

8:30 a.m.

Wednesday, October 27, 1993

[Chairman: Mrs. Abdurahman]

MADAM CHAIRMAN: I'd like to call us to order and firstly indicate to the hon. minister that unfortunately there are a number of other meetings going on this morning, so we're probably not going to have a full complement. Before I go into more formal introductions, I'd like approval of the agenda, please.

MS CARLSON: So moved.

MADAM CHAIRMAN: Debbie Carlson. Any discussion? If not, everyone say aye. Any nays? It's carried unanimously.

Approval of the minutes of the October 20, 1993, committee meeting. Are there any errors or omissions? If not, could I have a motion to approve them as circulated?

MR. VASSEUR: So moved.

MADAM CHAIRMAN: Leo Vasseur. Any discussion? If not, all say aye. Any nays? Thank you.

I'd like at this time to ask Corinne to circulate a letter that upon request I received from the Auditor General, Mr. Salmon, regarding the Alberta Agricultural Development Corporation. It would become an attachment to the minutes. Could you circulate that for me, Corinne, please.

While Corinne is circulating the letter, I'd like now to more formally welcome the Hon. Gary Mar, Minister of Community Development, and his staff that's here this morning. I'd ask you, hon. minister, if you'd like to introduce your staff to us, please.

MR. MAR: Certainly. I'd be happy to introduce, of course, all the people that are here with me. As you are aware, today we are reviewing the 1992-93 budget and organizational structure. Although I was not the minister responsible for recreation at that time, it's my pleasure to be here this morning to speak on behalf of recreation, which is part of the new Department of Community Development. With the permission of the chair, I'd like to make this presentation in the following stages. First of all, of course, an introduction of the staff members who are with me, who will help me in responding to your questions this morning. Secondly, a few overview comments regarding the topic of recreation. Finally, an outline of the organizational structure in 1992-93. Lastly, I'd be happy to entertain questions from members of the committee. I'll try to be as brief as possible to allow adequate time for questioning.

First of all, I'd like to introduce you to Julian Nowicki, the deputy minister, who is sitting to my immediate right. Murray Finnerty, the assistant deputy minister for the community services division, is sitting on my left. Mr. Ken Wilson can identify himself. He is the director of community field services. Mr. Dwight Ganske. Dwight is the director for recreation and sport. Mr. Rai Batra. Rai is the executive director for administrative services. Mr. Max Gibb is managing director of the Alberta Sport Council. Mr. Chuck Moser, the executive director of the Recreation, Parks and Wildlife Foundation.

First of all, with respect to overview comments, in our present environment the role that recreation plays in society as a whole and in our communities, our neighbourhoods, and our families can be overlooked. We can become overly preoccupied with yardsticks and measurement indicators on the quantity side of the ledger and not provide sufficient recognition to the quality-of-life elements. I submit to you that the quantity and quality elements

are on the same side of the equation and they complement each other, resulting in the kind of Alberta that we all want to live in.

With respect to the definition of recreation, recreation includes a broad range of activities and pursuits and can involve any individuals at their level of involvement. Recreation participation results in benefits ranging from economic, social, personal, and environmental benefits. The fact that such wide-ranging benefits accrue from recreation provides an overall rationale for government involvement in recreation development.

Recreation is discretionary in nature. It is freely chosen and undertaken, with self-satisfaction as the primary intent. The government believes that the purpose of recreation should be to assist individual and community development and to improve the quality of life in Alberta. The definition of recreation that was adopted by the Alberta government and endorsed at the 1974 conference of provincial recreation ministers stated as follows:

Recreation incorporates all those things that a person or group chooses to do in order to make their leisure time more interesting, more enjoyable and more personally satisfying.

Now, here are a few quick facts about recreation in the province of Alberta that will illustrate the scope of that impact.

There are 105 provincial recreation and sport associations in Alberta. These associations are all volunteer based and have a membership of over 700,000 Albertans.

Alberta has the highest per capita number of certified coaches in Canada through the national coaching certification program. One count indicates that we have 16,000 volunteer coaches serving our young people in this province.

Recreation and sport create 3 percent of all the jobs in Canada. In Alberta that currently accounts for 36,930 jobs. The direct impact from salaries could range from \$932 million to as high as \$1.5 billion.

Calgary ranked first overall in terms of quality of life in Canada according to a 1992 Angus Reid survey, and when asked about the best thing about living in Calgary, the highest combined response was parks and recreation features and activities. That accounted for 37 percent of the respondents' answers.

The international sport exchange program has proven an excellent vehicle to link Alberta's private sector with economic development opportunities in the Pacific Rim and provinces of the former eastern bloc in Europe. Our four twinning programs in recreation and sport have acted as a door-opening mechanism for many years.

Hosting events in Alberta is one of the strongest visible contributions recreation and sport make to Alberta's economy. Indeed, most people would agree that the 1988 Winter Olympics was an unforgettable experience. It's estimated that the 1996 World Figure Skating Championships to be held in Edmonton will generate \$10 million in new revenues, with a ripple factor of \$43 million.

The average family in Alberta spends \$2,136 on recreation and sport related activities, equipment, and services. The overall economic impact made by Alberta's 616,320 families would be approximately \$1.32 billion annually, according to Alberta statistics from 1991.

Alberta has 199 community swimming pools, 377 arenas, 324 curling rinks, and over 1,000 community halls. These are a major investment and are centres for positive community activity.

Recreation and sport activity are often used as positive vehicles to address such issues as drug abuse, alcoholism, unmotivated youth, vandalism, workplace absenteeism, keeping seniors active, family violence, cultural and social strife, and uniting individuals, communities, and countries.

Now, here are some other quick facts from a recent Alberta recreation survey: 1.7 million Albertans walk for pleasure, 1.1 million Albertans ride their bicycles for pleasure, 1 million

Albertans attend sports events for pleasure, and 600,000 Albertans golf for pleasure.

So those are some of the facts that indicate why recreation is so vital and so important in this province.

The next part of this presentation will deal with the organizational structure which existed in 1992-1993. The services of the former recreation development division were grouped in the following categories: (a) those which supported the municipal recreation system and through it enhanced community-based recreation, sport, fitness, and leisure programs, and (b) those which supported the provincial recreation system and through it enhanced provincial, interprovincial, and international recreation, sport, fitness, and leisure programs. The division as a consequence had two program delivery units, the community recreation and sport branch and the provincial recreation and sport branch.

I'd like to talk about the community recreation and sport branch. That branch supported the provision of a full spectrum of recreation and sport services at the community level by acting as a facilitator and enabler to the municipal recreation system. The branch achieved its purpose by working closely with municipal authorities and community associations in the development of programs and policies that ensured self-sustaining community-based recreation systems. That branch was composed of nine sections or units.

8:40

The six regional recreation sections involved 14 field offices around the province, supported by the development of an effective recreation system in Alberta through the provision of financial assistance, consultation, information, and training opportunities. Regionally based staff delivered the community recreation/cultural grant program and the community recreation development grant program. They provided assistance to municipal councils, recreation boards, and community associations on such community recreation management matters as planning, organization, development, leadership training, participant development, volunteer management, financial management, and program evaluation. They also provided on-site consultation and technical support for community facility planning, development, and operations. Regional recreation consultants acted as the first point of contact for all division programs and provided a multilevel referral and advisory service.

The active living and community program services section supported the regional sections through the provision of consultation, information, and leadership training opportunities. Services included resource materials, in-service training workshops, volunteer support service co-ordination, publication of recreation news, special project services, and interfacing with other government departments and agencies regarding the community recreation and support system. The section also co-ordinated implementation of the Alberta active living strategy, which supported various fitness and leisure awareness activities for the health and well-being of Albertans.

The outdoor recreation facility section provided the development and operation of outdoor recreation facilities in open space in Alberta communities through the provision of financial assistance, consultation, information and training opportunities. Services included the delivery of the urban parks capital and operational grant program and technical assistance manuals and workshops in all aspects of outdoor facility planning, development, operation, and maintenance.

The indoor recreation facilities unit supported the ongoing operational needs of the millions of dollars' worth of arenas, community halls, and other facilities utilized by Albertans.

Services included personal consultations, workshops, resource materials, and formal training requested by clients.

I'd like to now talk about the provincial recreation and sport branch. The provincial recreation and sport branch supported the provision of a full spectrum of recreation and sport facilities at the provincial level by acting as a facilitator and enabler of the provincial recreation system. The branch achieved its purpose by working closely with provincial recreation and sport associations and agencies in the development of programs and policies that ensured a self-sustaining provincial recreation system. The branch also co-ordinated Alberta's involvement in various interprovincial and international sport and recreation activities.

The branch was composed of four sections. First of all, the provincial program services section, which supported the development of an effective provincial recreation system through the provision of financial assistance, consultation, and information and training opportunities to recognize provincial recreation and sport associations. Base funding was provided through the provincial association grant program, and advisory services were available on such matters as planning, organization development, leadership training, participant development, volunteer management, financial management, and program evaluation. The section also co-ordinated various programs involving major event hosting, the international exchange program, coaching, and athlete and volunteer recognition. Policy reviews and interfaces with other government departments and agencies regarding the provincial recreation and sport system were also undertaken.

The Percy Page Centre section in Edmonton provided residential and nonresidential support services to the provincial recreation and sport associations to enhance their administrative efficiency and developmental effectiveness. Services included the provision of office space, meeting rooms, communications, mail, printing, and duplicating services.

The Blue Lake Centre section near Hinton provided residential support services to a wide variety of individuals and community and provincial clients in the form of volunteer and leadership training, recreation management courses, outdoor participation development, and athlete training.

The interprovincial games section supported the provincial sport associations in the selection and training for Team Alberta's participation in the Canada Games, Western Canada Games, and Arctic Winter Games. The section was responsible for all financial assistance, liaison, and team co-ordination activities leading up to the games and provided on-site mission staff during the games. The section also provided financial and consultative services to the Alberta host societies for the 1994 Arctic Winter Games and the 1995 Canada Winter Games.

Inasmuch as today's review is limited to recreation components of my department's 1992-93 public accounts statements, I'm pleased to advise the committee that the overall audit of the department points towards a clean bill of health. I also wish to point out that all expenditures related to recreation are within the approved amounts; no subprogram or vote has been breached.

That concludes my comments, Madam Chairman. Thank you, and I'm prepared at this point to answer any questions the committee may wish me to entertain.

MADAM CHAIRMAN: Thank you. Could I ask your staff, if they're assisting in questions, to identify themselves just for the record, please, Mr. Minister.

MR. MAR: That would be fine.

MADAM CHAIRMAN: Thank you.
Mike Percy.

Mike Percy.

DR. PERCY: Mr. Minister, it was my understanding that we were restricting ourselves to discussions of recreation because the deputy minister was not going to be present. Since the deputy minister is present, are we now free to discuss all aspects of the department, we would hope?

MR. MAR: At the outset, you're correct. The deputy minister was not going to be available this morning. However, subsequent to that agreement being reached that recreation would be the only area discussed, Julian Nowicki became available. The preparation that we've got for today is restricted to the area of recreation, so that's what I'm prepared to entertain.

DR. PERCY: May I just follow up on that statement? Since you will have the opportunity to read the Blues and *Hansard*, would it not be possible, then, for you to reply in writing to any questions we might ask with respect to other elements of the department?

MR. MAR: No, I'm not prepared to entertain those questions.

DR. PERCY: I'm disappointed, Mr. Minister.

MR. MAR: I'd like to point out that the public accounts process had last been done in this area in 1988. According to the deputy minister, culture and multiculturalism was done in 1992. So a number of these areas have already been covered in fairly recent history.

DR. PERCY: Thank you, Mr. Minister. I'd like to start off my first question with regard to the new entity. My understanding is that the Alberta Sport Council and the Recreation, Parks and Wildlife Foundation have been combined as of 1993. My question really refers, then, to the Recreation, Parks and Wildlife Foundation, which would now be part of recreation, I take it, since the Sport Council is.

MR. MAR: Yeah. That amalgamation, of course, didn't take place until this year and doesn't form part of the 1992-93 public accounts.

DR. PERCY: I will be referring specifically to the Recreation, Parks and Wildlife Foundation. I'm looking at the public accounts, volume 3, pages 1.79 and 1.80, note 9.

MADAM CHAIRMAN: Have you got the place, Mr. Minister?

MR. MAR: I do.

DR. PERCY: The statement is:

During the year, the Foundation made ultra vires payments of \$54,513 (1992 \$54,811) for Board members' fees and expenses. These payments were contrary to the Recreation, Parks and Wildlife Foundation Act which required that payments to Board members be made from money voted by the Legislature for that purpose.

I note that in the Auditor General's report for 1991-92, recommendation 42 is:

It is recommended that The Recreation, Parks and Wildlife Foundation comply with the legislative requirements of the Recreation, Parks and Wildlife Act.

My question is: what actions have you as minister taken to ensure compliance by board members with the legislation defining this foundation or the new entity?

MR. MAR: That matter had been raised with me during the review of the legislation which will amalgamate both the Alberta Sport Council and the Recreation, Parks and Wildlife Foundation. The new legislation will address that issue of ultra vires.

8:50

DR. PERCY: Have board members been fired, removed, or in any way reprimanded for violating legislation? It appears they have been doing this for some period of time. Has there been a consequence for ignoring legislation?

MR. MAR: Not by my direction, no.

DR. PERCY: Has it been made clear to the board members of this new foundation and certainly to the administrative staff that in fact legislation ought to be obeyed, that there have to be consequences? Because the Auditor General has flagged this for two years running, and nothing has happened. Is there a written statement, then, by you as minister to the newly amalgamated board setting out the rules of the game and in fact either imposing consequences on those that have consistently violated the legislation or removing them? Or are we going to see the same old board members in place?

MR. MAR: There's not been a written direction from me in that regard.

MADAM CHAIRMAN: Thank you.
Harry Sohal.

MR. SOHAL: First a general clarification. What is the source of this data you mention about the statistics that 1.9 million people walk for recreation and certain numbers jog? What is the source of this information?

MR. MAR: Well, there are a number of surveys that are conducted from time to time, and that would be the result of an Alberta recreation survey.

MR. SOHAL: Okay. I have a general question on the whole program. Who actually has the complete responsibility for administering recreation programs in Alberta? Does it rest exclusively with the Department of Community Development?

MR. MAR: Well, volunteers of course are a very important part of the delivery of sports and recreation in this province. Municipalities and provincial sport and recreation associations are the prime organizers of direct recreational facilities and services. The department's role is to assist those communities and those provincial sport and recreation associations in providing their services, and the department does so by providing consultation and training and information. The department's role in support of volunteers is also one of training and support, and there's no doubt about the great importance volunteers play in the delivery of these programs and services.

MR. SOHAL: Can you also comment on what your department is doing to support volunteers in recreation and sport?

MR. MAR: The department again provides consultation and training, recognition, organizational development to assist in volunteer recruitment. That is the nature of the assistance the department provides in helping provincial sport and recreation

associations make their volunteers more effective and also assist them in recruiting more volunteers.

MR. SOHAL: Thank you.

MADAM CHAIRMAN: Final supplementary?

MR. SOHAL: No thanks.

MADAM CHAIRMAN: Leo Vasseur.

MR. VASSEUR: Thank you, Madam Chairman. Mr. Minister, in note 5 on page 1.80, all we have here is a summary by programs of the expenditures. Most of the expenditures, from what I see here on the four pages on the Recreation, Parks and Wildlife Foundation, are expenditures based on grant distribution through the different organizations and probably municipalities across the province. What are the criteria for grant approval in the distribution of this kind of money? When are we going to get the supplementary information to volume 3 so we can have those details?

MR. MAR: Sorry; I'm not catching the reference the hon. member indicated.

MR. VASSEUR: Okay. Page 1.80.

MR. MAR: Yes. Which note?

MR. VASSEUR: Note 5.

MR. MAR: Okay.

MR. VASSEUR: Again, the only information we have there is a summary by program of about five or six different programs the money is allocated to. The question is: what are the criteria in the expenditure, or how is that money distributed to the communities in a fair and equitable matter?

MR. MAR: That's something I think Mr. Moser would be prepared to entertain.

MR. MOSER: Chuck Moser, Recreation, Parks and Wildlife Foundation.

In response to the hon. member's request, these grant programs are actually administered by the members of the board of the Recreation, Parks and Wildlife Foundation. The grants are provided as a reaction to applications that come to us on a quarterly basis. These are then very carefully examined and weighed as to the influence and positive action that will take place as a result of carrying out the grant. They come, as you said, from local municipalities, sport groups, recreation groups, and volunteer groups from throughout the province. We average 150 applications per quarter. These are very carefully scrutinized by members of the board from all parts of the province and then are allocated on the basis of the greatest value provided to Albertans.

MR. VASSEUR: So these grants here are not distributed on a per capita basis like the previous MRC grants?

MR. MOSER: No, sir. They are provided on the basis of requests from volunteer groups throughout the province in the broad areas of recreation, parks, and wildlife.

MR. VASSEUR: Okay. My next question, Madam Chairman: are there any plans to replace the MRC program that was in existence for about five years that was on a per capita basis? That was a fair and equitable fashion of distributing this money to communities. The big portion of the fairness in the program is that it allowed the municipalities to be part of the decision-making process of where that money went to.

MR. MAR: If I could clarify the question, I think there's a reference being made to the CRC grants.

MR. VASSEUR: Sorry, the CRC. Yes.

MR. MAR: Community recreation/cultural grant. There's no plan to replace that program. That program was phased out over a number of years. I think at its height the per capita grant was in the range of about \$20.

MR. VASSEUR: Yes, it was.

MR. MAR: At the time of its conclusion, I think it was down to \$6 per capita. We think the program provided a very useful benefit to municipalities. The fact is that it's just not something we can afford right now, so there will be no plan to replace that program.

MADAM CHAIRMAN: Thank you, Mr. Minister.
Barry McFarland.

MR. McFARLAND: Thank you, Madam Chairman, and welcome, Mr. Minister. It's coincidental, I guess, that my question also deals with the CRC. Being quite familiar with a number of the communities that benefited from the program, Mr. Minister, I know it was always a question, especially in smaller communities, that although they appreciated \$20 or \$6 per capita, it still didn't go a very long way in smaller communities as opposed to large city centres. Invariably you had a structure that wasn't able to be fully supported for operational costs. I appreciate the fact that the CRC grant no longer exists, but I'm just wondering if the minister would provide the committee with the reason, under reference 6.2.6, for the slight overexpenditure in the previous fiscal year.

MR. MAR: Thank you. The question's a good one. Of course, the CRC grants, as indicated by the previous member, were very valuable in that they provided funding to recreation, sport, and leisure programs to help - oh, I'm sorry. If I can make a clarification here. The CRC grants referred to by the hon. Member for Bonnyville are on a different line. The line that's referred to by this member is the Community Recreation Grants, which is different from the CRC grants. The community recreation grants had a total budget of approximately \$248,000, if I'm not mistaken. That program was to provide recreation and sport and leisure programs for Albertans with disabilities, among other things. The community recreation/cultural grants, or the CRC grants, are found on line 6.2.3, which were in the amount expended of \$15,638,464. Line 6.2.6, the community recreation grants: the actual amount expended was \$254,495, which is a slight overage from the estimate of \$248,800. I think the hon. member is asking why there was a slight overexpenditure on line 6.2.6, and the reason for that was because of the government fulfilling a commitment to the Metis Nation recreation development subagreement late in the fiscal year.

9:00

MADAM CHAIRMAN: First supplementary, Barry.

MR. McFARLAND: Thank you, Madam Chairman. I have a very great interest in youth and the programs that your department has provided to enhance the life skills, I believe, that young people can determine. I hate to prolong this thing, but there's a point I think we have to make, and that is that until the program came along, many people, unless they were fortunate enough to have facilities and live in large enough communities to be exposed to proper sporting events or take part in sports, were intimidated later in life because they felt less than adequate in participating. I really feel there's been a strong value to the programs that your department has put forward.

In relation to the handicapped, are there any grants available that did facilitate the handicapped – you mentioned 6.2.6 – for those who have trouble voluntarily raising funds to access public facilities? I'm thinking of handicapped basketball, for instance. I believe, Mr. Minister, you and I have discussed on a number of occasions that same issue: where these people want to get out and be active, but they don't have the wherewithal to raise the funds.

MR. MAR: Yeah. Under 6.2.6, with the exception of three grants that were delivered to the Metis Nation of Alberta Association, the balance of the grants – and I'm not sure how many of them there are; there are about two and a half pages of them. There were 54 grants in total, and all of them were made to groups representing handicapped athletes. It ranged from the city of Calgary and the city of Edmonton to the Alberta Association for the Dependent Handicapped, the town of Canmore, Project Share Outdoor Society, the town of Bonnyville, the town of Athabasca, the Airdrie Boys' and Girls' Club, the town of Fairview, the Canadian Mental Health Association, the Association for Parents of the Handicapped, the town of Olds, the town of Parkland, the North Peace Community Living Society, the village of Thorsby, the town of Wainwright, the Central Alberta Community Residents Society, and a number of other organizations. Through the Alberta Sport Council there was also funding to the Alberta Basketball Association, which assisted handicapped basketball athletes.

MADAM CHAIRMAN: Thank you, hon. minister.
Next question, Debby Carlson.

MS CARLSON: My comments are with regard to the Recreation, Parks and Wildlife Foundation, a follow-up to your previous comments. The Auditor General's recommendation 42 recommends that the foundation now "comply with the legislative requirements . . . regarding payments to its members." You said that you had not made any kind of a recommendation, in fact, that they comply. Will you be doing so in the near future?

MR. MAR: Well, it's something that previous ministers were aware of, and that direction had been given by previous ministers to members of the board. Again, my intended course of action is to address that issue within the new legislation which will amalgamate both the Sport Council and the RPW Foundation.

MS CARLSON: With all due respect, this has been going on since 1987. Could you comment on that, or perhaps a staff member could?

MR. MAR: I'd be happy to turn that over to the deputy minister.

MR. NOWICKI: Julian Nowicki. Yes, I'd be happy to respond to that, Madam Chairman. This is an issue that had been known for several years; you're correct. The previous ministers were aware of it, but it was a question of getting it on the legislative order agenda because of the hectic legislative scheduling. We have now been able to do it because we're amalgamating the two Crown agencies, and we're rewriting the legislation. So we're addressing that issue.

MADAM CHAIRMAN: Final supplementary.

MS CARLSON: This question would also be to Mr. Nowicki. The same foundation seems to have had a fundamental flaw in its control procedures where it had over 50 blank cheques presigned with one signature. The account balance there is \$3.8 million, and there's no maximum dollar limit on the amount of the cheques that could be signed. How could this kind of control procedure be overlooked in the department?

MADAM CHAIRMAN: Mr. Minister, do you want to answer the question or your staff?

MR. MAR: I'd be happy to pass that question over to Mr. Moser.

MR. MOSER: Chuck Moser. Madam Chairman, the purpose of presigning the cheques at the time was for logistical reasons. The signing authority, who is the chairman of the foundation, was in Wainwright. It was necessary, to provide quick and viable service to our patrons, that we give cheques out in a hurry. So it was necessary for him to presign the cheques, and then the second signatory would complete the control of the procedure. When the chairman came back to the city, he would audit very carefully each of the cheques that had been written to ensure that the control was there. It was clearly just a logistical reason that these were presigned. The control was in fact there, because the audit was very carefully done internally each time a cheque was written.

MADAM CHAIRMAN: Supplementary.

MS CARLSON: Do I get another one?

MADAM CHAIRMAN: That's your final supplementary; sorry.
Mr. Ty Lund.

MR. LUND: Thank you, Madam Chairman, and good morning gentlemen. I'm having a little bit of trouble here getting the numbers in vote 6 to add up in total. Now, I'm looking at volume 2, page 2.33. We see there that there was \$330,417 that was underexpended. Then when we turn the page to 2.34, if you subtract those two numbers, it looks like a number that comes out to \$595,417. I'm wondering: where did we lose the \$265,000? Where did that go?

MADAM CHAIRMAN: Do you have the reference point? What page are you at, Ty?

MR. LUND: In volume 2, on 2.33, vote 6, you'll see that there's an unexpended number there of \$330,417. Then when you go over to page 2.34 and look at vote 6, you find there that we have a number – if you subtract \$34,801,196 from \$35,396,613, you end up with a difference of \$595,417. So we're missing some \$265,000 someplace, and I'm just wondering where that is. I'm sure it's there, but I just can't seem to follow it.

MR. MAR: Mr. Batra can answer that question.

9:10

MR. BATRA: Sir, that represents a transfer of funds, \$265,000, from that particular vote to other votes. That was quite legitimately done by accrual from Treasury last year in order to pay for voluntary severance allowances.

MR. MAR: Maybe I can refer you, Mr. Lund, to page 2.31. If you look under vote 6 on that page, you'll find the difference of \$265,000 in the middle column under Transfers.

MR. LUND: Thank you very much. I thought it would be there someplace, but I just couldn't find it.

MADAM CHAIRMAN: First supplementary.

MR. LUND: Okay. My supplementary – and Madam Chairman, I hope that you'll allow me a little bit of latitude, because that's . . .

MADAM CHAIRMAN: I'll see how broad you go.

MR. LUND: Well, I'm pretty broad.

When we look at vote 6, we see that there are about six, seven places where there was an overexpenditure. Now, I know that the bottom line came out extremely good. There certainly was not an overexpenditure in the vote. I just wonder if you could briefly pick out – for example, Field technical support: how is it that that one overexpended by some \$120,000?

MR. MAR: Sorry. The question was about an overexpenditure on 6.3.2?

MR. LUND: Well, Community Recreation and Sport and then under that, Field technical support. I just picked that one out because it seems to be the largest overexpenditure within the vote, and I am just wondering how it would happen that there would be \$120,000.

MR. MAR: The overexpenditure in that area is related entirely to the payout of three VSA employees at the end of the year.

MADAM CHAIRMAN: Further supplementary, Ty?

MR. LUND: So when we move then down to, like, the Big Country region, is that the same thing there, that there was some payout?

MR. MAR: Yes, that's correct. It's the same thing.

MR. LUND: Thank you.

MADAM CHAIRMAN: Thank you.
Sine Chadi.

MR. CHADI: Thank you, Madam Chairman. Mr. Minister, this morning I need some explanation with respect to vote 6.3, Community Recreation and Sport. With respect to 6.3.1 and 6.3.2, one is Branch support, and the estimated number is \$569,770, and the Field technical support is \$1,165,000, in that range. What is it all about? What is branch support? Tell us what field technical support is. Are they the same?

MR. MAR: What branch support does is provide administrative and policy support, which includes grant processing and accounting, expenditure tracking, branch invoicing co-ordination, and co-ordination of branch purchasing.

Field technical support relates to the areas of outdoor recreation facilities, active living in community program services, and indoor facilities. The outdoor recreation facilities area provided outdoor recreation facility and park services in support of the regional office staff and their clients and administered the urban parks and municipal recreation/tourism areas program on behalf of the division. Secondly, the active living in community programs were provided and given program direction and support. Finally, the indoor facilities area provided indoor facility services in support of the development and operation of indoor facilities in the province.

So the brief answer to your question is that they perform two very different functions.

MADAM CHAIRMAN: Supplementary, Sine?

MR. CHADI: Yes. Are those functions that they deliver directly related to the different regions under community recreation and sport?

MR. MAR: Yes.

MADAM CHAIRMAN: Final supplementary.

MR. CHADI: With respect, then, to the regions, we note figures in the range of around \$400,000 to \$500,000 annually. Are those numbers with respect to salaries alone?

MR. MAR: They're made up of a number of different things. It is manpower – are you referring to Branch support, first of all?

MR. CHADI: I'm referring to 6.3.3 down to 6.3.8, which include Southern Alberta region all the way to Northern Alberta region and every region in between. My question relates to: just what are those figures for? What are those funds allotted for? Is that salaries alone? They're being of course supplemented by the Field technical support and the Branch support. So my question is: are those salaries?

MR. MAR: In part they're salaries; the majority of it is salaries. The actual expenditures under 6.3.3 were \$333,373 in manpower and \$65,390 in supplies and services.

MADAM CHAIRMAN: Thank you, Mr. Minister.
Gary Friedel.

MR. FRIEDEL: Yes, Madam Chairman. Before I get into the question, could I possibly ask that the volume be turned up a little bit?

MADAM CHAIRMAN: Are you having difficulty hearing?

MR. FRIEDEL: I'm having difficulty. Before when you called for Ty, I wasn't sure whether you were calling for him or me.

MADAM CHAIRMAN: Don't hesitate if there's ever a problem. Just stand up, and I'll acknowledge you.

MR. FRIEDEL: My first question relates to reference 6.2.1 on page 2.34, Provincial association grants. Can you explain to us

who these associations are and sort of what their mandate is? What assistance is the department giving for that mandate?

MR. MAR: The department recognizes about 105 provincial recreation and sport associations, who individually deliver a variety of provincewide recreation programs supporting participation and volunteers throughout the province. Some of the examples are the Alberta Amateur Hockey Association, the Soccer Association, the Red Cross water safety services, and the Boy Scouts. The department provides a base level block-funding grant to them that has ranged from \$2,500 to \$36,000.

MR. FRIEDEL: Considering the financial situation and the restraint programs, do you foresee any changes in this grant support to these groups?

MR. MAR: The provincial sports associations provide a very, very valuable service that is enhanced manyfold by the grants that we deliver to them. We'd like very much to try and hold our granting to these organizations as much as possible, because, again, while the service that is provided is tremendous, it is provided predominantly through volunteers. The amount of granting that we give to these organizations is pretty modest in comparison to the benefit that's received by Albertans. So every effort is going to be made to try and keep the funding at the level that it's at, recognizing of course that there are fiscal realities.

MADAM CHAIRMAN: Final supplementary.

MR. FRIEDEL: What do you see as the relationship or the difference, if you like, between the Provincial association grants, the item we were just talking about, and the next one, 6.2.2, which is called Provincial recreation/sport grants? They sound very similar to me.

MR. MAR: Well, one is community-based. The provincial sports associations provide things like minor league soccer, minor league hockey, very much community-based activities.

Line 6.2.2, Provincial recreation/sport grants, governs sort of three different areas. It provides support for the international sports exchange agreements that we have. It provides for the training of athletes for the Western Canada Games and the Arctic Games. Finally, it is charged with the responsibility for holding international and national sporting events in the province of Alberta. Examples of the expenditures in the provincial recreation/sport grants program under 6.2.2 would be sending a team of boxers from the province of Alberta to Korea and also grants that are given to teams that are participating in the Canada Summer Games, most recently in Kamloops.

9:20

So the short answer to your question is that under 6.2.1 it's community-based sports and recreation, and under 6.2.2 it would be a fair comment to say that that supports a higher level of athlete in a noncommunity-based activity.

MR. DALLA-LONGA: At the risk of having you repeat something that you might have already covered – the Percy Page Centre: could you tell me what that is?

MR. MAR: What the Percy Page Centre does is it houses offices for, I think, approximately 60 sport and recreation associations and recovers the cost of operation from those organizations. For example, a provincial sport association would have an office in the

Percy Page Centre and would have telephone services, duplicating services, mailing services, and printing services provided to them on a cost-recovery basis.

MR. DALLA-LONGA: Now, that centre is – what? – about 70,000 square feet?

MR. MAR: It's a very large centre, yes.

MR. DALLA-LONGA: How do you run it on \$500,000 and some odd?

MR. MAR: Just in brief, again part of it is through the recovery of costs from the provincial sport and recreation associations that use it. The actual expenditures are made up as follows: \$267,000 for manpower and \$132,000 for supplies and services.

I think Mr. Ganske would be able to further supplement that answer.

MR. GANSKE: Madam Chairman, yes. There are two other avenues for supporting the operation. One, the building is actually owned by Public Works, Supply and Services, which is common for all government structures and facilities. Therefore, there is some expenditure relating to the maintenance and operation of the facility through that department. In addition, secondly, there is a revolving account that is in operation at the Percy Page Centre, which means that for services provided to the clients and organizations there, they do pay a fee and the fee moves into a revolving account which is used to offset a portion of the expenditures. That revolving account is somewhere in the neighbourhood of \$550,000, which it turns over.

MADAM CHAIRMAN: Final supplementary.

MR. DALLA-LONGA: My final question. A member earlier asked a somewhat similar question. Dealing with our fiscal realities, \$35 million overall for this department, it would seem to me that we would have to try to make some serious progress in trying to get this expenditure down. It would appear to me that it's more of a discretionary one. I understand the arguments for long-term benefits. Could you be a little bit more specific in terms of what we can do or what we are doing to get costs down in this area, recreation development?

MR. MAR: Well, of course, the most significant cut was in the area referred to by the hon. Member for Bonnyville with respect to the community recreation/cultural grants. That was a cut of about \$17 million. So some serious cost-cutting measures have been made in the area.

MR. DALLA-LONGA: Okay. Thank you.

MADAM CHAIRMAN: Thank you.
Ed Stelmach.

MR. STELMACH: During your opening remarks you talked a bit about the Blue Lake Centre program. Would you be able to go through that again? It's 6.4.5 in volume 2.

MR. MAR: Are you asking about what the programming was there? The Blue Lake Centre was the provincial recreation leadership development centre. It was started in 1971. It offered leadership training for volunteers in the area of recreational development. There were about 150 courses offered in the 1992-93 year for a total of approximately 5,000 participant days. The

leadership courses included backpacking and wilderness camping, event organizing, river safety and rescue, avalanche safety, communication skills, and environmental studies. The overexpenditure of \$60,000 was due to the high demand for the programs resulting in increased staffing requirements and a number of unexpected repairs and maintenance that had to be done. It should be noted that the revenue to the government increased in 1992-93 due to the increased use of the centre. In 1992-93 it was \$254,031, which compared to \$210,000 in the previous fiscal year.

MR. STELMACH: The other question I have is: so you are working towards maximizing the revenues, then, in terms of making it more or less -- not really fee-for-service but recovering some of the costs?

MR. MAR: The current status of Blue Lake Centre is that it is in the process of being privatized. We're seeking a partnership arrangement where some of the programs that Blue Lake Centre is providing can be provided by someone else, but at this time Blue Lake Centre is closed. Certainly there was an effort earlier to maximize the revenues that were received by Blue Lake Centre.

MADAM CHAIRMAN: Final supplementary, Ed? Oh, that's it? You didn't have a further supplementary?
Debby Carlson.

MS CARLSON: Mr. Minister, can you briefly describe to me what the mandate of the Alberta Sport Council is? Where in volume 2 on page 2.34 could I find the expenses associated with that council?

MADAM CHAIRMAN: The first question: the mandate of the council, Mr. Minister.

MR. MAR: The Alberta Sport Council is a nonprofit Crown corporation, and its purpose is to enhance sport for all Albertans and to encourage the development of programs and services for coaches, officials, and athletes at all levels of ability.

I don't know if Mr. Gibb would like to supplement that or not.

MR. GIBB: We would also hope to market sport. One of our major initiatives is to fund-raise as well as to run the Alberta Summer Games, Winter Games, and Seniors Games.

MADAM CHAIRMAN: Supplementary?

MS CARLSON: Yes. If part of the mandate is to encourage the development of programs, then can you explain to me the difference between what this Crown corporation does and the dollars spent in 6.3.1 and 6.3.2 in Branch support and Field technical support? It seems to me that we're spending a lot of dollars here.

9:30

MR. MAR: The difference is that in 6.3.1 what Community Recreation and Sport, Branch Support, does is provide administrative and policy support, which includes grant processing and accounting, expenditure tracking, branch invoicing, and coordination of branch purchasing. In 6.3.2, the field technical support area, that relates to three other areas: outdoor recreation facilities, active living and community program services, and indoor facilities. I think the deputy minister would like to supplement that answer.

MR. NOWICKI: Basically, the difference is that the grant programs the department provides and what the Alberta Sport Council as well as the Recreation, Parks and Wildlife Foundation provide deal with different areas of support. The department in 1992-93 provided support for the administrative component of provincial sport and recreation associations, whereas the Sport Council and the Recreation, Parks and Wildlife Foundation provided support in what would be termed the technical component, the programming component. So there was a distinct difference between the two grant programs.

MS CARLSON: It seems to me this encourages a great deal of duplication in the administration. Would you comment on that?

MR. MAR: Well, in the . . .

MADAM CHAIRMAN: Could she clarify her question for you?

MS CARLSON: It seems we've got the administration in Community Development itself, then we've got administration in the Sport Council, then we have administration in the wildlife foundation.

MR. MAR: Well, in the Sport Council and the RPW Foundation, that there can be an efficiency achieved by merging those two Crown corporations has already been recognized. That, of course, is an initiative I've undertaken: to merge those two Crown corporations so we can have one set of administration for administering the grants. So we're combining those two areas, which makes a great deal of sense. With respect to the other duplication, of course we're constantly examining ways of dealing with things in a more effective and more efficient manner. But certainly after a great deal of consultation with our client groups, it's viewed as being a very positive thing that we merge the two Crown corporations to reduce the amount of administration for administering grants.

MADAM CHAIRMAN: Thank you, Mr. Minister.
Barry McFarland.

MR. McFARLAND: Thank you, Madam Chairman. Mr. Minister, I feel like an armchair quarterback trying to analyze a game after it's already finished when it comes to recreation in Public Accounts. My question has to do with: in trying to realize we're dealing with 1991-92, are there special considerations given for those hosts who put on the Alberta summer and/or winter games, consideration specifically for the structure that might be required, whether it's a track improvement or a baseball diamond improvement, and it's not for that community per se but for the overall event? Was there anything in the past budget?

MADAM CHAIRMAN: I think you'll have to repeat what you said, Barry.

MR. McFARLAND: I'll try to be a little clearer. In the public accounts we're dealing with right now, was there special consideration given for the infrastructure required to host the annual winter/summer games or biannual winter/summer games or the summer games?

MR. MAR: The answer is yes, and it's done through the Sport Council.

MR. McFARLAND: Thank you.

I apologize – it might seem like a silly question – but has there in the past been any consideration given for scholarships for those participants in organized sport that would allow them to access secondary education?

MR. MAR: I'm advised by the assistant deputy minister that it's administered through Advanced Education. The name of the scholarship is the Jimmie Condon scholarship.

MADAM CHAIRMAN: Final supplementary, Barry.

MR. McFARLAND: Again, Madam Chairman, I'm kind of begging your indulgence a little bit, because it's all after the fact. Maybe it's just a commendation to the staff in the past for what they have done, especially for the smaller communities. As I indicated before, it's very hard to offer proper programs in the line of recreation when you don't have the numbers of people required to support them or the tax base. Perhaps just a comment that in the future – and you're going to chastise me for this – I really do sincerely feel that we have to look at some sort of scholarship program for young people in all sporting areas. We've gone past the era of jocks, and we've got lots of bright young kids with an academic and sporting future who can get into many, many different areas. As Mr. Gibb indicated, if you're going to market sports, that's an integral part of it. I'm sorry for the comment, but I feel strongly that way.

MR. MAR: There's no doubt there's a strong connection between sports and recreation and providing opportunities for young people. I know that through the Alberta Sport Council we do have some assistance programs for young athletes, not scholarships per se but certainly assistance programs. Maybe that's something Mr. Gibb would like to address.

MR. GIBB: Well, we do. We provide a number of them for young, up-and-coming athletes at all levels, as small as \$25, which sometimes is the difference in getting a young athlete from a small community to a clinic in a larger centre so they can upgrade themselves. The same thing for coaches, et cetera. In joint efforts we have some \$1,000 grants that are given to elite athletes to go on to qualify for maybe an Olympics on a borderline athlete situation. So we try to address from grass roots – whatever that costs – maybe up to the elite athlete.

MADAM CHAIRMAN: Thank you.
Sine Chadi.

MR. CHADI: Thank you, Madam Chairman. Mr. Minister, my question relates to vote 6, particularly 6.2.5, Urban Parks Operating Grants. I notice in the range of 5 and a half million dollars in the estimated figures, or \$5.8 million. I take it that these urban parks are not provincially owned parks?

MR. MAR: No.

MR. CHADI: Then as a province we grant municipalities in the range of 5 and a half million dollars. The province has made a move to privatization of the operations of provincial parks – some anyway; campsites and that sort of thing. I understand municipalities may be looking at that as well. Is there any dialogue with the municipalities to see whether or not indeed they would be going to privatization, if you will, on a cost recovery basis of these parks?

MR. MAR: No.

MR. CHADI: Is that something you can see yourself doing? Obviously the municipalities are talking about user fees and the like. I was just wondering if 5 and half million dollars – isn't there a way we could consider reducing that, particularly with respect to urban parks and the fact that they would go to user fees? Would you not want to consider starting a dialogue with the municipalities?

MR. MAR: It's a good suggestion indeed. I'd just like to give some background with respect to the urban parks program though. What it provided was grants to 16 cities that received capital funding under the urban parks capital program, phase 1 and phase 2. Now that some of these parks are completed, they do have operating requirements. But certainly the point you raise is a good one and one I'm prepared to entertain as we go into the philosophy of recovering costs for some of these parks, which are very, very good programs. You know, we enjoy great parks in this province, urban and provincial.

9:40

MADAM CHAIRMAN: Thank you.
Lorne Taylor.

DR. L. TAYLOR: Yes. I assume the Alberta Foundation for the Arts is in your department?

MR. MAR: It is.

MADAM CHAIRMAN: Lorne, at the beginning of the meeting it was clearly established it was only the recreation budget that was . . . Would you like a question with regards to recreation?

MR. MAR: I'd just like to clarify that for Dr. Taylor, as to why it is we're dealing with recreation only. The reason is that recreation was last reviewed in 1988 by Public Accounts, and culture and multiculturalism was reviewed most recently in 1992. So, again, a number of the areas we're responsible for in the Department of Community Development had been reviewed recently in other public accounts areas. The Alberta Foundation for the Arts would have fallen under culture and multiculturalism, which was reviewed last year.

MADAM CHAIRMAN: I should point out as chairman, hon. minister, that when the committee requests a department to appear before it, it is the full financial responsibility that should be reviewed. Because this date was vacant and you had communicated that the deputy minister wasn't going to be available, the chair went along with it. I think it has to be pointed out that my understanding historically has been that when the department appears before Public Accounts, everything is up for questioning. Possibly Mr. Friedel and I will want to discuss it. But I want to stress it was because the deputy minister was not going to be present that I went along with it.

The next question, Mike Percy.

DR. PERCY: Thank you, Madam Chairman. I want to return to the topic that I initially broached regarding the Recreation, Parks and Wildlife Foundation. My understanding is that the issue of the signing of cheques has been justified. Although the Auditor General has noted that this is a serious problem, the presigning of these cheques for administrative convenience, it has been argued that since the person involved was very thorough and did ex post

a review of how the money was spent, that was sufficient or was a justification for the process. I want to be very clear in my own mind that that process has stopped and normal audit procedures will be followed, normal accounting processes will be followed; that that was an ex post rationalization of what was happening then, and now we will see the normal audit process in place and there will not be presigning of the cheques, because it is a \$3.8 million budget.

MR. MAR: I'll undertake to look into that matter.

MR. MOSER: Hon. member, the process has been eliminated entirely. There are no presigned cheques and there haven't been since that time. It has been logistically satisfied by having an Edmonton member on the board who is now a signatory for the cheques, and they're done on a daily basis.

DR. PERCY: With regards to the structure of the new amalgamated council, in light of the fact that there has been a continuing history in this board - I brought this up earlier and in fact neglected the fact that the Auditor General states in his '87-88 annual report that this whole issue of per diems was raised. You have undertaken, then, to give a directive to the department that that will cease and the new amalgamated body will be in compliance with legislation.

MADAM CHAIRMAN: I believe, Mr. Percy, that your colleague asked the question and the minister actually addressed it already.

DR. PERCY: My supplemental is: with regards to the management structure that will be in place with this new amalgamated council, has the legislative framework they operate under been clearly set out to that management structure now? There has been a history of noncompliance with the recommendations of the Auditor General that has been persistent. I mean, has that been done now?

MR. MAR: That's a matter that's been addressed now, yes.

MADAM CHAIRMAN: Final supplementary.

DR. PERCY: No thanks.

MADAM CHAIRMAN: Harry Sohal.

MR. SOHAL: Mr. Minister, I understand that the 1992-93 recreation division launched a concept called active living. What is active living, and why is the Alberta government involved in it? Doesn't it seem that we are involved in every aspect of human life?

MR. MAR: Active living is a concept which focuses on how physical activity not only is the primary way to improve our health but also enhances the quality of our life. It's based on a belief that physical activity improves individual well-being and the quality of life in communities. In 1991 there was a meeting between federal and provincial ministers which came to the agreement that they would launch the concept of active living. This department together with Fitness Canada has provided a supportive role to schools, workplaces, and communities to help them establish active living programs in their respective areas.

MADAM CHAIRMAN: Supplementary question.

MR. SOHAL: What is this program expected to cost the Alberta taxpayer for the next five years, and is it expected to result in any saving in our health care spending?

MR. MAR: Well, that active living is an essential component to healthy living and, accordingly, results in health savings is beyond dispute. Any physician will tell you that being active will assist you in maintaining good health for life. Being able to quantify that benefit is much more difficult to do, but there have been numerous studies which will demonstrate that active living is an important part of living a healthy life-style.

MADAM CHAIRMAN: Final supplementary.

MR. SOHAL: Thank you.

MADAM CHAIRMAN: Leo Vasseur.

MR. VASSEUR: Thank you, Madam Chairman. Are we allowed to ask any questions on policy at all?

MADAM CHAIRMAN: No, we're here to ask in relationship to the public accounts. If you can word your question specific to public accounts without the minister having to answer a policy question directly, you can have a question. But if it's . . .

MR. VASSEUR: I'll be writing a letter to the minister then.

MADAM CHAIRMAN: Okay. Thank you.
Any further questions? Debby.

MS CARLSON: Mr. Minister, would you provide to this committee copies of all the management letters that have come between the Auditor General and yourself with regard to recreation?

MR. MAR: I don't have an understanding as to whether those are ordinarily provided by the minister or whether I would defer to the Auditor General to provide that.

MADAM CHAIRMAN: Auditor General, Mr. Salmon.

MR. SALMON: I'm sorry, I . . .

MADAM CHAIRMAN: You missed the question?

MR. SALMON: Yeah, I missed the question.

MADAM CHAIRMAN: Debby.

MS CARLSON: I requested if the minister would provide to us copies of all the management letters that have come between your department and his.

MR. SALMON: Madam Chairman, that was addressed prior. Management letters are part of the working papers of the office, and under a section of my Act, we don't make them public. In fact, we do a selection of what's in management letters and include significant items in the annual report of the Auditor General. That was debated in the prior meeting.

MADAM CHAIRMAN: We'll find them in the reference in *Hansard*.

MS CARLSON: I do have a supplemental. In view of that, would the minister support a recommendation that the legislation be changed so we could have access to those working papers?

DR. L. TAYLOR: A point of order. That's policy.

MADAM CHAIRMAN: It is. You're quite correct.

I have to rule your supplementary out of order. Have you a further supplementary away from policy?

MS CARLSON: No.

9:50

MADAM CHAIRMAN: Any other questions? If not, I'd thank the hon. minister and his staff for appearing before us this morning. You could have helped yourself to coffee or juice, but I understand Corinne communicated that to you and you were reluctant to do it. Once again, Mr. Salmon and Mr. Wingate, thank you.

Is there any other business? I haven't adjourned yet, thank you. Thank you, Dr. Taylor. Is there any other business?

Sine.

MR. CHADI: I would just like to move that following this meeting and any further meetings of the Public Accounts, we provide the Auditor General with a pot of coffee – I know it can be tedious at times – to stay awake. It wouldn't hurt.

MADAM CHAIRMAN: Well, it's up to you members to make it stimulating, isn't it?

DR. L. TAYLOR: Is Sine suggesting the Auditor General is sleeping?

MADAM CHAIRMAN: I don't think Dr. Taylor will ever allow us to go to sleep.

The date of the next meeting is November 3, and the Provincial Treasurer will be appearing before us.

We stand adjourned.

[The committee adjourned at 9:52 a.m.]

