

[Mr. White in the chair]

THE CHAIRMAN: Good morning, ladies and gentlemen. The meeting is now in order. You have a precirculated agenda. Might we have a motion to accept that agenda as presented? Mr. Yankowsky, to move the agenda as presented?

MR. YANKOWSKY: Yes.

THE CHAIRMAN: Is it agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: It's carried.

This morning we have the Hon. Clint Dunford, Member for Lethbridge-West, also Minister of Human Resources and Employment. He has with him his staff. Perhaps you could introduce your staff. Then perhaps we'll introduce the Auditor General's staff, and then a short presentation from you, sir.

MR. DUNFORD: Well, this is one of the results and consequences perhaps of amalgamating departments. We have a pretty strong showing here this morning, lots of folks to help me. On my farthest left is Jim Dixon, the public service commissioner. Dan Thompson helps me with the numbers. Duncan Campbell helps me with the numbers. Pat Boynton is the assistant deputy minister, acting deputy for Shelley Ewart-Johnson, who is currently away. Mark Asbell is the chair of the Labour Relations Board; Wendy Hassen, assistant deputy minister in charge of labour. Then up in our gallery I see my executive assistant, Shelby; Laurie Collins, our communications person; Shirley Howe; and Deb Tiffen, from the personnel administration office.

THE CHAIRMAN: Mr. Hug.

MR. HUG: Thank you. With me today is Ronda White, who is the audit principal responsible for the audit of PAO. Also with me is David Birkby, who is the audit principal responsible for the department of HR and E. My name is Jim Hug. I'm the Assistant Auditor General responsible for the audit of the ministry.

THE CHAIRMAN: Perhaps, Mr. Minister, you could deliver a synopsis of the year in question.

MR. DUNFORD: Sure. I want to talk about the government reorganization first. Last May the government went through a major restructuring of how services and programs are going to be delivered to Albertans in the 21st century, and through this restructuring certain programs and services from Alberta Labour, Family and Social Services, and Advanced Education and Career Development were combined to form Alberta Human Resources and Employment. We believe this amalgamation made sense. There are clear connections in the services these departments offered yesterday and the new direction my department is taking today and into the future. As the new people and workplace department our job is to ensure that the knowledge, skills, and talents of our citizens continue to be Alberta's advantage.

For the purpose of this reporting period I would like to point out program areas that will not be discussed today because they are now part of other ministries. Moving to Alberta Health and Wellness from Family and Social Services are the persons with developmental disabilities boards. Moving to Children's Services from Family and Social Services are various programs such as child and family

services authorities, child welfare, handicapped children's services, day care, office for the prevention of family violence, services to children and families, early intervention programs, Children's Advocate, family and community support services, and the Social Care Facilities Review Committee. Moving to Municipal Affairs from Alberta Labour, freedom of information and protection of privacy, technical and safety services, and finally, moving to Alberta Treasury from Alberta Labour, pensions.

Here are Human Resource and Employment's core businesses and goals. What we will be talking about are the various programs and services that make up the new ministry and how their achievements in 1998-99 are helping us build an even stronger foundation for helping Albertans realize their potential. I will be discussing the previous spending of these programs in the context of my department's core businesses and goals. Combined, these programs represent approximately \$905 million in operating and capital expenses during the 1998-99 fiscal year. This amount is a sound investment in Alberta Human Resources and Employment's three core businesses.

Our first core business is "supporting Albertans in achieving and maintaining economic independence." Our goal is to create a highly-skilled productive workforce in the future. We provide a variety of programs and services designed to help Albertans succeed in the labour market.

In 1998-99 over 100,000 Albertans accessed our various employment and training services such as career counseling, group workshops, skills development, job placement, and self-employment. Our surveys show that 90 percent of those participating in our programs were satisfied with the training we provided, and about 70 percent of people who completed our employment programs found jobs.

Accurate and timely information is another key to success in the labour market. We provided a wealth of career, learning, and employment information through our Alberta learning information system web site and career information hot line. In 1998-99 our web site received almost half a million visits from Albertans, and our career information hot line responded to over 40,000 requests for career, educational, and labour market information. Connecting people to resources and services to help them find employment is just part of our responsibility. We want to ensure that everyone has a chance to fully participate in our prosperity.

In 1998-99 Albertans benefited from a strong, healthy labour market with the highest workforce participation rate in Canada. Alberta shared the lead with Manitoba for the lowest level of youth unemployment in the country. While this is good news, we know, of course, that we can do better. We know there are groups like our young people and persons with disabilities who may have more difficulty in entering the workforce. That is why government introduced the Alberta youth employment strategy, designed to improved transitions from school to work and overall employment outcomes for youth. Together we worked with youth, the private sector, and other groups to pilot the Youth Connections program in Edmonton and Calgary. This program has been very successful and has been expanded to 36 communities across the province.

We also participated in cross-government initiatives to enhance employability for Albertans with disabilities. In the spring of 1998 the government approved a cross-department policy, employment supports for persons with disabilities in Alberta, that will provide employment supports for Albertans with disabilities. At the same time, we signed an agreement with the federal government concerning funding for cost-shared activities. The full implementation of these initiatives is expected this year and will provide training for persons with disabilities as well as other

supports they need to participate in our workforce.

The second core business: "supporting Alberta's workers and employers" by helping to create "productive workplaces." Once we help Albertans move into the workplace, our second core business is to support Alberta's workers and employers by helping to create productive workplaces. The year 1998 was good for Alberta's workers and employers. The number of working Albertans increased by over 52,000. More than a million and a half Albertans had jobs. Better yet, they had good-paying jobs. Albertans' average weekly earnings remained consistently above the national average. We also had the highest labour productivity amongst all the provinces. In 1997 Alberta's labour productivity was \$58,280 per employed person in constant 1992 dollars versus Canada's labour productivity rate which was \$49,594 per employed person in constant 1992 dollars.

8:42

A big factor in our economic success is our stable labour relations climate. In 1998-99 we continued to build successful labour relationships between unions and employers. Through our facilitation services we worked on a number of projects that encouraged workplace solutions and practices that were designed by the stakeholders themselves. In fact, one of these projects received national attention. We assisted the city of Edmonton and its unions to develop a collaborative working relationship agreement. This agreement established the principles by which the parties would conduct their business with one another and gave them the foundation to improve their working relationship. The parties are now better able to resolve issues collaboratively rather than resorting to costly third-party dispute resolution intervention. The city and its unions also credit the working relationship agreement in helping them to settle a backlog of 90 grievances at a savings of about \$6 million.

Another way we help parties resolve disputes for themselves is through the appointment of highly skilled and committed mediators. In 1998 Alberta lost 1.8 person-days due to work stoppages. For comparison purposes, Canada's average was 7.8 versus, again, our 1.8, and Ontario's was 7.6. Our mediation services also helped keep these numbers low by helping parties resolve their issues. In 1998-99, 93 percent of disputes which were at an impasse and went to mediation were resolved without job action.

Now, I've spoken about our role in helping to build a collaborative working environment which keeps our economy productive, but another important contributor to our productivity is the health and safety of our workers. The health and safety of our workers is one of our key priorities. In 1998 Alberta's work-related injury and disease rate reached 3.3 lost-time injuries for every 100 person-years worked, which was down from 3.5 lost-time injuries in 1993. We know supporting effective health and safety systems leads to greater reductions in injuries and illness than regulatory enforcement alone.

Through our partnership program we encourage employers and employees to build effective health and safety management systems that reduce workplace injuries and illnesses. In 1998-99 over 2,400 companies built systems that were certified according to standards set by the government and industry partners. This covers about 20 percent of Alberta's workers. I'm pleased to add that the number of companies in our partnership program continues to grow every year, especially among small businesses. Our compliance programs also continue to be successful in targeting high-risk industries, specific hazards, and companies with poor safety records, such as the oil well drilling, metal fabrication, and residential construction sectors. As

a result of our efforts in targeting these and other high-risk industries, the lost-time claim rate for these sectors has dropped by 8 percent from the previous year. In 1998 we also increased the number of inspections by 50 percent and more than doubled the number of compliance orders to 450. We also initiated stakeholder reviews of some of our safety regulations governing chemical hazards, noise, and explosives. The review of these and other regulations demonstrates our commitment to provide industry with regulations that support practical and enforceable standards.

Other significant highlights in the workplace included the public review of the employment standards regulations. One of the results of this ongoing review is the 18 percent increase to Alberta's minimum wage, making Alberta's minimum wage \$5.90 per hour. We also eliminated the student minimum wage differential, so all workers now receive one rate. These changes will certainly help the majority of minimum-wage earners, our young people who are entering the job market for the first time.

As you can see from these achievements, our responsibility is to help Albertans capitalize on their potential and once they realize their potential ensure that they have a working environment that is competitive, healthy, and safe. But we also recognize there are some individuals who may face barriers that prevent them from working, so a third core business is supporting those in need. We want individuals and families to help themselves by giving them the additional support they need to be more independent. Our caseloads and supports for independence continued to drop, from 36,210 cases in '97-98 to 32,538 cases in 1998-99. This success is due to employment- and training-related programs that we offer clients to help them become more self-reliant.

Another highlight in '98-99 was helping low-income families stay in the workplace. Clients told us that one of the barriers they faced in leaving welfare for work was that they lost their health benefits for their children. We responded by providing the Alberta child health benefit program. This program provides extended health benefits, which include prescription drugs, dental, optical, and emergency ambulance services, and essential diabetic supplies for children of low-income families. We expanded the program twice. We increased coverage to 100 percent, and we expanded income levels by family size. In 1998-99 about 37,000 children benefited from this program. This program continues to grow, and enrollment now stands at over 55,000.

We also began to reform the assured income for the severely handicapped program. We wanted to ensure that this program was available to those who truly need it while supporting those who can and are willing to work without jeopardizing their benefits. Medical benefits have been extended to clients who are no longer eligible for the program due to earning income. We increased the income exemption, and the reforms increased the benefits to \$855 a month. We also introduced an asset limit of \$100,000, which was developed with input from community groups, and it does not include the client's house, car, adapted vehicle, or special victim compensation payments. Today there are more than 25,000 Albertans receiving benefits under this program.

In a related move we also increased benefits to assured support clients by \$58 a month. Many of these clients would be eligible for the assured income for the severely handicapped program but receive higher benefits on assured support because they have dependants.

Regarding the Auditor General's comments, I would like to comment on the 1998-99 Auditor General's report as it relates to Alberta Human Resources and Employment. The Auditor General's report made some observations and two recommendations under the Family and Social Services section regarding shared services

arrangements and performance measures. The ministry has worked closely with officials from the Auditor General's office and Alberta Treasury to address the performance measures recommendations.

Regarding the shared services arrangements, the department added resources in 1999 to help address the recommendation, but this will now become a responsibility of the Alberta Corporate Service Centre. In 1998-99 Alberta Human Resources and Employment made a difference in helping families and individuals reach their potential in our communities and economy. Building on this momentum, we will continue to focus on key priorities identified in our new business plan to ensure that we remain responsive to the needs of Albertans in our workplaces.

As the minister responsible for the Alberta Labour Relations Board I would like to discuss their public accounts for '98-99. The board operates independently from my department but reports directly to me. In 1998-99 the Alberta Labour Relations Board spent over \$2 million. During this fiscal year part of their budget was used to provide a renewed focus for the board, resulting in a more efficient delivery of their services and programs to their clients. In the latter part of the year the board undertook a client satisfaction survey that provided them with further direction to clarify and streamline their processes, that will save their clients time and money.

The board struck a number of committees to review and revise their policies and improve communication with their clients. Part of their strategy includes stronger emphasis on training initiatives, that provided board members with a greater understanding of the roles and responsibilities. The board also resolved a number of jurisdiction and bargaining unit issues arising from the amalgamation of health care facilities into provincial health authorities. In 1998-99 the board established key benchmarks for excellence, focusing on educational initiatives for the board members and identifying efficiencies in processes that are simpler to administer and deliver for clients.

Finally, I would like to discuss the key activities and achievements in 1998-99 for the personnel administration office. In 1998-99 the personnel administration office spent over \$7 million providing various programs and services. Their mission is to develop corporate human resource strategies and policy frameworks that enable departments to fulfill their business plans and achieve government's preferred future of the Alberta public service.

Notable achievements include the introduction of the first corporate human resource plan. As part of this plan the ambassador program was developed to market Alberta public service as an attractive employer to recent graduates. An employment web site was introduced to provide one-stop shopping for individuals interested in employment with the Alberta public service and enhance leadership development and continuity strategies. The year 1998-99 marked the introduction of the employee support and recovery assistance program to help transition employees back to work after an extended absence.

We also conducted collective bargaining with the Alberta Union of Provincial Employees and reached agreement for all but one of the 12 subsidiary agreements. Their performance measures show the success they had in achieving their goals. In 1998-99 over 80 percent of clients were satisfied with human resource policy frameworks, a significant increase from the 58 percent satisfaction level in '96-97. Client satisfaction with working relationships with the PAO was even stronger, over 95 percent. Today the personnel administration office continues to implement key strategies for building a strong public service.

Now, that concludes my comments relating to the '98-99 public accounts. We'll be pleased to answer any questions from committee

members.

8:52

THE CHAIRMAN: Thank you, Mr. Minister.

Before we commence, I should make note of the fact that item 4, I am informed by some of the members here, will take about 10 minutes or so. So if we can close off questions around about 10 to 10 in order to deal with that motion.

We have Ms Blakeman up first.

MS BLAKEMAN: Thank you very much. Good morning and welcome to the minister and his staff and to the Auditor General's staff, to the supporters and staff in the galleries along with the fun seekers and sports fans who have joined us this morning.

I note that the minister was very particular and careful to outline what is not in this department. I would like to equally underline what is now in this department in that we are dealing with responsibilities from career development, family and social services, labour, the Workers' Compensation Board, and personnel administration. In the short hour and a half that we have to scrutinize the public accounts for the year '98-99 in this Assembly, we are now attempting to scrutinize what were three or four separate departments, and I would like that on the record. Having done so, I will now move to my questions.

I'm referring the minister, if he's looking for specifics, to pages 31 to 33 of the Labour annual report and also pages 71 to 88. Specifically what I'm looking for is information around the safety associations that were established. To start off, I'd like to ask the minister: during this fiscal year, that being April 1, 1998, through to March 31, 1999, what were the accountability standards that were established for these safety associations? Can he enunciate those, please?

MR. DUNFORD: We're having a discussion here about what remained in our area and what moved to Municipal Affairs. If I understood you correctly, you were talking about the safety associations as it would relate to workplace health and safety; right?

MS BLAKEMAN: Yes.

MR. DUNFORD: As I understand the procedure, Mr. Chairman, those questions that we're unable to handle verbally at this point we can get to the committee in writing?

THE CHAIRMAN: You can file them through the secretary, and then they can be distributed, certainly.

MR. DUNFORD: All right. We'll start with a written response, then, for that one.

THE CHAIRMAN: Ms Blakeman, you have supplementary questions in that line perhaps?

MS BLAKEMAN: Yes, and on the same topic. I'm interested in what measures were put in place to determine the efficiencies of these safety associations. For example, were safety records compared as to the frequency of lost-time injuries before the creation of the safety associations and then evaluated into the creation and initial operation of the safety associations?

MR. DUNFORD: Yes, I believe that to be an accurate assessment of

what happened. Again, I don't have the numbers currently in front of me, and of course we'll provide that in our response. What makes me feel confident about our ability to handle that question is that we are currently involved in relating safety records to those that are part of our partnership programs versus the general safety record, you know, as a global number. We are showing what I believe to be very positive results to the partnership program.

As a matter of interest – it's anecdotal – you might be aware that I was a member of the Occupational Health and Safety Council in the mid-80s and in fact was at the table when the partnership program got planted as a seed and then started to grow and flourish. I was a proponent of the program in the mid-80s, and I remain so today.

THE CHAIRMAN: Thank you.

Mr. Amery, please.

MR. AMERY: Thank you. Good morning, Mr. Minister. I'd like to refer you to the annual report of Family and Social Services, page 70, item 2.2.8, child health benefits. That particular item shows a \$9 million surplus. I'm really wondering and concerned that at a time when we see reports that one in every three children in Edmonton is living in poverty and one in every four children in Calgary is living in poverty, we have a \$9 million surplus. How does that affect the health of the children of this province?

MR. DUNFORD: Well, first of all, I welcome the question because this is another opportunity for us to publicize the child health benefits program. Before I get to your question specifically, I would hope that all members would leave the Chamber today with more information on the child health benefits and be sure to provide information to their constituents. This is an excellent program, and it certainly needs to cover more children.

Specifically to an unexpended balance, it's a matter of timing. The program was introduced in August of 1998, and there was a lag of time in terms of an uptake by clients. It was actually less than what was expected, and actually today it still is. We believe that even though we're providing services to something in the order of 55,000 children of Albertans, there are more out there that we could help. In this particular sense, hon. member – of course, you know me to be a fiscal Conservative – we have provided resources for that particular program, and we want to deliver those resources. We believe in the program, and of course we believe that we can truly be helpful.

MR. AMERY: Thank you. I wonder, Mr. Minister, if you could explain to me what health benefits children receive under the child health benefits program at the present time.

MR. DUNFORD: Sure. Well, it's quite a wide range, but if you can think about yourself as a parent, you know the kinds of things that children of course get involved in. We've provided for dental care. There are prescription drugs that are involved; optical services, which are very important, in my view; emergency ambulance services; and essential diabetic supplies. The main thing we're trying to focus on here is the so-called working poor.

There are medical benefits to being part of our assistance programs. We know that there's almost a lifestyle decision that takes place in a person's mind if they try to venture out into the area of employment. We want to remove that barrier in that person's mind. We want them to know that, yes, they can move into the workforce, but we will follow them into that workforce by providing health benefits for their children, removing what must be a constant worry to many people.

9:02

THE CHAIRMAN: Thank you.

Ms Olsen, followed by Mrs. O'Neill.

MS OLSEN: Thank you. I want to refer the minister to page 26 of the annual report of the labour department. It's a little more difficult to scrutinize these departments now that they're so convoluted and massive. My question to the minister is in relation to performance measures. I want to know what steps were taken by the Ministry of Human Resources and Employment in '98-99 to meet the targets established for reducing the number of complaints registered with employment standards for investigation as a percentage of Alberta's workforce. If you look in the comment section of that annual report, you'll see . . .

MR. DUNFORD: You're talking about education initiatives and that sort of thing? Is that what you mean?

MS OLSEN: Well, what steps did you take to reduce them? I'm mean, I'm sure there are a number of things that could have been undertaken.

MR. DUNFORD: Now, who would have been here at that particular point in time? I don't think we have anybody. Okay, we'll provide a written answer.

Did you roll your eyes at me?

MS OLSEN: I did indeed roll my eyes at you, and my comment was going to be, like I said, that with the large convoluted departments, we're not getting answers. This is our only opportunity, Mr. Minister, to try and ascertain what's going on in the department.

THE CHAIRMAN: Ms Olsen, if you will. The minister said that he will give you an answer in writing.

MS OLSEN: I'm sure he will. The problem is that I don't get the opportunity, then, to come back to the minister in a public way and scrutinize the report he's going to give me. Anyway, it's a bigger problem than this minister.

We're not sure what you've done. How do you know what proactive steps need to be met if you don't know what you have in place now?

MR. DUNFORD: That wasn't the question. You didn't ask me what we had in place now. You asked about what was in place in '98-99, and that's what we're going to respond to.

MS OLSEN: Okay. Then instead of the reactive steps, what proactive steps were taken? Maybe that's just a rewording of the same question. I don't know if you had an education program in place. What proactive initiatives did you undertake to help reduce these complaints? In fact, they're up substantially from the year before.

MR. DUNFORD: That's right, and we will respond to you in the sense of both the proactive and what might have been reactive steps in 1998-99.

THE CHAIRMAN: Okay. Thank you.

Mrs. O'Neill, followed by Dr. Nicol.

MRS. O'NEILL: Yes. Thank you, Mr. Chairman, and good morning to everyone from the department and certainly from the Auditor

General's office. Since we are doing the accounts for the previous year, 1998-99, my comment would be on the annual report of labour, and it's on page 64. With respect to corporate services, there's an indication of an overexpenditure of \$359,000. My question would be: why? It's about three-quarters of the way down the page.

MR. DUNFORD: Actually, it reminds me of a proactive response to the previous question. But let's deal with your question. The overexpenditure in this element relates to the salaries for the operation of a proactive response that we used in employment standards.

Mr. Chairman, how do we refer to members in this type of session? By their names?

THE CHAIRMAN: Either/or. We're relatively casual.

MR. DUNFORD: Then, hon. Ms Olsen, that was the beginning of the employment standards consolidated telephone unit. I've actually visited that telephone unit. I couldn't remember whether it was in place in 1998 or '99, and of course I now see from my briefing notes that it was, in fact, in place, so I'm very pleased to then not only handle this question but the one previously. Of the \$359,000 \$258,000 of that, hon. member, was for salaries, and also the conversion of the employment standards manual to a computer format was involved and made up the \$101,000 from that area.

I might at this time, hon. member and committee members, remind folks that we have quite a telephone unit in place relatively near the Legislature Building, and if they would like a tour, certainly you could call my office and I would be happy to arrange it. I think it would be very important to see what is involved. I believe there's something in the area of 800 calls a day that are being registered by this help line. It's really quite an interesting operation, and we'd be glad to show it off.

MRS. O'NEILL: Thank you. I have a supplemental as well, Mr. Minister, and that's on the same page, referring to the employment standards, northern and southern regional areas. The elements, obviously, have surpluses, or unexpended balances. In particular, the one is \$389,000 and the other is \$328,000 respectively. Again I would ask if you could explain those balances.

MR. DUNFORD: Sure. In the north most of it was what we call efficiencies in travel, but also related to that and maybe even a cause of it were staff vacancies. In the southern region it was again those two reasons: travel efficiencies and staff vacancies. Of course, this is for that particular year, and it accumulated, then, to those amounts shown.

THE CHAIRMAN: Thank you.

Dr. Nicol, followed by Mr. Yankowsky.

DR. NICOL: Good morning, Mr. Chairman. Good morning to the minister and his staff and to the Auditor General's office. Mr. Minister, during the combination of the various departments that you now have parts of, in the education area, the adult learning part, I assume that came out of advanced education. In the '98-99 fiscal year you undertook a survey that looked at the satisfaction that learners had with the institutions and the role that the institutions played and the ability that the institutions had in adequately preparing them for the workplace. You know, your annual report kind of just gave us a brief reference to that study. Could you fill us in a little bit on the satisfaction levels that people felt they received in terms of training, in terms of employability from the institutions,

and the kinds of programs that were really successful as opposed to the ones that didn't seem to help them very much? Or was that detail part of it?

9:12

MR. DUNFORD: Do you have a page reference?

DR. NICOL: Page 28.

AN HON. MEMBER: We need a book.

DR. NICOL: Oh, advanced education and career development.

MR. DUNFORD: No, no. I'm with you there. I think it's fair to say that the satisfaction levels related generally to whether or not they'd been successful in the workplace. As I recall the situation, we had gone outside – had we not? – for the survey data rather than our own internal document. We wanted to be sure, I guess, that we were on the right track. The situation was seen as critical in the sense that – I believe it was November of '97 that the Alberta agreement was signed with the feds as far as the labour market development program. So when we moved into the full year of '98-99, it was important that we get the feedback to see that we were on the right track.

I'm looking in our report to see whether or not we have any specifics that relate directly to your question. As I understood your question, you wanted to know what specific educational programs had been put in place. Have I heard that correctly?

DR. NICOL: Well, Mr. Minister, more for the relevant adult learning programs that were there. What was the level of satisfaction that you got back from people who came through it as well as from the providers of that education in terms of: did they feel that they had done a good job in actually educating, training people for employment? You know, that's the whole objective of these. My understanding is that that's what you were trying to measure by that survey.

MR. DUNFORD: Well, the results indicated, on the part of the students, what we would think quite a high satisfaction rate, in the area of 75 percent. The one I'd like to key in on here – and I just don't see the numbers in front of me – is the 70 percent success rate that students were having and actually getting into the area of employment. The comments that we were getting back from employers seem to indicate to us a high degree of satisfaction with the kind of training they were getting.

In Alberta, as opposed to perhaps some other jurisdictions, we were primarily interested in outcomes, and being outcome focused, we were very, very anxious, then, that any contracts we provided to training institutions in fact would be gearing people not for the training just for training's sake so that we might have them off our, say, assistance rolls but actually significant and meaningful training that moved them on to meaningful work. As I recall, the comments back from the employers were generally quite satisfactory.

THE CHAIRMAN: Mr. Yankowsky, followed by Ms Blakeman.

MR. YANKOWSKY: Thank you, Mr. Chairman, and welcome, everyone. On page 64 of the Alberta Labour annual report I note that the business management element is showing an overexpenditure of \$430,000. Why was this overexpenditure incurred?

MR. DUNFORD: Business management is responsible for providing

and paying for financial and administration services to the department. Items such as postage and rentals were higher than what was anticipated. We also ended up actually with unbudgeted expenses for manpower costs for summer students that we placed throughout the department. We also contributed to the computer system we call Imagis, and we assumed, then, some salary costs for a government employee that was seconded into that particular program. All of that led up to the overexpenditure that you see.

MR. YANKOWSKY: My supplemental is on the same page, in fact the next item. The question here is: why did systems incur an overexpenditure of \$340,000?

MR. DUNFORD: Well, if you recall the time period between '98 and '99, there were a number of things that were going on inside government. One was trying to look at all of our information technology programs and try to have some of them start to come together in a more systematic way. Also, as I recall, the Y2K situation was already on the horizon, obviously, and this particular area started to prepare for that at that particular time. So, once again, we ended up with the overexpenditure that you note because of the additional manpower that we put in place but also because of upgrading some software and hardware as part of our system.

THE CHAIRMAN: Ms Blakeman, followed by Mr. Lougheed.

MS BLAKEMAN: Thanks. I'm still on issues around workers' compensation, which appear throughout the section from pages 69 to 88 in the Labour book and, additionally, on page 235 of the Auditor General's report. I'll also refer back to the minister's comments on reducing work stoppage days and days lost to injury and all of that. I'm wondering how many workers' cases during the fiscal year '98-99 were in judicial review before the Court of Queen's Bench. You may want to supply that in written form.

MR. DUNFORD: I may want to supply that to you in writing.

MS BLAKEMAN: Well, you've been in the department a year. I thought you'd know.

MR. DUNFORD: Just a second. We do have that.

MS BLAKEMAN: Somebody's got it. Okay.

THE CHAIRMAN: Folks, we're not supposed to have fun on company time here; you know that.

MRS. HASSEN: I am Wendy Hassen, executive director of strategic services. There were in 1998 seven prosecutions by workplace health and safety, and by prosecutions we mean that these are charges filed against employers that were found to be in violation of occupational health and safety laws and regulations. There were seven in that year.

9:22

MS BLAKEMAN: This isn't my supplemental, just a clarification. I was really looking for injured workers' cases before the Court of Queen's Bench. You've answered about employers who were the recipients of a court judgment. So it is a slightly different question, but I'll leave it with you.

My supplemental to that. The minister has the opportunity or the legislative empowerment to review cases that have gone through a

process and the workers are unhappy with it. I'm wondering: during the fiscal year how many appeals did the minister hear from workers who had outstanding claims?

MR. DUNFORD: Well, if you're asking about some sort of formal procedure, we didn't have any formal appeals in that sense. If you're asking me on how many individual cases by injured workers did we ask for a further review and that sort of thing, I have hundreds. I don't know what the number would be.

In this minister's office we have tried to find the proper balance between being someone that is legislatively responsible for the Workers' Compensation Board but who doesn't have responsibilities for the day-to-day operation of the board. It sometimes is a difficult balance to maintain – at least I find it is, anyway – but I think we've been relatively successful at that.

As a minister's office in '98-99 we received a tremendous amount of mail. Now, it happened that the year ended prior to the developments outside the Workers' Compensation Board offices. Nevertheless, we experienced quite an uptake in information from individual injured workers around the province.

THE CHAIRMAN: Thank you.

Mr. Lougheed, followed by Ms Olsen.

MR. LOUGHEED: Thank you. Mr. Minister, I'm interested in some aspects of the deficit as it relates to AISH of about a little under \$15 million, item 2.3.3 on page 70. Could you comment on how that happened, on what the circumstances were surrounding the events that led to that deficit? What was happening at that particular time?

MR. DUNFORD: Sure. I don't know what's been the situation in your particular constituency, but throughout the province we've had a tremendous increase in caseloads in AISH. During the time period that we're discussing here, we had budgeted for a caseload of 22,200, and we actually experienced 23,093. I don't know that we were particularly surprised by those particular numbers, but we have seen an uptake in that particular program. Some of it came about because we were involved at the time in the reform of the AISH program, so there were more communications. I guess it was a newsworthy event in some cases, so we think that the information was able to get out to more people. More people became aware of the program and started, then, of course to apply, and that's what it's for. If somebody is severely handicapped, then we have this program for them, and we want them to come forward.

The remainder of the increased expenditures we would attribute to cost-per-case increases, and that of course includes medical costs. Once again, I'd want to make sure that members are aware that a very important ingredient of being an AISH recipient is the medical card that you get. Of course, we all are aware of what happened to medical costs during the period.

MR. LOUGHEED: Maybe just to expand a little on what you've already alluded to with the increased caseload, was there any tracking initiated to try to determine whether there would be more cases, more people applying for AISH and moving onto the AISH caseload from situations, that we've often heard about, where they lived at home with aging parents, things like that? Was there initiated in that time any kind of a program to track students through the school systems and try to determine in the general public what kind of potential there was for people to move onto the caseload and what might have been done around them?

MR. DUNFORD: Well, I don't think there's any doubt that our

department along with others is becoming more cognizant of the baby boom demographic. I mean, the primary reason for the increase in the AISH caseload is that baby boom population bulge, and it can't be surprising. We've known that this was coming for a long time. We followed that bulge all the way through its lifetime, and they're currently in our particular area. In 20, 30 years from now, if we're still configured the same way, there'll be a huge demand in the area of seniors' benefits under Community Development. So it's our particular turn. We're actually, though, finding that in some other areas – and it perhaps relates to the society's preference to have mentally ill clients as part of the community rather than sequestered in institutions – we've had an increasing number of mentally ill clients.

The other one, too, that I want to deal with with sensitivity. I don't see the increasing caseload in AISH as being a negative. Once again, I want to be clear and on the record that I think this is a positive thing. These people are in our communities. They are Alberta citizens, and we as a government have a responsibility, then, to provide for people who are in need.

Another increased area, then, of AISH is that with our medical technology, there are people surviving incidents of huge trauma and especially brain injury who simply would not have survived 20 years ago. The technology would not have been there for them to have survived the particular incident that they were involved in. So we have more people surviving very severe injuries, and of course they are becoming, as a result, diagnosed as severely handicapped and thus eligible for our program.

THE CHAIRMAN: Thank you.

Ms Olsen, followed by Ms Kryczka.

MS OLSEN: Thank you. I just want to take the minister to page 35 in the annual report, performance measures for the department of labour. I just wanted to ask some questions in relation to workplace disputes and injuries. The goal is that "Alberta will have a fair and safe work environment." You talk about "cooperative labour relations, fairness, and health and safety in the workplace." My questions are actually around the sexual harassment issues that have occurred across government, not necessarily in AUPE but certainly within the public service. I'm wanting to know, under your measure and where you talk about injuries: is that actual physical injury, or do you consider any of the psychological impacts of workplace or sexual harassment as part of that measurement?

9:32

MR. DUNFORD: To my knowledge we've not been able to develop, at this point, an objective measurement for the psychological impacts of sexual harassment. There's no doubt that there are impacts, but I'm not aware of a particular measurement that we can point to. Is there any one here that can? No, I'm not seeing any positive response. Certainly if you wish to provide some input to us, we would welcome it.

MS OLSEN: Well, I'm just wondering how it's counted in terms of the lost days and those kinds of things, not necessarily that there's some sort of impact assessment on the workplace. Just for clarification, is it included in the lost work days?

MR. DUNFORD: No. It would be included in the lost work days, but I don't know that we've been able to identify it as the particular cause.

MS OLSEN: Okay. Then my follow-up to that. I don't know if you can answer this right now, but with cross-government attendance at the workplace sexual harassment and workplace harassment course that was developed by PAO as a result of the overall issues coming out of Justice, how are you determining whether that course is having an impact on the work environment in terms of a performance measurement? There are some serious problems that still exist, maybe in some areas more so than others, but certainly across government there have been complaints. There are complaints that I'm well aware of. I'm just trying to find out whether there's compliance with the overall policy. What's the reaction to the course? Is it mandatory? Is there a voluntary aspect to it? Are employers within the public service requiring their staff to attend that?

MR. DUNFORD: Jim, could you . . .

MR. DIXON: I think I can provide some of the answers to those questions. We don't have a mandatory requirement around these courses, but we do have a mandatory policy, a workplace harassment policy that allows employees, where they do have complaints, to have them fully investigated and handled.

For the training programs that are available, the departments judge the extent to which they may have problems or where they want to be proactive with those programs and do put them in place. From what I understand, they are well received by the departments and people that enter into them, but we do not keep cross-government statistics in this area. We basically set a framework in place, each department has a human resource office, and they judge and govern how the various tools that are available should be utilized. They will consult with us if they need any outside help.

THE CHAIRMAN: Thank you.

Ms Kryczka, followed by Dr. Nicol.

MS KRYCZKA: Yes. Good morning. On page 28 of the annual report for Alberta Labour it appears that the percentage of collective bargaining agreements that avert work stoppages is down by almost 2 percent. Could you explain this somewhat continuing trend since 1993? It starts in 1993.

MR. DUNFORD: Well, we're quite proud, actually, of our record in this particular area. As you point out, it's been very good for quite a number of years. Of course, when you get into the particular high area that we have, I think there's reason to be optimistic as to what is taking place.

I don't know if you referenced pages 36 and 37 of our report, but certainly I would like to refer you to that in my answer. On page 36 you see that in terms of person-days lost due to work stoppages, Alberta again is far below the Canadian average in the year, 1998, that we're looking at. On page 37 for work stoppages, then, you can see that we were the fourth lowest amongst the provinces.

I would want to indicate, though, that it's not our particular style to rest on our laurels. We were looking good that particular year we're discussing, hon. member, but we can do better.

MS KRYCZKA: Thank you. Just another question, my supplemental. During 1999 the minister appointed a disputes inquiry board that helped avert a strike by teachers in Calgary. Could you use a similar such intervention to deal with the *Calgary Herald* strike?

MR. DUNFORD: Well, we're kind of coming off the year under

discussion, but I guess that's okay. I think it's important that we understand the distinction in a labour dispute as to why a disputes inquiry board would be used. The minister of the day used the disputes inquiry board with the Calgary board of education because from the reports from the mediators – and it seemed clear in the reports just through the popular media – there were some misunderstandings around the central issues. The minister of the day then determined in his wisdom that that would be the approach to use, and he's quite right. You use a disputes inquiry board if there seem to be huge misunderstandings surrounding the negotiations.

In the *Calgary Herald* strike there's no disagreement on what the issues are. They're pretty clear, so in my judgment, then, it's not purposeful or useful to put a disputes inquiry board into place. It's a classic case of the employees having the ability to bargain collectively and an employer trying to operate a business. I don't know how many situations you have now surrounding the *Calgary Herald*, but it's getting bigger.

THE CHAIRMAN: We generally restrict our questions and answers to the period which we're examining, but the minister has the prerogative to move over into other areas. The questioner does not. That's reasonable.

MR. DUNFORD: All right. Thanks. I'll try to remain more disciplined.

THE CHAIRMAN: Well, it's up to the minister, actually.

Dr. Nicol, followed by Mr. Cao.

DR. NICOL: Thank you, Mr. Chairman. Mr. Minister, again back on this human resource survey the department did. One of the issues you covered in that, again on page 28 of Advanced Ed and Career Development, was the personal development components of the training. I guess if there are ever any concerns raised about the employment bridging and retraining programs that are put in place by the department – the people that come to my office are very concerned sometimes. They don't seem to think that their personal development components really help them very much. What was done during this year, '98-99, to respond to the concerns that, I assume, showed up in that survey as well? They've sure come through our constituency offices.

9:42

MR. DUNFORD: Through mine as well. Of course, this particular area I've been responsible for before the reorganization, but my assessment of it is that many of the situations that were showing up, at least in my office, tended to be based under the old system, if I can use that term, where there was previously a tendency on the part of the funders, both provincial and federal, to be what I would call input based or budget based. There was an atmosphere, in my opinion, of: we have this budget; we have this group of people that need training. We put the two of them together, and we would train.

I don't want to be too harsh on any person that went through the program at that particular time, and I don't want to be too harsh on any business out there in Alberta that was responding to the need because I believe they were submitting proposals on the basis of what they understood was being looked for. I believe what was being looked for was a system to keep people active in training, and therefore it seems to me that there were some aspects of the training programs that were meant to chew up resources.

I believe the significant change we made in the particular year that we're talking about, then, is that we had a year to be more outcome

based. I don't know how you're finding it in your office, but I'm finding less complaints in my office now about those kinds of things. I believe that it was a combination of a number of things, but probably the key, in my view, was that instead of "let's give a person some training," let's say "what would this training be for and what is the result we're looking at from this training?" and then gear that program in place.

I was advised by note as I was speaking to you that also there was more time spent with the actual service providers in encouraging and of course supporting an opportunity to individualize the type of training that was actually going on, so to try to gear themselves, again, to look at not a group of students but a student in a group.

DR. NICOL: Thank you. I guess the gist of what I was trying to get at there – on page 26 you're talking about your target levels; right? You know, you wanted to have public satisfaction at about 80 percent, learner satisfaction at 90 percent, yet your survey on page 28 that we talked about obviously didn't reach those.

One of those aspects, especially in the personal development area, was that the recipients didn't feel the courses they were getting, the help they were getting, the training they were getting were really helping them that much. You know, these kinds of things: let's show you how to fill out an application form. How do you write a resume? How do you respond on the telephone? I don't know whether just trying to individualize it is enough. You've got to get back and deal with the providers of the material as much as you do with the individual. I guess that's what I was getting at, how those things were changed or were approached during that period.

MR. DUNFORD: Well, I think it's just excellent that you would bring this up, because, again, I believe that in '98-99 we are talking about a period of transition as to the approaches to this particular area. This might be the classic model for the proof that what gets measured gets done. You were pointing out quite correctly a shortfall in our particular performance measurements of the time, where we had set a goal for ourselves in terms of public satisfaction and learner satisfaction and fell short. It caused then, I believe, the investigation or the internal evaluation that we were doing already at the time. I mean, it showed us: look; we need improvement in this particular area. I hope you and I are both here a year from today and you'll be congratulating me for achieving the goals.

DR. NICOL: Thank you, Mr. Minister.

THE CHAIRMAN: Thank you.

Mr. Cao for the last question, please.

MR. CAO: Thank you, Mr. Chairman. I have to say this. My own feeling is that I commend the minister and all the department staff in the very wide and detailed coverage of accountability in the area of human capital of Alberta. I'm impressed with that.

My focus is in the area of labour and, in more detail, workplace safety in the Labour annual report, page 41. There is a statement of operations expenses. I note that there is an underexpenditure. In any fiscal responsibility underexpenditure is good, but I see that there is underexpenditure in work, health, safety, and strategic services of half a million dollars. This is very important, safety and so on. Why is there an underexpenditure?

MR. DUNFORD: Actually, there were reorganizational changes that took place in '97-98 that we anticipated would require more manpower in '98-99. What happened was the savings resulted because these costs did not occur until actually later. The reorganization didn't proceed as quickly as perhaps you would have

liked, so the additional manpower we brought in didn't kick in at the start of the year but was actually in-year.

MR. CAO: Thank you.

THE CHAIRMAN: Thank you, Mr. Minister and the minister's staff. As you recall from earlier, we have a little bit of business, so if you wish to depart, there's no reason you must stay to listen to our machinations on how we deal with our budget. So thank you very kindly.

MR. DUNFORD: Is there a recommended time frame for us to respond to the questions?

THE CHAIRMAN: As soon as reasonably possible.

MR. DUNFORD: We will do that.

THE CHAIRMAN: Thank you, sir.

MR. DUNFORD: Okay. Thank you.

THE CHAIRMAN: Members of the committee, before we go to item 4, if you would be so kind for a moment or so. Next week we have the hon. Minister of Municipal Affairs, and subsequent to that we have changed the order of business on the 24th, should we still be in session, to have the Minister of Learning, as he wished to be able to attend. We have had no objection to the Minister of Justice being supplanted there. So if that's agreed, it's not an unreasonable request at this time.

Now, we have item 4. Before we commence, I should make mention of the fact that the record, as it is in *Hansard* – I was saying some things and some remarks in response to Mr. Herard's comments about attendance and the like. What I meant to say was that the Member for St. Albert was not here at the moment, but her attendance at the last annual meeting of CPAC was noted. She contributed a great deal. What I would have said, had I finished my statement, is that she was quite adamant in the belief that attendance was beneficial to the province of Alberta. I think the filing of her report indicates that.

9:52

Secondly, I should like to inform the members that after review of our budget as it has been passed for this year, there simply is no room for a fourth member to attend. Unlike other committees, our budget is based on three registrations, which is exactly the number that's in the budget, \$750 – three times \$250 – and not economy round trip but a seat sale round trip for three members. So it's actually very bare, bare minimum. I think Mr. Yankowsky recognized that partway through the discussion and in fact withdrew his amendment to that effect.

The third item is that tradition in Alberta as well as across Canada would dictate that we are at the minimum. We send two members of the committee and a staff member. Included are Yukon and Northwest Territories, and the newest territory, too, will be sending one this year. I confirm that they in fact are also. So we are at minimum. Any desired changes to that formula we currently operate under would be a recommendation from this committee specifically to the Members' Services Committee, where the budget is passed. In subsequent years it would have to be amended to that effect.

As to the method of determination of the attendance, it has

traditionally been the chairman and the deputy chairman, and should either or both of those members not be able to attend for whatever reason, we haven't had a method of determining who that member would be. There is a tradition in other committees, I am told, that the chairman then canvasses other members for availability, and should there be more than one member wishing to attend, a draw is commenced under the supervision of the secretary. Now, that's about the extent of the information the chairman has been able to garner in the interim.

We now have before us, moved by Mr. Shariff, that in accordance with past practice the committee chairman, deputy chairman, and committee clerk be approved to attend the Canadian Council of Public Accounts Committees conference in Halifax, Nova Scotia, from September 17 to 19, 2000.

We are now open for further discussion on the motion as presented.

MR. CAO: Probably not specific to the motion, is there any way we can open to members here the opportunity? For example, can somebody who takes a vacation in that area at that time on a personal expense participate at their own expense?

THE CHAIRMAN: My guess is that if it's just a matter of the attendance, the \$250 for attendance, somewhere, somehow, even if the chairman had to go before a committee to say that we overexpended the budget to the tune of \$250 to have an additional attendee, this chairman would be more than happy to authorize that overexpenditure, and I would think that would be in order.

Further discussion on the motion?

MS BLAKEMAN: No. But just capturing the last comments, I know that when the CPA was held here in Edmonton – of course, for a number of people there were no additional travel expenses – additional members of the committee did attend the conference. So I would think that partially answers the member's question that if they're there visiting relatives or something, could they attend? Is there any restriction to the number of delegates we have? I don't think there is, and certainly precedence doesn't set a number for us.

THE CHAIRMAN: Agreed.

Mr. Herard.

MR. HERARD: Thank you, Mr. Chairman. The motion before us is that the chairman and vice-chairman can. Personally, I would like to see it as chairman or vice-chairman, and that would then open up the opportunity for a member of this committee to be able to attend. Because this is an all-party committee, therefore representation should be, I think, all-party at any of these conferences. But I do believe it would be valuable for members from either party to attend such a conference. I don't know exactly how it works out, but it seems to me that a mandate is four to five years, and in that four to five years, chairman or vice-chairman would result in both parties, if they're still members of that committee, attending two conferences in four years. I believe that would then give four members of the committee a chance to attend once. So I would prefer to see something like that than the way it is currently.

MS BLAKEMAN: If I may in this forum, I'd like to ask a question of the previous speaker. Is that all right? Okay.

My question is: how would the choice be made of whether it's the chairperson or the vice-chairperson who attends? I'm sure I don't need to point out to anyone that despite this being an all-party committee with representation from potentially all parties, there is an overwhelming majority here. I certainly wouldn't like to see a

position where there was a vote taken and the vote by the majority of members on the committee always favoured the vice-chairperson. As we know, in the Public Accounts Committee the chairperson is a member of the Official Opposition, the vice-chairperson a member of the government, so I'm wondering what methodology the member had in mind for making this choice of who would be attending.

MR. HERARD: I don't believe it should be a vote either. I think it should be alternating. In other words, if the chairman goes this year, then the opportunity for the vice-chairman would be next year, then back to the chairman the following year. Now, if it turns out that the chairman or vice-chairman who would or could or perhaps was asked to attend could not, then it would revert to the other automatically. The only time you'd have a problem is when both of them couldn't attend. But I would suggest to you that in the case of, for example, the vice-chairman's turn, the fairest thing to do would be to select a member from the opposing party to attend. If it was the chairman that was attending, then it would be fair to pick someone again from the opposing party. So to keep it fair, it would alternate back and forth, just like our questions in the House.

THE CHAIRMAN: I must say that we have only the motion, not an amendment, so if the member wishes to draft an amendment . . .

We have Mrs. O'Neill, followed by Ms Olsen and Mr. Nicol.

MRS. O'NEILL: Yes, Mr. Chairman. I would advocate that we vote for the proposal as it is stated here, indicating that the chairman and the deputy chairman or vice-chairman and certainly our assistant attend as well. There's a certain continuity that I think is very important. Having had the experience of attending it, I think there are functions that reach into the rest of the year in terms of organization or responsibilities and knowing what's happening across the county. I would like to say that I'm in favour of the proposal that is here before us, but in practice I would like each, the chair or the deputy, to be able to then, should they not be able to attend, find in whichever way they deem is the best within their respective party – and I'll say that – who from this committee should represent them or however that party determines the representative should be.

10:02

THE CHAIRMAN: We don't have any policy as to that except the motion that is before us. That would be an operating procedure, and perhaps we could discuss that subsequently. But the chairman would be directed by the wishes of the committee, certainly. We have not had a formal subdesignation as it were, so perhaps we could leave that to a subsequent meeting and talk about it further. It's just the time; that's all I'm concerned about.

MRS. O'NEILL: It needs to be determined here, and the practice could be that it is understood that those respective representatives from the different parties would enter into whatever process their party and their members determine.

THE CHAIRMAN: That would at least partially get to Mr. Herard's concern that there would be a balance there.

We have Ms Olsen, then Dr. Nicol before we take a vote, if you wish to speak.

MS OLSEN: I guess I'm in favour of the chair absolutely attending. The reason I say that is for the same reason the hon. Member for St. Albert has put forward: that there is a sense of continuity that must

be extended. I guess I think that maybe if people are interested in establishing the policy of how we determine who goes somewhere if the chair or the vice-chair can't go, then we make those submissions, and I don't think we need to take up any more time here in the Assembly doing that. Let's call the vote.

DR. NICOL: Well, the continuity issue was the one I wanted to bring up. I attended a couple of these conferences on behalf of the Legislature, and when you go one year, miss a year, and go back the next year, you're just at a loss. Mrs. O'Neill's comments are right on.

THE CHAIRMAN: Mr. Herard to wrap up.

MR. HERARD: That's okay, Mr. Chairman.

THE CHAIRMAN: Okay. On the motion as put by Mr. Shariff, does it need to be read again? I think not. All those in favour of the motion? Is it agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: All those not in favour of the motion? It is carried.

We have, as outlined, the next meeting. Any further business?

[The committee adjourned at 10:06 a.m.]