the transition is smooth, and caseworkers and oftentimes courts know how to proceed in each of these cases. So the co-ordination agreement is really important for what that transition is going to look like and how that's going to work in each individual case.

**Mr. Smith:** So you did a child and youth well-being review. How does that sort of fit in with all of that? Are there any programs in particular that your ministry has implemented or is implementing that are aimed at addressing the results of this review? How does that sort of fit into what you've just been talking about?

**Ms Schulz:** So we do know – and this was outlined in the child and youth well-being review – that we would say that vulnerable or at-risk children and families were disproportionately impacted by the pandemic. Each ministry is now working on their response to that review. The expert panel that we had really gave us some flexibility because we recognize how many different ministries fund and support this work of supporting kids and families. I mean, some of the things, like improved access to broadband – that's an announcement, obviously, that our colleague the Minister of Service Alberta has already announced – are positive, right? Connectivity, especially in rural communities, making sure that kids have access to that for both education opportunities but even sometimes accessing mental health support services.

Our ministry continues to do this work. We fund prevention and early intervention. We got really great feedback on the family resource network model in those consultations that we did, which is positive.

**The Chair:** Thank you, Minister.

We will return now to the Official Opposition. Please proceed.

**Ms Sigurdson:** Thank you, Madam Chair. I'd like to combine the time if the minister is willing. Was that a yes? I didn't understand.

**Ms Schulz:** No.

**Ms Sigurdson:** Okay. She said no. All right. Then I'll go ahead.

Well, I just, myself, of course – it's already been acknowledged by most of us that it is Social Work Week. Certainly, as a social worker myself for over 30 years I feel very proud to be part of a profession of 9,000 here in Alberta. Many are in the Ministry of Children's Services. I know that that ministry has always taken the lead on acknowledging the work of social workers. Certainly, as the former Minister of Seniors and Housing I know there were several social workers in my ministry at that time, who continue to work there and across government. So I want to really acknowledge the tremendous work that social workers do for the provincial government and throughout our province.

I want to, I guess, focus on the estimates on 2.1, program planning and supports, and really looking at some chronic issues, I would call them, in Children's Services and the child intervention sector in particular. You know, years ago I worked in child welfare – I was a caseworker, and I also was a supervisor – and before that I worked in one of the contracted services that served people directly with very intense supports. It was a family-based treatment program at Catholic Social Services. This work that I did at that

time really brought me to where I sit today. That's why I became a politician, because I was so devastated by the lack of support and resources for truly vulnerable families. It inspired me so much. I felt like: the fix isn't here at this level; it doesn't seem to matter what I say; it is a political decision.

Of course, the minister here is in that role to be able to make a real difference and change things so that vulnerable Alberta families are supported. I think that that's a very important role, and I know that she's taking it seriously. I just really want to bring up some issues that – you know, despite it being over 20 years since that happened, since I worked in child welfare, just to use the generic term, many of these things still exist. We've already articulated some of them. One is high turnover.

High turnover is fundamental in child welfare. You're working with vulnerable families. They may be experiencing mental health challenges, poverty, trauma from colonization. A high percentage of Indigenous families are part of that. We know, you know, the immense trauma they've been through. They may have had physical, emotional, sexual abuse. We know that oftentimes the people that we serve in child welfare don't have a lot of their own resources and are really challenged, so when they get involved in the child welfare system, whichever way they're brought into that, the role of that social worker, hopefully, who's supporting them, is key.

We know that that relationship is key, yet when we hear of a 50 to 100 per cent turnover in workers, how can they develop a relationship with someone? When you have a stack of files – I can just remember seeing this – and they've had 20 workers in a space of sometimes a year or two, it's pretty disturbing. Of course, that just makes people more and more reticent to – I'm talking about the people we're serving. They should be able to develop a relationship so that you actually can have influence and can support them. You just get shuffled from one worker to another. Certainly, from talking with my colleagues to this day, that continues to be a huge issue.

**11:40**

So it's very important for me to hear from the minister what she's doing to create a much more stable environment, supportive environment of social workers so that they are continuing in these roles and then what she's doing with postsecondary, what kind of relationships with the University of Calgary Faculty of Social Work to actually partner to create programs where she has qualified social workers. Is she connected with the Alberta College of Social Workers, the professional association? What is she doing to understand what is happening in the profession and perhaps why people don't want to work in child welfare, and what can they do to mitigate the issues?

**The Chair:** Thank you, hon. member.

We'll go to the minister.

**Ms Schulz:** Thank you very much. Again, you know, I know this has already been said, but I just want to thank all of our front-line staff in Children's Services for the work that they do but especially on Social Work Week and thank the member opposite for her service as a social worker as well. I think this is something – and we do. We have talked about this in previous years. I often say that our front-line staff have one of the most difficult jobs in government, unimaginable to most. There is training, obviously, at the ministry level, but there's also things like peer support, which has been an important program, essentially mentorship, where staff are supported by people with similar experiences because being a Children's Services social worker is a different setting than

sometimes what we see in other areas. The PSC also offers a range of programs to support staff who have experienced trauma.

I think, you know, the member mentioned stability in the workforce, and I think getting feedback from staff – staff has been included in terms of recruitment and retention strategies in various areas. Specifically when it comes to rural and remote locations and how maybe we keep – one of the things I heard is: how do we encourage people to stay in some of our remote communities instead of going out, just out of school, moving to a rural community for a couple of years, and then moving into Calgary or Edmonton? We've had staff specifically tasked with that. We also see – specifically, the member asked about line 3.2. We saw a collective agreement in place that I think helps to stabilize the workforce. That's accounted for in this line item. The majority of our caseworkers are within caseload benchmarks. I mean, it is difficult work but it's also exceptionally rewarding work is what many of our front-line staff have shared with me over the last three years, and I acknowledge that.

I also think before we talk about – you know, not just talking about what happens within the ministry but also what happens within postsecondary. I think that was an excellent question as well. We have been working with postsecondary institutions to identify opportunities for internship and recruitment because we know that that's a partnership that has to happen in order for us to recruit staff. Just to give you one example, we met with and toured at MRU, so, yes, I've met with the University of Calgary. It was great to get their feedback and hear what they're working on, especially when it comes to leading practice and research. It was also really interesting to tour MRU and to hear about things like their simulation lab, how they are really transforming a system to make sure that people who are coming out of a social work program or who are maybe looking at working in child intervention have real-life experience.

I was able to experience where students in these programs were able to essentially role-play walking into a home and looking at, you know, "What are you seeing in this home?" and then walking through policy and practice like building on strength-based practices and what they're seeing within a house and how to support families and sometimes even role-playing calling on a family to let them know concerns have been raised. I think that's exceptionally difficult work. That one-on-one training and that immersive experience, where we're really putting – sorry. The social work school at Mount Royal University does this amazing job of putting students in that environment. It's a simulated environment but actually working through: "How do we speak to people? How do we deal with this? What do we look for? What do we prepare for?"

You know, right now the vacancy rate in Children's Services is just under 5 per cent. Recruitment is prioritized. That is something where, as a position comes open, we work very quickly to fill it.

The last thing that I would also say about a program like MRU: what they had shared with us is that the ability to take a two-year program and then count that towards a degree also helps us get people from different backgrounds and different communities and then continue to train them.

**The Chair:** Thank you, Minister.

We'll move over now to the government caucus. Mickey Amery, I understand that you're going to be asking the questions on behalf of the government caucus. Can you hear us? We don't have volume, and it doesn't seem to be working, so, government side, we'll need you to step in to ask the questions on behalf of Member Amery, who does not have sound.

**Mrs. Frey:** Okay. I can make this work.

**The Chair:** Please proceed.

**Mrs. Frey:** Okay. Thank you. Minister, thank you again. Are you okay if we go back and forth? Okay. Thank you.

I just want to go back to some questions that I had kind of looked over earlier today. I see in your budget that you have a one-time expense, or what I'm assuming is a one-time expense – maybe you could elaborate – on line item 3.1, child care affordability, on page 45 of the estimates. I see \$7.5 million allocated for capital projects. Now, from what it looks like to me, it looks like early learning and child care, but could you provide some additional details on what this will mean for Albertans in need of child care support? If you could elaborate on whether or not this is a one-time expense, that would be very helpful as well.

**Ms Schulz:** That's a good question. As we work towards this agreement with the federal government, that line item is specifically around working with our digital innovation office in Service Alberta to design and deliver a new and modern IT system, for lack of better words, that will replace the old legacy child care IT system. We need it to be simpler. We need it to be responsive. In terms of what we're hearing, we have to reduce some of the administrative barriers and make it easier both for operators and parents. I mean, the current infrastructure was aging, but also, as we roll out this new program, we need some integrated planning and the ability to do that within a digital system.

This will address things like developing online applications to apply for licensing, space creation grants, staff wage top-ups, professional development funding. It also will help us to enhance the child care lookup tool, which is a tool that we have for parents to find licensed child care spaces that are available within their communities. Then we also have to rebuild the child care estimator tool for Albertans so that they can estimate their subsidy and affordability grant payments, like, what their fee is going to look like once they move through that process.

**Mrs. Frey:** Okay. Great.

Is MLA Amery ready, or are we still having technical difficulties, Madam Chair?

**The Chair:** We don't have that resolved. Could you please continue?

**Mrs. Frey:** Okay. Sounds good.

I'm going to go to page 45 of the estimates, program 1, the ministry support services budget. That, to me, appears to remain flat, but you do have a significant increase in your budget to implement the new Canada-Alberta, Canada-wide early learning and child care program. As we know, if things are increasing, we would usually expect funding to increase as well. I would be interested to know: how are you managing support costs, and is this flat funding rate adequate to address those support costs, in your estimation?

11:50

**Ms Schulz:** That's a good question. The budget for program 1 is largely the minister's office, the deputy minister's office, and corporate services. The budget for these programs will remain consistent, and it's expected to be consistent in the out-years moving forward to 2024-25. The majority of the supports within addressing the changes from the early learning and child care agreement with Canada are all included in program 3 just because they specifically focus within child care. We will continue to look at support costs in this program closely to make sure that the resources are aligned with the priority, the goals that we have set out in the agreement. We've got to make sure that we are being as efficient as possible with taxpayer dollars. We also have to make sure that we're staffed sufficiently to keep that work moving

forward and moving forward quickly as we've shown that we have a willingness to be very ambitious in our rollout of these dollars.

**Mrs. Frey:** Great. Thank you, Minister.

I'm just going to pass over the time to Mr. Hunter.

**Mr. Hunter:** Thank you, Madam Chair and Minister. I just wanted to ask you for a little bit more information. On page 45 in the estimates it talks about child intervention delivery, and it shows a \$1 million capital grant commitment. I believe you mentioned that it was the supporting of the Children's Cottage Society project in Calgary. Could you provide us a little more information on that? I imagine you didn't have a lot of capital projects you were able to put forward, but why that one?

**Ms Schulz:** That's a good question, and I think the member, being a Treasury Board colleague, has a little bit of insight into this. I think it's a great opportunity to talk about one of our community partners that has done exceptional and very important work. This funding to the Children's Cottage Society will support a child and family centre that will create space and provide services in a 35,000-square-foot, three-storey child and family centre in Calgary's northwest community of Montgomery. This will be the first of its kind, in addition to current programs that are currently offered in their location right now in Bridgeland, I believe.

It's been a while since I toured there, but the work that they do is amazing. It covers both child intervention and prevention and early intervention. They provide, essentially, a crisis nursery, where parents who are really struggling can go. Children can stay in a safe, supportive, amazing environment while the parents go and work on the things that they need to work on to reduce the stresses in their families so that kids can stay safely at home with their parents. However, they also do provide service as well. We may be looking for placements within foster or kinship care.

In addition to the current programs that they offer, it will also include a 20-bed crisis nursery, a family resource centre, therapeutic child development programs, parenting programs, mental health services, and specifically designed cultural programs for Indigenous and Métis young people, and they are working with local First Nations in the area on those programs. They've raised over half the required funds already. They were looking for a commitment, obviously, from the province as well as, you know, other levels of government that they've been working with. This new building will help the centre address the needs of approximately 1,900 children that they have been turning away each and every year.

I'm grateful they have worked very hard in terms of raising the dollars, but I think that from the fact they have raised dollars from the community and provide both direct child intervention supports as well as prevention, early intervention services, that community support shows the impact that they are having, that they are respected and valued within the community. They came to us with what I think was a very reasonable ask to support essentially a major capital campaign that they have been running in the city of Calgary when it comes to fund development. I do want to thank them for their great work and their passion over the last three years and just for the great work that they do. That is included in that budget line item.

**Mr. Hunter:** Thank you, Minister.

I'll turn the time over to Mr. Smith.

**The Chair:** You know, I've not heard back from Mr. Amery, but, Mr. Amery, if you do want to try it, I think they have the audio situation resolved if you'd like to ask your question.

**Mr. Amery:** I'll try this one more time, Madam Chair. Can you hear me?

**The Chair:** Yes, Sir, it is working. Please proceed.

**Mr. Amery:** Perfect. Thank you very much, and good morning to you, Minister. I apologize for some of the issues that we had earlier today.

I'll get right to my question. I don't want to spend time with any preamble. I want to turn you to page 45 of the estimates. Program 4, early intervention services for children and youth, has a significant investment, almost \$130 million for the prevention program. Can you describe to me and the rest of this committee what that entails specifically in terms of provincial programming and what programs are included in this budget and how it supports Alberta children and families? And then, just continuing on that, what is the \$130 million earmarked for, and what type of value are we getting for such a significant and large investment in your budget this time?

**Ms Schulz:** Thank you very much, Member Amery, for the questions. When it comes to this \$130 million, this includes a couple of things. First is \$48 million allocated to youth in transition programs, including the advancing futures program, support and financial assistance agreements, and mentoring programs, which we know are very important for young adults who are transitioning into adulthood who have formerly been in care; \$63 million is allocated to the family resource network program, and that is, again, the prevention and early intervention programming that we've invested in. It's made up of 70 networks and 136 agencies in communities right across the province that come together to provide families and children at risk or who may be more vulnerable with the supports that they need.

**The Chair:** Thank you, Minister.

We return now to the Official Opposition.

**Ms Pancholi:** Thank you, Madam Chair. I would like to refer to a recommendation made by the office of the Child and Youth Advocate last year which advised the ministry to re-evaluate and revise policies and practices regarding file transfers and make sure there's a clear escalation process in place to resolve any difficulties. The ministry's written response to this recommendation was that the current file transfer policy is fine but that it was not being followed in the specific instance. This arose out of a mandatory death review. I wonder if the minister can tell this committee why she's satisfied with an outcome where there's a policy of the ministry that is not being followed. If the problem isn't the policy, then it's the practice, and what is she doing to address that?

As well, in Budget 2022 I'm wondering if the ministry can advise as to how they're responding to the recommendation of the Child and Youth Advocate to hold a forum engaging relevant stakeholders to

address actions and results taken under Alberta's youth suicide prevention plan. The ministry's response does not seem to commit to holding a forum, and this is a clear recommendation from the office of the Child and Youth Advocate.

I want to advise the committee that in the time period that we have been here in this committee, I have received three e-mails from child care operators who advised me that they had notified licensing within the ministry about instances of families who are low income who are actually seeing an increase in their child care fees under the new model and that they have not received a response back from the ministry. So these instances have been told to the ministry; they simply have not heard a response.

I'm still waiting to hear from the minister as to how many children are currently enrolled in out of school care programs in Alberta, and I'd also like the minister, in the time remaining, to advise whether in Budget 2022 and the year coming forward the ministry is planning to move kinship support work into the department. What I mean by that: is the department now going to be providing kinship supports and moving that work out from contracted service providers?

Lastly, there's no reference in the business plan or the budget to any of the recommendations that came from the Child and Youth Well-being Review Panel report. When can Albertans expect to see a government response to that report as well as clear actions, and what actions are outlined in Budget 2022?

If we run out of time, I would ask that all of these questions as well as those that were not answered in previous blocks be provided in answer to this committee before we consider the estimates for a vote.

Thank you.

**The Chair:** Minister, there are 30 seconds left.

**Ms Schulz:** Thank you very much. First of all, I would suggest that for those child care operators, if you can contact us and call us, Joni's team will look into those examples.

Second of all, we will look to respond to any questions that are, in fact, related to the budget that have not been answered today. Many of the questions the member just asked are not necessarily related to the budget, but if there are specific questions that are related to the budget, we will look to provide those in written form.

**The Chair:** Thank you, Minister.

I apologize for the interruption, but I must advise the committee that the time allotted for consideration of the ministry's estimates has concluded. I would like to remind committee members that we are scheduled to meet tomorrow, March 9, 2022, at 9 a.m. to consider the estimates of the Ministry of Education.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 12 p.m.]



