

Title: Wednesday, March 10, 2004 Public Accounts Committee

Date: 04/03/10

[Mr. MacDonald in the chair]

The Chair: Good morning, everyone. I would like now, please, to call this meeting to order. Thank you.

Could we have approval of the agenda that was circulated, please. Thank you.

Now, this morning we're meeting with the Hon. Stan Woloshyn, Minister of Seniors, and his staff, and of course we have the Auditor General with us this morning. Before we get to that, are there any matters that the members are interested in discussing at 10 to or 5 to the hour of 10 o'clock?

Mr. Mason.

Mr. Mason: Thanks, Mr. Chairman. I wonder if we might take a few minutes just to hear from the Auditor General about his plans for the audit on the BSE program.

Mr. Cenaiko: Can we do it at the end?

Mr. Mason: At the end of the meeting.

The Chair: Yes.

Mr. Cenaiko: I don't mind doing it at the end, but the last meeting we went past 10 o'clock, and there are a number of MLAs that missed meetings. So if you want to end at 9:30 to allow us time to discuss it, then that's fine, but, you know, we can't be here till 25 after 10 like last time because three of us missed meetings.

The Chair: I agree with you. That's two meetings in a row, and I missed meetings as well. Yes.

Mrs. Ady: Well, I'd say that the staff from the Seniors ministry is sitting here waiting, so I think it would be a more appropriate time at the end.

The Chair: Okay. Thank you.

Mr. Dunn, do you have anything to say at this time?

Mr. Dunn: Yes. I'll be very brief in answering some questions in that regard.

The Chair: Okay. Well, we will do that at 10 to 10, and the chair will adjourn sharply at 10 o'clock.

Ms Blakeman: There was an e-mail circulated about possible dates for a meeting with the Auditor General to brief us on the Public Sector Accounting Board. Could we discuss that question at the end as well if there's time? If there's not, we can do it by e-mail.

The Chair: Okay. We will make time for that as well, and I think we will have time for both matters.

Now, before we get to the hon. Minister of Seniors, perhaps we will start for the convenience of his staff an introduction of the committee, and we'll start with you, Ms Blakeman.

[The following members introduced themselves: Mrs. Ady, Ms Blakeman, Mr. Broda, Mr. Cao, Mr. Cenaiko, Mr. Lukaszuk, Mr. MacDonald, Mr. Marz, and Mr. Mason]

Mrs. Dacyshyn: Corinne Dacyshyn, committee clerk.

[The following staff of the Auditor General's office introduced themselves: Mr. Dunn, Ms Ludwig, Mr. Ryan, and Ms White]

Mr. Woloshyn: Stan Woloshyn, MLA for Stony Plain and Minister of Seniors.

[The following departmental support staff introduced themselves: Mr. Arsenault, Mr. Conway, Mr. Jaspere, Mr. Loo, Ms McCulloch, and Mr. Wilson]

The Chair: Thank you.

Hon. Minister, if you'd like to start and give us a brief overview of your department, we would be grateful.

Mr. Woloshyn: Do you want a brief overview or a real overview?

The Chair: Brief.

Mr. Woloshyn: Okay. What are your questions?

Thank you, Mr. Chairman. Good morning, ladies and gentlemen. I don't have any difficulty if you're sorting out your BSE while we wait as long as you adjourn at 10 o'clock, so we could go for coffee for a while if you so choose. However, I don't think that's your wish, Mr. Chairman.

I would like to first of all extend a thank you to the Auditor General and the Auditor General's staff for the co-operation and work that they've been doing with the department not only on what's before the Public Accounts but since then on other things. It is, in fact, a pleasure for us to have someone of the calibre of Mr. Dunn to work with, and for that, sir, I thank you and your staff very much.

As you know, the Ministry of Seniors was established in 2001, and we're the only seniors ministry. I believe there's one more that if it isn't in place soon will be, but not currently. Our mandate or mission is to provide services and programs to seniors and also housing support for Albertans. We have three main core businesses: providing financial support and information service to seniors; management and support for special-purpose housing, seniors' housing, as a matter of fact all housing; and planning and policy development for seniors and housing. In 2002-03 we had three main areas in the department: the seniors' services, the housing services, the strategic planning and policy branch.

I think, to cut to the chase, the year 2002-03 was a good year. We met all the expectations of us. We fell well within our budget parameters. I believe we were within a million dollars of the overall, which shows that the department did a prudent job of budget preparations and, in fact, following through on it.

The housing services division, as you know, is one where we look after provincially owned and provincially supported housing for low-income Albertans. Between the lodge program, the seniors' self-contained, and the handicapped housing we serve some 64,000 Albertans through that program, which, if you put it in context, is almost the population of the city of Red Deer.

The seniors portion. We had about 158,000 seniors who benefited from either partial or full health premium exemption in that year. About 124,000 seniors received direct cash support of some level. In addition to that, we also, I believe, supported some 15,000 seniors through our special-needs program, which in my mind is one of the best programs I've seen for people who are at the bottom end of the income scale. That's the best safety net I've seen yet, and that's there for one-time emergent needs. They can apply to the Seniors ministry for support. Essentially, it's \$5,000 in any given year, and it covers a wide range of needs. I won't go through those because I don't want to be restrictive, but it's basically almost anything that a

senior can run into. So that program has continued to grow, and it was expanded last year to include basically dental and eye care to a large extent.

A significant event with housing in June of the year in question was signing the Canada affordable housing agreement, which provided \$67.12 million of federal money to be matched by the same amount of money from the province. Again, we are unique in the country in that we are committed to matching dollar for dollar. The program got off to a very good start in 2002-03. Some \$17 million was committed, and over 400 units were put into place. We've had units opening up continuously since then, directed to people with low incomes. The monies that the federal government and we put in, the \$17 million, I believe levered another \$15 million in that short period of the three months of the year that this would pertain to. I might add that it's a 20-year program with guaranteed rents that are well below market, and there isn't an ongoing operating subsidy in these units.

So that means, quite clearly, that the people putting it together have to have a very well-thought-out plan. All sorts of folks are involved in it. We partner with private people, we partner with municipalities, and we partner with groups such as Canadian Mental Health, so it covers the whole gambit. Quite frankly, the program has, from this last year, another four years to go, and I look forward to seeing it in fact extended. Prior to the change in the federal government we had offers at the time to extend it for further years out based on our performance and the high rating that Canada Mortgage and Housing gives to Alberta for the way we're doing the program. I must say that it's called the Canada/Alberta affordable housing program simply because we are 50-50 partners, and what we do we have to do in agreement with Canada Mortgage and Housing, and that relationship has been working very well.

8:40

The last part I'll just touch on briefly. We do the seniors' information section. We've had about 40,000 direct contacts in helping seniors out, some 800,000 hits on the web site, and about 300,000 phone calls, I believe. The networking out of seniors coming to the ministry, either through the telephone line or the web site or by direct contact, is quite significant. We do have offices in Calgary, Red Deer, Edmonton, Stony Plain, a few other places, and any senior can come into, hopefully, any MLA office to get information. All MLAs should have information for seniors, and any housing adviser's office also has it.

So in terms of where seniors can pick up information, it's pretty well covered across the province. The big plus is the phone lines that work continuously, and it seems to be working quite well. We are continually looking to improve that to ensure that seniors don't fall through the cracks, as still does happen, and that's one of the concerns that we are still trying to address.

I hope that gives you enough of an overview, Mr. Chairman. You've saved me the privilege of putting you to sleep with a 30-minute specially written speech.

The Chair: Thank you very much.

Mr. Dunn, do you have anything to add at this time?

Mr. Dunn: Yes. Thank you very much, Mr. Chairman. Our comments on this ministry are contained on pages 265 to 269 of our current 2003 report. In this section we make one numbered recommendation, 39, regarding the ministry improving "its system for monitoring the performance of management organizations that deliver social housing programs for the Ministry."

Our findings regarding the monitoring systems are explained on

pages 267 and 268 of our report. We comment on those monitoring systems regarding the administration, financial and operational reviews carried out by the ministry.

We also comment on the ministry implementing a recommendation made by our office in 1999-2000 regarding the ministry's system to determine housing assistance needs. Actions taken by the ministry over the past three years are described on page 269.

Our Auditor's report on the ministry's annual financial statements is an adverse opinion because the ministry's financial statements do not include the financial information relating to the 141 management bodies which deliver the ministry's housing programs. I understand that the ministry is working with the Ministry of finance to resolve this matter, which has been outstanding for a number of years.

Those are my opening comments. I and my staff will be pleased to answer any questions that the committee may direct to us.

The Chair: Thank you very much.

We'll get right to the questions. Ms Blakeman, would you like to lead us off, please.

Ms Blakeman: Thank you. A number of years ago, four or five years ago, the minister and I were at a social housing meeting in which a number of issues were raised by people. I think the issues were a surprise to the minister, but he did try to address them. Many of those I think I'm now seeing repeated again, so the problem is long standing. I'm referring specifically to the recommendation the Auditor General has just referenced, appearing on page 267 of the Auditor General's report, recommendation 39, around improving the monitoring of the performance of the management organizations. I note on page 268 that "for 4 of the 12 most high-risk management organizations identified by management during the year, the Ministry did not conduct operational reviews." Why not?

Mr. Woloshyn: Could you repeat the last?

Ms Blakeman: It's one of the bullets halfway down the page on page 268. Your own department has recognized four of the 12 most high-risk management organizations. Four of them were not subjected to any kind of operational review by the department. Why not? If you already knew that these were problematic, why didn't you conduct an investigation?

Mr. Woloshyn: Well, remember that we have 150 organizations to go with. There were four of the 12 ones that I believe the Auditor General put forward. We have been working with the Auditor General and within the department to address those very issues. To say why or why not, quite frankly we didn't get to it, and we are getting to it.

We have to look at the other part of this coin. You focus on the Auditor General's comments, and I don't have any difficulty with the accuracy of them. They are financial. The operational ones that we were attending the meetings for were to do with the actual day-to-day operations of some of the social housing units. We have been since then working and continue to work with primarily the SHAC people in Edmonton and other organizations elsewhere with the idea of having the management bodies, yes, accountable for the money they get but also more accountable in the way they treat the tenants. To me we've been doing a good job there, and then your contacts are quite close. We've revised a few things: our rents are calculated, things of that nature. We're continuing on that gambit.

Also, we will be ensuring that with all of the bodies that have been identified as being problematic, shall we say, we will be going through to ensure that that doesn't continue. We also, which doesn't

show up in here – I believe that was the year that we took over one body for a short time in Calgary because of a variety of things which I won't go into here, and they have been amalgamated into the Calgary Housing Company. So it's not a matter that we just brush them away. If we find serious situations, we deal with them. We replaced the board of that body. We then ended up amalgamating it because of, again, lack of performance.

With those four I do apologize that they weren't looked after. They are being, and if they haven't yet, they will be. But it's not a matter of trying to skirt any kind of responsibility. We just have a big workload, and the extent of the concern would be such that at that time we didn't get around to it.

Go ahead, Chi.

Mr. Loo: I want to clarify that. I believe those four bodies were not reviewed because they were already identified as needing assistance. Our operation is not just to review. We also assist the various managing bodies with operations. There was no point in reviewing them again because we were working with them to improve the situation. So in that particular year they were not reviewed because we were already working with them to improve the situation.

The Chair: Thank you.
Ms Blakeman.

Ms Blakeman: Thank you. As part of the same issue that's been identified here, then, the Auditor General also points out that in three of the management organizations that the Auditor General's staff tested, "the Ministry did not seek and document explanations for significant variances where expenses were below budget." The concern here is that underspending could signal either budgeting problems for management or a lack of good care and maintenance of assets, which of course belong to all taxpayers. Can the minister offer an explanation as to why the variances were not sought out and explanations found for why these groups were under budget?

Mr. Woloshyn: Well, since that particular recommendation we've put in a process whereby the management bodies, when they do their submissions, do have to have explanations for underexpenditures as well as overexpenditures, so that's been taken care of.

The Chair: Thank you.
Mr. Marz, followed by Mr. Mason.

Mr. Marz: Thank you, Mr. Chair. Good morning, Minister Woloshyn. You mentioned in your opening comments the information you provide for MLAs' offices, and I'd just like to pass on how much my staff and myself appreciate that, because it enables us to get some very detailed and comprehensive information out to our seniors in a very timely way. They certainly appreciate it too, so I just wanted to pass that on to you.

However, regardless of how many programs you have, we're always hearing criticisms that they're never enough. Like any grant program, I guess it's never enough, regardless of how much you put into it. On page 95 of the Alberta Seniors annual report it indicates a \$27.1 million budget for special-needs assistance for seniors – it's the last line item on page 95 – and it was underspent by \$3.45 million in 2002-2003. Could you explain why that occurred?

8:50

Mr. Woloshyn: In that particular year the extended health benefits were terminated by Alberta Health, and we transferred dollars into our budget to deal with low-income people on seniors' benefits

programs. The amount that we had anticipated to draw on, specifically at the eyeglass and dental level, did not materialize, hence the surplus.

Mr. Marz: Okay. That same program has experienced some problems in the past with long wait-lists for assessment of applications. Could you tell us what you've done to address those concerns?

Mr. Woloshyn: Well, I want to make one comment. Since that \$3.4 million – it's no longer there. The band has gone up once the program was bought into.

Long wait-lists. We have addressed that very well, I think. From a turnaround time that was quite excessive, we're now down to about three weeks if it's an application that goes through, if you will, smoothly. From when the application is received till it goes out is about three weeks. Our goal is 12 working days, which is less than three weeks. If you have an applicant where there is additional information required and you have some back and forth, that could delay it. I might point out that when we made the decision to support utilities in the last year, from the day the decision was made until the day the first cheques went out was less than two weeks. Quite frankly, at times when we do get a run on the program, a higher number of applicants, occasionally we will fall behind, but we've hired additional staff, and it's working quite well.

Mr. Marz: Okay. Thank you.

The Chair: Mr. Mason, followed by Mr. Cao.

Mr. Mason: Thank you very much, Mr. Chairman. Mr. Minister, welcome. I have a question that's based on the overview in your annual report, page 12, where it's talking about the housing services division. I guess I'd like to know where the government and the department are at in terms of its policy towards public housing and nonprofit housing. I attended years ago as a city councillor a housing conference in Calgary. The minister at the time was Dr. West, and at that time he indicated that the province was going to get out of the business altogether. I'm confident that that position has been reversed, but I'm just wondering how reversed it is. What do you see as the role of public housing and the role of the provincial government in helping to provide it?

Mr. Woloshyn: I would suggest that probably Dr. West's comments were slightly misinterpreted. We got out, although not totally and may never get out totally, of owning the facilities, and as you know, after that a great number of units were transferred to various bodies. There was at that time the feeling that at the local level – and I personally concur with this – local bodies can do a better job with hands on in the straight administering of local community needs. What replaced the Alberta Social Housing Corporation's direct involvement largely was the management bodies; some of the things we just had reference to earlier. So we still are in housing quite significantly.

To answer your question, Brian, I think perhaps I'll say this. In the last three or four years we've invested over \$50 million directly into supportive housing for seniors, resulting in some 1,900 additional units, and that was a short time after the Broda report. We've made a commitment to the people of this province, along with the federal government, to do the Canada affordable housing, which is focused directly at the people that you're referring to, low-income and special-needs people.

So our commitment to working, to supporting, and to investing in

affordable housing has not changed. The method of delivery has changed. The commitment, as you can see by the budgets, is there and remains there. If you look at the amount of investment in the last three years, if we talk about the CMHC agreement of some 130-odd million dollars plus the other \$50 million, that's in a three-year span – it will cover five, if you will – some \$180 million of direct dollars put in by this government. If you multiply that out, what it levers out in terms of the partnering I think is quite significant. We've been partnering with people like the Canadian Mental Health Association, Horizon Housing in Calgary, the city of Grande Prairie, the city of Calgary, Wood Buffalo housing corporation. We've been partnering with them for the last three years, I believe. Edgewater Court, which we've got a hand in but they look after it and they own it, has some 180 units on its own. And I believe that through the Canada affordable housing Wood Buffalo alone is committed to another 200 units, that have started under construction. So our commitment is there.

The policy to get out, like I say, perhaps was more misinterpreted than anything, because the province never did get out of it. If you look across the country at housing – and it's rather unfortunate – both the federal government and the provincial governments across the country in the last 10 years did not continue with their investments in housing. That was a national mistake that's starting to turn around significantly. I would say that if you check our Canada affordable housing criteria, as we have in this province, and we'd be glad to – it's probably posted on the web site. If you check that criteria against the criteria of any other province, this is the only province that's committed to putting in dollar for dollar. The others have tax exemptions and all sorts of little gimmicks, shall we say, where they rely largely on just the CMHC monies going in.

We have and we would like to have streamlined I believe 17, now 18, CMHC agreements that have gone on, all pertaining to social housing. A lot of it is the sharing of expenses. I don't even want to go into it because I don't even know it all, Brian, but those things are there. I believe we and Quebec are the only provinces that still have those agreements, and we still have them simply because we made the commitment that if we're going to change them, they have to be changed for the betterment of the people who benefit from these, not just to get out of the agreements. We have not been able, to this point, with the federal government, and it's just a matter of not – I demand more than they're willing to give, I guess, for whatever, and where the value is, I don't know. But I'm not prepared as minister responsible to just take the money and run and leave a big void in the social housing portfolio as we have it. So there's that going on.

So our commitment, Brian, to answer your question, is there. It's just a matter that delivery has changed, and I guess at some point one can judge whether the delivery system is better or worse than it was before.

Mr. Mason: Do you think it is?

Mr. Woloshyn: I think so, yes. I found it very good where we can go to management bodies. They have the hands-on experience, whereas with a department, whatever it is, if you spread yourself out too thin, then, you know, your ability to deliver it is a little bit less.

The other part is, for example, on the lodge foundations, which I find very good. As you know, a lot of them requisition. Out of the 150 I believe about eight don't requisition. The municipalities appoint their people, whether they choose to put on their own elected members or whether it is people they choose, as in Edmonton, the members at large in the Greater Edmonton Foundation. These folks are accountable back to the municipality, back to the locals, and they have a direct connection with the folks that they are serving. I find

that the vast majority of the lodge operators are very, very good, and they've come up with – well, for example, innovative ideas in lodges came out of Myrnam a few years ago. We've added an Alzheimer's unit. You've heard a lot about Vilna, that lodge authority that is working on adding, if you will, an Alzheimer's unit to the Vilna lodge to ensure that it has a greater occupancy. These are the kinds of innovative ideas that come from the people in the community. It's something that out of Edmonton we wouldn't even be aware of the need for, let alone have the ability to deliver it.

We partner with those in that we share, for example, in some of the financing, as much as we possibly can through our budgeting and through the operations, giving them some degree of operational dollars.

You'll find that the lodge authority in southern Alberta that works with the Chinook health authority is a leader in delivering assisted living or supportive housing, if you will, as per the Broda report. If you remember, the Broda report had some directions that we try to subscribe to. I would suggest to you that those kinds of outcomes are more a result of the people on the local level, in Chinook's case the health authority and the lodge authority, looking at a situation and saying: what can we get out of this?

So I would say in answer that the new system, yeah, works really well. As indicated by the Auditor General's report, do we have to remain diligent and ensure that it continues to work right across the board? Yes. That's what we have to make sure, that we do that part. I think that if we get those two things going, we'll have a darn good system in the province.

9:00

The Chair: Thank you.

Mr. Cao, followed by Dr. Taft.

Mr. Cao: Well, thank you, Chair. I echo my colleagues here about your department, Minister. The people in your department have provided my office with information about seniors that is very, very current and also very appropriate to serve my constituents.

My question today is regarding an item on page 57 of your annual report. This is the consolidated statement of operations. There's an item called "debt servicing costs," and it's quite a number, \$45 million. So my question is on what it is and how to get rid of that.

Mr. Woloshyn: Well, I hope that now I'm going to get the Auditor General's total attention. I don't want that number anywhere near my budget. It's a flow-through number. A lot of our housing portfolio still has encumbrances against it. I referred to, for example, some things with CMHC. We have a 16 per cent mortgage, I believe, that runs with the heritage savings trust fund. You will see that that number a couple of years ago was at \$120 million, and then it was reduced to \$50 million or \$60 million. Then I get the questions in the House: you're taking money out of their budget.

That's just a method of identifying the paying of our assets that are government owned, Wayne. I don't know how Treasury works, but I'm sure there's a very good system in there somewhere. That number will fluctuate, but it's just a straight flow through that Treasury does for us to make sure that we keep our accounts current on what we owe for whatever is left on it. Some of that money, a good portion of it I believe, goes right back into the heritage savings trust fund, in which we have a mortgage that we won't bother looking elsewhere for. It is 16 per cent, but it goes from one pocket to the other. It's within government, and it's best left that way.

Mr. Dunn: Just to supplement that, if you'll look at the debt in note 9, I believe, to the financial statements, that also comes from the

Social Housing Corporation. So we have \$494 million of debt in the Social Housing Corporation, and it's the same amount of debt that moves up through to the ministry. In there it is described what the maturity dates are, the average rate of interest. Some of them have average rates, as the minister was just explaining, up to 17.4 per cent.

So it is money that comes from the Social Housing Corporation, the debt on those corporations, which flows up through to the ministry's consolidated statements.

Mr. Cao: Okay. Thank you.

Mr. Woloshyn: Only you would ask that.

Mr. Cao: My supplementary question is probably more generic. I'm one of the proponents of what I call the four E's: effective, efficient, economical, and ethical. So my question, generally, to you, Minister, is: do you have any program to do what I call continuous improvement in your portfolio?

Mr. Woloshyn: A program specifically identified as such? Probably the answer would be no. Do we strive for continual improvement? Yes. In every section, housing through to seniors, we undergo a constant review. It's a continuum of what we're doing, and we look for better ways of doing it.

Some of you are familiar with the special-needs program. Well, just to use that as an example, we've shortened up the forms. We've shortened up the times. We've condensed a lot of stuff.

So we try to meet our goals, but the bottom line is that we are a granting agency primarily. The majority of our budget is flow through, and all of the people that we are responsible for are folks on the low end of the income threshold, a lot of people who can't advocate or don't know how to advocate for themselves, whether they be in social housing or whether they be in our seniors' self-contained or whether they're just folks that are in our income support programs. So when the staff across the board do have, if you will, suggestions or ideas, we look at them seriously to try to continually improve our delivery to them.

For example, there's a group known as the Social Housing Advisory Committee. I'd made a commitment to them to meet at least once a year and to hear their concerns first-hand so that we can address them, and they have legitimate reasons. Through their suggestions we were able to improve how their rents were calculated. I found out from a meeting that the deputy and I attended the other day that the outcome of that change in how the rents were calculated – so the SHAC people tell me, and I have no reason to question it – resulted in people moving out on their own because they were able to save some bucks. That's the whole idea of the service.

So when you say, "Do we have a program that goes and looks at it?" I don't have the resources for that, and I don't know if I'd do it. I'm more inclined, quite frankly, to speak to the folks that we serve and deal with that. As a result of the meeting that we had the other day with them, we'll be working with the Solicitor General, the city police hopefully, and the people in it because apparently we have some complexes where crime is beginning to be quite a significant problem, where people, single moms with kids, are fearful in their own homes. I wasn't aware of that – perhaps I should have been – but we're going to deal with that as quickly as we can.

For example, fencing was one issue that they had where they were, and we'll look at doing that as quickly as we can. The other part was that they were talking about neighbourhood watches. Well, we can help them in that. We can't do it for them. That comes from their end. The other aspect is probably a better co-ordination with the city

police. Again, I think that if the police are given the opportunity to do that, it will fall into place. So that's the way we approach it.

The changes to the seniors' special-needs programs were done largely because of the concerns raised by people on the slowness of the turnaround. To help lodge authorities, for example, we've changed our funding approach through the lodge assistance program. That's now going. It's increased on a per unit basis, but it follows the individual more.

Also, the lodges gain their money by the rooms occupied by people on ASB, yet they can rent to others if they meet the needs of the ASB first. They pay their full fare, and the folks who can't we support. That was done without a bunch of fanfare. We increased the payments to the lodge residents so they could meet some of the increased rents. That was, I believe, roughly \$85 a month. That was just done recently.

So we keep looking at continually improving, and we respond. For example, a change in funding to the lodges was done in consultation with ASCHA, the Alberta Senior Citizens' Housing Association. It took quite some time, but it reflected what they felt they could do, and it was something that we were able to handle with a slight increase in the budget.

So that's sort of how I approach it.

The Chair: Thank you very much.

Dr. Taft, followed by Mr. Cenaiko.

Dr. Taft: Thank you, Mr. Chairman. Certainly, my first question is to the Auditor General. Your letter is pretty negative. As you said in your opening comments, it's an adverse opinion. In the last paragraph you say, "In my opinion, because of the effects of the matter discussed in the preceding paragraph, these consolidated financial statements do not present fairly the financial position of the Ministry." In the preceding paragraph we're talking here a lot of money, \$16 million being, shall we say, not reported in the proper fashion according to the standards of your profession. If this statement was delivered to me and I was the head of a nonprofit organization, I'd probably be looking for another job or something like that. I mean, this is pretty negative. What would be the normal consequences outside of the provincial government if a statement like this was delivered to an organization?

9:10

Mr. Dunn: In response to that, as I mentioned to you before, we do have a couple of situations where there are adverse opinions, and in our profession the adverse opinion is the worst that you can give. It states that these financial statements are not complete. We have raised this matter over a number of years with the Department of Finance, and the fact is that we believe that these management bodies are controlled by the ministry through the province that they're controlled by, and therefore their assets, liabilities, results of operation should be included.

We have that same issue in a couple of other areas, including Learning, which does not consolidate the school boards, the universities, the colleges. We've been working for a number of years with Finance to address this matter. This ministry is following Finance's direction, but, as you're aware, in our recommendations to Finance we've recommended that they do adopt the appropriate standards and that they do consolidate those organizations. Until such time as they do consolidate them, then, we will continue to report what the amounts are that have not been included in here in our opinion. That's why we quote these dollar amounts. You have to add those dollar amounts to the ministry's results in order to get the consolidated picture.

Dr. Taft: I understand. We've had those discussions before, and I think that in other departments there are arguments to be made. For example, the university, I think, has a legitimate case not to be consolidated into Learning's statements. But in this case we've got 141 agencies, I understand, left out?

Mr. Dunn: That's right.

Dr. Taft: Those could be all kinds of agencies. I mean, how are we as a Public Accounts Committee to hold this minister accountable when millions of dollars, 148 agencies, which could be – I don't know. Some of them could be small; some of them could be big; some of them could be mom-and-pop organizations. I have no clue. Are they for-profit, not for profit, all of the above? How do we hold them accountable? How do we hold this minister accountable?

Mr. Dunn: You are correct. Those amounts could be all of the above. We have, as I say, identified the aggregate dollar amounts that are to be, in our opinion, included.

Dr. Taft: So we don't have the information here to completely hold this minister accountable?

Mr. Woloshyn: Not true.

Dr. Taft: I'm addressing the Auditor General.

Mr. Woloshyn: Well, I'm telling you that's wrong.

Mr. Dunn: Well, regarding the financial aspects, you're absolutely right, Dr. Taft: those amounts are not included in these financial statements. That's why I've delivered the adverse opinion. In our opinion, they should be included. We'll talk with Learning about universities, but I do believe that they should be included also. But in that regard those amounts have not been included in these financial statements. Holding them to account regarding the financial results means that you must add those on, in my opinion, in the financial results.

The minister may want to talk about how they hold them to account on operational matters.

Dr. Taft: Oh, that's okay. We can carry on. Thanks.

The Chair: Thank you very much.

Mr. Woloshyn: If I may comment on that issue, please.

The Chair: Just briefly, please.

Mr. Woloshyn: If that's a significant issue – and I think we are splitting hairs here. I'm not going to debate the Auditor General's position, obviously. With these budgets, all the management bodies submit their budgets to us. We hold them accountable for the facilities that they manage on our behalf. Some bodies do very little for us on a bigger budget; for example, the Good Sam, which we have dealings with. Should all of the Good Sam's assets be shown on my budget run because we have some dealings with them? That's a bigger question which I won't go into, but to say that because their assets are not listed, that does not hold this ministry accountable for the dollars expended is not quite accurate. To say that we don't know what's going on because their assets are not listed is not quite accurate.

As the Auditor General has pointed out, this is a bigger issue than

this ministry. Certainly, when the system comes up to where it is shown, fine; we will show it. I don't have difficulty with that at the end of the day. However, to use that and to say that suddenly we're not accountable for what we're doing with the taxpayers' dollars is very, very misleading, and I won't accept that position, period.

The Chair: Thank you.
Mr. Cenaiko.

Mr. Cenaiko: Thank you very much, Mr. Chair. Minister Woloshyn, thank you very much. First, I'd like to compliment you on the tremendous program that we have in place, the special-needs assistance program. As Mr. Cao and other MLAs mentioned earlier, the assistance you provide to our constituency offices has just been tremendous, and I really appreciate the help you've given.

I don't have a question, but I would appreciate a comment from you regarding what I'd just like to comment on now. I attended a meeting that was held by the city of Calgary about two weeks ago regarding affordable housing, and we had all the stakeholders there, from funders to builders to developers to not-for-profit organizations, that were there to assist in developing plans and opening doors for those that require affordable housing. One example that I found there was that we have a not-for-profit organization that is willing to step up to the plate and build a 108-suite facility for those that require assistance in an affordable housing type of environment. The issue was whether it was the community or whether it was the alderman or whether it was some issue surrounding the R zoning . . .

The Chair: Excuse me. We're dealing with the year 2002-2003 in this Public Accounts meeting, please.

Mr. Cenaiko: It deals with affordable housing, similar to I think the member's question that didn't deal with . . .

The Chair: That member referenced page 12 of the annual report.

Mr. Cenaiko: Okay. Well, this is dealing with affordable housing, which is a program in here.

My comment is that the issue is that communities and other individuals, the powers that be – and I'm sure this has happened in the past, including in the year we're looking at. It's that cliché: not in my backyard. I'm wondering how your ministry staff may be working with the city and the federal government regarding programs where you're trying to provide affordable housing and you're running into roadblocks like this.

Mr. Woloshyn: That can pertain, and I'll just give an example for the year 2002-03. We have set up the program so that it goes project by project and has to be endorsed by the municipality. That takes us out of the zoning debates, and we want to stay out of that because, again, as I indicated, the locals can do better.

To give you a good example of what happens when you cooperate, the city of Grande Prairie put forth a 60-unit facility for mentally challenged folks. That was going and well on its way before our program was even announced from the fact that I said that if we got the money, their project would be considered. That was placed close to downtown. Everybody bought into it. If you have some of these NIMBY situations, those are best sorted out on it.

We just opened up Art Smith House in Calgary. That was right in the middle of a residential neighbourhood, and all the neighbours are extremely supportive of it. That wasn't because of my ministry. That was because of the people – I think it was Horizon Housing – that did the facility. The Bob Ward one is another situation where it's very well accepted.

In Edmonton the Salvation Army shelter for women with addictions, on 119th Avenue and 82nd Street, I believe, is again well accepted by the community.

To answer your question, if the ministry stays out of this and the community groups sort it out, it works. If we start to get in there, we end up with a battle on the front pages.

The Chair: Thank you.

Ms Blakeman, followed by Mr. Broda.

Ms Blakeman: Thank you. I'm referencing both page 70 and page 23 of the ministry's annual report. On page 70 note 11 is around contingencies in legal claims. The ministry here is a defendant in eight legal claims, two more than the previous year, I think. The claims have a specified amount totalling more than \$3 million, which is up almost more than three times what it was in the previous year. My question is: do any of these relate to alleged wrongful deaths which occurred while a senior was in care at a long-term care facility?

Mr. Woloshyn: Oh, no. These claims go back a few years. I'll get back to you in writing on this one because I don't want to mislead you in any way. I don't know the details on it; I'll say that up front. We'll get back to you on that. We don't have any difficulty in sharing that with you, but if you don't mind, we'll do it in writing.

Ms Blakeman: That's okay. It goes through the clerk, if you'd be so kind.

Mr. Woloshyn: Whatever way the committee works.

With reference to folks in extended care, at this point in time, although that may change, it does not flow through this ministry. That would be more likely, if there were things of that nature, under Health.

Ms Blakeman: True. But if you're named in the suit, you're named in the suit.

The second part of this question, then, is referencing page 23. Under core business it's noting \$175.6 million spent on "support provision and management of seniors, family and special purpose housing." I'm wondering how much of that amount of money was spent on abuse shelters specific to senior citizens. Again, you may want to provide details in writing.

9:20

Mr. Woloshyn: Yeah. The ones that we would have supported – and I don't know if it would come under that line or not, hon. member – would be some support for the Kerby Centre, and through the Greater Edmonton Foundation we do provide floating suites to accommodate seniors with abuse. Again we'll get back to you on that one in writing. I wouldn't have the details at the moment.

Ms Blakeman: Thank you.

The Chair: Thank you very much.

Mr. Broda, followed by Mr. Mason.

Mr. Broda: Thank you, Chair, and good morning, Mr. Minister and staff. I'm going to go more on giving you kudos because it's not only what your staff do for my staff in my constituency but for our residents. The information that comes out, your ability to get the funding out as quickly as you can for special needs has been appreciated. Also, you have programs out there that I'm going to be

utilizing at the end of this month. To have your staff coming out and speaking to seniors' groups in regard to fraud and other things that occur I think has been very positive, and I think this is the second one I'm going to have in my constituency. It certainly identifies a lot of the needs or awareness, at least, that individuals may not have.

I do have one question here, going back to page 40 of the ministry's annual report. We implemented in April of 2003 an agreement with the University of Alberta dentistry and dental hygiene program. For those individual seniors that have difficulty in accessing an affordable dental program or through a private insurance program, could you tell this committee how that has worked so far to date? Also, on top of that, what I'd like to know is: when the senior gets the \$5,000 special-needs assistance program, is this above and beyond the assistance they may get in that program? That program, again, is very welcome. It's probably, from what I understand, the only one in Canada for special needs for seniors, so I'd like to thank the department.

Mr. Woloshyn: I just met recently with some of the folks. The program is going very well. As you may or may not know, we front end it for them, so the university isn't drawing on their own. What it basically amounts to is that we have a \$5,000 lifetime limit for dental, and by going through the university, the seniors there can easily get the \$10,000, and that doesn't inhibit them. The lifetime limit of \$5,000 does not stop them from getting a furnace or other issues.

How well does the program work? Well enough that we are in discussion periodically with the University of Alberta to have a mobile dental lab that would float around the province a little bit – a lot of details that the university has on that I don't have anything to do with – which would deal not only with seniors but folks who are on the low end and can't afford it. You can appreciate that before something like that gets going, you'd have to get the dentists on side, the university has to have the staff, then the lab itself has to be done, and it would be a sporadic thing.

But that's something that we're looking at, and again I must stress that it's not seniors specifically. If they could go to a community, a mobile lab where people on low incomes could access – because as you know, the university doesn't just do seniors; it does a lot of people there. So the program is very successful, and if we have an opportunity to expand it, definitely.

Mr. Broda: That's the only question I had. Thank you.

The Chair: Okay. Thank you, Mr. Broda.

Mr. Mason, followed by Alana DeLong.

Mr. Mason: Thanks very much, Mr. Chairman. My question is to the Auditor General, and it has to do with the question raised by Dr. Taft. I think, you know, this is something we should focus on a little bit in the committee because, as you said, it goes more broadly than this ministry. I'm curious first of all whether or not the adverse opinion you provided to this ministry is entirely based on that issue, and if so, did you also provide similar opinions to the Learning ministry and so on?

Mr. Dunn: First of all, was it based solely on the noninclusion of those management bodies? Yes. Did we provide the same adverse opinion to the Ministry of Learning? Yes.

Mr. Mason: All right. How can we resolve this? I guess the question is: how can we help you or work together with your office to get this issue resolved? I recognize that it's a rather complex one.

The minister has talked about, you know, how certain nonprofit organizations may own some assets and so on, and there's some debate as to whether or not they should appear on the ministry's books. How can we work with your office to try and get this issue resolved?

Mr. Dunn: I appreciate that question because that's very important. Your committee, as I've said, is very important in helping the government select its policies and procedures, et cetera. So I appreciate you raising this question, emphasizing the fact that you and this committee believe that it's important for that to be resolved and that you'll take that same question and direct it to the ministry that does control those accounting policies, which is the Ministry of Finance.

I would hope that that same question will be raised with the Ministry of Finance: when will you achieve the expectations of the Auditor General? Just to remind you, the Financial Management Commission did recommend in its recommendations in the 20s, recommendations 21, 22, and 23, that the province adopt what is called the Public Sector Accounting Board's recommendations at its earliest opportunity. The province did respond to that, that it will do that. However, it has not yet done so.

So I believe that it's important for this committee to hold the government accountable to their representation in that they will adopt those accounting principles and policies. I appreciate that you have raised it here today and allowed us to talk about it. I'd expect, through the minister and then through to others, that it is deemed to be important to this committee to have that accommodated, so we'd expect that this ministry will go back and talk to Finance and say: when will you change these rules and allow us to include it?

The Chair: Thank you very much.

Alana DeLong, followed by Dr. Taft.

Ms DeLong: Thank you very much, and I do want to say thank you very much for the assistance that seniors get in my riding. Also, occasionally we put through a request for some sort of streamlining in terms of, you know, simplifying the process, and you've also been very good at following up on that. Thank you very much.

My questions are about page 26, talking about performance measures and determining the extent to which seniors have had an opportunity to apply for the Alberta seniors' benefits. Can you give us an update on that measure?

Ms Blakeman: In the fiscal year we're examining?

Ms DeLong: Yes. In 2002-03.

Mr. Woloshyn: Well, the whole idea of that particular performance measure is to try to reach all of the seniors that are eligible. In that particular year I guess we dealt with everyone that we found. But how many were missed is very hard to determine, and that is a concern that we have continually worked on.

Just as an example, this year when we went to supporting accommodation rates in long-term care, we found a few seniors, a considerable number, who had not identified themselves with a change of address, shall we say, and as a result were missing out on some benefits. But we just try to get that communication out as best we can.

There again – and I say this to all MLAs, whatever party you're with – if you have a senior that has a question, make sure you research it thoroughly for them to ensure that they do in fact get the benefits they're entitled to, because very often we also find that they

may be missing out on some federal benefits too. That's one that we really are concerned about. Let's face it. If a person qualifies for our programs, they're very low income, and anybody who is missed is of concern to us. It's just about communication, and we do the best we can. Again, if you've got ideas from anybody there, we'll certainly look at them.

9:30

Ms DeLong: Thanks very much.

The Chair: Dr. Taft, followed by Cindy Ady.

Dr. Taft: Thanks, Mr. Chairman. On page 9 on the org chart there's a special box there for communications, and on page 13 there's a paragraph on the function of the communications department. This follows a little bit on some of the other questions in terms of programs for seniors, the importance of communicating with seniors. Can you fill in the box on page 9 for me? How many staff are there? How many work for the Public Affairs Bureau? How many work for your department, and what do they do?

Mr. Loo: The Public Affairs Bureau staff: there are three on site and one clerk who supports that from the ministry. In terms of what they do, I guess they provide a standard communication strategy for getting information that supports our program, including the various publications like the Programs for Seniors booklet, including the various announcements on changes to the program, including assisting us with getting those, you know, senior-friendly materials, wording, et cetera, on our web sites and so on.

One of the things that we've got to keep in mind when we're designing the communication materials is that we're not only needing to gear it towards the seniors, but we also need to gear it towards the caregivers and so on. So we've got to work on the right mix between the two of them so it's enough information, easy to understand but not too low of a level.

Mr. Woloshyn: I'll supplement that, too, Dr. Taft. The other thing you should know is that we have what's called the information services branch – it's not a part of communications – and that deals directly with the seniors, and that's the one that runs the 1-800 line for us and various other things. That is separate. It's not tied into communications at all, and there's where we get the direct contact with the seniors per se if that's where you're heading to. That would be those 20 people. The other folks give us the bigger umbrella on it.

Dr. Taft: Okay. So there are four from the Public Affairs Bureau and 20 in a different area?

Mr. Woloshyn: No. The 20 are a part of the department. They're not tied in other than the work that the four would do, say, like compiling the booklets and whatnot. These 20 that we have do the direct one-on-one with the seniors.

Dr. Taft: Okay. That's helpful then.

Mr. Woloshyn: If you'd like a tour sometime, I'll arrange it for you. I mean that too. If you want to go through that particular information branch with the phones and whatnot, I'd be glad to show you around.

Mr. Loo: And I stand to be corrected. I apologize. I'm in a different fiscal year. Back in '02-03 there were only actually three of them. Sorry.

Dr. Taft: Three. Okay.

So then my supplemental, I suppose, is around the costs. If the communications box on page 9 is really the Public Affairs Bureau staff, then what is the budgetary cost to your department of that box, as we can put it, if any? I'm on page 9. Who are those people accountable to then?

Mr. Loo: On schedule 4 of the annual report on page 95 under Communications the estimates for the year '02-03 was \$270,000, and we spent \$269,000. That is inclusive of not only the manpower but also any publications, et cetera, costs.

The Chair: Thank you.

Cindy Ady, please, followed by Ms Blakeman.

Mrs. Ady: Thank you very much. I have to add my voice also to the support your office gives the seniors in my community. I appreciate it, and I know they do.

But my question is tipping towards another area of your ministry, and that would be towards the homeless situation that we experience in the province. I know that you also have something to do with that. I was looking at page 37 of the Seniors annual report, and you talk about performance measures in there, and you also talk about the \$3 million annually that you give towards the seven urban centres. Below that, though, you talk about performance measures and how you can measure the goals of people in homeless situations. I know that sometimes people get stuck in homelessness because there's not affordable housing. Can you tell me basically: what does it cost for a mat in a homeless centre versus, you know, the rent that would be for affordable housing on some of the newer units and things that you've been able to open?

Mr. Woloshyn: I can only answer if I stay with the '02-03.

Mrs. Ady: That would be fine.

Mr. Woloshyn: I'll answer the question for you. We didn't have the operations responsibilities for homeless shelters until this current fiscal year. However, what we did do in 1999 in order to co-ordinate activities of folks, we provided through then the Community Development minister – we started it there – a support for organizations such as the Calgary Homeless Foundation or the Edmonton Housing Trust Fund, who were to pull together the needs, if you will, and bring forward recommendations.

There was \$3 million allocated to that, and it has been allocated ever since. Although it was supposed to terminate in three years, the need was there. It's a million to each of Edmonton and Calgary, and then five other centres get \$200,000 apiece. They were to identify needs, and they could only spend that money on capital improvements. You'd know the Calgary Homeless Foundation better. That's where they get involved with the Calgary Dream Centre, the Bob Ward building, and so on.

With respect to the cost I can only say what we pay, and it's variable, with the highest being \$25 a night. Real cost: we are working with the shelters to determine what that is, and I just wouldn't want to say too much on that account now, because quite frankly it's very variable right across the board.

Mrs. Ady: So have you been able to create these performance measures on how you are going forward on this?

Mr. Woloshyn: We are going to be working with our internal auditors to develop contracts that are auditable, if you will, with the

shelters to ensure that the contract intentions are being met. We are working with them for this year's contracts so that, in fact, the Auditor General can then look at that particular activity with something to measure it by. Currently I'm not sure with the way the contracts are mixed between shelter and programming and whatnot, that that is very easily done, and we do want to bring in a very strong level of accountability on this whole issue because the costs of operations are skyrocketing on us.

Mrs. Ady: Thank you.

The Chair: Thank you.

Ms Blakeman, please.

Ms Blakeman: Thank you. We seem to have difficulty getting the exact numbers on what the province is putting into homelessness initiatives. Now, when I check page 37 and page 19 of the ministry's annual report, we get statements like "through the Provincial Homelessness Initiative, the ministry committed \$3 million annually from 2000-01 to 2002-03" – so I'm assuming there are three years in there somehow – "for Alberta's seven major urban centres." That paragraph is also repeated on page 19.

When I look at page 96, which is the breakdown of vote 3 for housing services, once again that \$3 million figure appears under vote 3.5.2. Yet while I've listened to the minister today, he's talked about \$17 million that the ministry has levered, which has resulted in additional money from the municipalities and particularly the \$50 million that we keep hearing about from the feds. So what's the amount? What's in the budget here is \$3 million, and it appears that this has been an initiative that's been in existence for three years, so that's \$9 million, which if it managed to lever \$81.6 million from municipalities is great, plus another \$50 million from the feds is great, but what's the actual figure here?

Mr. Woloshyn: That's a good question. The \$3 million that we had in there, like I indicated, was for the seven cities to work on the homeless thing as it was coming. That's a flat line, and you can follow that through. In Edmonton's case it's the Edmonton Housing Trust Fund who've received that million dollars, and they've done, as you're well aware, a lot of projects. You could track down where the money went. And they've got the supports from outside.

The \$17 million I refer to was to do with the Canada/Alberta affordable housing. If you tracked that – what's the name of the centre in Grande Prairie that we opened up?

9:40

Mr. Loo: Willow Place.

Mr. Woloshyn: Willow Place, for example. That's where the money went there, and I suppose maybe some of those people were homeless, maybe not, but that would be an effective preventative measure.

The money that you're talking about, a stand-alone program which we didn't put dollars into – that was done by Canada Labour through Claudette Bradshaw. That particular department put in quite large sums of money in the province. The \$51 million that you refer to would have been through there, and the other \$80 million would have been from the communities. It wouldn't have been provincial monies.

So if you're dealing with that topic, we've got two or three going. The \$3 million is an ongoing grant to keep these organizations going.

They give us, quite frankly, a lot of leadership on what areas

should be addressed. As you well know, when you start talking about homeless needs, it's not just the shelters; it's a matter of prevention. These organizations do a good job in the planning of that, and in all of the cities it's worked well.

So we're not into that one, and like I indicated, the \$51 million I believe you alluded to would be out of the federal government through Claudette Bradshaw's portfolio. Then the \$81 million would have been what they say that communities gave. We are not a part of that. The affordable housing, which is a different program geared primarily to working people, is separate from them.

The Chair: Thank you.
Ms Blakeman.

Ms Blakeman: Thank you. My supplemental then. The high correlation between homelessness and mental illness is very strong in Alberta right now.

Mr. Woloshyn: Yes.

Ms Blakeman: It's in the news today. I'm wondering why I can't find a higher priority rating in this year between housing support for the mentally ill – it's just not appearing as a priority. I haven't been able to find the words "mental illness" and "housing" in this report yet. Yet you're the minister responsible for housing. You mentioned that mental illness is part of what you're responsible for, but I don't find a high priority put on that.

Mr. Woloshyn: I beg to differ, quite frankly. If you look at what Grande Prairie did in this year, 2003, they opened up Willow Place, 60 units directed at the mentally challenged. This current year another 60 units in Calgary at the Bob Ward centre directed at the mentally challenged, and there are a couple in Edmonton directed at the mentally challenged. I certainly don't have to put . . .

Ms Blakeman: Mentally challenged is not mentally ill, Minister.

Mr. Woloshyn: Well, okay. I'm not going to start defining between who and what. We have the responsibility of working with the communities and the municipalities to provide affordable housing. We're doing a pretty darn good job of that.

Now, if you want us to identify the mentally ill, I don't know how we would go about that in terms of housing. That's the program issue which borders on to things that were done nationally in mental health of moving people into the community. We are dealing with people who were institutionalized and are now living in the communities, and they take up a good part of the homeless shelters, which is a concern. Quite frankly, to move some of these people might be very difficult because some of them have made choices to live there.

The Chair: Thank you.
In the time permitted, Richard Marz, please.

Mr. Marz: Thank you, Chair. Minister, on page 32 of the Alberta Seniors annual report it indicates that the ministry planned to implement a new funding model for a lodge assistance program in 2002-2003. Could you explain the change in the funding formula for that lodge assistance program and how that change will affect the management body's funding?

Mr. Woloshyn: Very briefly, I alluded to that earlier, and that was that we changed it from an occupied room with no conditions to a room occupied by a person on ASB. The rates went up \$5.50 per

room with the smaller lodges getting \$7. What that will do is increase the flow into the lodges, increases the cash for most of them. If they had an inordinate number of seniors who were not on the seniors' benefit program, they could in effect lose the support from us, but those people can afford to pay the rents, and they would do it that way. So it's a matter of shifting the focus of support to the individuals in keeping with our philosophy of helping those who need it.

Mr. Marz: Did the number of seniors that were funded go up or go down as a result of that?

Mr. Woloshyn: Oh, no. More funding went in, plus the management bodies, if they had people who were of higher incomes, could then charge them for the whole thing.

The Chair: Thank you.

That concludes this portion of our agenda. I on behalf of all members on the committee would like to thank the minister for his time and his attention this morning, and certainly his staff. While we conclude with other items on the agenda, you can feel free, with your staff, to leave if you would like.

Mr. Woloshyn: Can we stay?

The Chair: You certainly can. You're very welcome to.

Mr. Woloshyn: Thank you. I do appreciate your time, and I hope that I've answered the questions fully. I would say this much: a ministry is only as good as the staff, and I feel that we have a good ministry because of good staff. Perhaps some of you may say: in spite of the minister. But we have a good ministry here.

The Chair: Thank you very much.

Now, we have two items that the committee expressed an interest in discussing, time permitting. The first is an organizational meeting with the Auditor General and an update from the Auditor General. The clerk has polled the committee, and Monday, April 26, at lunchtime is the most appropriate date to have this additional meeting with the Auditor General. The Auditor General and his staff have been very gracious with their time. So if we could mark our calendars, please, and for those who cannot attend – there are four hon. members who cannot attend – we are going to request an additional date with the Auditor General at the convenience of the office of the Auditor General and the members.

Yes, Richard.

Mr. Marz: The location would be here?

The Chair: The location will be here, yes, and an informal lunch will be provided.

Mr. Dunn: We'll accommodate the other date that you may come up with.

The Chair: So Monday, April 26, at 12 noon, here. Is that fair enough? Okay.

Ms Blakeman: I'm just wondering if there's any way to keep some notes from the meeting on the 26th so that those members that meet at a separate time have an idea of the kinds of questions that were asked so we don't make everybody repeat everything and have an understanding of the discussion that went on. Is that possible?

The Chair: We will try to arrange that. I can't say at this time if that's possible or not.

Ms Blakeman: Thank you.

Mr. Dunn: Hearing that question, we will attempt to have someone there who will capsule the essence of the questions and then summarize them for the other group.

The Chair: Okay. Thank you.

Now, the second matter that was brought to the attention of the chair this morning, from Mr. Mason, was an informal report from the Auditor General on the BSE issue. The Auditor General agreed to give an informal brief report, but first off we have a speaking list developing, and Mr. Hutton had indicated a wish to speak.

Mr. Hutton: Thank you, Mr. Chairman. I guess that last week we allowed a motion to be brought forward by the hon. Member for Edmonton-Highlands, and we addressed it from the format that we even accepted it to come to this table, and we shouldn't have. We should have challenged the chair at that time, but we didn't, and the media is here again this morning. This is not the place to be having this discussion. It's not on the agenda. We're not going to discuss it here today. Whether the Auditor General wants to have a meeting separate to this meeting, that's fine. He can call said meeting, but it's not on our agenda. We're not approving something that doesn't fall in the 2002-2003 agenda. So I challenge the chair on bringing something to the table that we had no input on or no say about. If the Auditor General wants to have a separate meeting with regard to BSE, he can call it, but right now we're not having a discussion with regard to this unless the rest of the committee wants to and we approve it.

The Chair: Well, Mr. Hutton, just to bring you up to speed, at 8:30 this morning in your absence it was brought forward to this committee by Mr. Mason, and it was informally decided by all members present at the committee – I didn't see anyone speak against this idea – to have the Auditor General report.

Mr. Lukaszuk.

9:50

Mr. Lukaszuk: Thank you, Mr. Chair. I have a few questions, and maybe you can educate me. First of all, if you look in the *Hansard* of this morning, we have never had a motion to amend the agenda and to place this item on the agenda. I don't recall myself or anybody in this committee voting. So maybe you have construed that informally somehow we have telepathically all agreed to have this discussion at the end of the meeting, but as far as I am concerned, there was a request from the Member for Edmonton-Highlands and an agreement from you as the chair to do so.

My questions and concerns are as follows. Number one, we scheduled a minister to appear before this committee, the Minister of Seniors and housing, some time in advance, and that was agreed to by the committee. Now, the issues that the minister of seniors' services and housing brings before us are important issues and timely issues. As you know, there are a number of seniors out there in our constituencies that have concerns with programs or would like to see enhanced programs or would like to see altered programs, and they rely on what is being said in this committee.

Housing always is a topical issue, yet somehow, Mr. Chairman, you arbitrarily decide that we will cut that minister's time by an arbitrary amount of time and cut his ability to answer our questions and our scrutiny in favour of an agenda item that wasn't even voted

on. Question number one from me would be: how appropriate is that? Is that something that we want to engage in? I know that the members of the opposition always complain, both in the House and in this committee, that they don't get to examine enough ministers, that this committee doesn't sit often enough and long enough, yet all of a sudden, just like this, we're willing to send a minister on his merry way home early just so we can discuss an issue that isn't even on the agenda.

My second question to you, Mr. Chairman – educate me on this one as well. It is my understanding that the mandate given to this committee by the Alberta Legislature is to discuss annual reports from the fiscal year prior to the year in which we are meeting. Hence, today we met with the Minister of Seniors and the Auditor General to discuss issues of last year, expenditures and revenues of last year – that is the mandate of this committee – or any other reports that the Auditor General has filed and completed. From what I understand, the Member for Edmonton-Highlands wants to discuss progress of a current audit of a current year expenditure, and (a) I am not certain whether the audit is completed yet – if it was, I imagine the Auditor would have tabled a report – and (b) I am certain that the program which the Member for Edmonton-Highlands wants to discuss is not last year's; it's this year's. So I know for a fact, unless you can correct me, that we don't have the mandate to even discuss that.

Lastly, if as a committee for the sake of interest – because I do agree that all of us should be interested. What the Auditor is doing right now is very topical and important, and every dollar should be scrutinized. But in order for us to find out what the progress of the audit may be, I would argue that that may be inappropriate because the Auditor ought to be independent and do his own audits without our interference and probing on its progress. Table the results to us at the end, but if we want to find out what the progress of it is, then this is not the forum. This is not something that we do in *Hansard*, on public record. It's something that we can do with the Auditor in a closed meeting, or the Member for Edmonton-Highlands is more than welcome to write him a letter, receive an answer on the progress, table it in the House if he wants to make it public. Those are appropriate venues, but to have progress reports on an ongoing investigation is simply inappropriate in a public forum. It defies the purpose of Public Accounts.

I know that you, Mr. Chairman, are very diligent in trying to make this Public Accounts Committee more accountable, more effective. This just flies in the face of everything you proclaim you want this committee to be, so maybe you can address those issues before we get any further.

The Chair: There is quite a speaking list. There's a point of order raised, but before we get to that, let's hear from Mr. Mason.

Mr. Mason: Well, thank you, Mr. Chairman. Just a few points. First of all, the committee did effectively make a decision, albeit informally and without a motion, and with the consent of the members that were here. No one, including Mr. Lukaszuk, objected. Mr. Hutton was not present when that decision was made.

Mr. Hutton: Second point of order.

Mr. Mason: The question is that this is, indeed, exactly the forum. This is the only committee of members of the Assembly to which the Auditor General regularly reports. He is an independent officer of the Legislature. He does not work for the government. He works for the Legislative Assembly; this is the body. To suggest that we can't agree amongst ourselves to have him give a report on a matter that's

of considerable public concern and should rightly be of concern to all members of the Assembly is absurd. You know, to suggest that we shouldn't be doing it in this forum and that it should effectively not be done in public is a ridiculous position, in my view. Without further ado, this is clearly an attempt by Mr. Lukaszuk and Mr. Hutton to use up the 10 minutes that we've set so that we can't get a report and I can't ask the questions. This is a pathetic attempt to derail the work of a committee.

The Chair: Ms Blakeman, and be brief, please.

Ms Blakeman: I was just responding to the questions raised by the Member for Edmonton-Castle Downs around lack of an agreement on a change to the agenda. I note that at least three members that were present here brought it up, discussed when this issue would arise, and none of them said: no, don't discuss it. They just wanted the meeting over by 10. I'm pretty sure that was the Member for Calgary-Shaw, I think the Member for Redwater and perhaps the Member for Innisfail-Sylvan Lake. So there was certainly a discussion of when that would take place. My apologies if I put you on the record and it wasn't you that raised it, but there were at least three government members that raised it.

The Chair: Thank you.

On this matter, Cindy Ady. Then we're going to have to make a decision.

Mrs. Ady: Yes. Thank you. I'd just kind of like to go back on the record. I think my point was that I felt like it was inappropriate to bring something onto the agenda when we had the minister and his department sitting here waiting to report to this committee, to have something brought in front of it and use time that was meant for the Ministry of Seniors at that time. That was my issue. I didn't feel that it was an appropriate moment to try and insert something onto the agenda when those people had taken their time to come and were prepared and ready to report to this committee. That was my understanding, as I read the agenda before I attended, of what we would be doing. So I did not necessarily vote to have this second subject. I basically was just protesting this idea that we would place something in front of the agenda item. I do think it's appropriate for us to vote when it comes to changing agenda items because I think then you get a full expression of the committee as opposed to just a few ideas.

I also want to add my voice to the Member for Edmonton-Castle Downs that many times in this committee we're reminded of what year we're currently reviewing. If we step out of that box, we're often reminded by the chair and other committee members that we are not, you know, in compliance with the rules of this committee. So I would like to say that I agree with the Member for Edmonton-Castle Downs and the points that he's making. When I come to these meetings, I carefully check the agenda and I prepare my questions for those that are there, and I feel that we should respect that.

The Chair: Thank you. Well, the agenda always provides on the list an item to allow other business to be discussed. That was on the agenda this morning. The chair is at the direction of the committee, and the committee decided this morning to hear briefly from the Auditor General in regard to this matter.

However, a point of order was raised, and I would like at this time to apologize to the hon. Member for Edmonton-Glenora if the chair inadvertently remarked on – I apologize in regard to attendance figures.

Mr. Hutton: If I may speak to that, my presence here or not here, there was no motion put forward or voted upon to change the agenda. As I stated last week, there is nothing wrong with what the hon. member is wanting to discuss, it's where, and this is not the appropriate table.

10:00

The Chair: Mr. Hutton, the chair is going to rule that we go ahead with the brief report from the Auditor General. The chair received directions from the committee at the start of the meeting, and if you would like to challenge the chair, that's fine.

Mr. Hutton: I do challenge the chair.

The Chair: That is okay. The chair will leave the room. I will ask Mr. Marz to be chairperson, and you can vote simply on the ruling of the chair. The chair is ruling that we hear from the Auditor General briefly in regard to the matter that was raised by the hon. Member for Edmonton-Highlands.

Mr. Hutton: My motion is to challenge the chair, if I may do so.

The Chair: Go right ahead.

[Mr. Marz in the chair]

The Acting Chair: One thing I would like to point out this morning is that there is also an agreement that this meeting adjourn at 10 o'clock. That was also unanimous, and that time has elapsed. Is that still the wish of the committee?

Mr. Mason: You're in the chair to handle the challenge. That's all.

The Acting Chair: And the challenge was?

Mr. Hutton: The challenge is that there was no official change of the agenda as it was laid out for the Public Accounts meeting on this date. There was no vote. There was no motion to amend the agenda.

Therefore, that's what I'm challenging. If the agenda wasn't amended, we shouldn't be having this discussion.

The Acting Chair: Following the normal practice is accepting the agenda. So following the normal practice, I would have to rule in favour of the chair. Having said that, at this particular time, Mr. Cenaiko, if I could read:

In the event of an appeal, the Chair shall immediately leave the Chair and the Deputy Chair or another Member shall take the Chair and put the question to the Committee as to whether the Chair's ruling shall be supported. If the ruling is supported, the business of the Committee shall proceed in accordance with the Chair's ruling; if not, the ruling shall be disregarded.

So I put the question to the committee.

Mr. Mason: Just a clarification, Mr. Chairman. What vote is needed to overturn the chair? In *Robert's Rules* I know that it's two-thirds, but I don't know about the rules here.

The Acting Chair: The ruling is whether or not the chair was correct in accepting the agenda.

Mr. Mason: A simple majority, or does it take two-thirds?

The Acting Chair: I would say a simple majority.

An Hon. Member: Question.

An Hon. Member: What is the question?

The Acting Chair: The question is whether the chair was correct in accepting the agenda with the amended changes in it.

Mr. Broda.

Mr. Broda: Thank you, Chair. I apologize. I was five minutes late getting here, or three and a half to be exact. I don't know when this came up. I do have an agenda in front of me. It does not say anything in here. If it was presented, was it voted on? That's the question I have. I wasn't here to know whether it was voted on that we should add it to the agenda.

The Acting Chair: There was no approval of the agenda vote. It was just accepted by the chair. Is that right? I'm trying to go back in the notes here to refresh my memory.

Mr. Hutton: There was no motion to amend the agenda – that's the point – or approach it otherwise.

Ms Blakeman: But there was other activity that happened.

The Acting Chair: The chair asked for approval of the agenda. I made the motion to approve the agenda, and he accepted that. There was no vote to amend it.

Mr. Mason: So we have no agenda at all?

The Acting Chair: There's not normally a vote; is there?

Mrs. Dacyshyn: No.

The Acting Chair: There wasn't a vote for or against, and there were no objections voiced. That's the correct order of the way things happened.

Mr. Lukaszuk.

Mr. Lukaszuk: Perhaps we should just vote on the challenge to the chair. Number one, that needs to get off the table. Second of all, to end this posturing once and for all so that from now on either we adopt the practice of dealing with ongoing investigations – and we'll be pulling in the Auditor every week to ask him: "How are you doing on that review that we think you're doing right now? Give us an update." Or is it not appropriate? I would like a jurisdictional ruling, and I think I would ask the chair to . . .

Mr. Mason: A point of order. Mr. Lukaszuk should not be speaking to this question. Either we're going to vote on the chair's motion or not, but he's been getting in here ahead of a number of other members repeatedly.

The Acting Chair: The question I'm going to be asking is on the challenge to the chair. Is there any further discussion on that?

Mr. Mason: Yes.

The Acting Chair: Mr. Mason.

Mr. Mason: Mr. Cenaiko is ahead of me.

The Acting Chair: Okay. Mr. Cenaiko.

Mr. Cenaiko: Mr. Chair, what I'd suggest, in light of the motion that we're going to be voting on, is that we and members of the opposition in fact receive a package of material from the office of the chair of Public Accounts regarding what the role, the mandate, the responsibilities are of the Public Accounts Committee so that there are clear definitions so we don't have to go through this.

The Acting Chair: That's something that we can ask at another time, but right now we're dealing with the question of the chair. So if there's any discussion . . . [interjections] No more discussion on that.

Mr. Mason was next, and then Ms DeLong.

Mr. Mason: Mr. Chairman, I'd just like to draw members' attention to item 4 on our printed agenda, which we all received in advance of the meeting. It's called Other Business, and it has been the historical practice of this committee and other committees that when members want to bring something forward, they can do so. There was certainly agreement reached at the beginning of the meeting. There was no vote on the agenda. So if the question of having the Auditor General talk about this audit is not in order because we never voted on the agenda, then the entire meeting has been out of order because we didn't vote on the agenda even to hear the minister of housing and seniors.

Ms DeLong: I'm trying to work my way through all this silliness. Was there a motion to amend the agenda?

The Acting Chair: There was a motion to accept the agenda.

Ms DeLong: So then theoretically we're not supposed to be talking about what we're talking about right now. Is that right?

The Acting Chair: There was a motion to accept the agenda, and the chair accepted that. There was no vote on it.

Ms DeLong: Okay. To accept the agenda but not to amend the agenda?

The Acting Chair: I believe it was to accept. I can't read Corinne's shorthand.

Dr. Taft: We should be voting on the challenge to the chair. Can you just put a vote to ask who supports the challenge.

The Acting Chair: Excuse me. If you want to speak, I'll put you on the list.

Ms DeLong: I'm still trying to understand this. Now, there was no motion to amend the agenda; okay? Was the chair's ruling that there was a motion or that there wasn't a motion?

10:10

The Acting Chair: The chair's ruling was to accept the agenda after the discussion of the other items that were put on the agenda. That's correct. There was a discussion regarding putting Mr. Dunn on the agenda as well as the BSE discussion. That was a discussion to add that on. There was a motion to accept the agenda. That motion was accepted, not voted on.

Mr. Masyk.

Mr. Masyk: Thanks, Mr. Chairman. *Robert's Rules of Orders* were brought up earlier, and I'm going to test my memory. When we're

on a new topic like that, should we not have a new agenda for what we're in fact speaking about because of the time frame?

The Acting Chair: Well, that's another issue that we agreed on, too, to end this meeting at 10 o'clock.

Mr. Masyk: Exactly.

The Acting Chair: That will come up after the challenge to the chair is done. So if you can restrict your comments to the challenge.

Mr. Masyk: But I guess the challenge should be another agenda item.

The Acting Chair: Well, we're dealing with that now. We're going

to deal with that now. We're going to take a vote on it. Are you ready for the vote?

Some Hon. Members: Yes.

The Acting Chair: Okay. Those in favour of upholding the decision of the chair, raise your hand. Those opposed? That is defeated, so I'll call the chair back.

Apparently the chair has left the building. He went back to his office.

It's past 10 o'clock. We did agree earlier that we would adjourn at 10 o'clock. A motion to adjourn? Mr. Mason. Those in favour? I'll call the motion on that so there's no confusion. That's carried.

[The committee adjourned at 10:12 a.m.]