



Legislative Assembly of Alberta

The 27th Legislature
Second Session

Standing Committee
on
Public Accounts

Employment and Immigration

Wednesday, February 18, 2009
8:30 a.m.

Transcript No. 27-2-2

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Standing Committee on Public Accounts

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Mark Asbell	Chair, Labour Relations Board
Shirley Howe	Deputy Minister
Rick Sloan	Assistant Deputy Minister, Finance and Enterprise
Alex Stewart	Assistant Deputy Minister, Strategic Corporate Services
Douglass Tadman	Vice-Chair, Hearings, Workers' Compensation Board

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8:30 a.m.

Wednesday, February 18, 2009

[Mr. MacDonald in the chair]

The Chair: Good morning, everyone. I would like to please call this Standing Committee on Public Accounts to order and welcome everyone in attendance. Perhaps we can quickly go around the table and introduce ourselves. I'm Hugh MacDonald from Edmonton-Gold Bar.

Mr. Quest: Good morning. Dave Quest, Strathcona.

Dr. Massolin: Good morning. Philip Massolin, committee research co-ordinator, Legislative Assembly Office.

Mr. Dallas: Good morning, everyone. Cal Dallas, Red Deer-South.

Mr. Jacobs: Good morning. Bryce Jacobs, Cardston-Taber-Warner.

Mr. Vandermeer: Good morning. Tony Vandermeer, Edmonton-Beverly-Clareview.

Mr. Kang: Good morning. Darshan Kang, Calgary-McCall.

Mr. Chase: Good morning. Harry Chase, Calgary-Varsity.

Mr. Sloan: Rick Sloan. I'm an assistant deputy minister in the Department of Finance and Enterprise.

Mr. Asbell: Mark Asbell. I'm chair of the Labour Relations Board.

Ms Howe: Good morning. Shirley Howe, deputy minister.

Mr. Stewart: Good morning. Alex Stewart, Employment and Immigration.

Mr. Tadman: Good morning. Doug Tadman, vice-chair of the Appeals Commission for Alberta workers' compensation.

Ms Banasch: Good morning. Donna Banasch, audit principal, office of the Auditor General.

Mr. Gallace: Good morning. Dom Gallace, audit principal, office of the Auditor General.

Ms White: Good morning. Ronda White, Auditor General's office.

Mr. Dunn: Fred Dunn, Auditor General.

Mr. Drysdale: Wayne Drysdale, MLA, Grande Prairie-Wapiti.

Mr. Johnson: Jeff Johnson, MLA, Athabasca-Redwater.

Mrs. Dacyshyn: Corinne Dacyshyn, committee clerk.

The Chair: Thank you. I would like to note that Mr. Quest, the hon. Member for Strathcona, was appointed deputy chair of the committee, and Mr. Olson from Wetaskiwin-Camrose has replaced Mr. Griffiths. I would like to at this time acknowledge the contributions that Mr. Griffiths made over the years to Public Accounts. On behalf of the entire committee I believe I can say that we wish him very well in his other parliamentary duties.

I would like to advise everyone that we do not need to operate the microphones as this is taken care of by *Hansard* staff. The meeting is recorded, of course, by *Hansard*, and the audio is streamed live on the Internet.

Now, if I could have item 2 on our agenda, an approval of our agenda, I would appreciate that. Mr. Chase. Moved by Mr. Chase that the agenda for the February 18, 2009, meeting be approved as distributed. All in favour? Seeing none opposed, thank you.

The chair would like to welcome Mr. Benito this morning. Good morning, sir.

Mr. Benito: Good morning, sir.

The Chair: This brings us to item 4 on our agenda, of course, our meeting with the officials from Alberta Employment and Immigration. We are dealing with the Auditor General's report from October 2008; the annual report of the government of Alberta 2007-08, which includes the consolidated financial statements of the government of Alberta annual report, the Measuring Up progress report, and the business plan; and the annual report from employment, immigration and industry from 2007-08. I would remind everyone of the briefing materials prepared for the committee by the LAO research staff. We appreciate your efforts in that, Dr. Massolin.

Now, if I could please invite Ms Howe to make a brief opening statement on behalf of Alberta Employment and Immigration.

Ms Howe: Thank you and good morning. I am pleased to present employment, immigration and industry's 2007-08 annual report for your review. In addition to the department of employment, immigration and industry, this ministry's annual report includes the Alberta Economic Development Authority, the Northern Alberta Development Council, the Occupational Health and Safety Council, the Alberta Labour Relations Board, the Appeals Commission for Alberta workers' compensation, and financial information from the Workers' Compensation Board of Alberta. While WCB's financial information is included in the appendix of our annual report, they are not otherwise a part of our business plan or annual report. As such, it would be inappropriate for us to respond to questions regarding the WCB. Instead, we will be happy to take any questions you have back to them so that they can respond to you in writing.

At the table with me are Alex Stewart from Employment and Immigration, Rick Sloan with Finance and Enterprise, but here to represent the industry element of the annual report, Mark Asbell from the Labour Relations Board, and Doug Tadman from the Appeals Commission.

I'd like to start by giving you an overview of employment, immigration and industry's results from the 2007-08 fiscal year. Actual program operating expenses for the ministry came to approximately \$868 million; 79 per cent of this figure was spent on our first core business area, employment, which is helping Albertans to participate in the labour force. Our goal was to ensure that all Albertans share in and contribute to the economic prosperity of Alberta.

I'll take you through a few of our employment initiatives. We delivered hands-on skill development training to Albertans through our 16 Alberta job corps and our 59 offices and our call centres. We also worked in partnership with First Nations, Métis, and other aboriginal communities to support 57 training-to-employment projects. Through the government's comprehensive labour strategy, Building and Educating Tomorrow's Workforce, we worked with industry to address Alberta's labour shortages to ensure current and future labour force needs are met. Eighty-four per cent of employment and training program participants were employed three months

after they left the program, exceeding the 80 per cent target. Seventy-five per cent of employers reported no positions vacant for over four months, exceeding the target of 72 per cent.

We also supported Albertans in need, learners, and Albertans escaping family violence through the provision of income support. In addition to the income support we provide to an average of 26,700 families a month, we also administered the homeless and eviction prevention fund on behalf of municipal affairs and housing and provided health benefits and child support services to those in need. At the time of this annual report more than \$43 million in homeless and eviction prevention funding had been provided to nearly 27,000 individuals and families in an effort to prevent homelessness.

We continued to promote access to and awareness of the Alberta child health benefit and the Alberta adult health benefit for low-income families. Almost 8,000 adults received the Alberta adult health benefit, and over 77,000 children a month receive the Alberta child health benefits.

Our second core business area is immigration, and the goal is to ensure that Alberta is able to attract workers to the province. We launched the immigrate to Alberta section of the albertacanada.com website to attract new immigrants to Alberta. The Alberta foreign worker hotline received 14,571 inquiries.

We expanded the Alberta immigrant nominee program, which helps skilled workers obtain their permanent resident status from Citizenship and Immigration Canada. We issued 1,658 certificates nominating 4,306 people, of whom 3,185 were working age. While we did not reach our stretch target of 2,500 certificates, this represented an increase of 69 per cent over the previous year.

The international qualifications assessment services we provide evaluate the educational credentials people obtained in other countries. We issued nearly 5,000 of these certificates, exceeding our target of 4,000. We provided these newcomers with many settlement services and bridging programs to ease their transition into life in Alberta.

We also supported English as an additional language training and provided an additional \$470,000 in funding to immigrant-serving agencies. Together with Alberta Health and Wellness and Alberta Advanced Education and Technology we co-led the development and implementation of the Alberta health workforce action plan to attract health professionals. We also created two health career centres in Edmonton and Calgary to guide internationally educated health professionals through the registration and licensing processes.

Of the total immigrants who arrived in Canada, 8.8 per cent chose Alberta as their destination, exceeding the target of 8 per cent.

EII's third core business was industry. The goal was to ensure that Alberta has a competitive and sustainable economy. The ministry worked with many groups to make Alberta globally competitive, to attract investment and improve competitiveness, capacity, competency, and productivity for companies in our province. The National Buyer/Seller Forum 2008 attracted over 1,000 delegates from across Canada and internationally who were interested in participating in oil sands equipment and services supply chain. This forum is now being co-ordinated by Finance and Enterprise and was held again just this past week.

8:40

We achieved targets in many of our industry performance measures. We had the number one interprovincial ranking of real gross domestic product and dollars per hours worked, and we exceeded our target for the value of new capital expenditures on construction, machinery, and equipment in Alberta's manufacturing and services industries by over \$2 billion.

Another important initiative is the business link, which encourages

entrepreneurship by providing business information and services to small- and medium-sized businesses. EII expanded the business link locations in Edmonton and Calgary and recorded 41,577 client interactions, exceeding the target of 41,000.

We also created Alberta's Office of Statistics and Information, which has a mandate to work with other ministries to consolidate official statistics.

Employment standards officers investigated 4,234 complaints during the fiscal year. In the 2007-08 fiscal year 98 per cent of employers did not have complaints registered with employment standards, exceeding the target of 97 per cent. The ministry made changes to the employment standards regulation and increased the minimum wage to \$8 per hour.

To ensure that temporary foreign workers receive fair treatment in their workplaces, we established two temporary foreign worker advisory offices, a temporary foreign worker helpline, and produced guides regarding workplace legislation in five different languages.

EII also provided expertise and third-party support in resolving collective bargaining agreement disputes; worked with labour and management to settle 98 per cent of collective bargaining agreements without a work stoppage, achieving our target; continued our important Work Safe Alberta initiative, expanding the number of companies in Alberta who have obtained their certificate of recognition to 7,200.

Our occupational health and safety officers conducted 13,351 registered inspections and over 300 visits with targeted employers to promote the implementation of effective health and safety management systems. The provincial lost-time claim rate in 2007 reached an all-time low of 2.12 claims per 100 person-years worked. Although we did not reach the stretch target of 1.9, it demonstrates our ongoing efforts to increase safety awareness in the workplace.

The Labour Relations Board is responsible for the day-to-day application and interpretation of Alberta's labour laws. I'm pleased to note that the average number of days from the acceptance of an application to the date of the first hearing was 44, exceeding the target of 77 days.

The Appeals Commission for Alberta workers' compensation is the final level of appeal for workers' compensation matters in Alberta. In 2007-08, 1,045 appeals were concluded by the Appeals Commission. The commission exceeded their targets for processing time for both standard and complex appeals.

Overall, the ministry accomplished a great deal during the 2007-08 fiscal year. Given the breadth of this ministry I feel that we have achieved good client satisfaction and success rates. We're happy to answer any questions from the committee members this morning.

Thank you.

The Chair: Thank you very much.

Mr. Dunn: Ronda White will read our brief comments into the record.

Ms White: Good morning. Mr. Chairman, the results of our audit of the ministry start on page 243 of our October 2008 public report. This year we examined whether the department has adequate systems for providing tuition-based training to learners. We found that the department had policies and processes for approving and monitoring training providers but that the systems needed to be enhanced. We recommended that the department improve its monitoring of tuition-based training providers by assessing whether performance expectations are met and implementing procedures to deal with compliance problems. This is recommendation 24 on page 245.

We also recommended that the department improve its systems for approving and renewing programs, on page 249, and improve the use of its information systems to monitor training providers, which is stated on page 251. In our view, improving these systems will help the department ensure that the approved training providers deliver cost-effective training that helps learners meet their employment and training objectives. Management has indicated that they accept our recommendations. The committee may want to ask management what they are planning to do to implement them and when they expect to complete this work.

On page 381 of our report we have also identified several recommendations made to the department last year that management still needs to implement.

Last, we made one recommendation to the Workers' Compensation Board, starting on page 253 of our report. There we recommended that the board "enforce its procedures and guidelines for the purchasing-card program."

We'd be pleased to answer any questions the committee has on our report, Mr. Chair.

The Chair: Thank you very much.

The chair would like to welcome Mr. Fawcett and Mr. Mason to this morning's meeting.

We will proceed quickly to questions. Mr. Chase, please, followed by Mr. Drysdale.

Mr. Chase: Thank you. Given the historical background of rampant human rights violations within the Alberta temporary foreign workers program – including Chinese widows not receiving compensation, men crowded into substandard living suites, employers not living up to promised wages and conditions – the 2007-2008 blue book reports on page 183 that \$31.4 million was given to income support temporary foreign worker living allowance. What specifically was this money used for, considering I didn't find it referenced in either the ministry's or the AG's report?

Mr. Stewart: Could I ask a question of clarification? You're saying that in the blue book there's \$31.4 million for living allowance for temporary foreign workers?

Mr. Chase: Correct. Given to income support temporary foreign worker living allowance. That's how it's listed in the blue book.

Mr. Stewart: I'd have to say that I'm sorry, but I'm not able to answer that. I'll have to go back and do some further research. I'm not aware of any income support payments that we make to temporary foreign workers because, as you may know, temporary foreign workers are not eligible for income support. So I'll have to go back, Mr. Chair, and do some further research and provide a written response to the member on that question.

Mr. Chase: Thank you. I'll give you my supplemental. If you can report back to the committee, it will be much appreciated. I'd like to know who received that money.

The Chair: Thank you.

If we could have a follow-up response, Mr. Stewart, in writing through the clerk to all members, we'd be grateful.

Mr. Stewart: Yes.

The Chair: Mr. Drysdale, please, followed by Mr. Kang.

Mr. Drysdale: Thank you, Mr. Chair. My question relates to performance measure 5(c) on page 76 of the employment, immigration and industry '07-08 annual report. The lost-time claim rate for '07 was 2.12, higher than the target of 1.9. Please explain this.

Ms Howe: The lost-time claim rate provides an estimate of the probability or risk of disabling injury or disease to a worker during a period of one year's work. A lost-time claim occurs when a worker receives wage loss compensation for one or more days after the date of injury. In 2007 Alberta workplaces had their best safety performance in more than a decade. The lost-time claim rate for Alberta workplaces decreased in 2007 to 2.12 per 100 person-years from 2.54 three years previous, in 2004. While the target of 1.9 was not met, the provincial lost-time claim rate has continued to drop year after year to its current low of 2.12. A lost-time claim rate of 2.12 represents about 21,000 fewer lost-time injuries each year and more than \$400 million in direct annual Workers' Compensation Board claims cost savings when compared with the 2000 rate of 3.4.

Mr. Drysdale: Mr. Chair, my supplemental: what strategies have you developed to reduce this rate?

8:50

Ms Howe: The provincial government has engaged in numerous ongoing efforts to prevent work-related injuries and illnesses in Alberta. These include increasing awareness and educating employers and workers about the importance of workplace health and safety to create a culture where workplace health and safety is the norm through an awareness campaign targeted at young workers; development and distribution of health and safety resources to all Alberta junior high and high schools; development of e-learning awareness programs; working with industries to develop best-practice health and safety tool kits to assist employers in maintaining safe and healthy workplaces; development of health and safety training standards and an industry training tracking system with the Health and Safety Association Network; a health and safety initiative to improve health and safety in the health care sector; development of a new Work Safe Alberta strategy jointly with government, industry, and labour; development of an occupational cancer prevention strategy jointly with Alberta Health Services and the Alberta Cancer Board; targeting compliance inspections to poorly performing employers; and implementation of a road safety work strategy to address work-related motor vehicle accidents. Through partnerships with safety associations, industry groups, education institutes, and labour organizations the department continues to promote and certify health and safety programs.

Mr. Drysdale: Thank you.

Mr. Stewart: I believe I can answer the member's question now if you'd like me to do that.

The Chair: Sure. Please proceed.

Mr. Stewart: TFW here in the blue book is actually training for work, not temporary foreign worker. The \$31.4 million here is a reference to living allowances for individuals who are in the training for work program. It's unfortunate, I guess, that the acronym is the same as temporary foreign worker, but it actually has nothing to do with temporary foreign workers.

Mr. Chase: Thank you for that clarification.

The Chair: Thank you. Appreciate that.

Mr. Kang, please, followed by Mr. Benito.

Mr. Kang: My question is about the temporary foreign worker program. How much has the province spent on the temporary foreign worker program?

Mr. Stewart: Our expenditures on the temporary foreign worker program relate to the supports that we have in place to protect temporary foreign workers. Really, our expenditures are in two categories. As Shirley indicated in her opening remarks, we have established two temporary foreign worker advisory offices, one in Edmonton and one in Calgary. Each office has five staff members. In addition to that, we have identified eight employment standards officers, whose role it is to investigate employers who use temporary foreign workers to a large degree and identify any situations where temporary foreign workers may not have been treated appropriately and take follow-up action.

The expenditures in total represent about \$2 million. It is split about 50-50: 50 per cent to pay for the staff members who are in the temporary foreign worker advisory offices and about 50 per cent to pay for the additional employment standards officers, whose role it is to work with employers to identify examples of where temporary foreign workers need additional protection.

Mr. Kang: My supplemental questions, sir: is there any performance measure in place for those officers, and is there any money coming from the federal government? Are funds allocated from the federal government for this program?

Mr. Stewart: There is no money coming from the federal government. Our performance measures would relate to the number of instances where we've identified that a situation exists where a temporary foreign worker was subject to treatment that may not have been appropriate. We intend to resolve all those situations. Our target is to resolve 100 per cent of the situations where we've identified that there's been an instance where perhaps the appropriate wage wasn't paid or there was some violation of the labour market opinion letter. Our performance measure is to resolve 100 per cent of those instances.

I should also add a supplementary to my answer to the previous question. We also established subsequent to the 2007-08 period settlement services for temporary foreign workers, again paid for through provincial funds, where we are providing through a variety of agencies across the province settlement services to temporary foreign workers, that are intended to help them orient, integrate, and adjust to Alberta and reduce the risk of any incidence of maltreatment by employers.

The Chair: Thank you.

Mr. Benito, followed by Mr. Chase.

Mr. Benito: Good morning. I went to Winnipeg last summer, and I saw some statistics that they're doing about the Alberta immigrant nominee program compared to the province of Manitoba and other provinces. I have heard statistics that indicate that Alberta trails other western provinces in the number of provincial nominees. What is your sense of how Alberta compares?

Ms Howe: Well, looking at the last three years of results, there has been a strong level of growth: 522 in 2005-06, 981 in '06-07, and now 1,658 in '07-08. For '08-09 we have issued over 2,200 printed nomination certificates nominating over 5,400 people.

The comparisons that are produced by other provinces have been based on different performance measures. Alberta uses the number of certificates forwarded measure, which represents the number of provincial nomination applications approved and only counts the principal applicant, whereas other western provinces use the number of individuals nominated measure and reflects the total number of people – principal applicants, spouses, and dependants – listed on nomination certificates. For example, in the 2007-08 fiscal year the 1,658 certificates issued by Alberta reflect in fact 4,297 individuals nominated. So the difference between the figures is substantial, and it's important to understand that Alberta's measures are not comparable to the other provinces in that regard.

Mr. Benito: A supplementary question, Mr. Chairman. Is the ministry doing anything right now so that we can bring up this performance measure to target?

Ms Howe: Yes, the ministry is continuing to work on this program to ensure that we have people interested in coming to stay permanently in the province.

Mr. Benito: Thank you.

The Chair: Thank you very much.

Mr. Chase, please, followed by Mr. Dallas.

Mr. Chase: Thank you very much. To date over 121 million Alberta taxpayer dollars have been paid to subsidize landlords, ensuring that rents remain high. In July 2007 the minister of employment released a statement regarding the potential abuse of funds set up to help the homeless during the housing crisis. I would like the ministry to provide details on how this abuse of funds was resolved. My specific questions are: how much money was lost or misused before the problem was addressed; secondly, how much of the fraudulently received funds has been recovered?

Mr. Stewart: As the member has indicated in his question, in July 2007 the department undertook an internal audit of the homeless and eviction prevention fund, which is the program to which the member was referring. We undertook a fairly comprehensive audit across the province to look into what was happening with the program, and our results indicated that, by and large, the level of inconsistencies that we uncovered during the audit were in line with the level of inconsistencies that are typical of any sort of program.

When you have programs where grants are given to individuals, there is a small percentage of fraudulent activity that always takes place. The results of our audit indicated that, by and large, the application of the program criteria was consistent, and there were some limited instances where we felt that funds had been given to individuals who hadn't met the criteria. The percentage was consistent with what we would see in a normal income support program. In all of those instances we followed up. I can't give you the exact dollar figure, but in all of those instances we followed up. In a couple of cases we prosecuted, and in all cases where money was owing to the Crown we took follow-up action.

9:00

Mr. Chase: Thank you.

The Chair: Thank you very much.

Mr. Dallas, please, followed by Mr. Mason.

Mr. Dallas: Thank you, Mr. Chairman. I'll refer you to page 63 of

the EII '07-08 report, which references strategy 3.9 and speaks of some substantial work with respect to consolidating and reworking to prepare official statistics for all ministries. This report, of course, now would be 11 months from the year-end. I'm wondering if we're now fully operational or where exactly we're at with this initiative.

Mr. Stewart: Thank you. As you mentioned, we're now 11 months from the conclusion of the 2007-08 annual report. A number of activities have taken place in the interim. In January the Office of Statistics and Information released the first set of official government of Alberta statistics. There were 67 official statistics released, and they were made available to internal government of Alberta employees, which was an interim step, through a mechanism called Datalink, which is the mechanism through which we share information. We are now planning in the next two or three weeks to release the information, these 67 official statistics, publicly. We'll be doing that within the next two or three weeks. The first step was to release the information internally to the government, and that has been done. The second step will be releasing the information more broadly across the public.

Mr. Dallas: Thank you. My supplemental, Mr. Chairman, would be with respect to the potential for duplication or redundancy in the collection of these statistics. What agreements or discussions or arrangements are in place to ensure that we're not expending energy collecting statistics that ministries are already collecting in duplication?

Mr. Stewart: We have a council which is called the Government of Alberta Statistics Council. Pretty well all ministries across the government of Alberta are members of this council, and the role of this council is precisely to avoid any unnecessary effort in terms of duplication. When we originally put together the first 67 statistics, that was front and centre in terms of the council's responsibility. All the ministries worked together to identify areas where we can do things co-operatively, avoid unnecessary duplication, and it's through the Government of Alberta Statistics Council that we ensure that there is no duplication.

Mr. Dallas: Thank you.

The Chair: Thank you very much.

Mr. Mason, please, followed by Mr. Jacobs.

Mr. Mason: Thank you very much, Mr. Chairman. It's my understanding that a while back there was a problem with the certification of electricians at a couple of schools in Ontario, that in fact people were not properly trained and it may have been fraudulent. Now, that means that people from those training facilities are or have been denied whatever the equivalency is in Alberta. In other words, their credentials from Ontario are not recognized. It's also my understanding that in fact – these are Chinese language people – all Chinese electricians from Ontario are now being denied certification in Alberta. I wondered if you could tell me whether or not that's correct.

Ms Howe: I can't tell you if that is correct or not. I can assure you that the recognition of foreign credentials remains a real priority for us to ensure that we are adequately recognizing credentials from other countries and that we pay a lot of attention to the processes to ensure that there is a degree of rigour with regard to the individuals you'd be referring to. If this is the red seal program, then this is also working in collaboration with Alberta Advanced Education and

Technology. I don't know specifically with regard to your question. But with regard to the general question "Are we intent on ensuring that people who are coming here are able to be employed at the level that they are credentialed?" that continues to be very important to us.

Mr. Mason: Okay. Thanks very much, Mr Chairman. I attended a meeting of approximately 200 electricians from China. This was about two months ago. There was very great concern that there were discriminatory policies that were being followed in terms of their certification. I would appreciate it, if you're not familiar with this situation, if you could perhaps respond at a later date to that question.

Ms Howe: I would be happy to do that. I would also suggest, though, that this may be better posed to Alberta Advanced Education and Technology if this is with regard to the red seal program.

Mr. Mason: Okay. Thank you.

The Chair: Thank you very much.

Mr. Jacobs, please, followed by Mr. Kang.

Mr. Jacobs: Thank you very much, Mr. Chairman. My question is coming from the top of page 40, your performance measures results. As I read through your report, you know, I noticed that many of your targets are close to being achieved. But on this one your target for participants employed after leaving income support was 70 per cent, and your variance is nine, down to 61 per cent achieved. Could you tell the committee: do you know why you are this far away from your target? What reasons were there that caused you to miss your target by nearly 10 per cent?

Mr. Stewart: The first point I would make in response would be that when we establish targets, we always try to take an aggressive approach and establish a target that represents something that is achievable but with some considerable effort. That would be the case in relation to this particular performance indicator.

The other point I would make is that of the individuals who are leaving income support, there are two categories. One is what we call expected to work. Those are individuals who, as the name would suggest, are expected to work and who tend to be in and out of the labour force and for whom, when we provide employment assistance, there is a pretty good likelihood that they will be able to get into employment. The other category is not expected to work. Those individuals, again, as the name would suggest, tend to have barriers that are more substantial: physical, mental, educational barriers that are more difficult to overcome in terms of finding appropriate employment. We have seen in the past the percentage of the not expected to work part of our caseload increasing, and that would be the primary reason for which we're unable to reach the 70 per cent.

My final point would be that when you consider the nature of the individuals and some of the serious obstacles that they are facing in achieving employment, 61 per cent is not too bad.

Mr. Jacobs: Thank you. As a supplementary, Mr. Chairman, I would just say that I think it's extremely important that we do everything possible to get people who are on income support back to work for the good of the economy and for their own good. I'm a little curious as to how you decide between those who you would expect might work and those who you would expect wouldn't work. That seems like a sort of a wide open question to me, I guess. Could you be more specific on what kind of programs you have to help

those who have been receiving income support qualify themselves to get back into the workforce as productive workers?

Mr. Stewart: Thank you. The first thing I would like to say is that I fully agree with the member that the best thing we can do to help an individual is to help them find employment, and that is the whole premise of our approach to helping Albertans. That represents quite a change from where we may have been six, seven, eight years ago. In our network of offices across the province when an individual comes in to see us for assistance, the first thing that we try to do is identify what we can do to help that individual get involved, work towards ultimate employment. As opposed to in the past, where we may have put the individual on income support and cut a cheque to ensure that their basic needs were met, now our whole focus is on getting these individuals back to work.

9:10

We have a range of programs that are available, and the kind of program that may be appropriate would be dependent on the needs of the individual. In some cases individuals come in where a little bit of labour market information or connection with an employer is the only assistance they need. They are relatively job ready. With a relatively low level of assistance we're able to connect them with employment, and we do that. In other cases they may need a little bit more intensive service, where we provide a job placement service, where we put them in a program, where we really actively help them connect, and it takes a little bit longer.

In other cases their mix of education and experience and job readiness does not allow them to immediately enter the labour force, so we will work with them to develop an investment plan – that could be a combination of basic literacy and numeracy skills, occupational training – and we will support them in getting the training they need to get into the workforce. It's really dependent on the need of the individual. We do what we call a service needs determination, which is a determination of what their need is, and then we work with them to establish an investment plan. We provide the appropriate supports ranging from something as minimal as labour market information to, in some cases, having individuals in training for up to two years.

Mr. Jacobs: Thank you.

The Chair: Thank you.

Mr. Kang, please, followed by Mr. Quest.

Mr. Kang: Thank you, Mr. Chair. I looked at the Alberta immigrant nominee program, and there are three streams here. The last one is the self-employed farmer stream. I'm hearing from farmers from India; lots of them are going to Manitoba. I was wondering if you could shed some light on why Manitoba is more attractive than Alberta for farmers especially. Is the investment lower there?

Mr. Stewart: It would be difficult for me to comment specifically in terms of what an individual farmer may be analyzing in terms of the decision regarding whether to move to Alberta or Manitoba. I can say, though, that the business of attracting labour to Canada is competitive. All provinces now are involved in attracting labour across the whole range of the spectrums where labour shortages exist. We identify which sectors we feel are necessary for us to work in to attract labour to fill skill shortages in Alberta, and we do what we can in terms of providing information, identifying the kind of things that Alberta has to offer. We provide all the information we can to attract labour to Alberta. The specifics of why a worker

may find Manitoba more attractive than Alberta, I think, would be based on individual preferences the worker may have.

Mr. Kang: Maybe you can look into this further because there are lots of farmers who are coming to Calgary, and then they just fly right over to Manitoba. That's where they go. You know, what are we doing to make this attractive so that we can get those farmers from other countries coming to Alberta?

Mr. Stewart: I wasn't aware of the specific circumstance where farmers are flying into Calgary and moving immediately to Manitoba, but perhaps we can take that particular aspect of the question under advisement and provide further clarification when we're able to do a little bit of research.

Mr. Kang: Thanks.

The Chair: Thank you very much.

Mr. Quest, please, followed by Mr. Chase.

Mr. Quest: Thank you, Mr. Chair. Just back to some of the Auditor General's recommendations. On page 245 of the October 2008 report, with respect to tuition-based providers I'm just wondering: on that recommendation what has the department done to improve the monitoring of these tuition-based providers?

Mr. Stewart: Let me begin by saying that a couple of years ago the Auditor General identified a situation where they felt that our monitoring of tuition-based providers could be improved. As a result of that, we undertook to strengthen our monitoring capacity significantly, and we engaged an external auditor to provide assistance to us in that regard. We have an external auditor who does audit all of the tuition-based providers. I think that in this particular instance the Auditor General identified that we do have systems in place and we already do monitoring, but we could perhaps enhance those systems. What we've done is we've taken the observations and recommendations of the Auditor General, and we've established a group that is looking at them.

In relation to specific activities one of the areas where the Auditor General felt we could strengthen our monitoring activities was in relation to the recovery of tuition refunds. We have developed a tuition refund policy, and we have worked with the providers to make them aware of that. The policy includes identification of when and where tuition refunds are owed to us, how we will recover them, an appeal process. So we've taken that step.

In addition, we are in the process of implementing a new IT application to support our business, which is called Mobius. As we're working through the process of implementing that suite of applications, which will be implemented in the fall of 2009, we are putting in place additional protections and additional monitoring mechanisms through that application that will address the recommendations that the Auditor General identified.

Mr. Dunn: Excuse me, Mr. Chairman. May I supplement?

The Chair: You bet.

Mr. Dunn: This recommendation is very important. It's straight to the heart of what you've been talking about in part here. What we found was that there were, first of all, no clear targets. That's really what we're talking about. If you're going to monitor, you've got to know what you're aiming at. So we first and foremost wanted clear targets. Then we wanted them to go out and monitor against those

targets with expectations being set, and where they weren't being achieved, to follow up and enforce.

Maybe I can just supplement the vice-chair's question. Have you established clear targets, have they been explained to the training providers, and are you enforcing the violation against those expected outcomes or targets?

Mr. Stewart: We already have an overall target, which is part of our annual report, of 80 per cent. We expect 80 per cent of those individuals who are provided assistance through tuition-based training programs to achieve employment. That is an overall target, as the Auditor General has pointed out. At this point in time the expectation is that all providers meet that target. In instances where they don't meet that target, we do take follow-up action. One of the things we would do is reduce their allocation in the event that we feel they're not providing appropriate training that allows them to meet that target.

Supplementary to that, we are working on a more elaborate performance outcomes approach which will allow us to provide targets to individual providers, which is a bit more of a tricky business. Depending on the nature of the service they're providing and the nature of the clientele they are dealing with, it probably would be appropriate for individual providers to have individual targets. We are working towards that, and that is part of what we are using the new application that I identified in my earlier response to support.

We are actively working on those recommendations. We feel that the providers already know there's an expectation that they meet the 80 per cent. In some cases, based on the nature of the clientele, the 80 per cent may be too high or too low. What we're working towards are specific targets for individual providers. We are also working on a compliance policy, which will clearly identify to service providers what the expectation is and the sanctions and remedies that would be put in place in the case of noncompliance.

The Chair: Thank you.

Mr. Chase, please, followed by Mr. Fawcett.

Mr. Chase: Thank you. In April 2007 the Minister of Employment and Immigration spent approximately \$30,000 on a mission to Europe. In September 2007 the minister spent approximately \$45,000 on a mission to Asia. My first question: can the ministry detail the results of these trips and the value for money that was obtained from these expenditures?

9:20

Mr. Stewart: We have a process of identifying markets where we feel there is a good match between the type of labour shortages that employers in Alberta are experiencing and workers who may be available in those target markets to fill those labour shortages. Therefore, the kind of missions that our previous minister would have gone on – I believe it was our previous minister who probably had gone on the mission to Europe and perhaps even the mission to Asia – are structured after we have done a careful analysis of the kind of workers who are available in those target markets. We then proceed to put together an itinerary that allows our minister to go and promote Alberta as a destination of choice for these workers.

It's difficult to definitively account for the number of workers who may land in Alberta as a result of these missions, but we do know that in both of these cases we've seen substantially more activity on our websites from workers from these destinations. We've seen substantially more workers coming to Alberta from these destinations. In our view, it's money well spent. It's impossi-

ble to identify the exact number because you can't make the cause and effect linkage directly.

Mr. Chase: Thank you. Our latest frequent-flyer minister apparently is flying to Germany to personally recruit cabinetmakers, which leads me to this question: has there been any attempt to conduct the meetings through teleconferencing or other more cost-effective means? If not, are there plans to increase the use of electronic technology to reduce costs? We already have federal contacts in these countries. We seem to be duplicating work here.

Mr. Stewart: In fact, in most cases the missions are a small part of our approach to attracting labour. We put much more effort into a website called albertacanada.com, which is a source of information for prospective workers. It's also a source of information for employers. We do take advantage of situations where we have government of Alberta employees on the ground in foreign locations and use them as opposed to incurring travel costs. In cases where we don't have Alberta government employees on the ground, we will attempt to utilize local individuals to provide services to us. So the number of foreign missions we actually undertake is relatively small in relation to all of the work that we have in place to attract labour.

Mr. Chase: Thank you.

The Chair: Mr. Fawcett, please.

Mr. Fawcett: Thank you, Mr. Chair.

Thank you for being here this morning. My question was along the lines of Mr. Jacobs' question, so I won't ask that. But I do have a question that has to do with the annual report and the way that information and, I guess, measures are reported. They have the results for the year that's being measured, and then there's a target, and it tells you whether the target was met and what the variance was. Is there any historical data for those measures? One of the things that is always interesting to note when looking at performance measures is to see what the trend is. In this report no one has any idea what the trend is. Is this an aberration that a target wasn't met? You know, is the target appropriate for what the trend of that particular measure was? I just wanted some comment on that.

Mr. Stewart: It's a good point. The structure of the annual report, as you know, is established across the government, and it is difficult from the way the results are presented to identify whether a trend is in place or not. The place where we would be able to speak to whether this represents a trend or whether it represents an anomaly would be in the accompanying comments that are part of the annual report. There's always a balance to find here between having so much information that it becomes confusing or unrepresentable and having information that is concise. In situations where there is a trend evident, we can make that kind of comment in the comments that accompany the various tables and charts.

[Mr. Quest in the chair]

Mr. Fawcett: My supplemental is just quick. I know you mentioned that you're limited in that the annual reports are something that are sort of standardized right across the government. Who is responsible for determining that? Where do you take direction from as to what the format of the annual report is?

Mr. Stewart: The composition of the annual report is the joint responsibility of the Treasury Board with some co-operation of

Executive Council, and there is an annual review of the whole accountability exercise, which includes the annual reports and business plans. We are constantly looking at ways to improve the presentation of material whether it's annual reports or business plans. So that's the mechanism by which these sort of things are reviewed.

The Deputy Chair: Thank you.

Mr. Mason, please, followed by Mr. Benito.

Mr. Mason: Thank you very much. I just lost my place. The question, I guess, is that sometimes your clients receive support from different programs.

You know, Mr. Chairman, I'm sorry; I lost the question. I'll have to find it, so if you can come back to me.

The Deputy Chair: We can come back to you.

Mr. Benito.

Mr. Benito: Good morning again. I would like to refer you to page 51 of your report. The second paragraph says: "In 2007-08, 79% of participants indicated that their training helped prepare them for future employment. This result was slightly lower than the target of 82%." Are you changing the services you're providing to increase the ministry's success rate?

Ms Howe: During the 2007-08 fiscal year Alberta's labour market continued to experience the effects of the growing economy and labour shortage. The performance measure identifies the extent to which participants believed that our programs and services enhanced their ability to obtain employment. Information is obtained from the Work Outcomes Reporting Project survey, which is administered by an independent consultant and provides program outcome information. When asked if the experience they had through the employment programs prepared them for future employment, 79 per cent of the participants responded positively, which was short of the target of 82 per cent.

That shortfall we think may reflect that some training prepares participants for further education rather than employment, and although training prepared them for better jobs, some participants may feel that they would have been able to obtain employment anyway during the strong economy. Our staff continued to help Albertans, including those who had barriers to employment, to find and keep jobs so that they could share in our prosperity. This was critical in light of the economic performance in Alberta.

In addition, the government has the 10-year labour strategy, Building and Educating Tomorrow's Workforce. We're addressing labour shortages to ensure that current and future labour force needs are met. We're doing this through various program initiatives, including, as we've talked about, the Alberta immigrant nominee program, supporting the integration of immigrants, using innovative methods to attract immigrants, and the federal government's temporary foreign worker program.

Mr. Benito: Thank you very much.

I have no supplemental, Mr. Chair.

9:30

The Deputy Chair: Mr. Mason, are you ready?

Mr. Mason: Yes. I've found the page I was on. Thanks very much. You have I guess indicated that the target employment rate for former clients of the income support program has not been achieved.

I'm wondering what you do to ensure that Albertans who need assistance are applying to the most suitable program.

Mr. Stewart: The first step in our process when an individual Albertan enters one of our sites across the province – we have probably something in the order of 60 offices across the province where we provide services to Albertans. The first point in the process is that we would undertake what we call a service needs determination interview. This is a process where one of our staff members would sit down with the individual Albertan and spend considerable time working through the kind of obstacles that this individual may face to obtaining employment, the kind of career goals the individual may have, the type of gaps that there may be between what the individual may need to enter the workforce and what he or she currently possesses. Once we've established what the needs are, then we again work with the individual to establish a plan that will fill those gaps.

As I said in response to an earlier question, the type of service that we may provide can range from something relatively limited, like labour market information, right up to and including two or three years' worth of academic upgrading, followed by occupational skill training. It really is a process that takes a considerable amount of time, and this is why our staff across the province are so busy, frankly. The number of people entering our offices, these days particularly, is rising. We take the time necessary to accurately identify what their needs are. That's not something you can do in a five- or 10-minute discussion. These interviews often take an hour or an hour and a half.

Mr. Mason: Thank you. My supplemental is: what are you going to do in order to achieve the target of 70 per cent in subsequent years?

Mr. Stewart: We know that having more staff members in place is probably not an option available to us. What we're trying to do is again through implementation of better application supports because we still spend a lot of time on administrative work. There's a lot of administration involved in processing payments. We process probably over 100,000 payments a year, and there's a lot of administrative work involved in that. We're trying to reduce the amount of administrative work through automation, which will free up staff to spend even more time working individually with clients, where we feel the greater value is added. That is the mechanism through which we're trying to increase our capacity to spend even more time with clients and more time with employers to facilitate the connection between workers and employers.

The Deputy Chair: Thank you.

Mr. Kang, please, followed by Mr. Johnson.

Mr. Kang: On page 109 of the annual report can the minister explain why \$2.3 million was unexpended in the provincial nominee program?

Mr. Stewart: The provincial nominee program during 2007-08 was in the process of expansion, and expansion means that we were actively recruiting. Most of the expenditures that you see under that particular line item are expenditures for staff costs. We were in the process of actively recruiting individuals to work for us. It was a very tight labour market in 2007-08. The biggest part of the reason why the expenditures fell short of the budget was that we experienced some delays in staffing up as a result of the labour market.

Mr. Kang: So this had nothing to do with the spending related to the provincial nominee program's failure to meet the target of issuing 2,500 nomination certificates, on page 40?

Mr. Sloan: Those two factors are not directly related. We experienced difficulty in staffing up because of the labour shortage. The failure to meet the target for provincial nominees was fundamentally because we did not receive sufficient applications from employers. As the program ramped up, we serviced all the applications we received from employers, but they were not sufficient to meet the target that we had set, which I think was a highly aggressive target.

Mr. Kang: Thank you.

The Deputy Chair: Mr. Johnson, followed by Mr. Chase, please.

Mr. Johnson: Thank you, Chair, and thank you to the department staff for being here today. My questions are around kind of settlement and our investment in settlement services or retention. Obviously, we do a fair bit to try to attract people to Alberta, and as you know, most corporations, industry, employers nowadays spend a great deal of effort trying to retain people. The return on investment is far greater to retain people than it is to attract people. The one thing I don't see, really, in your report – maybe I missed it – is any kind of performance measures/targets on retention or how we might measure that in Alberta. I wonder if you have a sense of how we're doing retentionwise with the people that we attract here and if maybe we can see some of those things in future reports.

Mr. Stewart: No, we don't have at this point a performance measure, as you've indicated, in relation to retention. I would agree one hundred per cent with the point you're making. The first step in the process is the marketing and attraction that would bring the type of people to Alberta that we need to fill labour shortages, and the second part of that is to retain them. Clearly, if you're bringing people in only to lose them to other provinces, then you wouldn't be achieving your objectives.

Notwithstanding the fact that we don't have a specific performance target, we take the retention aspect very seriously. If you look at how we allocate our funds, you'll see that we actually spend a lot more on the retention side of the equation than we spend on the attraction side. Included in the retention side of the equation are the numbers that you see in here beside settlement and integration. These are the provincial numbers. We work jointly with the federal government. The actual amount that's spent in Alberta on settling – providing orientation and other assistance that allows a newcomer to Alberta to feel welcome and to integrate and settle and increase the likelihood of their staying in Alberta – is far in excess of the amount we spend to get them here in the first place. I want to assure the member that we do take it very seriously, and we spend a lot of dollars on that. In addition, a lot of the dollars we spend on things like language training and bridging programs, again, are intended to increase the likelihood of individuals remaining in Alberta.

Lastly, we have begun in both our occupational health and safety program and our employment standards program to target employers specifically who hire a greater percentage of workers from foreign countries to ensure that those workers are treated fairly and are treated in accordance with the workplace standards that we have in place in Alberta. We don't have a performance measure, but we take the whole aspect of retention very seriously and invest a considerable amount of time and effort and resources in that regard.

9:40

Mr. Johnson: Thank you. Maybe I'd just leave with a comment. If it's that important, I think it would certainly warrant you folks looking at what kind of outcomes or goals we might want to measure. I'd love to see that in future reports.

My follow-up is maybe on some more specific settlement services with regard to libraries and if there's any investment or linkage between your department and libraries. I just finished doing a review of libraries across the province for Minister Danyluk, and I was amazed at the presence of immigrants in our libraries, the services that libraries are delivering, really, for a whole gamut of government departments. But there was a really obvious link with Employment and Immigration. ESL, of course, is going on in one corner, job-hunting in another, and all kinds of things. Is your department investing in libraries and those services or linking up with that kind of window or that gateway to our immigrants in our communities?

Mr. Stewart: We have our own what we call labour market information centres. Our labour market information centres are intended to be a source of a whole variety of information and services for Albertans, including immigrants. We do invest in that, and that's a very important part of our service delivery offering that we provide through our network of offices across the country. One of the fundamental purposes of settlement services and the kind of services that settlement agencies provide to newcomers to Alberta is to make them aware of and provide linkages to existing community services that will facilitate their integration into Alberta society. One of the mechanisms, that you rightly identify, is libraries. Our settlement agencies across the province are making immigrants aware of the presence of libraries and the kind of supports and services that are available through the libraries. I would imagine that a number of the people you saw in those libraries were likely there as a result of being connected to that library via a settlement agency.

Mr. Johnson: Thank you.

The Deputy Chair: Thank you.

Mr. Chase, followed by Mr. Jacobs, please.

Mr. Chase: Thank you. The provincial nominee program is intended to be a fast-track immigration program that guarantees skilled workers to Alberta who, in turn, benefit from the full protection of Canadian citizen rights. Page 90 states that more than \$17 million was unexpended for immigration programs, \$2.3 million of which was from the provincial nominee program. Can the ministry explain the remaining \$15 million that was unexpended, particularly related to the immigrant training programs? I know you approached this with my colleague, indicating the aggressive nature of the program and not having sufficient people in place. Has that circumstance changed? Are we trying to put more effort into the provincial nominee program recruiting as opposed to temporary foreign workers?

Mr. Stewart: There were a couple of questions there. Let me try to take them one at a time. Maybe I'll begin with the last question. Yes, we are putting more effort into the recruitment of permanent workers, who we feel will be able to easily integrate and stay in Alberta. You will see in our business plan for subsequent years that the number of people whom we are targeting through the Alberta immigrant nominee program is increasing. Notwithstanding the

current economic circumstances there remain labour shortages in certain key sectors. Those are the sectors we're targeting, and those are the sectors that we're attempting to fill through the Alberta immigrant nominee program. We've also introduced additional new streams, the family stream and the strategic recruitment stream. So we're doing a lot of things in relation to the nominee program that are intended to address the very suggestion that you're making.

The first question you asked was in relation to the underexpenditures of the immigration program. We certainly were relatively new to the immigration business. It's still a relatively new phenomenon in Alberta, and it was even more so in 2007-08. The budgets we had established for bridging programs and living allowances for immigrants and language training programs were based on an educated estimate that was, you know, based on relatively new information. What we did was likely overestimate the demand for the bridging programs and language training programs. The main reason there was an underexpenditure in the immigration program element was that we probably put too much in the budget in the first place, and we've addressed that in subsequent years. It also takes time, given that it's a relatively new activity in Alberta, to build up the capacity within the educational institutions for putting in place bridging programs. It takes time to develop the programs, to hire the instructors. You'll see in subsequent annual reports from our ministry that the level to which we're spending in that area is going up.

Mr. Chase: Thank you. I just want to acknowledge that my colleagues and I are extremely supportive of the provincial nominee program and wish you luck in the future in pursuing this.

Mr. Stewart: Thank you.

The Deputy Chair: Thank you.

Mr. Jacobs, followed by Mr. Kang, please.

[Mr. MacDonald in the chair]

Mr. Jacobs: Thank you very much. I'm going to refer to a comment made by the Assistant Auditor General from the Auditor General's report on page 253, item 3 on that page. Could you, first of all, explain to the committee exactly what a purchasing card program is? You know, it sounds like an interesting program to me. I'd like to know more about it. Secondly, what are you doing to follow the Auditor General's recommendations that these cards and reports are monitored and safeguarded correctly?

Mr. Stewart: The question is in relation to the Workers' Compensation Board. I don't know whether the Auditor General wants to provide more information regarding what the card is, but in relation to the question, as we indicated in our opening remarks, we don't have anybody here with us on that report. We will however take note of the question, and we will provide a written response back to you.

Mr. Dunn: Therefore, I'll supplement. It is the same as purchase cards that are used throughout the province in most ministries, departments. In this case a board has a procurement card. It's like a credit card by the province of Alberta. They acquire the vast majority of their supplies through that. As I said in here, there are over 200 of those. What we were looking at through this recommendation – and I'm sure your response will follow this up – is to ensure that they enforce their policies and practices that are in place and that they make sure that those purchase cards are properly monitored.

Mr. Jacobs: Thank you.

The Chair: Thank you.

Mr. Kang, please, followed by Mr. Dallas.

Mr. Kang: Thank you, Mr. Chair. Going back to page 102 of the annual report about contractual obligations, there's \$42 million involved in this. What is the nature of the contractual obligations for \$42 million?

Mr. Stewart: Part of the requirement in the presentation of our financials is that any service contracts that we have in place which are of a duration longer than one year we report as a note in our financials. The numbers that you see here beginning with 2009 of \$21.9 million, \$9.8 million, \$4.9 million, \$2.4 million, and \$2.4 million for a total of \$41.6 million are contractual obligations that we have in place for things like – we have an agreement with IBM to provide our managed operations and desktop support. It's in the order of \$15 million a year. If the contract is for five years, then the amounts that are for the outer years are reported in this note. These are contracts that are in place that are of a duration of longer than one year, and there's an obligation in the financials to report those items.

Mr. Kang: My supplementary question, sir: what is the competition process or the mechanism used for awarding these contracts?

Mr. Stewart: I'm sorry. Can you repeat the question?

Mr. Kang: What is the mechanism? What is the competition process? Like, do you go for bids on the contracts? What is used to award these contracts?

Mr. Stewart: Yes. We have what we call a request for proposals process, which is a very elaborate process. For a contract like the one I just referenced with IBM, which is a sizable contract, the process is that we put out a request for proposals, and interested bidders provide applications or submissions. On a very thorough basis we go through these individual bids and assess them against a set of scoring criteria, and we identify who we feel is the contractor who best meets a combination of the requirements under the request for proposals at the best cost.

The Chair: Thank you very much.

Mr. Dallas, please, followed by Mr. Chase.

Mr. Dallas: Thank you, Mr. Chair. I'm going to refer you to page 67 in the annual report, strategy 4.2, which speaks to capacity building and strengthening through operations known as regional economic development alliances. In the third paragraph you speak about a grant that was provided at the time to all existing REDAs. The level of development and sophistication, community partnership, and commitment, I guess, by municipalities in these alliances varies, I think, throughout the province. Does the \$5,000 grant speak to a treatment of these REDAs as if they're all at the same stage of development and support in their region?

9:50

Mr. Sloan: The regional alliances are made up of municipalities who have self-determined that they form an economic region. Our department provides them with a sustaining grant of approximately \$100,000. That is provided to each of the REDAs. In addition to that, staff from government act in support of those organizations. So

they are de facto their executive directors as well. Those are the two main forms of support to those organizations. In addition to that, REDAs have the opportunity to request funds from this department or others in support of individual projects. So that's the other main area in which they get individual sort of, if you like, customized support for their activities.

The grant referenced here was provided to all of the REDAs based upon, essentially, requests from those REDAs that we provide them with some additional support so that they could collectively move forward with the initiative that's identified in the report.

Mr. Dallas: A supplemental, then, Mr. Chair, if I might. I'm encouraged by all of the discussion around initiatives to encourage immigration to Alberta, development of employment prospects, and the like, but I guess I'm also aware that our ability to continue that revolves around the investment readiness of communities and their ability to support new business investment. So I wonder if briefly one could describe how we determine the level of investment that we support these regional economic development alliances relative to other investments that we're making.

Mr. Sloan: Each of the REDAs begins by establishing an operating plan for a three-year term. Part of that operating plan might see them making application to other departments for projects. Some of their activities might be associated with working on either sectoral or community economic development activities that they see as priorities for their region. They would be aware of what programs government might have to offer, whether they are provincially offered or in some cases federally offered, and in some cases they would work among regions. For example, three REDAs have gotten together to think about how they could attract more investment from the defence industry in their particular region because they have defence facilities there. So they will collaborate. In brief, the REDAs are a grassroots organization that thinks about what they can do for themselves and then looks across government generally for what tools they then can use to support their plans.

The Chair: Thank you.

We have four members interested at this point in asking further questions. In light of the time we will read those questions into the record, and if you could provide a written response in a timely fashion through the clerk to all members, we would be grateful, Ms Howe.

Mr. Chase, please, followed by Mr. Drysdale.

Mr. Chase: Thank you. Here are my two questions. First, what is the nature of the almost \$20 million in accommodation expenses listed on page 114? I'd like to know who it was given to. What was the purpose?

Secondly, referencing the outstanding recommendations listed on page 381, how much funding was directed towards improving the information technology control environment, and what's the reason for the delay?

The Chair: Thank you. Was that page 381 of the Auditor General's report, Mr. Chase?

Mr. Chase: That's correct.

The Chair: Okay. Thank you.

Mr. Drysdale, followed by Mr. Kang, please.

Mr. Drysdale: My question relates to the Alberta Labour Relations

Board performance measure that requires the board to render 85 per cent of its decisions within 90 days of the last day of hearing. On page 81 of the EII '07-08 annual report the Labour Relations Board reports that 96 per cent of the decisions met the target compared with only 62 per cent in the '05-06 fiscal year. This is a huge improvement, and I was just wondering what changes you made to achieve this big improvement.

The Chair: Thank you.

Mr. Kang, please, followed by Mr. Benito.

Mr. Kang: Thank you, Mr. Chair. On page 19 of the annual report how much funding is directed towards aboriginal and First Nations employment training programs? How are decisions made for targeting this funding? A supplementary is: what percentage of aboriginal adults and youth are unemployed, and how does this compare with other groups?

The Chair: Thank you.

Mr. Benito: On October 1, 2008, for the first time in the history of the Philippines and Alberta an MOU was signed. This basically eliminated the illegal recruitment fees and is part and parcel to sustain the economic development of Alberta. When this memorandum of understanding was signed, I understand that detailed policy understanding would follow between the two parties. My question is: has there been anything done in this regard? The supplementary question: is there any other country that your ministry has signed an understanding similar to the MOU between the Philippines and Alberta?

Thank you.

The Chair: Thank you very much.

I also have a question that I'm interested in getting some information on, and that's on page 159 of the 2007-08 annual report. It's the financial statements for the WCB. Could you tell us if in the year 2007-08 the WCB had any investments in asset-backed commercial paper? If they did, what are those investments worth now? Thank you.

That concludes this portion of the meeting. On behalf of all members I would like to thank Ms Howe and her delegation for their time this morning. We wish you the very best in the 2008-09 fiscal year. Again, thank you very much for your time and your attention. We appreciate it.

Ms Howe: Thank you.

The Chair: We have other business. Under item 3 if I could perhaps have a motion to approve the minutes that were circulated. Mr. Chase moves to approve the minutes that were circulated. Thank you very much. None opposed? The chair really appreciates that.

Item 6 on our agenda, the date of the next meeting.

Mr. Mason: Before you move along, Mr. Chairman, under other business I would like an opportunity to hear from the Auditor General with respect to the reduction in his work program as a result of budget constraints. I know that he discussed that at the Legislative Offices Committee, but I wonder if at our next meeting we can have a brief report from the Auditor General in terms of how this will affect his work relative to this committee.

The Chair: Thank you very much.

Mr. Dunn.

Mr. Dunn: I'm prepared to do that at the next meeting.

The Chair: Okay. Certainly, we will make time available.

Mr. Dallas: Mr. Chair, I would submit that that might be out of the scope of the work of the committee here. Mr. Dunn's business with respect to that funding is with respect to the committee that he reports to.

The Chair: Well, certainly the Public Accounts Committee uses the Auditor General's report extensively. It's a weekly occurrence that we would reference the report, and with the fact that there are outstanding projects, I think we should proceed with hearing from the Auditor. The Auditor does very good work twice a year, which this committee uses on a routine basis.

10:00

Mr. Mason: I don't want to duplicate the work of the other committee. What I said was that we have an understanding of how this will affect his work with our committee.

The Chair: Yes. Okay.

Mr. Benito: Is it possible for us to put it to a vote, whether we can consider Brian's idea here?

The Chair: Well, perhaps if Mr. Mason would like to present a motion.

Mr. Mason: No. They'll just vote it down.

The Chair: Pardon me?

Mr. Dunn: May I assist here? Through my legislation I report to two committees. The Standing Committee on Legislative Offices, I do report to that, and that's exactly where the funding comes in. I also report to this committee. So I am responsible to two all-party committees, and it's my responsibility to ensure that I answer any questions that either of those committees ask me. I'd be more than prepared to explain what we are working on and will be reporting on in April and October because those reports will stand before this committee for your interest and follow-up with the departments there. I am responsible to you as well as the other standing committee.

The Chair: To all members of the committee, I would remind you that not only for the department we looked at today but for all government departments, Mr. Dunn and his staff are the auditors of each and every department that we deal with.

Mr. Benito: Mr. Chair, I feel that, you know, the Auditor General can just make a report on this to a very specific committee that deserves to get the report. I would like to agree with my colleague here that this is not the forum for that although, part and parcel, it might have some relationship. I would like to support the idea that he does that in the proper forum.

Mr. Chase: I'll put it into a formal motion. The Auditor General has expressed a willingness to bring to this committee his reporting procedures, the financial costs of reporting, and if he so chooses, restraints that he has or has not experienced in carrying out his annual reporting.

Mr. Jacobs: Mr. Chairman, I think I understood the question posed by Mr. Mason, but I'm not sure it has the same context in the motion that is now before you, so I'm unclear on exactly what we're going to vote on here. I understood the context a little differently from Mr. Mason.

The Chair: I agree with you, Mr. Jacobs.

Mr. Chase, we have to be clear and concise, and your motion did not achieve that.

Mr. Chase: Shall I try again, or, Mr. Mason, would you like to qualify?

Mr. Mason: Do we need a motion?

The Chair: Yes, we need a motion.

Mr. Mason: Well, you know what's going to happen. All right. Then I'll move it, Mr. Chairman. I'll move that
at the next meeting we set aside some time to hear from the Auditor General in terms of how his work for this committee is going to be impacted in the next year due to budget restraints.

The Chair: Okay. Shall I read that back?

Mr. Jacobs: I think that was originally what Mr. Mason intended.

The Chair: Yes.

Mr. Jacobs: I'll just say that I don't have a serious problem with the Auditor General coming back with that kind of information. You know, I realize that there is another committee responsible for it, but if he wants to make some brief comments about that to this committee, I don't have a problem with that, personally.

The Chair: Okay. All those in favour of the motion? Opposed? The motion is carried. We look forward to hearing from the Auditor, Mr. Dunn, next week.

Mr. Mason: I apologize for misjudging, but I've been here for a few years.

The Chair: Okay. Now, are there any other matters to be raised by the committee at this time?

Seeing none, I would remind you that the date of our next meeting is not next week as it is a constituency week. The next meeting will be with Alberta Infrastructure and Alberta Transportation on Wednesday, March 4, at the usual time. Then on the 11th of March we're going to meet with Housing and Urban Affairs and Municipal Affairs, and we have another meeting teed up for March 18 with Environment.

There was a suggestion last week that we meet with the Treasury Board, but officials from the department have indicated that they're busy with their budget, and it has been past practice of the committee that Alberta Finance and the Treasury Board would be allowed time to get their budget set up, so we're going to continue with that practice.

The chair will inform the committee at our next meeting of the schedule beyond March 18. Okay? Is that fair enough?

If any of the members have any departments that you would like to see return or come before us, just let either Mr. Quest or myself know. If you have any research questions, please direct them to Dr. Massolin and his able researchers through the clerk.

Mr. Jacobs: Well, I was just going to comment that I sort of was hoping today that we would get something from Workers' Compensation Board because I had some questions that I wanted to ask, but, as you heard, they weren't answering those questions today. Maybe sometime we could look at that in committee.

The Chair: Yes. When Ms Howe made that statement, Mr. Quest and I thought that perhaps in the fall in light of the absence of the WCB here today we could set aside some time and have a meeting dedicated to the annual report with the WCB. I must say that I was surprised they did not have a representative in attendance today. So perhaps we can look at that in the fall. If we're going to schedule meetings with organizations, boards, or agencies, that could be at the top of the list.

Mr. Jacobs: Okay. Very good.

Mr. Dunn: Just simply to remind everybody, WCB has a December 31 year-end. Its financial information for December 2008 should be available in the spring of 2009, so March. We're finishing it up right now, and it will be contained in our October 2009 report, but it also will be publicly available in the late spring of 2009.

The Chair: May I have a motion to adjourn, please? Thank you, Mr. Fawcett. Moved by Mr. Kyle Fawcett that the meeting be adjourned. All in favour? Seeing none opposed, thank you. Have a good week.

[The committee adjourned at 10:08 a.m.]

