

**Title: Friday, September 17, 1993 Designated Subcommittee (FSS)**  
**Date: 1993/09/17**  
**[Chairman: Mr. Lund]**  
**Time: 8:02 a.m.**

MR. CHAIRMAN: We'll call the subcommittee to order. Good morning, ladies and gentlemen.

There are a couple of procedural things that we should get out of the way immediately. I will propose the way we handle the meeting. If it's the committee's wish to handle it that way, then I would like to have that consent. I would propose that we start off with the minister making up to a 20-minute introduction. Then we will start with questioning by the members from the Liberal caucus: a preamble and a question plus two supplementaries from a member. Then we will go over to the other side of the table and do the same thing over there.

It is also my proposal that we would go program by program. We will start with program 1 and proceed on through. Of course, under the Standing Orders we have up to four hours to deal with the programs. It would be my wish that we would not make motions and/or recommendations as we go along, but I am certainly open and would receive your suggestions as to recommendations at the end of the process. By the Standing Orders, I am required to give a report, and quite frankly it would be of some assistance to me if we had some recommendations at the end.

With those opening comments, I would open the floor.  
 Bettie Hewes.

MRS. HEWES: Mr. Chairman, on your suggestion that it's a preamble, a question, and two supplementaries, do I understand that the supplementaries, as in the Chamber, must be related to the preamble? What I would prefer, sir, and I think what would help us to move along, is that I could have three questions within the same vote.

MR. CHAIRMAN: Within the same program.

MRS. HEWES: Yes, but they need not all be related or described in the preamble. In fact, I would say that in most cases we can do without preambles.

MR. CHAIRMAN: Well, I would hope we wouldn't be getting into a preamble on the supplementaries, but certainly I can see the need where within a program, if you are introducing a subject, you may have to go to another line in the program with your supplementaries. We would be very open on that.

MRS. HEWES: In other words, I get three questions in a row when it's my turn.

MR. CHAIRMAN: But you don't get three preambles; you get one preamble.

MRS. HEWES: Right. No, of course not. Fair enough.

MR. CHAIRMAN: Alice Hanson.

MS HANSON: In regard to the process of going through on the alternating basis – and I imagine since there's one more representative across the table, you'd have two from that side of the table at the end, because we're not evenly split – are we limited to a certain number of questions? If someone on one side or the other has more questions than the rest and we've got to the end of the rotation, how do we judge when to cut it off and move over?

MR. CHAIRMAN: On your first point about the two questions at the end. The time is the committee's, so if you spend a lot of time on program 1, a disproportionate amount of time, then you may not get through all the programs. No, it's not my intent that we would limit any member or either side to the number of questions. We will simply alternate back and forth, and we will move to the next program only when everyone is finished asking questions.

MS HANSON: Thank you.

MR. CHAIRMAN: Roy.

MR. BRASSARD: I guess I'm back at the original inquiry here. I have a little difficulty with the suggestion Bettie's making, only from the standpoint that it gives each questioner three separate questions. I thought it was going to be a question and then two related questions. We've got four solid hours here, and we're going to cover this whole department pretty thoroughly, but if we each have three questions – it's not the question so much I'm concerned about but the answer. If I bounce all over in three separate questions, I feel it would monopolize the minister's time.

MR. CHAIRMAN: That's a fair comment, and I know there is some concern, but I think that if we do not permit a preamble for the supplementary, the supplementaries will flow out of that first question. I observed the committee that met last night, and there are times when if you're going to stick to line by line, it does get difficult.

Peter.

MR. SEKULIC: Mr. Chairman, when you referred to going through vote by vote, I quite agree with that. My concern is the division of the votes in terms of a ratio of the budget. The second vote is two-thirds of the entire budget; I'd like to see that we can address that with two-thirds of the time. I think that would probably be communicated by votes, if we could somehow allocate the time ratio in that same manner.

MR. CHAIRMAN: Does the committee concur with that? We would then . . .

MR. CARDINAL: If my presentation's good enough, you might not ask any questions.

MRS. HEWES: Mr. Chairman, just to explain further to Mr. Brassard, our intent was that in my preamble, I don't want to use up time there. I don't want to have to describe in the preamble all of the three things that would be related. I don't even have to describe it all each time, so I think we can save time that way.

MR. CHAIRMAN: The chair is finding it a little difficult to allocate time on a disproportionate basis. I recognize that we have four programs, I recognize that a couple of them probably aren't big programs, but it's going to be difficult for the chair just to arbitrarily suggest that we spend two-thirds of our time, for example, on program 2.

AN HON. MEMBER: It'll probably happen naturally.

MR. BRASSARD: I think it'll automatically evolve, Mr. Chairman.

AN HON. MEMBER: I think we're all concerned, mainly, about that same area.

MR. CHAIRMAN: If it's the agreement of the committee, then we would not limit the time we would let it flow. Now, remember you've got four hours, and it is my proposal that if we are through all of the programs within the four hours and someone wants to back up at that point, they can. It's just that we must go all the way through before someone could go back.

Alice Hanson.

MS HANSON: Just before we started, I wanted to say that the time notification for this meeting was very short – we had expected five days – and because of that Duco will have to leave at 10 o'clock. He is out west, and he had a commitment that he simply couldn't change. So if he stands up and walks out, it isn't because he's mad.

MR. BRASSARD: I would just like to say that time is of the essence, there's no question about it, and we all have places to go and people to see. I have to be out of here at noon sharp, so I'd like to limit this preamble, this organization of the discussion, to 15 minutes, and we've used up 10 of them.

MR. CHAIRMAN: I appreciate that. I think we've covered everything that I introduced except the one thing on the recommendations. I would appreciate any comments on that, and then we'll get moving.

Bettie Hewes.

MRS. HEWES: Not on that subject, Mr. Chairman, but I know the gentleman in the centre of the table; will they introduce themselves?

MR. CHAIRMAN: If I could, Mrs. Hewes, the introductions will happen as soon as the minister gets the floor.

MRS. HEWES: Thank you.

MR. CARDINAL: If I ever get the table, I'll do that.

MR. CHAIRMAN: We prearranged that those introductions would happen.

Is there anything else? Okay; then we will turn the floor over to the minister.

Good morning, Hon. Mike Cardinal.

**8:12**

MR. CARDINAL: Good Morning, Mr. Chairman. Thank you very much for having us here this morning. It's reasonably short notice, but our process is something that is new, and hopefully you can work it out properly here this morning.

I'd like to introduce, to my right, Don Fleming – Don was acting deputy minister and is now full deputy minister for this department – Dave Banick, our executive director of personnel; Frank Wilson, executive director of resource management; Cliff Supernault, the executive director of the native services unit; and Duncan Campbell, director of budgets and financial analysis. Those are the people who will be here to assist us this morning in going through the process.

My introduction might take a bit longer, but I hope I can cover a lot of the questions you may have about the department and the restructuring and reorganization.

As part of the government's commitment to deficit reduction, the Department of Family and Social Services is providing a major contribution in the first year of the deficit elimination plan. By comparing the changes in my department's estimates between

the 1992-93 budget and the '93-94 budget, the reduction amounts to \$165 million. When the '93-94 budget is compared to what was actually spent in '92-93, the reduction is \$154 million, and that's what we've been talking about all along. The \$11 million difference between these two reduction numbers represents the amount that the department surplused in '92-93. I think you'll all understand that. The reduction in the department's budget has been accomplished through a critical look at the services provided by my department. I believe that as a result of this review, we have achieved a significant expenditure savings while still continuing to provide quality of service at an affordable price for Albertans.

In reviewing the \$154 million worth of reductions from what was spent in '92-93, it occurred in the following programs. In program 1, Departmental Support Services, there was a reduction of \$4 million; program 2, Income Support to Individuals and Families, \$140 million. This is the area where we have a high percentage of people that are employable; actually over 60 percent of the people are employable in that particular category. Program 3, Social Support to Individuals and Families, is \$10 million. That makes up the \$154 million.

I'd just also like to indicate to the group here this morning that although there have been reductions in some programs of the department, there have been increases in some areas. In fact, the total increases in parts of the budget are \$28 million. I'll just quickly outline those particular areas. Support for handicapped individuals residing in their communities, for example, has been increased \$9 million. AISH, which is assured income for the severely handicapped, and the widows' pension benefits increased by \$4 million. Foster care and other child welfare fees increased by \$3.5 million. Under Supports for Independence, the employment and training program initiative, where we are moving dollars to different areas for employment and training – for example, environment and other departments – \$9 million. In other areas: enabling supports for independence recipients to keep more of their income from work – that's the exemptions we have – \$2.5 million, for a total of \$28 million. So there's been an increase in that particular area.

As a means of reviewing my budget with you, I propose to highlight the major changes that have been incorporated into the budget. After my review my officials and I will be happy to answer questions you may have regarding these estimates. There may be some questions that will require further research, and I will provide you with written responses to these questions within the next week or so after our meeting today. Because it provides more detail, I will be referring primarily to the Government Estimates: Supplementary Information, Element Details. My department's budget information begins on page 41 of your government estimates.

To accomplish the administrative efficiencies that were required to meet our budget reduction target, the department implemented an extensive reorganization that reduced senior management from five assistant deputy ministers to two assistant deputy ministers. This reorganization eliminated 268 full-time employment equivalents, primarily in the middle management area. This reorganization has resulted in better direction from the top, while maintaining a strong frontline staff complement to ensure that quality of service to the needy and the handicapped continues as we have.

I now wish to review the major budget change highlights that have occurred, beginning with program 1, and that's Departmental Support Services. Program 1.0.1, in Government Estimates: Supplementary Information, Element Details, you will have noticed that the budget for my office increased from the '92-93 budget by \$38,000. This change comes as a result of the addition of the

native services responsibility to my department and the transfer of a position to work as an assistant in my office.

Program 1.0.2, Standing Policy Committee on Community Services, is a new budget item providing a forum for public and MLAs' input to department programs and the budget planning process. Today's a good example of where those dollars are going. It covers the chairman's operation out of my budget.

Program 1.0.3, the Deputy Minister's Office budget, also increased by \$27,000 and is a direct result of the elimination of the assistant deputy minister responsible for program delivery's position. These responsibilities are now with the deputy minister's staff. Elimination of this extra deputy minister saved between \$100,000 and \$150,000.

The following programs, 1.0.4, 1.0.5, 1.0.6, 1.0.7, 1.0.8, the remaining elements of Departmental Support Services – Program Policy, Community Support Services, Regional Operations, Personnel Services, and Resource Management Services – were all reduced as a result of a major reorganization that I referred to earlier and the flattening of the deputy minister and the senior management level. As you can see, the Departmental Support Services budget has decreased by 14 percent when compared to the '92-93 budget. That's the overall decrease. Even when compared to '92-93 actual expenditures for Departmental Support Services, the reduction is still 11 percent, which is a significant savings to the government.

I would like now to turn to program 2, Income Support to Individuals and Families, a program that had absorbed a \$140 million reduction from the '92-93 expenditures. The programs I'm referring to, of course, are 2.1.1 and 2.2.1. When looking at Program Support and Program Delivery, you'll notice that there have been reductions of 20 percent and 4 percent respectively. These reductions come as a result of savings associated with the completion of a computer system, which enables more efficient payment of benefits to our clients while at the same time providing better management information and reducing errors in the payment of benefits. As well, the effects of the reorganization have resulted in some savings in these areas.

Program 2.2.2. I would like to note that in the Maintenance and Recovery element we have increased spending by \$160,000. This part of the department assists families receiving supports for independence benefits to obtain child maintenance orders and agreements, usually from the husband, ex-husband, or father of the children. In some cases it may be the wife or mother of the children. The \$160,000 increase is expected to provide an additional \$1 million in collections from child maintenance orders and agreements, which offsets the supports for independence costs considerably.

**8:22**

As has been mentioned before, this budget is based on expectations that the supports for independence caseload will be reduced by 13,000. In the first five months we have seen a reduction of over 10,000 cases. When you analyze 10,000 cases, for an example, that's a hundred million dollars of savings in supports for independence, and in most cases a high, high percent of the targeted group in that area are people that are employable: young, healthy single people or couples without children.

Programs 2.2.3, 2.2.4, and 2.2.5. These savings are a reflection in Supplement to Earnings, Employment and Training Support, and Transitional Support elements, and those I had mentioned earlier in my opening statement, the \$9 million, as one part of the overall plan.

As well as the caseload reductions, there have been a number of cost savings in client benefits. These savings, which are intended

to remove disincentives to work, include benefit reductions in standard allowances and shelter rates totaling \$32 million, primarily affecting singles and childless couples and those clients who are available for work or training; a \$27 million reduction in supplementary benefits; modification to supports for independence medical benefits and program delivery, which saves \$13 million. As I have indicated in the past, these welfare reforms are aimed at individuals who are capable of working or being trained and able to work.

Program 2.2.6. As you can see from the assured income support element, we have increased the budget for those persons who are unable to work due to permanent disability, persistent mental or physical health problems, or who have multiple barriers to employment.

Program 2.2.7. Again, the Employment Initiatives budget has been dramatically increased to reflect the government's increased emphasis on jobs and job training opportunities for supports for independence clients. Again, I outlined that in reasonable detail earlier.

Although it does not show up in these estimates, the department transferred \$32.4 million to Advanced Education and Career Development to provide funding for supports for independence clients enrolled in high school and postsecondary programs. That program is very successful.

Program 2.3.1, turning to the Income Benefits program. As in other areas of the department, efficiencies in the program delivery element have been achieved by reorganizing regional headquarters functions.

Program 2.3.2, the Widows' Pension program budget has been increased to reflect the cost of living increase that the federal government has provided to individuals receiving pensions. I believe we have one more year to go on that particular three-year program, but that will be reviewed later.

Program 2.3.4. Again, the Assured Income for the Severely Handicapped program budget has been increased to reflect the change in the maximum benefit rate from \$796 a month to \$810 per month.

Program 2.3.3. The Alberta Assured Income Plan for Seniors budget has been maintained at the '92-93 level, so there is no change in that particular one.

The proposed budgets for these programs clearly demonstrate that the government is committed to maintaining benefits for those members of our society who may be in a less favourable position to help themselves.

In program 3, Social Support to Individuals and Families, there are a variety of services that are provided to a large cross section of Albertans. These programs include child welfare, day care, family and community support services, shelter for adults, prevention of family violence, handicapped children's services, community-based institutional services for handicapped.

Although there has been some reallocation of funding between the various elements within this program, the overall reduction can be attributed to the recently announced 3 percent agency funding decrease, reductions in day care funding due to reduced demand, and the downsizing of Michener staffing due to residents returning to their home communities and communities in general.

The department contracts with over 380 agencies, which provide services on behalf of government to individuals and families in areas of child welfare, services to persons with disabilities, and family social support services. As mentioned earlier, contracts with these agencies are being reduced by an average of 3 percent, which represents a \$5 million reduction. It is expected that these savings will be achieved by the agencies in areas such as adminis-

tration and advertising and not program delivery to the people that are needy.

Program 3.1.1. I would like to quickly review the various elements in this program. As in other areas of the department, the Program Support element, which provides for this program's administration and program development, has a reduced budget as a result of savings achieved through departmental reorganization.

Program 3.2.1. Again, savings were also achieved in child welfare program delivery. Although not to the same extent as funding for frontline child welfare, staff have been maintained or increased in all areas.

Programs 3.2.2, 3.2.3, 3.2.5, and 3.2.6. The various elements of Child Welfare Services need to be viewed together in order to show the thrust of the department's program planning in this area. Intake and Investigations and Foster Care have been reduced slightly to show the increased emphasis being placed on in-home support and community-based family support, where the intent is to keep children with their families and to help these families continue to function in their own homes wherever possible. If, however, the need arises during the year to spend additional funds in Foster Care, for an example, there will be no hesitation in this department to realign dollars where they are needed to have that flexibility.

Program 3.2.7. This budget reflects a 5 percent decrease in Residential Care, which reflects the department's strategy to close institutions for children and to keep these children in their home communities as much as possible.

MR. CHAIRMAN: Hon. minister, you have one minute left.

MR. CARDINAL: Okay. Although there is an overall 1 percent decrease when comparing the '92-93 and '93-94 budgets for Child Welfare Services, this net reduction can be attributed to the 3 percent agency funding decrease. In fact, when compared to the '92-93 actual expenditures in Child Welfare Services, there has been a slight decrease in the department's '93-94 budget despite the agency decrease.

I should mention that the government has maintained its previous commitment to increase foster parent basic rates by 9 percent, or \$900,000 per annum. This is the final year of the four-year plan to increase these rates.

Program 3.3.1. You will note that there has been a slight decrease in the Office of the Children's Advocate budget. This reduction merely reflects the completion of the Children's Advocate's report and its related costs.

MR. CHAIRMAN: I am sorry I have to interrupt, but your 20 minutes have expired.

MR. CARDINAL: Mr. Chairman, if you'd allow me to go through some of the programs very quickly, I think I could save quite a bit of time for you guys.

MR. CHAIRMAN: Is the committee agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay. Proceed.

MR. CARDINAL: I'll go as fast as I can.

Program 3.4.1 within Family Support Services. The program delivery element has been reduced 27 percent to reflect the department's reorganization.

Program 3.4.2. You will notice there has been a 10 percent reduction in the Day Care Programs budget. This reduction reflects the reduced demand for day care services in Alberta. When comparing to the actual '92-93 expenditure, the '93-94 day care budget has been maintained at the same level, and that's around \$70 million.

#### 8:32

Program 3.4.3, Family and Community Support Services: funds to municipalities to develop and provide local services which promote volunteerism and preventative services. In fact, the budget has been increased by \$1 million to allow 28 new communities to enter the program this year.

Programs 3.4.4 and 3.4.6, Shelters for Homeless Adults and Prevention of Family Violence, which have been reduced, reflect a 3 percent reduction in agency funding. Privatization of the Single Men's Hostel in Edmonton also contributes to the reduction in Shelters for Homeless Adults. I think some people have questioned that.

Program 3.5.1, the final area in the Social Support to Individuals and Families Program, relates to Services to Persons with Disabilities. As in other areas of the department, a major reorganization has resulted in savings in the Program Delivery element rather than services to the people.

Program 3.5.2. Although there is a slight decrease in Handicapped Children's Services, the '93-94 budget compared to the '92-93 budget is the same as the '92-93 actual expenditure, so there's no actual reduction.

Program 3.5.3. Again, the budget has been maintained for Office of the Public Guardian. Again, there are no changes on that.

Program 3.5.4, Community-based Individual Services, funds the operation of residential and support services, including vocational day training for handicapped individuals. Many of these services are provided through agencies, and again the 3 percent decrease shows that. However, other funds have been added to this budget, reflecting the movement of individuals from institutions, again mainly Michener Centre, to their communities. This is why the reduction in this element is limited to 1 percent only.

Program 3.5.6. The Michener Centre provides 24-hour care for mentally disabled Albertans. Again, it continues to experience a decline in the number of individuals who choose to remain at the centre. Over the past number of years approximately 85 individuals have left the institution each year and returned to their home communities, which I think is supported in a lot of cases. The movement of these individuals, of course, resulted in the elimination of 90 positions and associated costs at that particular centre.

I'm on my last one now, Mr. Chairman.

Programs 4.0.1 and 4.0.2, funding for Native Affairs, provide basic liaison to native organizations across the province. The funding in these particular areas has remained the same. In addition to that, of course, we have the Metis settlement services, but that comes under Executive Council, so we won't be dealing with that one today. On the 24th, I believe, I'll deal with that issue with Executive Council; also, the Premier's council in support of families will be dealt with.

Finally, you will note that my department's capital investment vote, which is used basically for purchasing computer equipment and furniture for its institutions, has been reduced by \$7.5 million to \$3.1 million, almost a 60 percent decrease in that particular area. This is a result of the completion of the income support computerization project, which I noted earlier.

So that is it, Mr. Chairman, and thank you for the time.

MR. CHAIRMAN: Thank you very much, hon. minister, for that extensive overview.

Peter.

MR. SEKULIC: Thank you, Mr. Chairman. You'll have to pardon me, Mr. Minister, if I'm slow off the start here. I've never been through \$1.6 billion in half an hour before, so if something seems repetitious, I hope you'll just bear with me and perhaps add a bit of additional explanation to the budget area.

My first question I'd like to address to you, Mr. Minister. It's with regard to the \$75,000 Standing Policy Committee on Community Services. This is a budget area that is new in this fiscal year, that hasn't been included in the past, and I guess in a general manner I'd like to know perhaps why this expense has been introduced. Maybe we'll just leave it at that, and I'll ask the rest in a supplemental.

MR. CARDINAL: Okay. That's under . . .

MR. SEKULIC: It's under 1.0.2.

MR. CARDINAL: Okay. Well, the promise of our Premier, of course, was to make our government more open. As no doubt most of you know, not too long ago we had a government that had 26 cabinet ministers and two associate ministers. That has been streamlined to 16 cabinet ministers. Along with that, what we've done is that the Premier developed the four standing policy committees, and the one that falls under my department looks after programs under not only Family and Social Services but also Health. In order to provide the administrative funding for that, it came under my department. I suspect it could have gone under Health as well – it wouldn't really matter – but it's under my department, and basically it's to provide a public forum and more public participation in the process of government. Today's a good example; this is open, and we're going through the budget process in detail where more people can have input in the process. If it's something that, say, Albertans in the future would not want and something that doesn't work, I suppose it would have to be changed, but in the meantime, that's what the \$75,000 covers, the administration for that particular . . .

MR. SEKULIC: Thank you, Mr. Minister. My supplementary is to you as well. I support one hundred percent the philosophy behind a more open government and perhaps even the standing policy committee. My concern would perhaps come from: for one, if we do want to open it up, that some Official Opposition members be on the committee, and in the event that's not possible, then perhaps they be invited to sit on the committee at least as spectators. Now, I'm not sure if that would be a suggestion or maybe an explanation as to why opposition members weren't recommended for the committee.

MR. CARDINAL: Yeah. You know, one of the processes – number one, I'm not against your suggesting anything. It's an answer that no doubt will be looked at by the people in charge. Again, the full process is open to the public. Generally at this time I'm reasonably comfortable with it as a minister, but I can't speak for the whole government.

MR. SEKULIC: My second supplemental, Mr. Minister, is to you as well. In the event that the Official Opposition is excluded from these standing policy committees, would it be possible to have information on minutes or decisions or on which way these

standing policy committee decisions or recommendations are being forwarded to your department?

MR. CARDINAL: Again, that's a policy decision that's beyond one cabinet minister's decision. I'd just like to indicate to the chairman that that recommendation is in *Hansard* and should be dealt with at a different level than myself. It is a suggestion that's recorded.

MR. DUNFORD: Well, looking at these numbers in the whole budget really, not just program 1, if I might be given a licence to inquire: \$154 million or whatever the actual number is is a rather significant amount, and I'm curious as to the level of confidence the department has in terms of meeting these requirements and what that confidence is based on.

8:42

MR. CARDINAL: Yeah, I guess it will not be an easy task, but my department managers and myself are committed to balancing our portion of the budget in '93-94. For an example, if you compare this budget with the one tabled in May, you will note that my budget has been realigned to reflect the pressures that emerged at the end of the first quarter of the report. You'll notice that we had targeted a certain number for caseload reduction and we didn't achieve that. So we have to make changes. In the support for independence program it was necessary to reduce shelter and basic benefits, to transfer some \$60 million from other areas. Now, if our original plan had achieved the target of getting the employables and the healthy young people back to the work force quicker, then that was the ideal way to go. In this particular case it couldn't be achieved, but by the end of the year I think it will average out.

I will continue to monitor expenditure trends, and if further corrective action is required, I guess I will not hesitate to act. Again, it's in the area of the 13,000 that were targeted: the employable, the healthy young people, couples without children that should be in the work force. I'm comfortable with it that it can be achieved.

MR. DUNFORD: Well, is there a member of the department, then, that might discuss what trends they see in the economy within Alberta that would add to this level of confidence?

MR. CARDINAL: Like I say, we've started a number of programs. For an example, the Alberta community employment program took a bit longer to get rolling. It's a very attractive program. I believe we have over a hundred applications now, and we're targeting to put 2,500 people to work. In fact, as of today we've put 500 people to work in that particular program. It's really picking up, and as time goes on, you'll see more people. It may exceed our target in fact. Of course, our caseload reduction of employables and people that are going back to the work force is over 10,000 already.

We've initiated also the 13 northern public works corps or job corps in northern Alberta. Those have just started rolling, and I could see a few thousand people back into the work force through that process.

MR. CHAIRMAN: Final supplemental.

MR. DUNFORD: Okay. What kind of work are these folks doing?

MR. CARDINAL: I'll give one example in Edmonton because it's closest to here. Through the Mennonite Central Committee we had a contract to plant 80,000 seedlings or trees in Edmonton along the river valley and main roadways. The program was very successful. I think they had over 40 or 50 applications for 24 jobs or so. I believe 11 of the people that enrolled went on to permanent work, and we've replaced them since with other workers. That's just one example of many very good projects that are coming across.

In the public works corps, of course, or community work corps in northern Alberta, they'll be doing work basically in community improvement, working for the seniors, roadways, environmental cleanup, possibly work with transportation, municipal affairs, day cares, schools, and so on: a nonprofit type of work.

MR. CHAIRMAN: Ms Hanson.

MS HANSON: Yes, thank you. I'd like to ask some questions, with a little more information about the standing policy committee, if I may.

MR. CHAIRMAN: If I may interject, I was very lenient in the first round of questions on this particular issue. The questions must be targeted more towards where the money is being spent as opposed to the policy and the philosophy of setting up the committees.

MRS. HEWES: Mr. Chairman, why? We didn't agree to that.

MR. CHAIRMAN: The intent of this is not to get into the philosophical debate about why something is existing. That will be handled in the Legislature. This will also be going through the Legislature, and at that point that's the place to debate the philosophies of existence.

MRS. HEWES: Mr. Chairman, that is not my understanding. My understanding of the whole reason for this more open discussion is to probe what the rationale is – and the minister has helped us in his comments – for changing the system to one of more concentration on employment and so on. We need to have answers to the questions that Mr. Dunford asked. Unless we can ask about the understanding of why we're changing, what trends in society are forcing these changes and forcing the dollars to shift from A to B, I don't see how we're going to get to the bottom of what we need here. My understanding is that we can, in fact, probe. I think if we're just going to say, you know, that the numbers changed by a hundred thousand dollars, that is not going to be a useful exercise.

MR. CHAIRMAN: Just so that I make myself very clear, I'm not ruling the subject out of order. I just want to caution that we are not going to get into a big philosophical discussion and debate about why they exist.

MRS. HEWES: But we're not here simply to do an exercise in calculations, I hope.

MR. CARDINAL: Well, you know, I have no problem in dealing with the issue of \$75,000. If you want to spend the next 20 minutes dealing with it, fine. We're dealing with a \$1.6 billion budget. Now, if \$75,000 is going to be the issue, then I'm willing to deal with it. I explained before that the \$75,000 could have been under Health.

MR. CHAIRMAN: Save your comments for the discussion, but is it the committee's wish that we get into the philosophical discussion?

MR. BRASSARD: No, Mr. Chairman. I don't think we're going to discuss the philosophical. I think we need a philosophical basis for the committees. I think that what we need to do is talk about their function and how they exist but not necessarily how they arrived and were formed and so on, their composition.

MR. CHAIRMAN: That was my cautionary comment.

MR. BRASSARD: I guess what I'm saying, Mr. Chairman, is that we're both on the same track.

MR. CHAIRMAN: I'm not ruling the simple question out of order. I hope we have a clearer understanding. With that, we can proceed.

Ms Hanson.

MRS. HEWES: Let us proceed. I'll try to be patient with the minister, Mr. Chairman.

MS HANSON: To repeat, I'm interested in the process for the input. I'm interested in the whole idea of public input, and I support that. I would like to know what the committee does with the information from interest groups after they've made a presentation or presentations. What happens next? Just a little bit more about the committee function.

MR. CARDINAL: Okay. For example, if an interest group makes a presentation to the committee, I'm the vice-chairman of this committee, so I usually attend. I sit in cabinet, and it moves on to cabinet from there, either as a report or a decision. I think that's a reasonably good process. When the public can do a presentation the one day and the following day the cabinet is already dealing with it, I think it's a reasonably open process. Now, there is no process in place, I guess, that's a hundred percent, that could keep everybody happy, but I would hope as a government that when we see a system set up like this, if there is a weakness in the system, we could look at it and see if we can improve it in the future. At this time, it seems to work reasonably well. As vice-chairman of this committee, I haven't had any complaints personally to my department from the public that it doesn't work and that the public wasn't happy with it.

8:52

MS HANSON: So, Mr. Minister, the committee makes decisions, and then are they forwarded to cabinet as recommendations?

MR. CARDINAL: I think the chairman can probably answer that.

MR. CHAIRMAN: I have difficulty entering the debate. Would you proceed, Ms Hanson, with your final supplementary, please?

MS HANSON: Okay. I wonder if we could have an update or status report on the work that the committee has performed so far in terms of advising the government. I'm trying to get a feel about what the function is.

MR. CARDINAL: Okay. That's one that will be required to be done in writing. What I will do is: we'll look at the *Hansard* and make sure that we look at your request and provide something in writing.

MR. CHAIRMAN: Roy Brassard.

MR. BRASSARD: I'd like to go back to your opening statement. I think all of us are in awe of the \$1.6 billion budget. I know that you've changed your deputy minister, and I'd like to congratulate Mr. Fleming on his appointment. I think it's a great one; I think he'll do a great job. But there have been others you eliminated, an assistant deputy minister and so on. Could you just elaborate for a moment on the reorganization and what impact it's had on your budget?

MR. CARDINAL: Sure. Well, as I explained before in my opening remarks, we reduced manpower requirements by 268 positions, which is a saving of \$14 million, and that didn't impact the frontline work at all. In support services such as finance and personnel, we reduced 88 positions in that particular area. Again, it didn't impact the frontline work. In headquarters, program delivery, I eliminated three assistant deputy ministers and basically flattened the organization. Of course, a benefit was the associated costs and the supports for that particular area. We also eliminated a number of middle-management positions in the program support and development area as well as in the regional operations.

As an example of this streamlining, the deputy minister now has the regional directors reporting to him directly, and we've eliminated all the positions in between. For example, the regional director in the northwest, from McLennan, instead of going through 10 different directors, managers, and so on, reports directly to the deputy minister. We've really streamlined the operation and brought the government to the people. We have six regions right now across the province. Finally, as I mentioned earlier, because of residents choosing to move back to their home communities, we have eliminated 90 positions at the Michener Centre, and again basically we've done this without laying off any permanent staff. I think we've done quite well as a first step towards providing a better service for the public out there and still maintaining the frontline workers' positions all intact. It hasn't been easy to do that, but I think it's the right direction.

MR. BRASSARD: I guess the basis for the question originally was just how it impacts on your frontline workers. I don't want to get into specific programs because we'll do that as we go through, but you're telling me that the main reduction in organization is taken up in middle to top management then? It hasn't affected frontline workers?

MR. CARDINAL: That's where it has. In fact, we've never slowed down in filling any frontline workers; for an example, child welfare. In areas where we wanted staff and didn't have a permanent position, we've transferred even wage positions in those particular areas. We've really increased our moves in filling the frontline worker positions and the training that's required and the support services. On the other hand, we've flattened the organization to where we've eliminated deputy ministers and have the regional office, like the Edmonton regional office, report directly to the deputy minister to streamline service. That's for quick decisions and involvement of people at the frontline level directly with the department so we know what is to be done.

MR. BRASSARD: A final supplementary, then, Mr. Chairman. We all recognize that your department above all is probably the most people-oriented department, and communication and the type of issues that you deal with are extremely sensitive. Do you see future savings in the utilization of computerization in this area? Certainly we're handling this information differently than ever

before. Do you see this enabling you to make further changes to your overall administration costs?

MR. CARDINAL: Yeah, I think we are, you know, and the systems we have in place, of course – maybe one of the staff would like to expand on that a bit more – seem to work well at this time.

Don.

MR. FLEMING: The only thing that I would add is that I think it's going to become increasingly necessary to start to use the telecommunication types of mechanisms that we've got to move information quicker rather than having people coming in for meetings and so forth. We'll be looking to that kind of savings as we proceed.

MR. CHAIRMAN: Duco Van Binsbergen.

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. I, too, am absolutely brand new with all this, so I have to ask some basic questions if I may, Mr. Minister. Program Policy, 1.0.4. There's a cut of almost a million dollars. My first question is: what exactly does that particular program do? What is the purpose of that division?

MR. FLEMING: That's our headquarters program policy design. It's primarily a headquarters function with staffing associated. What the program policy division does in the department is receive feedback from the regions, from frontline staff, in terms of what are the needs of the current policies in place and develop a process for how we would better serve, up to and including drafting the proposed legislation that gets taken forward to get the legislation in place to provide the service.

MR. VAN BINSBERGEN: In terms of staff, how many people would be working there now? Have there been any layoffs?

MR. CHAIRMAN: Mr. Fleming, could you speak a little bit louder? Some of the members are having a little bit of trouble hearing.

MR. FLEMING: Okay. I will try.

As it stands now, our most recent statistic is 143 positions.

MR. VAN BINSBERGEN: Including any layoffs, after any layoffs?

MR. FLEMING: That's after layoffs, yes.

MR. VAN BINSBERGEN: How many?

MR. FLEMING: I believe 25 is what we took out of that. Yes, 25 positions.

MR. VAN BINSBERGEN: My final question then, Mr. Chairman, is: with the \$100 million cut, does it mean there's going to be less planning now or what?

MR. FLEMING: No, I think we're going to do things differently. What we've done is we've reduced that division, and basically we're taking on a project management approach. We'll have some key positions and very specialized individuals in the head office. We'll draw from the regions, from the front line, get more of the frontline flavour into our planning.

MR. CHAIRMAN: Denis Herard.

MR. HERARD: Thank you, Mr. Chairman. One of the benefits of asking questions a little bit later on is that most of the answers have come out already. Mr. Minister, I think you were right: a lot of the things that you did say in your preamble have certainly taken some of my questions away. Of course, my friend to my left, Mr. Brassard, has taken a few more away from me. But I am interested in the reductions in staff. You said that there were 268 full-time equivalent reduced. I'm interested to know if that was primarily as a result of people taking early retirement packages. I'd also like to know if it came primarily out of head office or if it was spread right through the entire regions and, in particular, whether or not some of those votes came from the local offices that are providing the interface to your clients.

9:02

MR. FLEMING: There was a combination. As the minister has described, there was a reorganization in the department. I won't go into that. But combined with that reorganization, we dealt with the early voluntary leave program. Some of the people who left were in the frontline and in the middle management areas. Those positions that were critical – as an example, the frontline positions – were refilled. A number of them were in the Michener Centre. Due to the 85 clients, I believe it was, that left last year, we were able to downsize that particular organization by 90 positions. So what we did was use a combination of things to arrive at our 268 full-time position removals.

MR. HERARD: The supplementary. We are in year 1 of a four-year plan. With respect to reorganization and downsizing and rightsizing, could you comment on what your plans are with respect to future votes, the sort of reduction we've seen in this year 1 continuing into year 2, 3, and 4?

MR. CARDINAL: Again, I believe our target is to look at making sure that wherever possible we continue providing a high quality of service to the people that are needy; for example, the handicapped, children, and single parents at home or parents at home that have small children and are not able to work. Of course, we will continue targeting to provide a good quality of service for those people. On the other hand, I think the three-year plan is to put more emphasis in the future on getting more of the employables – young and healthy people, the couples without children that should be working and want to work – back into the work force. Forty thousand of our caseload of 81,000 are single people, and they want to get back into the work force and should be back into the work force. So our strategy will be to make sure that we continue that direction, at the same time looking at reorganization of how we deliver programs in the future. For example, the project at Athabasca: a social services office will be co-located with career development and employment and federal employment and immigration. In our department, when a person walks into the office, you get a service of not social assistance but career assessment, résumé writing, and placement directly into a job. That should expand across the province. At the same time, look at the possibility of restructuring the department where we are more efficient. We have six regions out there now. Do we need six regions in the future as we move forward with reforms and changes in the economy in Alberta?

MR. HERARD: Thank you. Those are all my questions.

MR. CHAIRMAN: Peter Sekulic.

MR. SEKULIC: Thank you, Mr. Chairman. Once again, just to clarify an earlier point, and I will depart from it permanently now. With regard to that \$75,000, in my questioning I was not concerned about the \$75,000 as much as I was with the decision-making power that committee would have over the \$1.6 billion. That's why I suggested more openness. But I'll depart from that.

My question now goes to Personnel Services, 1.0.7. In December of '92 I note there was a total – I believe this is correct – of 6,114 employees within the department. If this can't be provided at this time, I may understand that. What I'd like is a breakdown of the types of categories we have within that number and where we're at in September of 1993 and where we will be after the next phase so that we can see the transition in terms of employees and reductions in the recording categories.

MR. CARDINAL: I think maybe we can get the department to project where we're at – no doubt reasonably close – but I doubt if we can give you where we may be a year from now.

MR. FLEMING: We can give you some. On the ground today we have 5,656.

MRS. HEWES: Say it again, please.

MR. FLEMING: We have 5,656. I'll ask Dave if he could give us a breakdown beyond that, please.

MR. BANICK: I guess in terms of a breakdown of that, 4,854 are salaried employees. I only have the breakdown by programs. I can't tell you how much. I'm not sure what the question is. If your question is how many are social workers and how many are managers, that kind of detail I don't have here.

MR. CARDINAL: We can provide that in writing.

MR. SEKULIC: If you wouldn't mind, Mr. Minister.

MR. CARDINAL: There's no problem.

MR. SEKULIC: My first supplementary, Mr. Minister, is to you or to one of the staff. It's in regards to training. I believe that in this type of economic environment and with the types of client groups you're seeing, no doubt more difficult than in the past, when people are experiencing different types of problems, there's a heightened need for professional staff to be employed by your department. Would you be able to provide a document, I guess, providing information as to the level of qualifications you're now pursuing for your staff?

MR. FLEMING: We can certainly do that.

MR. CHAIRMAN: Final supplementary, Mr. Sekulic.

MR. SEKULIC: Now, recognizing that the government has in place an accelerated management program for women, could you provide me with a response as to whether your department is pursuing that area and, if so, perhaps an update?

MR. FLEMING: We'll provide that update as well. Yes, we are pursuing it. We have a number of women in our key positions across the province.

MR. CARDINAL: In fact, a high percentage of our staff. I don't what the percentage would be, but a high percentage.



MR. FLEMING: Just as an example, I believe that in the staff complement in the Fort McMurray office, that staffing is around 30. When I was up there last, I saw one man.

MR. CARDINAL: My office at the Legislature has only one man – or two actually, the two of us. The rest are women.

MR. CHAIRMAN: Heather Forsyth.

MRS. FORSYTH: Yes, thank you, Mr. Chairman. Mr. Minister, under the AISH regulations, which is one of my favourites, 2.3.4., it clearly states: considering any relevant medical reports physically or mentally so severely impairs an individual that it substantially limits his ability to earn a livelihood and is likely to continue to affect that individual permanently because no remedial therapy that would materially lessen that impairment is available. I know one of the things you have been concentrating on and have been criticized about is individuals being cut off their AISH benefits. I have to say, because I've been involved with the department since 1988, that I'm glad to see you're looking over that, because there are AISH recipients who have been on there for many, many years who have been what I consider caught in the system. So I'm wondering if you can maybe elaborate, because my understanding is that the AISH benefit rates have been increased. That's my first question. Have the rates been increased?

MR. CARDINAL: Yes, they have. They've been increased to \$810 per month.

MRS. FORSYTH: Okay. My supplementary is: how are you going about dealing with these individuals coming off the benefits, which I guess are the only words I can say? Are you going back for more medical information? What are you doing exactly?

MR. CARDINAL: Basically, I guess the overall AISH program is a reasonably high budget item and high-needs area. We're spending over \$158 million in that particular program. I guess I'd emphasize that we are not removing people with permanent disabilities who cannot work or enter training programs. We are not doing that. That is not the plan. The people who will be transferred to the support for independence program are those who are capable of working or can successfully complete a job-related training program. You have to realize that people on AISH on an annual basis have to get a doctor's certificate and, in some cases, a specialist's to determine if their situation has changed. In cases, of course, where there is no change and a person still requires continued support under AISH, then they will continue that.

On the other hand, where a situation changes and the person becomes employable or trainable, of course we want – and we have support for that from people in that category – to make sure we give them every opportunity to be able to be classed as a person that's employable and trainable and give them the opportunity to be able to move if not fully on their own at least partially on their own. There were some rumours that we had cut 20 percent from that particular program. I think when you look at the budget, you're looking at a very, very small percentage. It's not cutting anybody off. It's basically moving the employables that may be on AISH right now to a position where they will continue being eligible under, in most cases, support for independence but also then be eligible for the supports that are required for them to get back into the work force.

9:12

MR. CHAIRMAN: Final supplemental.

MRS. FORSYTH: Yes. The other thing I wanted to know, Mr. Minister, is just a clarification. If an AISH recipient is trainable but not 100 percent trainable – say we're dealing with someone with a mental handicap or something – my understanding is that they can still stay on the program and come under the program. I'm not exactly sure where they get the handicapped benefit of the \$175 and then sort of go into the earning exemption. They're off AISH, but they're going into another program where they get the \$175. I think it's cell D or something like that. They get \$175, but they're also getting the higher earning exemption, so I think that's a good change. Is that what's happening to these AISH people that were on total AISH: they go to cell D and then get the \$175 handicapped benefit plus a higher earning exemption?

MR. FLEMING: Yes. It's not an easy question to answer, because we look at each case individually. For the most part, they probably wouldn't go on to cell D from AISH; those types of individuals have high needs and are on the caseloads already. Now, the ones we're looking at primarily in this go-around are the ones who have abilities to work, have probably in the past had some employment, have some skills, need some motivation to help them get back into the work force to help build their self-esteem and feelings of self-worth. We have many of the agencies that support these folks coming to us and telling us that having individuals on AISH who have permanent disabilities but also the capability of working is a very demeaning and retrograde step, I guess, in that we're holding them locked into a program that's doing them no good at all. In fact, instead of progressing, they're actually going down. So the whole attempt here is to get those types of folks back into some meaningful life skills, work experience. That's the idea.

MR. CHAIRMAN: Thank you very much. Before we move on, I want to make the comment that the Chair was patient with the last questioning. Really, that was in program 2, and before we move on to that, I would want to make sure we are finished with questioning on program 1.

MRS. HEWES: Mr. Chairman, can I just ask a question on that point? I have some questions on some of the other programs, but some might relate to, say, 1.0.4. Is it permitted to come back and so on?

MR. CHAIRMAN: I should have been a little clearer and commented that program 1 is very broad. But in the last round of questioning we did get very specific on a specific program in program 2. I want to be as lenient as I can, but I also want to make sure program 1 is fully covered before we move on to the very specific programs.

MRS. FORSYTH: My apologies.

MR. CHAIRMAN: No problem.  
Mrs. Hanson?

MS HANSON: Yes. I have a question. I would like to ask the minister if there are any plans to privatize the delivery of social services.

MR. CARDINAL: Maybe the deputy could expand on that a bit more, but I don't have any plans other than we do have a contract – I guess they're not privatized – with some agencies. For example, Metis children's services have a contract with us to find foster homes and provide some of the support services. A number

of agencies of that nature have contracted. Other than that, I would hope we can as a government with our mandate continue to provide the services we need to provide. I think it's an area that shouldn't be privatized.

MS HANSON: Thank you very much. I also wonder if you could tell me what the current status is of the differential use of staff model. Has the model been scrapped, or are you still using it? What are your future plans?

MR. FLEMING: Could you just expand on your question perhaps?

MR. CARDINAL: Yeah, the door just closed. We couldn't hear.

MS HANSON: Oh. I was just wondering about the model that you use, the differential use of staff model.

MR. FLEMING: Primarily what you're referring to is our income support program where we have financial benefit workers, ECSS workers, take investigation-type work?

MS HANSON: Yes.

MR. FLEMING: We're continuing that model. We find that it has served us well since we've implemented it. We've been able to deal with the financial component of our clientele's needs very quickly. More numbers can be dealt with than with one particular staff. We get the finances out of the way; then we can start to deal with the employment needs. So we'll probably continue in that vein.

MS HANSON: So you're finding it's working. Thank you.

Then just my last question is: are there plans to change staff to different departments; for example, the employment component to career development or that kind of thing?

MR. CARDINAL: I do keep in touch with frontline workers as much as possible. You can see in the House that I've indicated that in the past eight months I've visited over 68 different sites, and wherever I went, I met with all the frontline workers individually in their offices and had a chat with them. One of the biggest concerns in the whole welfare strategy reform is, as the caseload drops, the possibility of people losing their jobs. I have indicated to most of the workers that that is not the plan. The plan by all indications, by the demand we have from our clientele, is to provide a better service in a different area. You mentioned career development, the placement area. I guess all I can say is that the staff should be comfortable. I've advised them anytime they've asked me that, yes, we will assist you if it requires retraining so you can do your job differently in the future. Yes, we'll do that. I don't know if Don would want to expand on that or not.

MS HANSON: Thank you, Mr. Minister.

MR. CHAIRMAN: Thank you.

Are there any other questions? Mr. Coutts.

MR. COUTTS: Mr. Chairman, in that light I applaud your efforts in reducing upper and middle management in the department and making those kinds of savings. I'm particularly interested in the reduction in your caseloads. You mentioned over 10,000, I believe, with the possibility of eventually being up to a reduction in caseloads of 13,000 people. Keeping the staff in mind, with

that many people being reduced in your programs, why aren't you looking at reducing staff?

9:22

MR. FLEMING: I guess what we're finding is that we have a staff turnover at a natural attrition rate, so we are able to reduce staff and are. As the staffing goes down in one area, we can then retrain, reoutfit the staff for that particular program area into another one. So I think that we will obviously be downsizing in particular program areas and taking care of that attrition rate at the same time.

MR. COUTTS: Mr. Chairman, my supplemental: what you're saying is that when you don't need them in one area, you'll put them into another where they're most needed and you'll be treating the staff fairly then?

MR. FLEMING: Yeah.

MR. COUTTS: Thank you.

MR. CARDINAL: That's exactly what we're doing.

MR. CHAIRMAN: Mrs. Hewes.

MRS. HEWES: Thanks, Mr. Chairman. Mr. Minister, I was interested in your answers to Alice Hanson about privatizing. It's clear to me that a good deal of the department is already either privatized or commercialized. I'd be interested to know what the sort of breakdown is. What is still being done by direct employees of the department, frontline employees? What is being contracted out to private nonprofits, and what is being contracted out to commercial agents? Do we have any sort of understanding of what that general ratio is at this point in time? Perhaps the deputy minister.

MR. FLEMING: I haven't got the specific numbers on hand, but certainly we can provide that. I guess I would just say by way of a general response that it's a bit of a fallacy when you start talking about privatizing services versus government providing them. Departmentally we contract with 380 agencies. In a sense, you can call that privatization. Our staffing complement within the department, as I indicated, is now about 56,000 – 5,600, rather.

MRS. HEWES: Sometimes it feels like 56,000.

MR. FLEMING: Well, when we're talking in these big dollars, we get a little confused.

We probably have a similar number of staff working in the agencies already, and in a sense you've got about an equal split of department versus private-sector folks providing social services.

MRS. HEWES: This is contracts, yeah. That has always been my understanding. You didn't answer and perhaps you can send me the other part of the question on private nonprofit versus commercial: group homes, employment training, and so on.

Mr. Chairman, I have always been concerned about the standards that are employed, and that should in my view be public as to what is required from those agencies when they are contracted to perform certain work on behalf of the department. Don Storch I think did a generic standard some years ago. Is that what we're going on now, or do I, does the public, have access to your standards? Can I get the protocols for this?

MR. FLEMING: Yes, you would be welcome to them. We do have, of course, standards that were developed partly as a function of Mr. Storch's involvement. Those core standards are an expectation of all contracted services today. We've gone beyond that. In partnership with some of the community folks, we're in the process of developing standards that will exceed those, with a view in mind that we would go to an accreditation system, a self-accrediting process. We're very concerned about the standards and hope to have them fairly shortly in place, and they would certainly be available to you.

MRS. HEWES: Thank you, Mr. Deputy Minister. I'm glad to hear that. I've long been concerned and expressed it publicly about the absence of what I consider appropriate standards in residential group homes. I hope that's going to be addressed.

My last question, Mr. Chairman, is: I do understand, Mr. Minister, from your comments that these agents with whom we contract have now experienced a 3 percent cut. What is happening there? Do we know the consequences? Is that causing a 3 percent reduction in quality or in the numbers of people they are able to handle, and if so, where are those people going?

MR. CARDINAL: I think in my opening statement I indicated that a lot of the 3 percent can be absorbed in administration and costs in relation to administration.

Don, do you want to expand? I believe the agencies were consulted and discussed and generally were reasonably satisfied that 3 percent would not impact the service that was provided to the clientele. Now, Don, if you want to expand on that.

MR. FLEMING: In each of our six regions the regional directors have gone out and have either met or are in the process of meeting with the agencies with whom they contract. The response from the agencies has been very positive, very supportive, recognizing the need to reduce costs. There's a variety of cost-cutting measures being entertained. Primarily, where they will be focusing the reduction will be in the administrative areas. They feel they can do that. They're looking at some innovative things. Basically, what they've agreed – in a couple of the regions anyway – is that they will take it across the board this time because there isn't time to plan more adequately for how they would best stage themselves. They're going to get together – I know that this is the case in Calgary – and determine collectively what they can do differently to make some savings so that we can maintain the front-end service while at the same time help to fulfill our requirement to downsize our budgets.

MRS. HEWES: After the fact. That's my concern, Mr. Chairman.

MR. CHAIRMAN: Do the members on this side of the table have any other questions on program 1?

MR. SEKULIC: Yeah, I've got one more.

MR. CHAIRMAN: Mr. Sekulic.

MR. SEKULIC: Thank you, Mr. Chairman. I guess when I was going through the budget in the last couple of days, I came across some items that had appeared in the previous fiscal year but had vanished this fiscal year. The ones I refer to are the Appeal and Advisory Secretariat, the Communications budget – and I do know that Mr. Scott exists – the Strategic Planning budget, the Income Support Services budget, and the Social Support Services

budget. I'm sorry if I'm reiterating something that was mentioned earlier, but those had vanished. I guess I'd just like an explanation as to what happened in those five categories and, perhaps in the response, an explanation as to the change of role of the appeal secretariat.

MR. FLEMING: In the whole overall restructuring, some of those areas have disappeared. Strategic Planning, for example, no longer exists. Some of the budget, the way it's presented, still shows that because time hasn't allowed us to get things laid out. In terms of Communications, we've linked the media relations, and the internal and the external communications into one grouping. I don't know that I can elaborate too much more on that unless you have something more specific.

MR. SCOTT: Some of the Communications budget is the responsibility of the Public Affairs Bureau, which reports exclusively to Executive Council. It is not part of the department.

MR. SEKULIC: So then the media . . . Best not. I don't want to use my second question.

MR. CHAIRMAN: Is that complete? Go ahead. We'll save your supplementary then.

MR. SEKULIC: This is still the first question. The Appeal Secretariat.

MR. FLEMING: Our Appeal Secretariat has moved into the Community Support Services under Assistant Deputy Minister Pat Dezutter, so it's folded into that budget area.

MR. SEKULIC: Now, being new to this large budget process, some of these things were very difficult for me to find and then try to question.

MR. FLEMING: They're hard to follow because of the shift and the reorganization. The budget process hasn't been able to accommodate it.

MR. SEKULIC: My first supplemental is with regards to security. I understand that with recent changes in the program, particularly coming out in October, there's an apparent heightened concern at those district offices as well as the security training, which reinforces from the management side that there is a legitimate concern. My first question is: who is going to be training these people? I understand there was an American firm brought in. If so, why? What type of training exactly is the department providing to frontline staff now?

**9:32**

MR. CARDINAL: I think just a brief comment from my side. You know, we always have ongoing training programs available to staff. As far as security, again it's an ongoing program we have to make sure our workplace is secure and safe for the staff.

Don, maybe you want to expand on that a bit.

MR. FLEMING: Yeah. The only thing I can say in addition to that is that safety has always been primarily on our minds. I've been in the business for a long time and things haven't changed that much. I've encountered a number of irate clients in the last 30 years, and that will continue. There have been some recent events. The situation with the nurses and mental health services has prompted a lot more attention on our side, as well as the

Union of Public Employees asking us to take greater precautions for our staff. So over the last couple of years we've implemented an ongoing process, as budget will allow, to try and shore up some of the safety concerns that have been expressed by staff. I guess more what we are doing is responding to that.

In terms of the training, what we're looking at is training to try and de-escalate situations from becoming problematic. The group we were able to get in the time lines that we could was the particular group you're talking about. They've provided some core training to some of our senior staff members, who will then go out and provide that training on an ongoing basis.

MR. CHAIRMAN: Final supplemental.

MR. SEKULIC: Thank you. Certainly I support the safety of frontline workers, especially after the incident of last year.

My final supplemental, Mr. Minister. Earlier you'd warned that the next cuts would be in terms of staffing levels. I just want to clarify now: in terms of cuts, are you speaking to natural attrition in terms of . . .

MR. CARDINAL: Yeah.

MR. SEKULIC: Okay. And not in fact layoffs? They will be attrition.

MR. CARDINAL: As far as I know, that's the direction we can go. So far we've managed to work that way, and it has worked well.

MR. FLEMING: Yeah. I might just expand on that a little bit. I think that is part of our three-year planning process. We're looking at that whole co-ordination of services. For example, child welfare delivery crosses many departments, and to get efficiencies and make sure our dollars are being spent on frontline service, we need to look at the integration, the co-ordination of service between departments. As we look at that, hopefully there will be some savings, and through attrition we'll be able to continue to downsize.

MR. CHAIRMAN: Denis Herard.

MR. HERARD: Are we done now with 1?

MR. CHAIRMAN: We're still on 1.

MR. HERARD: Still on 1?

AN HON. MEMBER: No. This is 2.

MR. CHAIRMAN: Oh, okay. Do we have any more questions on program 1?

Mrs. Hewes.

MRS. HEWES: Except I can still reserve the right to come back if it hinges on 1. As you pointed out, Mr. Chairman, it's an overall . . .

MR. CHAIRMAN: Well, yeah. You'll have to relate it to a specific . . .

MRS. HEWES: Yes, of course. Certainly.

MR. CHAIRMAN: The chair, as I've indicated earlier, will be as flexible as possible, but if we get bogged down, we'll have to move.

Then we will move to program 2.

Denis Herard.

MR. HERARD: Thank you very much, Mr. Chairman. I had noted and I think, Mr. Minister, you commented on the fact that in program 2.2, Supports for Independence, there have been some increases since your May forecast. I'm not sure I understood exactly why that happened. Could you maybe revisit that for a minute or two in terms of the increases in Supports for Independence since May and what your view might be about what this holds for the future?

MR. CARDINAL: Yeah. That's 2.2. Of course the original supports for independence caseload for '93-94 was based on a reduction that would see the average monthly caseload for the entire year at 13,600. And that's annualized, so it would have to happen very early in the game to achieve dollars from that particular area, although I am confident that by March 31, 1994, the caseload will be down over 13,000 cases. The average monthly reduction will be 8,600, and therefore we had to make some adjustments, firstly by reducing basic and supplementary benefits and also transferring funds from other areas of the department. As I noted in my opening remarks, the caseload as of the end of August dropped over 10,000 cases, but again it's not annualized because we're almost half way through the year.

MR. HERARD: You just mentioned supplementary benefits. I think if you sort of net out all those cuts and increases, you get about \$27 million less in that area. How much of it remains, and what is it going to be used for?

MR. CARDINAL: That's again program 2.2?

MR. HERARD: Yes.

MR. CARDINAL: Well, my department's '92-93 budget for supplementary benefits was \$135 million, and for this year the \$27 million reduction still leaves \$108 million to provide for such items as personal support for the disabled, employment incentives, and so on.

MR. SEKULIC: First of all, this entire program area, Family and Social Services, is 12 percent of the provincial budget. We see that in the previous fiscal year it went from \$1.75 million to \$1.6 million. I do believe one of the most important factors in dealing with problems of this nature that this department deals with is a clear understanding of the population dealt with. What I include there is family size, age, education, work experience, work duration, and common social characteristics such as single-parent families, the working poor, victims of violence. Now, I believe that once the problem is clearly defined, you have to develop a process by which these people will be assisted. I think what I'd like to see is - is there a clear understanding in the department? Are statistics kept on the most common characteristics like the ones I just mentioned? If so, are those made available? Would we as an opposition be able to get a copy of what type of client is being serviced, what type of people are typical to need the service?

MR. FLEMING: We certainly have that information. I don't know if we have it with us.

MR. WILSON: If it's related to the number of single parents or childless couples, we certainly have that information for you. I have it here now.

MR. CARDINAL: We can read it into *Hansard*.

MR. WILSON: For example, presently, at August 1993, we had 36,000 single persons, 31,000 single parents, 4,300 childless couples, and 11,500 couples with children.

MRS. HEWES: Singles.

MR. WILSON: Singles, no family: we had 36,000 of them as of August 1993.

MR. SEKULIC: Good. I'll probably pursue that to a greater extent with the minister individually afterwards.

As important as I believe it is to understand the variables, the population we're dealing with, I think it's at least as important if not more important to understand what the appropriate level of assistance is. I'm not sure if this is philosophical. It's not academic. I think it's more practical. I'd like to know how the department assesses the levels set out in the regulations as sufficient. Here I'm referring to food, clothing, shelter. Who are the experts that are consulted to determine what sufficient is for these basic necessities? Is it dieticians, educators, realtors, consumer advisory groups, community services agencies? Exactly how do we come to define that this is an appropriate food budget and an appropriate clothing budget and an appropriate transportation budget? Who is consulted?

MR. FLEMING: Well, we have within the department some analysts that do that type of work and get their information from a number of sources. In terms of the food amount, usually the nutritional food basket is the guide that's used. That along with what's happening in other provinces, what the local situations are. All those things are taken into account.

9:42

MR. CHAIRMAN: Final supplementary.

MR. SEKULIC: Thank you. I guess in looking back at certain changes since 1991 in Alberta and the structural adjustments in the economy, it's forced a lot of people away from work. A lot of people have been displaced through efficiencies in the marketplace. There are fewer opportunities for those that would like them. There are greater requirements for those that are available. More middle-aged individuals are finding themselves unemployed, competing against recent graduates. So it's a much more difficult employment environment. You noted in your April release, Mr. Minister, that there were 91,923 families on assistance and that there's a normal attrition rate of 12,000 per month, which could appear in that same number or a greater number the following month. You've also indicated that now we've seen a longer term cut off assistance in the number of 10,000 files. I guess my question would be in terms of tracking. Where have these individuals gone? How can we define something as a success? How do we know that they're gone and it's not a two-month cycle or a three-month cycle? What defines success, I guess, is the real question?

MR. CARDINAL: I guess looking at the overall program itself – I've always indicated since I became minister that the high-priority area for me would be to make sure we provide a good a quality of

service for people who cannot fend for themselves. I'll ask the staff to pull that out. I think you will find, if you review the 91,000 cases, that people in that position that cannot work will probably remain the same. On the other hand, you just mentioned that there are 36,000 cases of single people that are back in the work force. I would hope that the 10,000 drop in the caseload is in the area where people are single or couples without children. I don't imagine it would be too much of a problem to be able to pull that information out. I'm confident that that is where the reduction has taken place.

As far as success or not being successful, the welfare reform plan is to get people off welfare. No one wants to be on it. They want to get off it. All we're doing as a government is providing a new opportunity for those people to get back into the work force, and if I see 10,000 employables – single, young, healthy people or couples without children – off a caseload, I would hope those 10,000 find a place to work. You know, there are indications that close to 140,000 Albertans are unemployed at this time, but I still talk to individuals out there who say they have two jobs and could have three jobs if they wanted. I'm not saying that everybody will necessarily have a job, but I hope some would take training, some would go into private industry and probably some in programs created by various levels of government.

MR. CHAIRMAN: Heather Forsyth.

MRS. FORSYTH: Thank you, Mr. Chairman. My question to you, Mr. Cardinal, is on program 2.2 in regards to the recent SFI cuts to the shelter and standard benefits. I guess I would like to ask you, first of all, how these benefits compare to the other provinces.

MR. CARDINAL: I'll just give you a couple of examples that I have on all the provinces and could read that into *Hansard*. An example: in Alberta a single employable receives \$394 per month, and this compares to \$663 in Ontario and \$631 in Quebec and \$492 in Nova Scotia. Now, we have to take into consideration also that we do not have a sales tax in this province. Those are some of the things that have to be considered when you're looking at rates.

MRS. FORSYTH: I'm sorry; \$663 in Ontario?

MR. CARDINAL: Yes, and \$631 in Quebec and \$492 in Nova Scotia.

MRS. FORSYTH: Now, I understand these cuts have . . .

MR. CARDINAL: And New Brunswick, for an example, is \$254.

MRS. FORSYTH: Sorry?

MR. CARDINAL: New Brunswick, for an example, is \$254.

MRS. FORSYTH: For a single employable?

MR. CARDINAL: Yes.

MRS. FORSYTH: My next question, then, is with regard to the earning exemption. I know originally it was the first \$115 that was exempt, and you've increased those earning exemptions. I guess I'd like to ask you what they've been increased to and why.

MR. CARDINAL: Okay. Basically that is a plan to make sure that wherever possible people have an opportunity to earn extra

money and be active, with the hope that they may land a permanent job and be off and become completely self-sufficient. Yes, we do have the original \$115 plus 25 percent now, and the 25 percent is basically to encourage people to get out and be active. From what I understand, it's generally been supported quite well.

Don, I don't know if you want to expand on that.

MR. FLEMING: I think that you've elaborated, unless there are some other questions.

MR. CHAIRMAN: Do you want to go ahead with a final supplementary?

MRS. FORSYTH: No, thank you.

MR. CHAIRMAN: Dunco.

MR. VAN BINSBERGEN: It's Duco, Mr. Chairman. I realize it's complicated. Thanks.

Mr. Minister, I'd like to get back to program 2.1.1, Program Support. The major question actually: what exactly does it consist of?

MR. FLEMING: Well, what's part of that particular program is our electronic data processing stuff where we have all our computer equipment and so forth. The big item in there that we're talking about is what's referred to as the lease of a local services computer process that does our SFI accounting and a lot of the work. It's in that area that that program focuses mostly.

MR. VAN BINSBERGEN: Okay. Now, you cut almost \$300,000 out of that one. What exactly has been cut then? Can you give us some idea how the cuts were arrived at?

MR. WILSON: Actually, the cut is \$3 million. We finished a major computer development that Mr. Fleming referred to. A significant portion of that was capital, so the major reduction in there relates to nonrecurring capital.

MR. VAN BINSBERGEN: That makes sense.

One quick question to you regarding what information was used to arrive at a reduction in school fees that seemed to be so arbitrarily arrived at. Can you give us some indication on that?

MR. FLEMING: The school fees. I guess there are a number of resources available to the clientele. Number one, if the student is not able to acquire the supplies they need, there is provision for the school boards to exempt them from that cost. There's also the tax benefit, the tax credit there that amounts to approximately a thousand dollars per student per year, and also the GST refund. So there are a number of other options clientele can access in that particular area.

9:52

MR. CHAIRMAN: Clint Dunford.

MR. DUNFORD: Yes, thank you, Mr. Chairman. We've been making pretty good use of Peter this morning. He used his jacket to help keep Heather warm, and I feel like perhaps I should have consulted him before these questions. It sounds like he used to work for these guys.

MR. SEKULIC: Inside information points.

MR. DUNFORD: Mr. Chairman, I just want to make sure I understand the process. I have a couple of questions in this area. Do I have to ask them all right now, or can we come back to them?

MR. CHAIRMAN: You can come back to them.

MR. DUNFORD: Okay; thanks very much. I'm curious about line item 2.2.7, Employment Initiatives. It's showing a substantial increase percentage-wise in budget. I'm curious as to the number of people that will be involved in these particular areas.

MR. FLEMING: That's our employment initiatives. What we're targeting this year is to place 2,400 individuals in that particular program. It's called the ACE program, the Alberta community employment program. So we're targeting to get individuals in there and, as the minister indicated earlier, have a fairly significant number of folks working now. The last count I heard was 475 that are currently working in that particular program, plus an additional 200 that are working in the northern Alberta job core program. Those numbers will increase as the months go by. Additionally, we had moved a million dollars into the department of the environment. We now have 150 clientele employed in that particular area as well. So that whole initiative accounts for that increase in dollars.

MR. DUNFORD: Okay. Are these dollars given to the people, or are they given to the employer? How does that work?

MR. FLEMING: We make these resource dollars available to nonprofit organizations. They top it off with the administrative benefits they may have in place, and then they're paid out to the individual clientele.

MR. DUNFORD: What is the level of wages, then, and what assurance would the private sector have that a number of people going into these programs in a certain area would not destroy the wage levels in that particular area?

MR. FLEMING: Well, they're all jobs that are not being occupied by current employees. The rates of pay vary depending - primarily, I think \$5 is paid out of those funding dollars from the department, and any additional amount that that organization may choose to pay over and above to supplement that.

MR. CARDINAL: I'd just like to comment on that also. I think up to 6,000 of our clients will be enrolled in full-time educational programs funded through the Department of Advanced Education and Career Development. By year-end the department expects to have 2,400 jobs and 600 training spaces in addition to what we've had in the past.

MR. CHAIRMAN: We will have one more set of questions, and then we'll have a short recess.

Bettie Hewes.

MRS. HEWES: Thanks, Mr. Chairman. Mr. Minister, a spokesman from your department has said publicly that you don't do tracking, and I think your answers to Peter verify that. I find it incredible, Mr. Deputy Minister, that a program of the size and shape and cost of SFI would be in place without that component put in at the very outset. I would like to know what outcome measurements you do use. How do we know, Mr. Deputy, if it is in fact working, if we are getting value for those dollars? How do

we know if we want to continue that program? The minister measures by the numbers of people who come off assistance. That isn't the only measurement. We have to know where they are, what kinds of jobs they're in, if in fact they are contributing or if they've simply left the province. I need to know what you as manager can tell us and tell the public about how we know if SFI is working.

MR. FLEMING: Well, as the minister indicated, yes, the bottom line is that they no longer are receiving a benefit from the department, ultimately from the taxpayer of Alberta. In terms of tracking, if I were to put a process in place to track – I think your colleague next to you has indicated correctly that the turnover in that particular program is something like 12,000 per month or probably averaging 10,000 per month. To put a process that would track that and then to track them – many of them do leave the province. Let's face it; there's a transient factor involved. If I were to try and figure out where they are and what they are doing, whether they are gainfully employed or back living with their relatives or back on a reserve in Saskatchewan, I think you would see our budget increase by a significant number of millions of dollars.

MRS. HEWES: Mr. Chairman, that's always the excuse, and I understand it. I sympathize with it. We never have the funds to do the research when we put programs in place. But this kind of program would not survive in private enterprise unless we can tell if we are getting value, if it is working. It would never survive. I believe we have to put those kinds of measurements on every program we do. The Premier talks about sunset clauses; the Treasurer talks about sunset clauses. How can we determine unless we have it? So that's one question with no answer.

Mr. Chairman, the cuts. I need to know how you determined those cuts. How did you decide what could be sustained? Was the CAC consulted? Were any of the income security support groups consulted? Were any consumers consulted as to what could be sustained? Do we know if housing costs went down? My food costs didn't go down; I don't know if yours did. Was there more low-income housing put on the market? How did you determine that those cuts could in fact be sustained?

MR. CARDINAL: I think I'd just like to make a general comment. Going back a bit on the tracking system, I think that definitely is right. You know, there is a turnover of over 10,000 per month, and to track those 10,000 is not that easy. On the other hand, when we put the program in place, I feel we knew, number one, that Albertans on social assistance that were employable, healthy, young people wanted a change in how the delivery system was to be done. You'll see that Program 2 has a hundred and forty million dollar cut or redirection of dollars in some cases to encourage the young employable people to get back into the work force. That program was announced before June 15 as to how it would be done, and I guess Albertans came back and said to us, "Yes, you're on the right track."

Now, again I think we have to have some time in determining if the 10,000 reduction in caseload – and if a 10,000 caseload is analyzed, we're talking about \$100 million. I would hope that caseload – most of the people, like I said earlier in my statement, are probably employable young people who either found work or went to other provinces to work or are in training programs, but I still would maintain that the 10,000 reduction in caseload, the caseload of the unemployables, probably would have remained the same.

So the reduction no doubt is in the right direction, and as a government of course we don't have all the answers. This is a very complicated area. That is why on April 21, six months ago now, I asked the Liberals to come up with their three-year welfare strategy. You have people that worked for departments before and are very knowledgeable of the department that could assist us in designing a good program for all Albertans. After all, we do work together. But we haven't seen your plan. I would like see that as soon as possible.

MRS. HEWES: Mr. Chairman, I thank the minister. Minister, certainly I've supported you and I will support you. For instance, in your added income earnings potential, I support you publicly and will continue to do so. I would also support a statistical analysis of where the SFI is working.

Mr. Chairman, my final question, then, is to the deputy. You mentioned that GST and tax returns and so on help to offset the absence of school fees. Could you give us, either now or in the future, some illustrations of the different categories where in fact that makes up the difference, because I have not been able to find that. I've asked various income support groups, and they tell me no, there is insufficient from those other sources to make up the loss and the necessity for school fees. If you could provide me with the information that tells me that it does, I'd be grateful for that.

**10:02**

MR. WILSON: In determining the net amount of SFI payable to a client with children, we do not take into account the child tax credit. This has been increasing over the years; we have continued to exempt it. Similarly, when the federal government introduced the GST credit as well, the department did not count that as income either. So there was a feeling that in arriving at some of these cuts, perhaps some of that increase was a reasonable offset against some of the other reductions.

MRS. HEWES: Can you give us the illustrations?

MR. WILSON: Yes. For example, the average child tax credit for one child is a thousand dollars a year right now, and for two children it's in excess of two thousand, all of which is tax free.

MRS. HEWES: Mr. Chairman, if I can just clarify. What I would like are some real illustrations of real people and the difference they have experienced in the last year or so that would offset the reduction in shelter or the reduction in school fees, perhaps just two or three illustrations of different categories.

MR. WILSON: Well, I guess we'll have to forward those, Don, if you want.

MR. FLEMING: We can provide you with something in writing. The thing is that like you and I, these clients manage their affairs in different ways.

MRS. HEWES: Indeed.

MR. FLEMING: When you take, for example, a family with two young children, the tax rebate alone is in the neighbourhood of \$2,300 or \$2,400. How we choose to spend those dollars varies from family to family. I've been told, and I do know a number of our clientele personally, that that amount of money is sufficient if you budget it properly. Like you and I, if we go out and buy a new car or a new pair of shoes that we didn't really need, then

that amount certainly isn't going to be sufficient. A lot of it has to do with the individual's management of their own personal affairs.

MRS. HEWES: I need that assurance.

MR. CHAIRMAN: The committee will now adjourn for a maximum of 10 minutes.

[The committee adjourned from 10:06 a.m. to 10:17 a.m.]

MR. CHAIRMAN: The recess has expired, so we will continue.  
Mrs. Hewes.

MRS. HEWES: Mr. Chairman, thank you. Back again. The chairman also noted that I didn't give you or someone didn't give you a chance to answer my questions about the consultation regarding the cuts, how it was determined that they could be sustained, whether or not housing costs had gone down, whether there was more low-income housing available throughout the province, food costs, and so on. In the same question, on the child tax credit, the deputy answered. Fine. The family allowance used to be allowed and was not rolled into the SFI allowance, the welfare amount, but now it is. The GST or the child tax credit is now rolled in, effectively. What I need to know, Mr. Minister, is: can you demonstrate to me that families are better off, or are they in fact less well off? That's the issue. We need to be able to convince and show people that we are not further penalizing people, but that it is in fact working to their advantage. I don't have that information.

MR. CARDINAL: As of October 1.

MRS. HEWES: Yeah, when that comes in, what's that going to do?

MR. CARDINAL: I can provide that in writing.

MR. FLEMING: Yeah, I think the best way to do that is to do it in writing, and we'll try to give you a couple of case samples or something of a typical type of family and lay it out. The other thing we can give you is some background on how we came about doing what we did.

MRS. HEWES: On who was consulted and if consumers were consulted? Thank you.

Thanks, Mr. Chairman.

MR. CHAIRMAN: Okay. Roy Brassard.

MR. BRASSARD: Thank you, Mr. Chairman. Mr. Minister, I have to say that I really like the focus of that supports for independence program as opposed to the traditional welfare program, and I think the thrust is indeed designed to get people back to work and off the support rolls.

My concern, however, revolves around the current state of the economy and just where we're at. I heard you say that your ambition this year is to reduce the rolls by something like 13,000, 13,500 people. I'd really like to get a better handle on how you hope to accomplish that given the current state of affairs.

MRS. HEWES: Good question.

MR. CARDINAL: That's a good question, yeah. I guess when you look at Alberta, although we don't advertise it too much,

compared to the rest of Canada, Alberta's economy is very stable and strong. The recession, of course, has impacted all jurisdictions, but in general Alberta is doing quite well. Clearly, with a 10,000 caseload reduction already achieved and greater emphasis on clients that become independent, it appears many have already chosen to join the work force or training programs somewhere. The tracking of where our clients are going was mentioned earlier, of course. I, too, as a minister am a person that wants to know results and information on the results. Are we actually helping 10,000 back into the work force? As a minister I want to know that, it's only fair to Albertans to know that, and it's only fair to the clients in order to measure success. I am confident we can do that.

MR. BRASSARD: I know there's been a real collaboration between your department and Advanced Education and Career Development. Are you employing any outside services? Are you contracting any services? Is it totally at the discretion of Advanced Education and Career Development?

MR. CARDINAL: There are a number of ways we are looking at the targeted employables, basically providing encouragement for people to get back into the work force by, for example, additional earning exemptions; creating 600 new spaces jointly with career development and employment; and transferring \$32.4 million to career development and employment under student finance to make available grants, a combination of grant and loan, or student loans to our clientele. That's one way.

The other way we go is co-location of different departments in some of our offices; for example, the Athabasca office, which has our social services office plus career development and employment and Immigration. The office is basically more employment and career development oriented, where the employers are now phoning the office and listing the jobs they have available. When a person walks in the office, they get offered either a training program or direct placement in a job, and we provide the transitional support services to get the people independent. That concept is being expanded, I believe, to five locations or so this year, and hopefully we can expand that right across the province, where a person walks into career development and employment and support services all in one office. That's a very positive step, very well received by the clientele. In fact, that concept was designed with the assistance of the clientele. That's what the clientele wanted to see a welfare office look like: rather than the welfare office, career development and job placement oriented, a more positive swing to the whole process.

MR. BRASSARD: My final supplementary, then, is that I know in the school program they have – I forget the name of it – an OP program, where some of the students that are having difficulty with academic courses have an opportunity to get on-site job training so that when they graduate from school, they'll have developed some life skills. Has your department been able to establish any of that kind of outreach with the employment community at large to enable people who are graduating from some of these programs like ESP and others? Have you been able to kind of set up any links with the commercial community at large to work with you on job creation?

MR. CARDINAL: At this time the only process we have, of course, is the ability now for the first time for an employer to actually phone a Family and Social Services office and say, "Do you have half a dozen employees that I can hire?" We have the ability now, if we do have employables on our caseload, to say



yes, we will get the people to your site, and we will provide the assistance that's required for them to make the transition from being on social assistance to either temporary or full employment. We have that option.

The other area we have with the nonprofit organizations, of course, and government departments is the employment skills program, which under our department has been very successful. We will hire people on a six-month basis to pick up the work skills, and hopefully they continue on with a job.

We have the three-year welfare strategy. The second year of the plan that was announced in April included the involvement of private industry jointly with our government to make sure they participate in hiring our client. That one we're still working on, along with private industry, to try and design as to how we can encourage private industry to hire more of our people. Again, we'd like to get some ideas and thoughts from anyone here or anyone you know of to try and assist in designing a good program to provide either a wage supplement or some form of support for our people to be hired by private industry. That's the second year of our program, which should start April 1, 1994.

MR. CHAIRMAN: Peter Sekulic.

10:27

MR. SEKULIC: Thank you, Mr. Chairman. Mr. Minister, I do recognize the scope of your department, being one of the largest and most complex. I believe it to have the largest number of financial and human transactions of any department in government; consequently, I understand it's hard to co-ordinate all of these. Once again, I support the comments of Mr. Roy Brassard about the employment initiatives. I think it's fantastic, and I think most people on assistance and people not on assistance support the initiatives. However, Mr. Minister, I think we fall short in the fairness component of how we're going to deliver this. I hope we can work together to overcome some of that.

I think my constituency in particular has one of the highest numbers of single-parent families. Consequently, it's a real concern to me that those opportunities which you speak of, Mr. Brassard, do emerge and exist before we say, "Go and get them." They must exist. In light of the high number of single-parent families, the reduction of school fees has really posed a problem in my constituency. The way I'm looking at it and many of my constituents are looking at it is that given the restriction in terms of the bank balance under the regulations, I believe it is, and also the timing of other income sources, for someone with a lower income or at or below the poverty line it's a very difficult issue to balance. Now, I recognize Mr. Fleming's earlier comments. We are in a different income category – myself being the lowest paid here probably – but we are able to budget and allocate differently. These people in this income category have a much more difficult time and may not be able to have money in the bank due to regulations or they're covering other costs. How do we overcome that? How do we try to bring some fairness in now? I do believe personally that this is one area where my constituents will be hurt and many other Albertans in the same way.

MR. WILSON: With regard to single parents, right now the benefits we pay to single parents equate to approximately \$15,600 a year. That's without them doing any kind of work or wanting to supplement in the way Mr. Cardinal described previously. We feel there are a lot of low-income families subsisting on somewhat less than our social allowance recipients. So that was a factor determining some of the benefit cuts.

MR. CHAIRMAN: Supplementary.

MR. SEKULIC: It will be the preamble to my supplementary. I'd like to see the way that number is derived. In addition, I guess there's another cut, and it's the transportation payment for medical purposes. It's paid at only 9 cents per kilometre. My own allowance, I believe, is 25 cents per kilometre, and government staff are 27.5. I'm just wondering: why the discrepancy? Why are we treating someone on assistance below those levels which we treat ourselves?

MR. FLEMING: We use that rate with different groups of people. The 27-cent fee is primarily where someone needs a vehicle and has to maintain a vehicle for employment. That takes into consideration the additional costs associated with licensing and insuring and so forth as a result of the job. The 9-cent fee is basically in recognition of: you've got a vehicle anyway; it happens on this particular occasion that you need it for something in particular. The 9-cent amount basically reimburses the person for the gas and oil.

MR. SEKULIC: My second supplemental is with regards to the benefit code for lost or stolen cheques. Now, I understand that's been done away with. The question now is: what if the cheque is lost and legitimately so, as many clients have that problem? How can you compensate in those cases? How can you account for it when the computer system won't generate if the code is gone?

MR. FLEMING: Well, the reason for discontinuing that is that the dollars we were having to put forward as a result of lost or stolen cheques were growing day by day, and there's no way of determining whether they were really lost or they were not. I know the minister has had some experience with that personally in this riding. So we had to put the brakes on. I don't know how many times you've lost your cheque or had it stolen, but so far I haven't had mine. I guess it's on that basis that we had to make that decision.

MR. CARDINAL: Just a brief example of that. I don't want to dwell on it, but it could have been a serious problem unless we'd dealt with it somehow. One example in my particular case happened because . . . You know, it's within reasonable driving distance from Edmonton. A cheque was reported as stolen to our office at 4:25 on a Friday afternoon. About the same time or a couple of minutes after, that cheque showed up in a small town general store, and the cheque was cashed. I got a phone call, of course, that there was stop payment on a cheque. But it would seem to be a general trend that was happening more than it should, and the dollars provided to the people that really need them weren't going to the right place. That was one reason why we had to step up a process to try and prevent that, to make sure that the dollars out there are going to the people that really need them, not the people that have figured out a system of getting additional dollars.

MRS. HEWES: Mr. Chairman, could I be permitted an anecdote at this point?

MR. CHAIRMAN: So long as it doesn't set a precedent.

MRS. HEWES: Just to follow on the minister's comments, during the Christmas break I left my home phone number on the answering machine in my constituency office, and I had a client of yours,

a single parent, call and say that she was in the process of moving. The sheriff had taken out of her residence the stove, refrigerator, et cetera, and social assistance had provided her with the damage deposit. She had a new place, but she was in the process of moving right at the end of the year. So she found herself . . . The cheque had gone to the new address. The postman, finding that nobody lived there yet, had taken it back to the post office and so on: one of those ridiculous situations. So I said: "All right, who's the worker? I'll call." It was the Fort Road. I called the Fort Road and got the machine. The machine made me wait. I waited and waited and eventually got a human being on the other end, who was very nice and courteous and then said, "I'll have to have somebody call you." I said: "Oh, no you don't. Don't you leave me. You stay right there on the line until I've got another human being." Eventually I got through to a very nice gentleman who understood. I said, "I don't know whether this woman's telling me the truth or not; all I know is that she's someplace and has two children." He said: "I will look after it right now. You do not have to worry about it a bit. It's all okay." I said, "Thank you very much."

Before I stop, Mr. Minister, I just want to tell you that in my constituency office and, I believe, in most constituency offices we get very good support from your front-line workers. They are helpful. We try to keep our eyes on the needs of the clients and look to them for advice and work with them. I hope you will tell them that.

MR. CARDINAL: Okay. We sure will pass that on.

MR. CHAIRMAN: Thank you.  
Clint Dunford.

MR. DUNFORD: I don't have Peter's knowledge and experience to be able to pick the line item, but I want to relay a concern that was provided to me by one of the agencies in Lethbridge. It deals, I guess, with how people probably move within your department and gain support or lose support.

The frustration that was being articulated to me was the fact that they were prepared with this 3 percent reduction to do what they had to do in terms of the administration, but they were very frustrated when parents came to them with a child – I guess in this case it wasn't a child; it was a handicapped adult – and wanted them to have this person get involved in this program, and they were already full. So they went to your group services people or contract services people and asked for – and this is where it's going to get anecdotal; I'm going to give you the numbers she told me – an increase in their program of \$500 a month to accommodate this person. They were turned down. So what happened to this person, then, was that I guess they ended up under the SFI, supports for independence, at \$1,500 a month. Now, could that have happened? If it did, is there some way we can approach those kinds of situations?

**10:37**

MR. FLEMING: Well, without knowing exactly what you're referring to, we do fund a number of agencies to provide daily services, and I suppose this is probably what your situation is describing. There is a cost to that as well. If the program was full, then I'm sure they probably couldn't accommodate them, and I suppose it's conceivable that if we couldn't get the individual into an existing program, we would have to do something else. That's what the whole community living program is about. We

are funding it with our SFI program. I don't know how better to respond to your question.

MR. DUNFORD: I think you responded very well. I guess I asked the question poorly.

My understanding was that even though the program at this agency was full in terms of the contract they had with your department, there was still room to have taken on an additional person or persons. I don't know how they calculated these numbers I was given. I mentioned it's anecdotal. I'm just giving you numbers as they were given to me. So I don't want to leave with you the impression that the program was full and this person couldn't have been accommodated. The suggestion was that yes, this person could have been accommodated for \$500 a month; instead, they were accommodated for \$1,500 a month.

MR. FLEMING: I guess all I would say is that in those particular instances we do have an appeal process. The individual could have gone to the district manager to determine if in fact the response they were given was the final response and resolved it that way.

MR. DUNFORD: The agency could have appealed, you mean?

MR. FLEMING: No. As I understand it, the agency were the ones that denied access, saying they wouldn't take the individual.

MR. DUNFORD: No.

MR. FLEMING: Oh, then I've misunderstood your question.

MR. DUNFORD: Okay. I'm sorry. I'm maybe struggling a bit with this. It's not my field of experience.

The agency had a contract with your department to provide services to X number of people. In their facility they could accommodate more than what they had under this contract. The parents of this adult come to them and say, "Can we put our son or daughter into this program?" The agency says, "We'll see what we can do." So the agency then goes to your group people in Coaldale and says, "Look, we've got a request to add this one person, so will you increase your funding to us under this contract by \$500?" The answer is no. So they go back, of course, to the parents and say, "No, we can't accommodate them." The parents would then be given some instruction and this person would end up somewhere in this area under supports for independence, probably getting \$1,500 a month. So the parents didn't particularly care. I mean, their needs were being looked after. It was the frustration on the agency's part. What they were looking at is that in this one particular case there may have been upwards of \$1,000 a month that perhaps was now being expended to no advantage to anybody.

MR. FLEMING: Yeah. I think I understand where you're coming from now. I suspect what happens is that in each region, each program area, certain dollars are allocated for certain services. What probably happened is that hit the limit of the amount you have available for contract services, and ultimately it went the other way around. That should still not happen, and that type of situation needs to be brought to a higher authority, I guess, for a resolution. I mean, it doesn't make any sense that we would reject the \$500 placement and spent \$1,500 more in an alternate situation.

MR. DUNFORD: Well, certainly now I'm delinquent. What I should have done is gotten the facts of the case, and then I could have just dealt with the minister directly and maybe we could have resolved it. I'll do that in the future.

MR. FLEMING: Thanks.

MR. CHAIRMAN: Thank you.  
Alice Hanson.

MS HANSON: Yes. I'm going to go back to the school fees for just a minute. I'm interested in asking you what information was used to determine the reduction in school fees. Was that based on any kind of consultation, research input?

MR. FLEMING: I thought I answered that question.

MS HANSON: That's in regard to the child tax credit and the GST. Is that what you mean?

MR. FLEMING: Yeah.

MS HANSON: So was there any particular reason – obviously you took that amount of income that hadn't been taken into account before in social assistance and decided it needed to be used or taken into account. So you're saying that you decided that that would cover the school fees, that was enough.

MR. FLEMING: That's correct.

MS HANSON: Okay. What kind of involvement did the department have with school boards regarding the waivers? I have heard of a number of cases where some schools waive, some schools don't. I wonder if there's an agreement.

MR. FLEMING: I guess that's a policy of another department, and I can't really respond to that. The provision is there for them to waive the fee. If there's a demonstrated inability to afford the books and supplies, I think your question would be better addressed from another department's point of view.

MS HANSON: Okay. I have heard of quite a number of cases where people were either refused outright or paid gradually through the year. What they had to do was get permission from the principal and then go through the lineup for registration with their child, holding the piece of paper, and they have found that very difficult for the children particularly. I have heard of schools who have just said, "That's your problem." So I think the decision must be down to the school level, because it doesn't seem to be just one system – you know, catholic or public – that does that. It's the individual schools. I don't think it's being carried out consistently, whatever the policy is.

MR. CARDINAL: We do have also the new wage exemption which allows people to go out and if they're able or in a position to do so – if one child or two children are in school, for example, and if the person is healthy and employable, you know, at 115 plus the 25 percent exemption, there's nothing to stop them from taking a part-time job somewhere to offset some of those costs. It provides them with a better opportunity to be involved and a little more active in the work force. We think in some cases no doubt parents can do that. Especially if all your children are in school, then you have from 9 in the morning till 3:30 when . . .

MS HANSON: But if they're in full-time training or education, of course that's another thing.

MR. CARDINAL: Yeah, that's different.

MS HANSON: Okay. I would like to ask you: has there been an increase in food voucher requests? I guess it's a little early to tell, but I was wondering about it since the school fees had to be paid, since there was a time limit on those fees.

MR. FLEMING: I'm not aware of any at the moment.

MR. CHAIRMAN: Heather Forsyth.

MRS. FORSYTH: Yes, Mr. Chairman. To the minister. I have just one question, so I'll be short and sweet. I don't know if I won't make up a kettle of fish on this one. It's under 2.3.3, Alberta Assured Income Plan for Seniors. Why is this in your budget when it should be under community services? It would free up \$48 million in your budget and would allow you to put it into some other areas. Do you understand?

MR. CARDINAL: Could you run the question by again, just the final part?

10:47

MRS. FORSYTH: Why is the Alberta Assured Income Plan for Seniors, currently showing \$48 million in 2.3.3 of your budget, under Family and Social Services when it's addressing the needs of the seniors, which I would think in my limited knowledge of this – why is it there and not in the community services budget?

MR. CARDINAL: I suppose there are a number of reasons. You know, if you want to make that recommendation – I do have a very big department and a lot of staff. It's a tough job.

We do have agreements with the federal government also. Under the Canada assistance plan, we have to follow certain criteria as far as getting cost-shared programs. I suspect that particular program would be cost shared. That no doubt is one of the reasons it would be under this department. We can provide that to you in writing.

MRS. FORSYTH: So it's actually just topping up their old age and their Canada pension to make sure they're on the standard . . . Okay.

MR. CARDINAL: We do have under the Canada assistance plan a percentage of our program normally cost-shared on a 50-50 basis with the federal government. This is one program that is, and no doubt that's one reason it would be under this department.

MRS. FORSYTH: Okay. That's good.

MR. CHAIRMAN: Do you have any supplemental?

MRS. FORSYTH: No.

MR. CHAIRMAN: Bettie Hewes.

MRS. HEWES: Thanks, Mr. Chairman. I want to follow up on the question Mr. Dunford asked. The shelter allowance to individuals on assistance who are living at home will now be gone. Mr. Minister or Mr. Deputy, my assessment of that is that families who have counted on that as part of their collective ability to stay

at home together, who have counted on that shelter allowance coming through that family member, will now, of course, have the option of saying, "All right, we can no longer look after son or daughter or mother at home, so we want our family member put in a group home," which will not be appropriate to the taxpayer from the standpoint of the economy because it's going to cost us more. But it's also not a humane decision. Our whole intention is to keep families together where we can. I don't understand why we did this. I know we did it to save money, but I don't understand what kind of consultation went into that one, Mr. Chairman. I gather there's going to be an appeal to it, or a client could appeal. If that's the rule, then I don't see how an appeal is going to make any difference.

MR. FLEMING: If I might try and respond to the question, I guess the rationale or thought that went into this is that if our children come back into our home after they become an adult and are living with us, you or I will have an accommodation there that obviously we've already made some arrangement to pay for. So I guess the feeling is that we shouldn't be supplementing that to someone who is not qualifying for public assistance. We're only taking that amount, which is \$64, out of that particular program. We're still leaving the personal and the food parts of that. That applies to both adult children and what was known as the guardian social allowance program. That's a program that's used quite often in a number of communities where young children of adults who for one reason or another are not able to care for them are placed with a grandparent. The same thing applies there. The grandparent has a home, maintains a home. It's only that part that we're taking away.

MRS. HEWES: Mr. Chairman, this is a form of fostering. You know, if we started in and said to foster parents, which we're increasing, "Okay, we're going to cut you back by \$64 a month," you just couldn't get away with it. You wouldn't be able to do it.

Mr. Chairman, I think we will see families say: "Okay, you're going to cut the shelter allowance for my adult mentally disabled daughter. We're going to turn her off and let her go totally into your care, and she'll be in a group home at a few thousand a month." Now, if the family goes to appeal, there's the rule, and they will lose the appeal. You and I will be picking up the difference.

MR. CARDINAL: This is not mentally disabled, though. We're talking about fostering. Are you saying that we pay the parents to foster their own children? We're not talking about mentally . . .

MRS. HEWES: No, no, no. Mr. Chairman, I'm sorry, I shouldn't have mentioned that. I said it's like fostering, that we couldn't get away with this kind of cut if we were doing it to foster parents. I don't disagree with the deputy saying that yes, we expect families to do their share. No question. But families have been doing their share and managing with this amount of money. Now we're taking out the shelter. If the family then says, "All right, I can no longer afford to keep this person at home," then you and I are going to be picking up the total cost for that person someplace out of the home. I think it's not cost-effective. What I need to know is: if the family or somebody goes to appeal – the same question you asked, but a different sort of shape to it – they're going to get turned down. That is not cost-effective, Mr. Deputy.

MR. FLEMING: Of course, there are always two opinions, and I guess that's what this whole business is all about. First of all,

as a parent and a grandparent, if I had my child with me – and it's this logic that I guess we carry into these decisions – I have a home. Regardless of what our income level is – I could be on either end of the scale, but I do maintain a home and I have a responsibility to my family, both my immediate children and my grandchildren. I don't think you're right in assuming that these people – there may be people who think differently. I certainly am not going to turn out my adult child or my grandchild because that decision was made to take off the amount I already have paid anyway in my rent or my mortgage payment. So I guess it's a debatable item, but if it helps at all, that is the rationale.

MRS. HEWES: Well, Mr. Chairman, all I can tell you is that I'm getting that kind of inquiry, people saying, "I will no longer be able to manage my household, and therefore I'm going to have to give up." I think that unfortunately is not a good human decision either. So I would hope we are tracking this one and watching it and, if people do go to appeal, we're thinking carefully about whether or not it's effective from a cost standpoint.

MR. CHAIRMAN: Mr. Coutts.

MR. COUTTS: Thank you, Mr. Chairman. I see we've got just slightly over an hour left and we've got program 3 and program 4 to get into, so I will give only one question and not my two supplementals. I'd like to see us hopefully get into some native affairs here, because it affects some of the people in my constituency.

I'm a strong advocate of people working within their budgets. I like the concept of the supports for independence service that we're coming up with, because I really believe education in being responsible for your money is as much being responsible for yourself rather than having somebody else being responsible for you.

10:57

I get the sense, going around the table here, that there are base amounts and then there are excess funds for this program, that program, and the next program. I think my frustration is, as was said last week: we have a \$21 bus pass and we're only giving them \$11 to go towards that, and that gives the perception that we are shortfaling them \$10. Could we not somehow in our program do some encompassing that would give the perception that they have to fit their expenses within their own annual budget that they're working on?

MR. FLEMING: I'm not quite sure how we can respond to that. I guess in essence that's exactly what happens. Their budget is the amount we give. The basic, if it's a single parent with two children, would be somewhere in the neighbourhood of \$1,000 to \$1,200, \$1,300. So the budget is there for those basics that we've determined plus anything else. The other parts of that particular budget are made up of the child tax credit, the GST rebate, and that forms part of the budget. I don't know how, without specifying it, you'd attack it.

MR. CARDINAL: The average family under supports for independence now receives around \$2,300 per year in addition to assistance, without deductions.

MR. COUTTS: Just one supplemental, then, sir. This bus allowance: that's over and above then? Do they get extra for that?

MR. CARDINAL: That would be part of the supplement.

MR. COUTTS: Part of the supplement.

MR. CARDINAL: Now just remember, it's important that each case be looked at individually in the appeal process. If, for example, both children are in school, then the person is employable. They now have an opportunity not only to keep the first \$115 they earn but 25 percent above that and to be able to take a three-hours-a-day job while the children are both in school, if they're in a position to do it. Now, each case has to be looked at. Some people would not be in a position to do that.

MR. COUTTS: Thank you, Mr. Chairman.

MR. CHAIRMAN: Peter Sekulic.

MR. SEKULIC: Thank you, Mr. Chairman. Mr. Minister, in April of this year you came out with your welfare reform strategy. I've got my copy here. I've written: good, good. There are a number of things which I really appreciated in terms of employment initiatives. I'll just refer to one inconsistency, which I hope we can resolve, because there are a number of weaknesses, and I think if we work together we can benefit people out there. This says that fee for services funding for agencies who provide SFI clients with employment-related life skills, counseling or referral services, or assistance in becoming self-employed will be expanded. I highlighted that as being a positive step forward. Then on August 19 of this year, with Family and Social Services' new operating changes, other program reductions, we see that a \$5.4 million saving will be achieved through the contracts awarded to approximately 380 outside agencies providing advocacy services, residential services, outreach services, rehab, day programs, and vocational programs to department clients. I see an incongruity there, and perhaps it could be the way I'm reading it. I supported the first one; the second one I don't support. Maybe I could get an explanation on that.

MR. FLEMING: I'm sorry, I missed part of the first part of your question. I shouldn't have been looking at a note.

MR. SEKULIC: Okay; I'm sorry. Mr. Fleming, on April 15 there was an indication that there would be an expansion of programs and services to assist people off assistance. Then in the August 19 new operating changes we see \$5.4 million savings in those same areas. I was just wondering as to the incongruity there. I do support the employment initiatives to help people off it.

MR. CARDINAL: You'll notice the \$154 million reduction. I explained that under employment and training programs we're increasing the budget by \$9 million as part of the increase in the high-needs area of \$28 million. We are still moving in that direction to make sure that with those training and employment agencies, we do have the dollars to do that part. The 380 agencies or so with the 3 percent reduction we're talking about are social support agencies more than employment agencies, from what I understand.

MR. SEKULIC: I guess in the way I look at it, I see the social component or the social support being a critical part of re-employment, and I certainly hope we revisit that area.

MR. CARDINAL: You have to realize that this year we've increased the FCSS budget, which does a lot of the social support

at the community level, by \$1 million and allowed 28 new communities to be able to join and provide some of it, social support structures, as part of the overall plan of making changes, making sure the social supports are there to go along with the change.

MR. SEKULIC: My first supplemental. I quite agree that there has been an expansion of \$1 million, but it's just that there are 28 new communities we're looking at, and I don't think it's sufficient. Now, the department – and quite agreeably from my point of view – says that responsibility must go beyond government. I support that, but given the current socioeconomic situation – and I think we've visited this a number of times; I know a number of my constituents, students or otherwise – the unemployment situation is critical. People are not able to be reabsorbed into the marketplace, and despite my support for the employment initiatives, until we have jobs, people can't become independent. How are we going to confront that? I understand ACE is one component.

MR. CARDINAL: Yeah. It's not the ideal component.

MR. SEKULIC: Granted. I understand that ESP is another. What else is in the works? Is there a global plan or something that will contribute to the personal jobs?

MR. CARDINAL: Ideally the jobs should be provided in private industry. That's the ideal situation. I believe in Alberta right now, and in the past number of years and in the future, we'll have over \$20 billion of economic initiatives, either complete construction or commenced or will commence. For example, in the forestry sector, I believe we have invested about \$1.3 billion or so, have created over 12,000 jobs plus the spin-off jobs in that particular area. The overall economic diversification of Alberta is why Alberta has survived the recession a lot better than other jurisdictions across Canada. We do have a diversified economy. We have forestry, tourism, the oil and gas industry, agriculture, and I can go on. It's very diversified.

Now, we'll always have pockets of areas in Canada – and Alberta's no different – that, because of availability of resources, location and potential location of industrial projects, have higher levels of unemployment. An example of this would be some of the northern communities. Although the Alberta-Pacific project in my constituency is reasonably centrally located in the high-needs area, it's not going to accommodate as much as it could in some of the smaller communities where you could have up to a thousand people unemployed. In those particular areas, instead of waiting till the jobs are in place in private industry, you have to stimulate the economy by the northern work and the ACE programs as temporary measures, because people want to get back in the work force as quickly as possible.

Hopefully, as we move along with our economic diversification plan, real jobs will be created soon down the road. The make-work projects are temporary. They're not the answer. We know that, but we can't afford to wait. The welfare system has been around for 40 years, and the way it is, it's not acceptable anymore to the public or the people on assistance. They want to get off it, and we have to move as quickly as possible. It's a complicated process, but we have to move on it.

**11:07**

MR. FLEMING: Just a supplementary to that. The important thing here is the attitudinal change and the shift. You know, what we had was increasing welfare caseloads where people had

basically given up in despair and gone to welfare and just sat there and vegetated. Since we've started this process, we have reduced the caseloads and I think we've actually given some hope to some people. We read about the negative situations, but we get a number of positive reinforcement coming to us from individual clientele. I just want to point out that although these make-work projects we're talking about, the ESP project, may sound like it's not the way to go, we're hoping the ACE program will have the same benefit or the same effect. We're showing about an 80 percent placement into real jobs, if you will, from those programs. So if that can happen, if we can even get 80 percent of them piggybacked onto private-industry jobs, then I think we've made a significant gain. Certainly we've changed the whole feeling of hope for that element of society.

MR. CARDINAL: I guess the thing is that we were spending close to a billion dollars paying people to do nothing, and I guess the people should apply themselves – that's under supports for independence – want to do something, and as a government I think we have the responsibility. Although it's a tougher way to go, I think we have the responsibility to provide a better alternative for the people. It may mean, you know, paying people to do public-works related projects such as tree planting, road maintenance – projects of that nature, say, in the city of Edmonton, for example, working for the seniors, the schools, and the nonprofit organizations – as a short-term measure but not as the answer.

MR. SEKULIC: Thank you. We definitely agree on the one area: that these people who are on assistance, those that are employable, able, and available, definitely want to go to work. I think the employment skills program is to be commended. If professional staff are being placed there, the placements that they put together are very successful. I think 80 percent is probably an accurate measure, and I hope that we continue and perhaps with greater intensity in that program area.

My second supplementary question, Mr. Minister. We saw, as you alluded to earlier, given the differences in the economic situations from province to province, that there is always migration. There is in-migration, a substantial number of people coming into Alberta, some of whom ended up on assistance. Is there any tracking? Are we aware of how many people we've assisted out of the province, like provided bus tickets to return home? It could have been Saskatchewan or British Columbia or Ontario. Is there any number on that? Do we know what the out-migration was?

MR. CARDINAL: There is some indication that maybe up to 2,000 per month could be leaving. There is no indication at this time, though, what the reasons would be. It may be that the economy is picking up in their home provinces, maybe not. It may be that the welfare rates are better in their home provinces. It may mean that some of the people that were on assistance in Alberta did not want to work, and when part of the program is to offer that opportunity to everyone – if the job is offered, if they don't take it, then they're cut off. Now, for someone that does not want to work – and it's a very small percentage of our caseload because most of them do want to work – then the alternative would be to leave the province. We'll make it plain; we're not backing off. For people that are employable and trainable, if they do not take the opportunity we offer, they don't get assistance either.

MR. CHAIRMAN: Roy Brassard.

MR. BRASSARD: Thanks, Mr. Chairman. I'd like to move on to 2.3.3 specifically. I noticed in the Alberta Assured Income Plan

for Seniors that the budget is flat, yet I know that demographics indicate that we've got a rapidly increasing number of seniors in this province. I wonder how you're able to maintain a flat budget at a time when we've more seniors than ever.

MR. WILSON: The program provides a top-up to OAS/GIS to a maximum of \$95. We find the same trend with the widows' pension program: that people are making better provision for their retirement and consequently don't attract the top-up. So we're keeping the caseload relatively flat around that \$89,000, \$90,000 mark that it's always been for the last several years. Basically because people are making better arrangements, they get pensions, et cetera, and consequently don't qualify for GIS as well.

MR. FLEMING: Mr. Chairman, if I might at this point interject. Just for the record, AIP is not a cost-shared program. I think we may have alluded to that earlier. It's strictly an Alberta program.

MR. BRASSARD: So you're saying, then, that the numbers accessing the program are down, so you're able to maintain a flat budget. In Widows' Pension: is that similar? I see only a 4 percent increase. Without making assumptions here, I had thought we had a higher percentage of people accessing that program. Am I wrong?

MR. CARDINAL: Probably less dollars is what you were saying.

MR. BRASSARD: Is the Widows' Pension changed in dollars, then?

MR. WILSON: Yes.

MR. BRASSARD: I see. Okay.

MR. WILSON: The caseload in 1990 was 3,156, and this year it's projected at 3,100 for a negative of 56.

MR. BRASSARD: My final supplemental, Mr. Chairman, is dealing with Assured Income for the Severely Handicapped. I notice that you're showing a slight increase in that, yet I also know some of the initiatives you've taken to help the people in that category get gainfully employed. Has that not kicked in yet, or are you not seeing the results of it yet? You're anticipating a very slight increase in the dollar amount for the coming year. I know that in that category, too, there are a lot of people that would like to be employed if the transition from this program to becoming gainfully employed was as liberal as the supports for independence program is. Right now, I believe – I won't elaborate. I don't know if I'm explaining myself.

MRS. HEWES: Perfectly.

MR. FLEMING: Part of that increase is the benefit increase. The other part is that there has been a slight increase in the numbers that have applied for that benefit. Yes, the other initiatives that we're taking relative to getting those who can into the employment stream haven't taken effect yet.

MR. BRASSARD: Thank you.

MS HANSON: I'd like to ask a main question and a supplemental in regard to the AISH program. In the targets that have been set for I believe 20 percent of the caseloads – okay; that was our information – whatever the targets are for the cutting, what we're

mostly concerned about is where people are going to go and also the criteria for removing people from AISH. I wondered: since individuals have to go through an extensive application process and medical referrals with certificates from doctors, how does a social worker or whoever – a layperson, I assume – within the department decide that these people no longer qualify for AISH? I'm wondering how you do that on the basis of the medical certificate to begin with.

MR. CARDINAL: I think the percentage is wrong. The overall budget reduction targeted over the three-year period is 20 percent, but when you look at the budget in that particular program itself, I believe it's 1 percent, if I remember right. It's not a 20 percent reduction.

MS HANSON: Okay. There were a specific number of files, though, as I understood, that were to be closed each month.

MR. FLEMING: Well, there's no specific number of cases there as targets, if you will. What we've determined from a number of sources, including advocates for that particular program, is that there's probably somewhere in the neighbourhood of 20 percent of those individuals who could, given some assistance, become employed to some degree. Bear in mind that we're not cutting these people off. People who have a permanent handicapping condition and cannot work will stay on AISH; their benefits will not change. It could be someone with a permanent disability but has some capacity to work. We're allowing them and assisting them to access the labour market to the extent that that's possible.

*11:17*

MS HANSON: So in reviewing the files or reviewing the situation with individuals, I was just wondering how you do that. How do you decide, if you have a medical certificate that says that this person can't work? My understanding of AISH was always that people were permanently unemployed or were not able to work at the time they went on it.

MR. CARDINAL: There's an annual update of verification.

MS HANSON: So now you're going back and looking specifically at the individual files based on the annual update?

MR. FLEMING: We're just having a closer look at them.

MR. CARDINAL: Yeah.

MS HANSON: Yeah, okay. Thank you.

The supplemental is in regards to the offer from the Canadian Paraplegic Association to work with the department in an overhaul or review of the AISH program. I understand they wanted to be involved in helping the department assess those AISH clients who suffer from brain injury or spinal disorder. I wondered if you had acted at all on that offer.

MR. FLEMING: Very much so. As a matter of fact, from the day they first contacted us, I assigned some of our senior staff, and they're working hand in hand to develop a process, which I hope I'll have next week.

MS HANSON: Well, that's great, because I know that particularly with brain disorders, those people have a very difficult time. There's not much knowledge about it. Thank you.

MR. CHAIRMAN: The chair is certainly in the committee's hand, but I just want to advise that we have just slightly more than an hour left. Are there any more questions on program 2 from this side of the table?

MR. COUTTS: We have forty-five minutes.

MRS. HEWES: Mr. Chairman, you took the first 15.

MR. CHAIRMAN: Are there any more questions on this side of the table?

MR. SEKULIC: I have some more in program 2. I've spoken with some health care professionals, particularly in the group psychotherapy area. They have concerns about the application process into AISH, and this is because it covers, I think, both the Department of Health and the Department of Family and Social Services. People are getting caught between those two. They're maintaining hospital beds at \$750 a day while they're awaiting AISH, and sometimes they have to go a couple of times through an appeal process and at a cost to health care of perhaps an annual single, individual cost on AISH while they're in the hospital. So I'm wondering: is there something in the works or can we initiate something to ensure that people who are hospitalized currently can expedite the process by which their applications are measured?

MR. FLEMING: That's new information to me, because in fact our staff do go out to hospitals and take applications, get information. So I don't know if it's maybe a specific case that you're citing or if it's more general. I certainly would entertain more information on it.

MR. SEKULIC: I will do something. That was my only question in that area.

MR. CHAIRMAN: Bettie Hewes?

MRS. HEWES: No, Mr. Chairman, except just to reinforce what Alice said regarding AISH. I appreciate the reply, but in spite of that, we are besieged with people who are terrified. We are in fact inundated – I'm sure all of us are – with people who are very, very frightened that they're going to be cut off. Somehow the message is out that there's a quota, so we're getting a lot of those kinds of things. We are getting – well, all of you saw the rally the other day, and there will be another one tomorrow from people who are adversely affected by the cuts. Now, once again I don't know, Mr. Chairman, and perhaps the minister can answer: how do we determine that these in fact can be sustained without harming vulnerable families, particularly children? I don't have any confidence that these can be sustained without being countereffective costwise and certainly very damaging from the human conditions standpoint.

MR. CARDINAL: Maybe Don would want to expand on it, but generally I guess that although we've increased our budget in the high-needs area by, as I indicated, \$28 million, the way the message comes across through the press sometimes is not as clear as it could be. It's up to us, I guess, as elected people to make sure we give some comfort to the people we represent that no one that is needy will be cut off. I can say that openly. I'll say it anywhere: anyone that needs assistance from my department is a high priority for me. If it's an individual case, if I need to meet with a person individually, if they're not satisfied, I'll do that. I'm open. No one in that high-needs category will suffer from

these cuts, but sometimes the way the message comes across is not what the program is. When you mention the 150 or 200 people that showed up at the doors of the Legislature just the other day, a percentage of those people were heading up agencies that provide assistance to other people. I would say a high percentage. I looked at the group, and a lot of people there were your colleagues in that area.

MRS. HEWES: Of course.

MR. CARDINAL: A lot of the people there looked very, very healthy to me, and young, and could take advantage of some of our programs. When I look at a caseload of close to 180,000, when 200 people show up and most of them were agency people and the opposition, then I have to look at it very closely.

I still maintain the direction we're going: providing an opportunity for the employables. If we can reduce, if we can put those 36,000 single people back into the work force, we should be able to have those dollars that we can then redirect to provide to the high-needs area, like people on AISH that can't work. That is the intent of this minister.

I hope the message gets out there that it's not cutting people off. It's cutting off people that should be working and giving them the opportunity to get back into the work force, but on the other hand, saving those good dollars for the people that need it. That's the problem I think with our whole system. It's not that we don't have enough dollars in the budget. The dollars are being used up by people that are very healthy. I don't think that's the intention of the system. The intention always was to look after the people that are needy.

MRS. HEWES: Mr. Chairman, it sounds fine, but in fact people are suffering. People who were paying taxes last year are suffering this year because of the cuts. I say thank God for the advocates that do come out and do help those folks, because they are often totally helpless and without clout and without voice and without power. I'm thankful for the advocates who came out that day.

MR. FLEMING: Mr. Chairman, if I might?

MR. CHAIRMAN: Go ahead.

MR. FLEMING: The whole thing centres around communication to a large degree, and there is paranoia, if I might, out there about what is or isn't going to happen. We've developed a fact sheet that we were going to in fact communicate out. We're always reluctant, because in some cases you put information out and it sometimes creates more problems than it resolves. If you like, I can read the fact sheet that may address some of the questions that are being raised.

MR. CHAIRMAN: Go ahead.

MR. FLEMING: It describes the review process. Firstly, a file check to see which ones we will review most closely. Not all files will be reviewed. Now, there are some that are very obviously disabled and will continue to be. For example, staff will not review the file of a client with multiple disabilities who has been in a nursing home for several years.

The second point: a file review. Clients who are working, in training, or in school can expect a file review. Clients whose applications were approved by the appeal process, have medical

conditions that appear to be not permanent nor severe, or were grandfathered between 1979 and 1983 can expect a file review.

The third point: a face-to-face meeting between workers and clients. The workers ask the recipients firstly how their condition affects their daily living and their ability to work, about the extent to which they can work. For example, can they work in a competitive workplace or are they limited to sheltered employment? Can they work full-time or are they limited to part-time. Then a check of the medical reports and information from other sources.

The next step would be a regional and headquarters review of the decision. Results of the file review and the face-to-face meeting sent forward to the regional AISH administrators, then to the executive director of income and employment support, who decide whether the client is better served by AISH or another program. So again another double check. Then, ultimately, the notice of change: the department will give 30 days' notice to anyone who is no longer eligible for AISH. Clients can appeal this decision to the citizens appeal committee. AISH workers will work with these people to help them apply for other, more suitable programs.

Just some facts about the program. AISH has a \$158 million budget and a caseload of 15,000. The review could reduce the budget by \$1.3 million, not a significant number of dollars, I might add, less than 1 percent of the total budget. Many of these people no longer being covered by AISH will receive benefits from other, more appropriate programs. Severe and permanent handicap which generally prohibits employment is the definition of eligibility.

Lastly, people with temporary disabilities are those able to be trained to take jobs and better served by other programs. So that's where it's aimed.

11:27

MR. CHAIRMAN: Mrs. Hewes, do you have a final supplementary?

MRS. HEWES: No, thank you.

MR. CHAIRMAN: Do you have any other questions on program 2? Okay.

Then we'll move to program 3. Clint Dunford.

MR. DUNFORD: Yes. To address line item 3.4.2, Day Care Programs, showing a decrease. In picking up on the comments in the speech, why is the demand for day care decreasing?

MR. CARDINAL: I have mentioned before that our budget in day care is around \$70 million, and I think we have about the second lowest day care rates in Canada. We have about 32,000 spaces, and a percentage of those are nonprofit and a percentage are for-profit. The for-profit ones are where we are having, I believe, a 34 percent vacancy. It would appear that people are making alternate choices for child care. I think no doubt some is through families and through neighbours. I guess all we can say is that it's not the government's role to dictate to families as to what type of day care they want to use for their children. No doubt, your question – we feel that people are making a choice on their own and in some cases using private individuals.

MR. DUNFORD: No supplementary.

MR. CHAIRMAN: Bettie Hewes.



MRS. HEWES: Thank you, Mr. Chairman. The minister knows my concern about child welfare services, and I know he shares that. The budget reflects the status quo, but we've got the Children's Advocate report screaming for change and screaming for reforms, one of many such reports. A lot of the reforms are things that have been suggested before.

Yesterday we had the annual report of the advocate, with some really frightening kinds of statements from him: relationships between the system, its clients, and external service are strained; the system is closed to external input; the child welfare system has implemented a number of strategies to control expenditures; increasingly, relationships at the casework level have become laden with conflict; he has no confidence that such resistance will soon diminish. Mr. Chairman, he refers in this annual report, which is '91-92, to a paper on systemic delay in child welfare decision-making and service provisions, and he refers to another report that went to the deputy Attorney General as well.

Mr. Chairman, the dollars have been reduced. The advocate's report says the system is in deep trouble, and we've known that through other reports for years. What is the rationale at this point in time? The minister tells us we are doing short-term/long-term planning in regard to changing the direction of child welfare, but having had this report for some months, having known what's in here and in the other reports, how under heaven can we leave the status quo budget here and leave the same items with the same amounts when we know – we know – there has to be change?

The minister said yesterday or the day before, Mr. Chairman, that it's costing the changes. I appreciate that, but I need to know: are we costing this on fewer children, a lower level of acuity? Are we paying any attention to this man saying we're getting more requirements for placements and yet we are not providing them? There are all kinds of cost implications here, but your budget reflects none of that.

MR. CARDINAL: Okay. Maybe Don would want to supplement my comments, but I guess to start: when we developed the three-year strategy of welfare reform, of course the plan was wherever possible to make parents responsible and accountable – that hasn't changed; that plan has not changed – but on the other hand, to make sure we have dollars available in the high-needs area where they're needed. We do have our budget in child welfare at \$160 million. If you add the day care and the handicapped children services, we are at close to a quarter billion dollars. It's not an easy area.

I would advise the hon. member that no doubt they, too, have a plan on how the welfare system should be reformed in Alberta. Part of the request I made on April 21 in '93 I would have hoped included child welfare. I would like to see their plan as to how we may change the most complicated area we have in our department, and that's child welfare. I'll appreciate the day when I see your plan, but in the meantime, we acknowledge that there is a problem. We need to correct the child welfare issues in Alberta, but we do not think money is the answer or the solution in all cases.

Again I stress that I am committed to making those parents who can afford it more responsible and accountable. I feel that the government is not a good parent for any kid. I was a foster parent myself; I know. To start, the children always want to be like their parent and they want to be with their parent first. In the past I don't think we made the efforts we could have made to make sure we keep the family together, to make sure the parents are accountable and responsible. The maximum right now for child abuse, for example, is six months or a \$2,000 fine. This minister is willing to review that to make sure we put processes in there so that when

parents abuse their children, they take the responsibility; to make sure we put in processes that they have to be responsible. It may mean a change in the Child Welfare Act – no doubt we'll have to do that to make sure that's in place – but the plan is to do a good assessment at home, making sure the parent is responsible at home and will provide the support services necessary to keep that family together, keeping in mind that they have a role to play there, not government only. Of course, in cases where that cannot be done, we'll provide the second-best alternative, I guess, and that's the government through the existing programs and improving those programs.

### 11:37

One important area we tend to miss in the Children's Advocate's report is that a high percentage of the children in care, in fact 50 percent of the 2,300 children we have in foster homes, are native. It hasn't been brought up too much, but the Children's Advocate identified that the whole issue of natives is tied with poverty, and poverty in turn creates these problems. As a person involved in northern Alberta, seeing the times before the welfare system was introduced where everyone was completely self-sufficient, I know there were no native children in foster homes; there were no native people unemployed. What we've done is put in a welfare system that was in for 40 years. It's been devastating for the native people. That is why I'm so strong in making sure we end this. Along with that, of course, is ending poverty, and along with that is working toward ending the number of native children in foster care. It's a whole big problem. There's no one quick answer, but retaining the programs the way we have and increasing welfare rates to keep people on welfare is definitely not the answer for native people. Fifty percent of the children in care are native, so it's a big problem. There's not an easy solution, but if we work together, we can sure improve it.

Don, do you want to add anything to that?

MR. FLEMING: Yeah, I wouldn't mind just a little. I don't deny that this is a very problematic area for us as a department, for us as a society, and I think the minister has very capably given the overview. I would just like to say, though, that Alberta is seen across Canada and, for that matter, in North America as probably one of the leading provinces in terms of the child welfare programs we've got. Although I'm not trying to dismiss the fact that there are concerns, to put it in perspective, I think we're viewed across North America as having some of the most innovative – and effective programming should not be dismissed either. Nor are we the only province that has identified some problems with the system. I think we need to look at some innovative ways of doing that.

In terms of what we're doing relative to the advocate's report – and prior to that, I might add – I think any of us that have been in the system, and I'm sure Peter has probably got some appreciation for that, know and try to deal with some of the impediments in the system. The advocate has identified a number of practice issues, and on that basis, in terms of short-term planning we've got groups working on how we can deal with some of those matters. Prior to the report coming out – it identifies the foster care system. The advocate didn't indicate in his report that considerable work had been undertaken prior to his findings, but there is a new foster care model in place. It's a system that addresses the issues of recruitment, of training, and of support. We have a skill fee, a level system in place that addresses the capabilities of the foster parents we have, and we reimburse them in proportion to the skills they bring to the fostering program. We have a basic rate of about an average of \$15 per child, additionally a sliding scale

from, I believe, \$4, \$9, and \$23 depending on the level you come into. These people are going through an evaluation process and being identified at the particular level their skills will accommodate. Along with that comes training and support, and we're looking at ways of even increasing and building on that.

Other areas that are addressed there: the issue of native communities and the needs we have there. Of the 44 Indian bands in Alberta, we have agreements in place now with 18 or 19 of them, I think. So we're moving in actually having the native people designing and involved in the delivery of services to their own people. That will remove a lot of the issue he's identifying relative to the department, because over time we will have the communities setting the standards for a community and delivering a service that will be more in tune, more culturally sensitive to what has to happen.

The other thing we're doing – we don't own as a department the child welfare system; that's owned by the parents, the extended family, the community, other departments, agencies, and communities across the province – is looking at partnering. We've got a process in place where each of the regional directors has been requested in most cases – in fact, all cases have a community-based services plan in place. They are contacting community members and looking how we can do business differently and more effectively. Those things are there and in place.

Beyond that – actually it's well over a year ago that some of the ministers involved in Justice, Health, Education, and ourselves got together and identified the need for more co-ordination and integration of services. The child welfare system, as I say, goes across many facets of society, and in those cases where other departments are involved, we have five pilot sites that we have identified across the province where we're going full steam ahead with communities, saying: these are the services we are providing; what's wrong with them; how can we reconfigure these services in a totally different way if that's required to address the issues? I think that will start to develop our long-term strategy for how we deal with it on a longer term basis.

Certainly the answer is not putting more money into the system; certainly the idea of more institutions is not the answer. We've taken too many kids, we've taken too much responsibility, and it's time that we start to look at it more realistically and see if there's something we can do. I'm just reminded that there is the Brighter Futures funding out there that's made available: over \$17 million for Brighter Futures that will address some of the earlier symptoms, if you will, of the longer term child welfare cases we get in our system.

So there's a whole lot of things happening out there. Certainly we're not taking it lightly. We're very concerned both as a department and as individuals within that department to make sure that our services do improve, and we'll work toward that end. Any help and recommendations: I'm only as far away as the phone, and certainly the minister has indicated to you that he would be receptive to getting some input.

**11:47**

**MRS. HEWES:** Mr. Chairman, my point is that the budget reflects only the status quo. It does not indicate to me or to anyone reading it that there is any real response happening. Let's not forget this report was commissioned by Minister Oldring a year and a half ago, and it was nothing new then. It was in response to a tragedy and public outrage that we got it.

Mr. Chairman, while I'm on, responding to the deputy minister: he speaks about partnering. This report can't even be accessed today by your partners. They can't get it, even though they would be happy to pay for it. They call your office, and your office says

it's the advocate's report. They call the advocate, and he says no, it is not his report. The Queen's Printer doesn't have any more. Now, they're quite prepared to pay for it. Not only in this province but in other provinces they would like to see this. I hope the minister will undertake to get that one on stream and right away.

Mr. Chairman, my supplementary is related to the short-term/long-term plan. Could the minister or the deputy please tell me who's working on this? Is it the same people that have been in the department and doing the planning for all the years? Are we looking to them now to do something different when we haven't seen any change for 20 years? Or is it 1.0.4. that's doing it? Who's doing the short-term/long-term plan?

**MR. CARDINAL:** Okay. I'll just briefly respond, I guess. The 1,200 copies that were printed: I don't, number one, think it's our responsibility to be doing studies and copies for people outside the province. They are available in the libraries, in the Legislature Library. In our library we have books available. If other provinces are interested, then that's sure not our priority. I feel that the distribution of 1,200 copies of that 300-page report at the cost of over \$15,000 is quite a bit of money to spend when we're under budget restraints. Personally, although I did not commission the report – if I had commissioned the report, there would have been two things added to that. One was, it's so easy to criticize something that's out there, but actually to come up with a plan of what needs to be done, when it should be done, what is it going to cost – if I were the minister to commission that report, I would have included on there prioritization of recommendations, a time line of when they should be implemented and why, and what are the budget implications and the actual cost. I have now asked the Children's Advocate to come up with specifically that. That should have been in the original report. Then it would have given that person more responsibility to be responsible rather than criticizing. When we know there was a problem, we didn't need to criticize it any further. We all know there was a problem, otherwise that report wouldn't have been commissioned. That responsibility is there.

I think Don should expand on what we're doing in the short term and what we're planning in the long term and try and give you some time lines. We are moving on it, definitely, and Don and the staff have been working very hard in that process.

**MR. FLEMING:** I'm not quite sure where to begin. We've been working at it for 20 years and we've been throwing money at it for 20 years and we've been developing more programs for 20 years. I daresay that's not the answer. I think I alluded to that earlier.

In terms of your question about the same old people with the same old ideas . . .

**MRS. HEWES:** I didn't mean it quite the way it came out – not “old.”

**MR. FLEMING:** This old dog's been around and is back still doing it. No.

We have numerous, numerous people involved in dealing with it. First of all, we have at the regional level, as I indicated, community-based services plans. The staff at the field level, at the regions, have numerous people that come together for planning, talking about “How can we together make this work better?” Those people range from all different parts of society in terms of the native communities: some of the advocacy groups locally, some of our departmental staff, other departmental staff. So the

ideas are coming in. They feed into the headquarters part of our operation, which was the program policy design area I gave the information on earlier, but in addition to that, and again before the advocate's report came out, we had undertaken to get a group of people together across the province. We have that group in place now and have had for a number of months. It's the child welfare working group. It's made up of individuals from agencies representing communities. It's made up of aboriginal folks from across the province. It's made up of advocacy groups, the Alberta Association of Social Workers. The union is invited. The advocate is invited. He hasn't been there yet, but he's certainly invited. We have any amount of people that can input to it. There are lots of opportunities for new and brilliant ideas, and we encourage that.

So whatever we come up with will be a better system, I'm confident. It's not going to happen overnight, and the pressure continues to mount for us to make some magic, which I can guarantee you is not going to happen. Being human, we're subject to our human frailties, and so we'll continue to have events happen that are tragic. It's not a perfect world that we live in. I think we'll always find that whether it's in a foster home or whether it's your next-door neighbour, there are societal problems that we're not going to change, but be assured from our department that we are doing everything we can with as much speed as we can to make sure there is change taking place.

MRS. HEWES: Mr. Chairman, just one final quick one. Mr. Minister, I think your point is well taken, that the advocate should be encouraged to prioritize what can happen today. Looking at these, I see some quick things we can do within the next month or two and over the next 10 years if necessary, but I think he's key. Have you met with him personally? Have you sat down and worked through some of these questions with him?

MR. CARDINAL: Yes, I have. I've met with him a number of times.

MRS. HEWES: Since he's reported to you?

MR. CARDINAL: In fact, after my appointment I met with him to go through, and at the time recommended that he make sure that the document showed what we're supposed to do. I as a minister feel that there was a little shortfall on his side in completion of the report, actually showing what should be done, when it should be done, and what it would cost, but that I now have requested. Of course, prior to the release of the report, I had a good meeting with him and went through the report. I read the report thoroughly, and after the report was released, I met again and of course have an ongoing working relationship with Don.

The Children's Advocate is part of our team. He is not a person that is treated any differently than I treat my executive staff in my office: my deputy minister or the ADMs or the other support staff. He works as a team with us. He's not a separate person that's kept away from us. It would be perceived sometimes that it's like that. It isn't. He can walk into my office anytime and meet.

MRS. HEWES: I think that because of the immense research that's in here, he would be key to developing the plan.

MR. CHAIRMAN: Roy Brassard.

MR. BRASSARD: Thank you, Mr. Chairman. You've answered my question on foster care. Just in passing, I would like to

compliment you on the initiative you're taking with child welfare. I think you're on the right track, and I support you a hundred percent.

Community-based Family Support Services I see is up a million and a half dollars, but I'm confused as to just what that covers. Could you give me just a very brief overview of what you put in there and why it's up a million and a half when you've got a tight budget? That's 3.2.6.

MR. FLEMING: That's basically reflecting the change in a lot of what I was talking about earlier: the emphasis on supporting families, keeping children in the home, providing supports to parents and in some cases to communities to assist in keeping the children out of the system.

MR. CARDINAL: There is a project in northeastern Alberta, I believe, that involves 26 individuals right now doing that, and it seems to be very successful. That's a similar line to what we're thinking of across the province: to provide the home supports in the home setting. One of the things we find now – I don't know if it's related to what we're doing as far as home support – is that the youth assessment centres, for an example, are not operating at full capacity anymore. In fact, they're operating at about 50 percent capacity. It would seem that the children are staying home together with the families. Don, I don't know if you want to expand on that or not. We shall monitor that closely.

11:57

MR. FLEMING: It's basically our in-home support programs. I guess it again emphasizes the fact that we're not staying the same; we're looking for ways to make things better. We think that it is better. We've got some offices that have reduced the children in care to practically zero. Now, that's not possible in all cases, but to the extent it's possible and to the extent we don't put children's lives in jeopardy, that's the approach that we are taking and will continue to take as we move ahead.

MR. BRASSARD: Good. Thank you.

One other question. I'm just going to take the liberty of bouncing down to Day Care Programs if I may, Mr. Chairman. Some time ago we had changed our direction from operating allowance to subsidizing people who needed that support. I suppose that wouldn't change the dollars that you're going to put into the program at all. You're still going to put the same money into assisting a day care program one way or the other. Can you just tell me how that program is working, how that transition is working from the operating allowance to the subsidy of those in need?

MR. FLEMING: Well, I think we're continuing to move in that direction. What we've had to do, though, because of some of the complications – you're right: we're moving the operating allowance to the subsidy and hoping to loop in more people at the lower income level. I think that's positive, but on the negative side, when we started to reduce the operating, it started to impact some of the operators, so we discontinued the move . . . When was that?

MR. WILSON: The last one was last July.

MR. FLEMING: . . . in July to hold it, to help let some of the agencies stabilize so that we wouldn't cause undue problems for them.

MR. BRASSARD: It was too much too quick. Is that what you're saying?

MR. FLEMING: They weren't able to adjust to it as quickly, and some of the day cares were having difficulty.

MR. BRASSARD: Well, it wasn't too much for me. Thank you.

MR. CHAIRMAN: Any more supplementals?

MR. BRASSARD: No. I'm sorry, Mr. Chairman; I must leave, with your indulgence. Thank you.

MR. CHAIRMAN: Yes. Okay; Alice Hanson.

MS HANSON: Thank you, Mr. Chairman. I wanted to just go back to the Children's Advocate's report for a minute to ask if you're taking any steps to expand the foster care program in the province and particularly in the area of native foster care.

MR. FLEMING: No, we're not expanding the program. We are enhancing the program, as I think I explained earlier.

MS HANSON: But no expansion?

MR. FLEMING: In terms of expansion, what we are doing is working with native communities to evolve a process that will meet their needs. So in that sense we're probably expanding, but then we have an overrepresentation of native children in our system, so it's only appropriate.

MR. CARDINAL: In fact, you know, Don mentioned that we have 19 agreements. Today we'll be signing an agreement with one of the bigger Indian reserves in northern Alberta under Treaty 8. That's the Bigstone band, which represents five Indian reserves and over 3,000 population. It's a major, major step forward for them to take over the services. We look forward to that.

There are some receiving homes opening up, and the Alexander reserve is an example of where they've opened up a receiving home at the edge of a reserve. I believe we utilize that. I believe we have five spaces or so that we utilize to place native children in those. As minister I am encouraging Indian reserves to look at that. They seem to work quite well. It's a home-type setting, and qualified people are there. It works very well as a place we can use and give our frontline workers and other staff an opportunity to do proper assessment until a proper home is found or work with the family so we can put the child back home with the family.

MS HANSON: And that's on the Alexander reserve, Mr. Minister?

MR. CARDINAL: Yeah. It just opened up recently.

MS HANSON: Sounds good. Thank you.

MR. CARDINAL: I've toured the facility twice already. It looks good.

MS HANSON: Okay. I have another question about the lack of mental health services and programming for children and adoles-

cents. There seems to be a gap there. For example, there's no crisis unit for youths and that kind of thing. Is the department doing anything about that?

MR. FLEMING: Yes, we are. Mental health is not our departmental mandate, as you can appreciate. However, we inherit some of the problem, I guess. That whole initiative that I was talking about earlier in terms of the four departments, Justice, Health, and social services, we're addressing that community by community, and the communities have identified this for a number of years as an issue. I think this will allow us to come to grips with some of that at the local level, as opposed to trying to develop a major program.

MS HANSON: Okay. Thank you very much. Just one quick question. What is the status of that Communities for Children, the Calgary proposal that came in, I think, under Mr. Oldring?

MR. CARDINAL: It's a proposal that we are still reviewing. There are a number of shortfalls in that, and we've requested the agency to come up with an actual plan of how they would implement the program. There is a proposal of taking over \$4 million to \$5 million and all of child welfare in Calgary, but there is no plan as to how the group would do it, and we've asked them for that.

The other thing, like I've said before, is that about 50 percent of the children in foster care are native or aboriginal, and the aboriginal groups do not support that because they want to start their own child welfare processes. So that has to be dealt with. The staffing concern with the unions has to be dealt with. If the program was taken over by a group in Calgary, what happens to the staff? Are they provincial employees? Do they become agency employees, and what about the benefits? Those are the things that are not cleared up yet. It's a complicated . . .

MS HANSON: Working world.

MR. CARDINAL: Yeah, it is. It's not easy to deal with.

MS HANSON: No, no. I'm sure it's not.

MR. CARDINAL: Once the aboriginal groups decide to move forward and take over 50 percent of the cases, for an example, it may be easier to look at the other 50 percent, as to how it could be better dealt with at the community level, and there may be other processes. I know Don is exploring right now other options for the whole province, as to how to involve the communities more. The long-range plan of the Children's Advocate report is part of that, and that will come forward.

MS HANSON: Thank you very much.

MRS. FORSYTH: Can I just make a point on one of Alice's comments?

MR. CHAIRMAN: Go ahead.

MRS. FORSYTH: I'll be very brief. I liked your question on the crisis units for adolescents and parents. I have made a recommendation to the department to utilize the community services that are out there and funnel that information back to the workers, because there are some wonderful organizations out there that are community based, and that would take some pressure off of the department.

MS HANSON: Yes, I know there are, but since they're not mandated for it, they often don't have the staff, the capacity, the finances.

MR. CHAIRMAN: Dave Coutts.

MR. COUTTS: Thanks, Mr. Chairman. Since my questions on day care and the Children's Advocate report were looked after, I hope I can move along to one thing before our time is up, and that's native affairs. I have a reserve in my constituency. Like the minister's comments earlier, the tribe and the band are getting together and wanting to look after their own services and in some ways pick out their own future and work with the people within the community. I really strongly go along with that, and I know that they go along with it, too, because in my meetings with them they've given me that indication. Is your department providing some funding to help facilitate self-government and some of these programs for aboriginal people?

12:07

MR. CARDINAL: I think wherever possible we are committed, again, to ending the poverty situation for native people living in Alberta, and that could mean dealing with it in a number of ways. One is changing the welfare system that has been devastating to native people, and of course, along with that, going back to what we had 50 years ago, where communities managed their own affairs. They had their own governments and were completely self-sufficient: no budgets, no deficits, and all that. That's the direction we need to go. We need to make sure that these reserves and other native groups are in a position to manage their own affairs or our own affairs.

We as a government of course encourage that and support that. An example of that is the signing of the memorandum of understanding with the Treaty 8, which covers, I believe, 22 to 23 reserves in the north half of Alberta. We have an understanding that we will work hand in hand in resolving the issues you mentioned.

The other thing. I think Alberta leads the way in Canada in resolving native land claims – we've recently resolved seven native land claims, with a total of I believe 190,000 acres of land transferred to the Indian people in Alberta – and of course in working towards self-government, along with the transitional dollars from both the federal government and Alberta, which I believe provided around \$50 million. I could be corrected on that. I believe the federal government provided about \$150 million towards that.

The other one we have, of course, is the Metis settlements: the legislation to transfer 1.25 million acres, along with transitional dollars, to the eight Metis settlements in Alberta, which represent around 5,000 people. They are also – I believe this is their third year, a year of financial review and legislative review – working towards self-government and self-determination. The Metis Nation of Alberta in a framework agreement were providing, I believe, \$1.6 million each year. They also were a form of self-determination, although there's no land lease involved at this time, but self-determination. Cliff may want to expand, being that he is in charge of the area, on some of the agreements where we involved the federal government and Indian reserves and ourselves. Cliff is very familiar with that.

MR. SUPERNAL: Shall I continue to answer your question, which was initially, I think, regarding: are we funding self-government?

MR. COUTTS: Yes.

MR. SUPERNAL: Well, I think I could say that in reality the Alberta government does not fund self-government, and we are not responsible for doing it on reserves. That is an agreement they signed with Ottawa because they are under federal legislation.

What we do do, though, is get involved in delivery arrangements. In that process we set up different models, like child care, with them to deliver that program, which end up could become legislated by the federal government down the road. That will be removing them from the Indian Act. So what we do now is get into program arrangements with them, which really could be classified or categorized as self-government models that could be legislated down the road.

MR. COUTTS: Okay. Thank you.

MR. CHAIRMAN: Supplemental, Mr. Sekulic.

MR. SEKULIC: Yes, thank you, Mr. Chairman. Mr. Minister, earlier you referred to some upcoming changes in the Child Welfare Act. This is going a little off the specific child welfare area but into the adoptions area. As recently as last night I had a constituent call me and we spoke to some extent about potential changes in opening up adoption records, and I know one of your own government members had put a Bill forward in the spring and has put it forward again. I also would like to stress the importance. I consequently put a Bill forward myself. Could you tell me if there is any plan to pursue changes in the Child Welfare Act?

MR. CARDINAL: We are taking action on this, and hopefully I will bring amendments to the legislation as early as the next sitting, the spring sitting of the Assembly, if we can't do it during this sitting. What we've done is that the department is now actively, within the department, going out to the public to hold public meetings throughout Alberta for, I believe, the next month or two and hopefully will come up with some recommendations as to how we can amend the legislation, along with your help, of course, and the other hon. member that introduced a private Bill. I believe he also has a petition which is going to be tabled in the Legislature very shortly. I hope to make a statement in the Legislature at the time to advise the public of what action I will be taking in the near future to deal with that issue. I understand it fully, and I have all intentions at this time to deal with it as soon as possible.

MR. SEKULIC: Thank you.

MR. CHAIRMAN: Clint Dunford.

MR. DUNFORD: Well, my colleague from Pincher Creek-Macleod has the reserves. Our situation is an urban setting, and now I'm speaking particularly of Lethbridge. I visit with the folks over there at the Sik-ooh-kotoki Friendship Society on a fairly regular basis, with Mike Bruisedhead and Stan Knowlton, people like that. I'm really, I guess, unclear in trying to represent the constituents of Lethbridge-West as to what services are really offered under this Native Services area offered by your department to off-reserve and urban aboriginal people.

MR. SUPERNAL: Okay. Essentially what we do in the native services unit is provide avenues for aboriginal people to set up processes to negotiate their own program arrangements in a

given area. In the case of friendship centres, we joint-fund with what used to be the secretary of state – the name is now changed – to set up a friendship centre there, and it has its own board. That friendship centre has the ability to provide programs and services and to negotiate agreements with all government departments, including the cities that they're in, to deliver a service for all aboriginal people. On their board there is a representative from across the board. Town council might be on it. So really they're an agency, and they're status-blind. They provide services to all kinds of people. Even urban poor can be provided for in that forum.

MR. CARDINAL: And we do have funding, \$27,000 or so.

MR. SUPERNAL: Yeah. We provide funding to 17 friendship centres.

MR. CARDINAL: Yeah. The other thing in that particular one in Lethbridge is that I met with the city council a while back to discuss some of the needs for the homeless in that area, and a percentage are aboriginal people. Hopefully, you know, we can deal with it. As far as the friendship centre, they do work closely with FCSS. They are reviewing right now along with FCSS the potential of working closer together in the future, and that's a positive step.

MR. DUNFORD: All right. So in providing for the needs of my constituents, and probably 7 to 8 percent of them would be aboriginal people, the Sik-oo-kotoki could be the my focus of attention?

MR. CARDINAL: Yes.

MR. DUNFORD: Okay. Thanks.

MR. CHAIRMAN: Bettie Hewes.

MRS. HEWES: Thanks, Mr. Chairman. I'll be quick. It was my understanding from Minister Oldring, back to those days, that the backup or the consultation team in foster care was discontinued to put more people on the front line, those working on the front line. Has that been reconstituted? Is that part of the new foster care program? Are we now providing better backup to the workers?

MR. FLEMING: Yes. We've in fact added positions to each of the regions. When did we do that, Dave?

MR. BANICK: The last budget.

MR. FLEMING: Yes. So each of the regions has increased the support at that level. We're looking at ways, though, that can go far beyond that, and we're talking with the Foster Parent Association right now as to how we can continue to enhance that. There is funding, by the way, within that skill-fee structure for individuals to get more supports to them. The higher up they are on the skill-fee range, the more dollars. For example, the \$23 a day would be additional so that they could get some additional support.

12:17

MRS. HEWES: Okay.

Mr. Chairman, still on child welfare. The suggestion in the annual report that there is resistance to some of the advocate's suggestion on an ongoing basis, not just in management: what are we doing about that? I have no way of judging whether or not

that's an accurate kind of allegation, but it seems to me that if there's any history there, that's got to be dealt with.

MR. CARDINAL: I think I've dealt with that generally, and I'll tell you how. You know, we do have a lot of good staff out there, a lot of good staff. They're a very sincere, hardworking staff, both frontline and management. Out of the 268 positions we've eliminated or reduced, I've advised you that a lot of those are management positions. Therefore, there are not as many positions there anymore. I knew that we were top heavy, and of course changes have taken place in the department. For example, we do have a new deputy minister now who is very knowledgeable about Alberta, who has been around since 1964 with the department, and who is open to new ideas, new thoughts, and new ways of delivering within the existing budgets. In addition to that, the six regional offices now report directly to him rather than having a bunch of managers in between. So we've streamlined the operation, and instead of four assistant deputy ministers we have a lot less. I think the management area of our department has been dealt with very well in the past six months, and I think we have a very efficient system with managers that are sensitive to the needs of change. We are here to change to make the system better.

MRS. HEWES: May I, Mr. Chairman, congratulate the minister on his discretion in that answer.

Mr. Chairman, my last question. The deputy spoke about looking at other models for child welfare. Are we considering plus ça change plus c'est la même chose? Are we going back to having the municipalities take a stronger role? Is that one of the models we're looking at?

MR. FLEMING: I think what we're looking at is the opportunity for Albertans at all levels to have a say in the way we deliver programming. Too much in the past I think we've gone out to Portland, Oregon, and wherever else and said: "That looks like a good little program. It might fit here." Put it in and plunk. We're hearing this constantly, that people want to be involved in the decisions, and we're open to that. Basically, we're going to communities and saying: "These are the dollars. These are the resources. This is the legislation. You tell us how to do it."

MR. CHAIRMAN: We've got less than three minutes left. Would the committee allow us to move to one question on program 4? Is that okay?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay. David Coutts.

MR. COUTTS: I covered mine. Thank you, sir.

MR. CHAIRMAN: Oh, I'm sorry. I thought you wanted in. Did anyone have a question? Heather Forsyth then.

MRS. FORSYTH: The program is 4.0.1, on native services. It's about a recent newspaper article about a review of the Metis Nation of Alberta Association, or MNAA, operations as a result of their deficit. I wonder if the department has taken steps to assist the association to better manage their finances. If so, what has been done?

MR. SUPERNAL: I should just give you a bit of preamble about the Metis Nation of Alberta Association. The way they

handle money has always been a concern. It's not new, and it's the same with a lot of other nonprofit organizations that we do fund, including friendship centres. The primary reason is that because they are nonprofit and their objectives are very broad, it's difficult to steer them in a certain way. So what we basically have done this year, not only for that organization – it's something that Family and Social Services has done in the past – is place these organizations on a contractual basis rather than a grant. Then they draw down that contract funding on a monthly basis based on financial statements and monthly financial projections.

We've also asked them to hire expertise in their office, have a full-time chartered accountant so that appropriate accounting procedures are followed. I just want to say that they are very cooperative. They're working closely with us. They already have engaged a chartered accountant in their offices. I believe the person's been on staff for a couple of months.

So we're working towards setting up a system for them, helping them improve their systems in terms of financial controls. The reason I say that is because this organization has grown from a small organization that used to handle half a million dollars to one that's handling several million because of the framework action centre and the activities they have in that area. It's also the federal funding that flows into their offices, so what we're doing is working with them to develop a better financial system to handle the size of the organization.

MR. CARDINAL: I think the other thing, in addition to that, is that we've also asked for a 12-month projection on a monthly breakdown as to where the dollars should go so that in advance people can plan that in 12 months this is what we're going to look like and this is where the dollars are going to go. When we do that – you know, monthly meetings and a quarterly review – if we're off track, we'll identify immediately that some dollars have been transferred somewhere they shouldn't have been, and the funding stops there till it's corrected.

MR. CHAIRMAN: Thank you on behalf of the committee, hon. minister and staff. This has been a very productive morning in my estimation. As a matter of fact, there's so much information there, it would be lovely if we could make it mandatory reading for the members of the Assembly before this budget hits the floor.

I also want to thank the members of the committee on the way that things flowed this morning. It certainly made it easy for me. I'll be very interested in your comments after this meeting on where we can improve it. The one distressing thing, of course, was that we didn't have more time to spend on Program 4, but I certainly don't feel that there was any wasted time in the meeting this morning.

So with that, I'd thank you.

MS HANSON: May I just please make a comment? Just further to that we didn't have enough time, I would like to recommend on behalf of my group that we meet again. I know there's a great deal of information, but I also know that we have quite a few still unanswered questions. The information that you gave us was so important. I mean, it really gave us some depth in understanding the programs, and it makes such a difference. I wanted to know if there would be any interest in another meeting.

MR. CHAIRMAN: Well, the meeting is closed.

It's just been clarified to me that the four hours is for the consideration of the estimates, so we would need a motion to adjourn the meeting.

MR. HERARD: So moved.

MR. CHAIRMAN: We will accept that motion. Thank you.

[The subcommittee adjourned at 12:26 p.m.]

