

8:33 a.m.

[Mr. White in the chair]

THE CHAIRMAN: Order please. If we could get the meeting under way. Members of the committee, we have before us today the Hon. Shirley McClelland, Minister of Community Development.

MRS. DACYSHYN: McClelland.

THE CHAIRMAN: What did I say? McClelland? That's Ian. That's the other guy. You've won more elections than he, have you not?

With that correction on the record, I would like the minister to introduce those that she has with her today, including a member of this Legislature.

MRS. McCLELLAN: Thank you very much, Mr. Chairman. I'm pleased to appear before the committee today to discuss the Community Development public accounts for 1995-1996. This was a very important year for the ministry. Even though it was only two years old at the time, the ministry had by 1995-96 established a strong presence within government. Certainly the credit for that goes to the minister of the day. Looking back, I think we could conclude that it was a year of growth, a year of consolidation.

If we look at the four ministry goals, we can see the firm footing that had been established in the ministry's work. The goals were: to work with communities to increase their self-sufficiency in creating and sustaining community-based development; two, to preserve and increase appreciation of Alberta's diverse natural, historic, and cultural resources; thirdly, to increase opportunities for and remove barriers to full and active participation by all Albertans in the economic, social, and cultural life of the province; and lastly, to increase the economic impact of recreational events and facilities, the arts, historic resources, and culture. These goals were established in order that the ministry could demonstrate accountability to Albertans. Each division of the department worked to support those goals. Certainly in that business plan and future business plans these goals have been reworked to allow for better performance monitoring and reporting.

In the area of seniors' programs 1995-96 was an especially notable year. It was in that year that the special needs assistance program was established in response to seniors' feedback. This program proved to be very successful from the moment it was launched. It has grown in scope and popularity, but it was in '95-96 that the groundwork was laid for that unique program. As well, over 123,000 calls were received by our seniors' information line in 1995-96. Clearly the importance of this service was demonstrated by the number of calls.

Recently I attended a small celebration in our department which was held to commemorate the 500,000th call to the seniors' information line. I was fortunate to be on hand – well, it was planned slightly – to accept the 500,000th call. I can tell you that the gentleman who called was a bit skeptical at first in truly believing he really was speaking to the minister. However, after a few moments of conversation, I think we were both a bit relieved when I turned over his call to one of the very skilled employees and consultants in our department to answer his query. As usual, I'm pleased to say that this gentleman was served with efficiency and courtesy, as the staff did with the previous 500,000 callers.

A final note on seniors' programs: '95-96 was the year our field office staff established seniors' service centres in five additional communities. Along with the information line these new centres I believe demonstrated that service to seniors was a priority in 1995-

96 as it is today. The public accounts show a 33.3 percent increase in expenditures in the seniors' area. This increase was a reflection of the fact that 1995-96 was the first full fiscal year of operations in the establishment of the special needs program. Then as now our government made it clear that we would monitor and respond to pressure points in seniors' programs, and I think the adjustments that were made in '95-96 demonstrate that willingness.

Just a few other highlights from the year: 1995-96 was an exciting year for all of us who support our libraries, and I think that is all of us. The groundwork was laid that year for an electronic linking of all Alberta libraries. Funding was made available the following year, and by the turn of the century I expect all our libraries, large urban and small rural, will be linked with each other so that the resources of all libraries will be at the fingertips of all users regardless of their location in the province.

I think it's worth noting that Albertans borrowed over 26 million items from our libraries in 1995-96. That's approaching 10 items per citizen, a strong endorsement, I believe, for our libraries as centres of learning. In the area of cultural facilities and historical resources visitorship to our various sites remained steady and strong in 1995-96. At the Provincial Museum, which most of us are familiar with downtown in Edmonton, visitorship was up 17 percent from the previous year. That's a significant achievement, I think reflective of the appeal of all our historical and cultural resources.

Just last week I had the opportunity to take part in the launch of the Alberta-Montana heritage partnership, Mr. Chairman, and I think it's worth noting to our members today. It is a major multipartner heritage tourism program that will take messages about our sites to tourists and visitors who come to Alberta from across the globe. Thanks to this program and others, I expect we will build on the achievements in '95-96.

I should explain one variance that you might note in our public accounts related to the Jubilee auditoria. You will note on page 53 of volume 2 that there was a decline of about 19 percent in revenue, about \$411,000, at these two facilities compared to the previous year. I should just tell you that such a change in revenue is not unusual given the cyclical nature of concert bookings. There were no world-class attractions at the facilities in '95-96. However, the following year, 1996-97, saw revenues rise again, thanks largely to the tremendous success of the touring show *Joseph and the Amazing Technicolor Dream Coat*. Now that the Jubilees are being managed by community-based volunteer associations, I expect '97-98 will be a banner year for the facilities. And a little commercial: already shows like *Miss Saigon* and *Riverdance* are booked and attracting phenomenal interest. That interest suggests that our Jubilees will continue to be a major presence on the Alberta cultural scene.

A few other variances in the public accounts I would explain, Mr. Chairman. The accounts show an increase of \$382,000 in department support services over the previous year. That's on page 32, volume 2. The costs were higher for two reasons. A \$265,000 increase was due to the transfer of many central agency functions to the department. That process is being wrapped up in this current year. The remaining \$117,000 increase is due to other ministry restructuring including the establishment of a performance measurement function. I'm sure we will want to discuss that.

There was also a net increase of \$1.9 million in spending in the community services division on page 32, volume 2. This resulted from \$3.2 million in increases due to the transfer of the urban parks development branch from the Alberta savings trust fund. This is again a part of the consolidation that was occurring in 1995-96. Also included in that would be the establishment of the seniors' regional storefront services, which are funded by this division, not the seniors' division. I wanted to clarify those amounts. When you subtract approximately \$1.3 million in savings resulting from

decreased spending on the MRTA, or municipal recreation/tourism areas program, and administrative streamlining, you're left with the \$1.9 million increase.

8:43

There are some other variances I'm sure members have noticed in public accounts, and I'll be pleased to address any of them.

Mr. Chairman, this would conclude my remarks on the '95-96 public accounts for Community Development. As I said at the outset, 1995-96 was an important year in the life of this young department. It was a year in which the various areas of the ministry came together to build a unified presence, which is reflected both in its business plan and its commitment to serving all Albertans.

Now, all members know that the minister will take all questions, but certainly she will direct a number of them to people who are with me. I thought I should at this time introduce to you the members of Community Development that are here: on my left is Julian Nowicki, our deputy minister; Len Blumenthal, who is the executive director of AADAC; the chairman of AADAC, who is not a member of my department staff but a colleague from the Legislature, Jocelyn Burgener; and Jim McCutcheon. To my right are Rai Batra, who, as I always introduce him, is our financial guru; and Gary Braeuer, who is also in that area. Ken Wilson is behind me, I think. Ken is the ADM in the seniors' division.

With your permission, Mr. Chairman, I would like to ask my colleague – is it okay to use proper names in Public Accounts? – Mrs. Burgener, chairman of AADAC, if she has some comments she would like to make about her area.

MRS. BURGNER: Thank you very much, Shirley. I just would like to welcome you to this interesting experience this morning, sitting over here. I am pleased to represent AADAC and present to the committee our operating results as published in the public accounts. I'm quite proud of the opportunity to work with this commission, and I think before you you'll find some very interesting material for consideration.

We have been part of the deficit reduction component over the last three years. In 1995-96 we achieved 17.5 percent of our targeted 20 percent reduction. The final 2 and a half percent would be scheduled for '96-97, so I guess you'll have to stay tuned for that. By way of comparison, this is less than the 1986-87 grant to AADAC, so you can see that we are striving to do more with less.

These reductions in government funding were offset by AADAC revenue generation, resulting in a net reduction in expenditures of 10.9 percent. While achieving these expenditure reductions, AADAC also increased service volumes in '95-96 by 6 percent overall, which reflected a 12 percent increase in community outpatient service and a 2 percent increase in inpatient admissions. The commission maintained high levels of client satisfaction with services and outcomes measured at three months following treatment.

The commission continued expansion of its business and industry clinic in Grande Prairie, tripling its revenue generation from \$100,000 to over \$300,000 in 1995-96. In addition, the commission's youth services were consolidated to single sites in Edmonton and Calgary, providing an increased visibility and focus for outpatient and intensive treatment and prevention services as well as increased ease of access for our clients. Training and communications services were decentralized to improve access to these services and to take greater advantage of local opportunities, including partnerships like the one with Humpty's Restaurants that has been initiated. Administrative savings were achieved by restructuring four support divisions into two. These changes and reductions have been managed to achieve efficiencies in the

treatment system and to encourage client contribution to the cost of recovery while continuing to meet legitimate needs of Albertans dealing with abuse of alcohol, other drugs, and gambling.

I look forward to your questions this morning.

Thank you, Madam Minister.

THE CHAIRMAN: If we might have Mr. Shandro introduce himself and his colleague.

MR. SHANDRO: I have with me Mohan Aggarwal, who's responsible for the Community Development portfolio. My name is Nick Shandro.

THE CHAIRMAN: We have questions commencing with Mr. Zwozdesky, then Mr. Stevens.

MR. ZWOZDESKY: Thank you, Mr. Chairman. Good morning, Madam Minister, colleague Burgener, and gentlemen from the support staff and the Auditor General's department. Community Development is definitely one of my favourite areas. I'm happy to be here this morning with my colleagues to hopefully gain a little more information as to the operations of it.

I want to ask a question in relation to volume 2, page 51, about 1.0.1, which is the minister's office basically. Before I get to the question, I want to come to a bit of an understanding. Perhaps the minister could help clarify it in her answer. Regarding the amalgamation of entities that has taken place over the last several years and then zeroing in on how it's reflected in '95-96, it seems to me there has been a fairly significant move by the province of Alberta, by the government, to outsource a lot of the services that Community Development may have provided in the past and at the same time to amalgamate a number of the foundations, the lottery ones in particular, and in a general sense put more reliance on what we call friends-of societies. The Ukrainian Cultural Heritage Village would be one that I'm intimately familiar with, but there are others. I think Head-Smashed-In Buffalo Jump would be another example. There are probably countless others. I believe this was all done under the guise of attempting to centralize some services and actually cut costs without, hopefully, sacrificing any programs or services in the process.

I'm interested that there is a relatively small increase in the minister's office for '95-96 as shown under vote 1.0.1 in the amount of about \$25,000. Again, I don't think it sets off any large alarm bells, but I'm curious to know why there would be that bit of a bump in overexpenditures.

MRS. McCLELLAN: Okay. I'll start with the \$25,000 . . .

MR. ZWOZDESKY: Because that's easy.

MRS. McCLELLAN: . . . and then go on and talk about the amalgamation, if I might, Mr. Chairman.

MR. ZWOZDESKY: Yes, please.

MRS. McCLELLAN: The \$25,000 is simply a severance payment. That is why there is an extra cost in the office in that year.

On the issue of outsourcing, amalgamations, utilization of friends, the hon. member cited the Ukrainian Village, for example, and Head-Smashed-In Buffalo Jump, so I will talk about those two in the explanation of why we utilize community people. The Friends of the Ukrainian Village are people who are very, very committed to the heritage that is displayed in that village, to the maintenance of that heritage, to increasing visitations, awareness. The one thing I

am very struck by in the groups who, fortunately for us, chose Canada as their new home is their strong ties to their heritage along with their very strong ties to their new country. I think that utilization of people who understand the culture, who have that strong, strong commitment, brings to those heritage sites something we simply can't in providing the right numbers or mix of staffing. We do not ask or impose this arrangement on anyone. Of course, some of our heritage sites are not staffed in that way, but if a community group comes together and comes to us, then certainly we'll enter into discussions with them.

8:53

I tabled in the House the management documents from the Ukrainian Village so that all members could understand what type of management arrangement we work under. The ministry very definitely retains control of the operation, retains ultimate responsibility for the maintenance of the operation, which we have found – again, using the Ukrainian Village – to be extremely successful. There was a question on auditing of their financial statements. Their audits are carried out by a certified auditor, and our staff work with them on a quarterly basis to ensure that things are moving along well. The same applies to Head-Smashed-In Buffalo Jump. We're very proud to have the aboriginal people of the area being very involved in the management of that site. It is their culture, a part of their heritage. If any of you have visited there, and I'm sure some of you have, you will know that they do a first-class job of explaining that historic site to people.

The amalgamation of the foundations – the Alberta Sports, Recreation, Parks and Wildlife Foundation, the Alberta Foundation for the Arts, the Wild Rose Foundation, and the Historical Resources Foundation – is in administration only. We had an outside review commissioned to look at our foundations to see if there were ways we could apply some efficiency, and I'm pleased to tell you that review does show that we have potential savings up to 1 and a half million dollars plus. Now that 1 and a half million dollars plus does not flow into general revenue or into some magic little pot; it flows directly to the communities that those foundations are serving. It reduces duplication and overlap.

I think it takes some confusion out of the minds of people who are applying for our grants, because the foundations work very closely together. I've asked to have a council of chairs of the foundations, and they meet on a regular basis to discuss the granting areas, what their program parameters are, and so on. I'm finding, under a relatively short time of experience in that particular area, that it's working extremely well. Obviously you will always have some growing pains, but I think the main thing we want to understand is that there are additional dollars that can go back to the communities, and ultimately that's what we all want along with the accountability.

I could tell you this. Head-Smashed-In Buffalo Jump won the Premier's award, the bronze award, for management excellence. You know, when you consider the number of areas vying for that honour, I would suggest that's a very sound indication that the management structure at one of our venues, which incidentally – a little commercial – was chosen as one of the top 10 venues in Canada, and in fact I think North America, is doing a great job there. If they can do it better with our support, then I support that, and that's the way we're working.

THE CHAIRMAN: I assume that award was in 1995-96.

MRS. McCLELLAN: No, the award was this year. I was just saying, incidentally, that they had just won that.

MR. ZWOZDESKY: It was announced as a commercial.

THE CHAIRMAN: Oh, I see.

MRS. McCLELLAN: That was a commercial, Mr. Chairman.

THE CHAIRMAN: That's true. It was prefaced as a commercial.

As lovely as the information is, we have a number of members. I have eight members on my list now, and at the present rate we're into end of session.

MRS. McCLELLAN: I'm just trying to be full of information.

THE CHAIRMAN: Everything full and concise. The members don't hesitate to ask further questions. Rest assured they're right in there.

Mr. Zwozdesky.

MR. ZWOZDESKY: Just briefly on the issue of severance, which is what the \$25,000 was for. There is another issue of severance on page 49 of volume 3 which I'd like just a small clarification on. I note that with regard to the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is one of the amalgamated bodies, there are employee severance costs in the amount of \$116,752, whereas I don't believe any costs for that type of expenditure had been budgeted. I was hoping the minister might comment on those specific severance costs. How many employees were involved? Does it indicate that there were some difficulties in the amalgamation with regard to the fallout from an employee perspective? What is it that sort of led up to this unanticipated expenditure of \$116,000?

MRS. McCLELLAN: Well, I'll be perfectly honest with you.

MR. ZWOZDESKY: As always.

MRS. McCLELLAN: I don't know what the detail is on that, how many employees, but I think Rai may be able to . . .

MR. BATRA: Basically we had predicted costs of \$130,000 for severance. We ended up paying approximately \$116,752. So that was our severance cost on it. The severance process follows that of the government of Alberta in our agencies. It's approximately 43 weeks for people who have worked 13 years and over, and then it reduces further down. We're trying to figure out the number of FTEs, how many there were.

MR. ZWOZDESKY: The \$130,000 was for the year ended March 31, '95. We're dealing with the year ended '96; right? If there's no answer readily available, I'll receive it in writing later.

MR. BATRA: Actually it's the same as \$116,752, budget against actual.

MRS. McCLELLAN: If I'm looking at the same line you are on page 49 – mine isn't numbered – there's \$116,752 under operating fund, and then total actual is \$116,752.

MR. ZWOZDESKY: Right. I was just hoping for some explanation on that.

MRS. McCLELLAN: On the numbers. Well, we could certainly get those for you.

MR. ZWOZDESKY: Sure.

THE CHAIRMAN: Madam Minister and your staff, if you would

flow any information you have through the secretary, she can distribute it to those that are here.

MR. ZWOZDESKY: Thank you, Mr. Chairman.

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

MR. STEVENS: Thank you, Mr. Chairman, and good morning everyone. I have a couple of questions relating to the Alberta Alcohol and Drug Abuse Commission. The first question is: as with any government agency, I expect that AADAC determines performance measures of some sort for each fiscal year. What were the performance measures for the year '95-96, and how effectively were they achieved?

MRS. McCLELLAN: I'll start off and ask the chair or Mr. Blumenthal, if he wants, to elaborate. The performance measures were service access, service effectiveness, and service efficiency.

MRS. BURGNER: We appreciate the comment. It's nice to see the issue of accountability come forward from our colleagues. AADAC did achieve its targeted reductions while increasing its volume of service by 6 percent overall. This reflects a 12 percent increase in the community outpatient services and a 2 percent increase in inpatient admissions, so I think it's important to recognize that the whole do-more-with-less scenario is one of our performance measures. There is an increased volume of services, and this was achieved at less cost while maintaining high levels of client satisfaction. We conduct those surveys to make sure that is in fact the case, and our services and outcomes are measured at three months following treatment. I've received questions about whether three months is as effective as six months or 12 months, but it does give us a clear understanding that clients who have been served have been successful in their program.

We've also consolidated youth and adult services in Edmonton and Calgary. By decentralizing its training and communication services, we've restructured four support divisions into two. This has realized administrative savings. So we've basically done some restructuring but kept the client and the needs of the community as our number one focus.

9:03

MR. STEVENS: Thank you.

I have another question relating to performance. AADAC is a unique agency of government in that it is designed specifically to impact society in an extensive manner. The more Albertans assisted by AADAC through addiction counseling and education the better, due to the nature of those services. How does AADAC monitor the societal impact of those programs?

MRS. BURGNER: Thanks very much, Ron. You know, you've touched on a really important question, because I think the fact that we have to have these services reflects something about our community. I think the impact of addictions at the societal level is a reflection of many influences. The commission alone exercises little direct influence on societal outcomes. In other words, we deal with the problem; it's not our mandate to go and determine why those problems are out there.

Having said that, there is a commitment to using research from a variety of sources. So we carefully track and analyze trends in alcohol consumption, tobacco, and other drug usage and, of course, problem gambling now. This provides valuable information in making strategic decisions in business planning and program development.

I might add, Ron, that it's one of the strengths of AADAC that it has this type of research component. Because of its long-established history in areas of addiction, not only in Canada but North America and, quite frankly, internationally, that research provides program development and policy discussion. We use that across North America. So it's a good way to influence how society will deal with addiction. It keeps it up front and tells people that we have to deal with this issue.

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

MS BLAKEMAN: All right. Thank you. Good morning and welcome, everyone. Thank you for being with us at this lovely early hour on this lovely day.

The question I have – the reference is page 49 in volume 3 – is specific to the Percy Page Centre. I note that the expenditure was less than the budget, and I'm wondering if you could explain why that was. Why was the total budgeted amount not spent?

MRS. McCLELLAN: The decrease, put very simply, is actually overanticipated revenue for the operation. The foundation, as you know, provides accommodation and services to selected provincial associations by managing the Percy Page Centre. This was their first complete year of operation, so it was an overanticipation in revenue for the operation of about \$30,000. This was their first year, and they anticipated a higher amount of revenue. We manage it, and people who utilize it pay for the use of the services and building.

MS BLAKEMAN: Okay. I'm sorry; did you say they overanticipated?

MRS. McCLELLAN: We overanticipated.

MS BLAKEMAN: Okay. I just needed a clarification. Thank you.

MR. HIERATH: Good morning, Shirley, Jocelyn, and gentlemen. On page 51 of the public accounts, financial assistance, there are various grants under that heading. Your department expended over \$26 million in grants and completed the year with a \$243,000 underexpenditure. Fifty-seven thousand of this was due to various grants coming under budget. Does this mean that groups were not approved for application grants, or was there less demand in the public?

MRS. McCLELLAN: There were a number of reasons, and I'll try to go over them quickly. The MRTA, the municipal recreation/tourism area operating grant program, wasn't fully subscribed – that is to say, eligible sites did not apply for all available funding – so that left \$10,000. Community recreation development grants is a discretionary grant program, and a small portion of it was utilized to assist in the W & D Many Bears Sacred Run; \$1,000 was used there. The MD of Sturgeon Youth Council phase 2 used \$2,000, and that left \$20,000 unexpended there. Library operating grants did not spend \$26,000. That was really as a result of changes in the regional systems memberships. The urban park development grants did not spend \$1,000. If you add all those up, that would give you, I believe, the explanation for the unexpended dollars in those areas.

MR. HIERATH: Shirley kind of answered my question with regard to libraries, too, under that one, so that's all I have.

THE CHAIRMAN: You're being altogether too efficient in answering two questions in one blow.

MRS. McCLELLAN: I'm just a wealth of information.

DR. NICOL: Good morning, Shirley . . .

MRS. McCLELLAN: Good morning.

DR. NICOL: . . . and everyone else. Thanks for coming in this morning. My question relates to the table on page 301 on your salaries and benefits, the line dealing with other managers. There was a significant increase in the average. Is that because of the mix, or were there different pay raises given between the '95-96 numbers there? It's schedule 6, page 301, the line dealing with other managers.

MRS. McCLELLAN: Yeah. I've got it.

DR. NICOL: You can see the averages they give right behind the title . . .

MRS. McCLELLAN: Yes.

DR. NICOL: . . . which are the averages of the two corresponding columns to the right. The average went up significantly in '96 from '95 by about 7 percent. I was wondering if this was because of the mix, the difference in the makeup of the 55 in '96 compared to the 66 employees in '95, or were there actual pay increases during that period?

MRS. McCLELLAN: I believe that a great deal of the increase there was due to reclassification, vacation pay. If you recall, I mentioned in my opening comments that '95-96 was a year of continued consolidation of the department. So as other areas were brought into it, the reclassification that occurred, vacation pay, those types of things made that blip in the accounts there.

I don't know if Mr. Batra has a better, more complete explanation.

MR. BATRA: No. That's it.

DR. NICOL: Then the vacation pay you're talking about was pay that people had booked in lieu of extra time? How do you deal with it as opposed to vacation pay for somebody being laid off or dismissed? You know, that would not show up as part of the current; that would be a severance package.

MRS. McCLELLAN: I'll leave that to my human resources experts here.

MR. BATRA: No, the vacation pay is the earned vacation payout. Our managers, when we were going through the restructuring phase, could not take their holidays.

DR. NICOL: Okay.

MR. BATRA: They accumulate the holidays, and if we have a little bit of money left, we try to balance that out and pay them out, within a reasonable limit, for outstanding holidays.

DR. NICOL: Thank you.

THE CHAIRMAN: Mr. Yankowsky, please.

MR. YANKOWSKY: Thank you, Mr. Chairman. Good morning everyone. I'd like to refer the minister to page 62 of public accounts, volume 3. This deals with the Government House Foundation. It

appears that the expected budget was underexpended – here's another underexpended question – by approximately \$40,000 in '95-96. What was the reason for this underexpenditure? Of course, underexpenditures are good, I guess.

MRS. McCLELLAN: As you know, the Government House Foundation is responsible for acquiring and maintaining pieces of art and books and so on. We have a budget for them per year to make those acquisitions. It was estimated that they would spend \$41,000 in art works, in collections that year. But I must say that in my experience with members of the foundation, they are very prudent. They are very watchful. They ensure that the pieces they acquire actually fit into collections appropriately. In fact, they only spent \$5,000 and in doing that bought what they thought was absolutely necessary or of significant impact to the collection. Certainly it's my hope that they will continue to operate in that very prudent manner. That's the reason.

9:13

MR. YANKOWSKY: Thank you.

My supplementary has by and large been answered – that was the \$5,000 expenditure on page 63 – unless you can tell us what piece of artwork was purchased with that \$5,000.

MRS. McCLELLAN: I can tell you, not specifically item by item, that there were 18 books and one painting purchased for that \$5,000.

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

MS BLAKEMAN: Thank you very much. My question relates to page 51, line 4.0.4, advice on women's and seniors' issues. There was an underexpenditure there of \$76,000.

MRS. McCLELLAN: I'm sorry. Page 51?

MS BLAKEMAN: Page 51, line 4.0.4.

MRS. McCLELLAN: Okay. Got it.

MS BLAKEMAN: Why an underexpenditure, and what programs were offered?

MRS. McCLELLAN: The advice on women's and seniors' issues section, 4.0.4?

MS BLAKEMAN: Yes.

MRS. McCLELLAN: Okay. The \$76,000 unexpended was really – the bottom line was the funds were held for overexpenditure in 4.0.2 and the potential overexpenditure in the seniors' benefit program.

MS BLAKEMAN: Okay. The second half of my question is: what programs were offered?

MRS. McCLELLAN: In the seniors' and women's . . .

MS BLAKEMAN: On that same line item.

MRS. McCLELLAN: You've got me. I'm not sure there's a program area in that. I will check that out, but as I understand it that's a support area. It's policy, and some activities deal with public information, research, education on women's and seniors' issues. So I don't believe there would have been an actual program. If you like, I could get you the detail on activities that were related in those areas. I'm sorry I don't have that with me in my head. I wasn't

present.

MS BLAKEMAN: That's fine. In writing would do. That would be great.

MRS. McCLELLAN: Mr. Chairman, if I could just . . . I'll give you one example and then get you the rest. You're familiar with the Stepping Stones program?

MS BLAKEMAN: Oh, yes.

MRS. McCLELLAN: That would be one that would be in that area. Raising Young Voices would be another.
Thanks, Mr. Chairman.

THE CHAIRMAN: Mr. Amery.

MR. AMERY: Thank you, Mr. Chairman. Good morning, Madam Minister. My question deals with seniors' benefits. On page 52 of public accounts, volume 2, the operating expenditures for the Alberta seniors' benefit are outlined under elements 5.0.1 and 5.0.2. The seniors' benefit is a very extensive program and seems to involve a wide range of programs. The estimates of grants to seniors for 1995-96 is \$148.1 million. I wonder if you can give us a breakdown of the programs included under this estimated \$148.1 million expenditure.

MRS. McCLELLAN: There would be \$123.1 million for the grants to seniors, including \$1.2 million received as a supplementary estimate in that year. There would be \$24 million for the Alberta health care insurance premium subsidy, including a \$500,000 supplementary estimate to shelter partial payers. From July 1 of '95 there was a premium increase, so there was a \$500,000 supplementary estimate in that area. And there was the \$1 million in the special needs assistance program that was introduced in that year. I think that would add up to the amount you're inquiring about.

MR. AMERY: Thank you for outlining these programs.

Madam Minister, I find that with any service it's equally as important to develop an effective administration as it is to define the scope of the program. To this effect, how long does it take to have a grant application processed, and what guidelines do you have in place to ensure that this time frame remains reasonable?

MRS. McCLELLAN: Well, to give you a sense of that, in 1995-96 this program was very young. If all the information was on the senior's application form, it took about five weeks to process an application in 1995-96. The processing time now is about two weeks, and in fact if it is an emergency, it can be as short as two hours or less. Again, the special needs assistance program in '95-96 was about the same time frame, about five weeks. Now it's two weeks, and as I say if it's an emergency, we can process it immediately and have done so.

I think a number of things have contributed to that. I think our staff are trained better. I know we've improved our computer system. Our goal is to further improve that. Certainly we would like to be able to respond on each application within one week of receiving it, again maintaining the immediate response in the emergency area.

THE CHAIRMAN: Mrs. O'Neill, followed by Dr. Nicol.

MRS. O'NEILL: Thank you, Mr. Chairman. Good morning, everyone. It's good to see some familiar faces. I have a question with regard to the minister's opening comments. May I ask it, and

if it isn't within the scope, then you can . . .

THE CHAIRMAN: Well, I'm sure the minister spoke only within the scope of what we're here to do, aside from the commercial perhaps.

MRS. O'NEILL: Well, my question might not be.

In the Auditor General's report your committee has only two pages, which is nice, and I think you're to be commended for that. There isn't even a recommendation, so you must be doing everything absolutely right. My question is with regard to the calls you have received for the seniors' line. Is there any breakdown that you have recorded as to whether they are requests for assistance or just for information?

MRS. McCLELLAN: Actually, we record the nature of every call. We use that information in a number of ways, certainly, one, to ensure that we understand the areas of concern and we can improve our service in those areas. There are probably about five major areas. One is on requests for mail-outs on the Alberta seniors' benefit. That naturally is quite often. A number of them are simply to let us know they have a change of address. It's simpler for seniors to use it for that. A number of them are asking us questions about income information. We're deliberately trying to become a source of information for seniors. There is nothing more frustrating to a senior than to be passed on to another department – well, in fact, it's frustrating for all of us – so our staff have been trained to try and respond or get the information and in fact many times do that and give the call back rather than expecting the senior to go elsewhere. We're in the process of amalgamating a seniors' information line so that in Alberta there is a 1-800 number that is a seniors' information line. We've had one for the Seniors Advisory Council; we've had one for the Alberta seniors' benefit.

9:23

Then the federal government has one, which seniors really don't like. It is an automated one, and seniors don't like getting an answering machine that says: press 1 for this option, press 2 for this option, press 5 for this option. By the time you get there, you've forgotten which one you really wanted. Now, I've had some discussions with the federal minister to try and see if we can't include the federal information in it, because we deal with a lot of federal questions and we could just transfer the call into the federal area. However, we're running into some difficulties, because I think the federal government's objective was to have a sort of national line. So that is a little bit difficult to work with, but we haven't given up. We still think there is a way, even if we don't amalgamate the lines, that we can just transfer into their areas.

Communication is probably the single most important issue when I talk to seniors, and we're doing everything we can to improve that communication. I get a breakdown that is done on a daily basis if anybody would like to see a copy of one. You don't want to see all 365 for a year, but it does give you an indication. There are questions on property taxes, on immigration, on lodges, on income impact, health premiums, home improvement grants, and the list goes on. We do record that. We itemize it, bring it together, and then that gives us a sense of what areas of concern seniors are asking the most about. Then we try to work in those areas to improve the communication or in fact, as we did last year, improve the program to alleviate some of the concerns in those areas.

MRS. O'NEILL: Thank you.

THE CHAIRMAN: Dr. Nicol, followed by Mr. Ducharme.

DR. NICOL: Thank you. Madam Minister, I'd like to follow up on a question you answered the member here before when you were talking about the difference in terms of service you were targeting and you explained the idea of an emergency being done within a few hours. Could you define "emergency"? Everyone who calls my office considers it an emergency. I don't understand the difference.

MRS. McCLELLAN: Well, the special needs program is designed to assist seniors who have an unexpected expense. As you know, in '95-96 the program was quite restrictive. It was limited to \$500 per senior or \$1,000 a couple. The guidelines were pretty tough. Well, "tough" is a bad word; maybe they were restrictive or, because of a new program, tight. We changed the program. When we were looking at this program after a lot of consultation with seniors and the cumulative impact work that was done by the Seniors Advisory Council and the five departments, I asked the question, and this I think will answer your question the best: what happens to a senior if it's December 21, 4 o'clock in the afternoon, 40 below, and their furnace quits? Well, frankly, I didn't think that putting in an application and having a response in two to five weeks was very adequate, and neither did my department. So I suggested that we look at and bring forward for recommendation a change in that that would allow us to respond immediately.

Interestingly enough, Mr. Chairman, something almost exactly like that happened. We've had other incidents since, but it actually happened. It wasn't that date, but it was late in the day and just ahead of a weekend. I'm pleased to say that we were able to respond to that individual within two hours. That is a measure of security and comfort that I think the seniors need. It can be in response to an unexpected health issue like drugs that, you know, can come on very suddenly. It can be your pipes freezing and bursting. There are many things that happen. We want seniors to be able to stay independent or, as they like to say, interdependent, living in their homes as long as they choose. Perhaps a roof causing a problem could be one of those things. So those are some examples of how it can work.

I must say, Mr. Chairman and members, that seniors use this program in a very responsible manner. They apply when it truly is a need. I'm pleased to say that our staff has been able to respond.

The other thing in the service areas. You would know that we have a service area in Lethbridge that's working extremely well. I was pleased to be down to Lethbridge right around the time it was opening. The staff there are trained to meet with seniors.

Mr. Chairman, we're taking a minute on this because I think seniors are one of the most important areas my ministry deals with. In the storefront offices that we had at one time – imagine being a senior having to discuss something that's very sensitive or personal across a counter. The ability now is for seniors to have a private discussion with staff members. If a senior calls in and needs assistance and can't get there, our staff indeed will go and visit them. So I think we've improved that service, which is a sort of emergency service.

Another example is: you can get caught in a financial crisis as a senior as well as anyone else. Your utility bills – I mean, if they're going to be cut off, we don't want that to happen. We can respond in a variety of ways.

Certainly if you have suggestions as to how we improve our service to seniors, we'd be happy to hear those and try and implement them.

THE CHAIRMAN: Supplementary?

DR. NICOL: Please.

Madam Minister, the calls to our offices have gone down greatly,

so I think this is a sign of the improvement and the confidence the seniors are having in the program.

Just as a follow-up it's the staff at the offices that are allowed to classify an emergency as opposed to having to make an extra phone call? They actually have that authority right on site?

MRS. McCLELLAN: Yes. That was one of the major changes in the program, to give our district office that authority. As I say, it's working extremely well.

I agree with you. I think the calls have diminished some. I think overall what seniors want is security and stability in the program so they can plan and know that they can face an emergency.

MR. DUCHARME: Good morning, everyone. On page 52 of public accounts, volume 2, it is noted that the capital expenditure for cultural facilities and historical resources was \$190,000 in 1995-96. This is a decrease of almost one-third from the expended budget of the previous year of \$297,000. How did this affect the ability of the department to deliver these programs?

MRS. McCLELLAN: It's my understanding that this occurrence in fact did not affect the program delivery for a couple of reasons. Sometimes your change in budget is because of a one-time occurrence. For example, in 1994-95 they had replaced some audiovisual equipment, so there was a higher cost in that year. Also, it is my understanding that in that time period there was a change in definition of capital investments. I am assured that that change did not in any way affect program delivery in 1995-96.

MR. DUCHARME: My supplemental. In addition to the underexpending of the estimated budget for capital investment last year the estimated expenditure of \$303,000 for 1995-96 was actually underexpended by 63 percent. It seems that the department either did not undertake some of the planned projects or they came in drastically under budget. What circumstance occurred to allow for this underexpenditure, and how did it affect the integrity of the cultural facilities and historical resources program?

9:33

MRS. McCLELLAN: I can assure you that all the goals of the cultural facilities and historic resources program were met that year. The savings were a result of the black drapes for the Jubilee auditoria that were proposed to be purchased in that year and were not acquired as they had originally planned. However, they were able to redirect those resources to some equipment for a new communication system at the Ukrainian Cultural Heritage Village. So that is really the explanation in that area.

MS BLAKEMAN: This is a question related to some of my earlier questions. I guess what's confusing me is that in almost every area, if you look at pages 51 and 52, there's been an underexpenditure, and in the end you get a total operating expenditure, just a bit down on page 52, where there was \$3,039,000 unexpended. Now, I guess we could go through every single one of these that were unexpended, but globally or overall what were the choices that were made that this money was unexpended? Or was it in there as a cushion? Because I know that's the way you responded to one of my earlier questions, that it had been built in.

MRS. McCLELLAN: Are you looking under seniors, 5.0.2?

MS BLAKEMAN: No. Below that. The total operating expenditure. It should be the tally line for everything that's gone before.

MRS. McCLELLAN: What is the page, just to make sure I've got the right page?

MS BLAKEMAN: Page 52. Just below the seniors program it says: total operating expenditure voted, \$199,437; authorized, \$199,437; expended, \$196,398; unexpended, \$3,039,000.

MRS. McCLELLAN: Okay. We have the page. Do you want me to go over it line by line?

MS BLAKEMAN: No.

THE CHAIRMAN: Perhaps you could rephrase the question. It was a generic question.

MS BLAKEMAN: It was global.

MRS. McCLELLAN: I'll ask Gary or Rai to just give you some of the highlights from that, because you're right: there is a lot that makes that composite number.

MS BLAKEMAN: Yeah. I guess I was looking for: did the department have a policy that they were going to attempt to reduce by a certain percentage in every division, or was there a cushion built in so you would end up at the end of the year with that \$3 million unexpended from the department?

MRS. McCLELLAN: Well, I'll give just you a general comment, and then I will maybe just highlight a couple so you understand.

In '95-96 the Department of Community Development was two years old, and a lot of areas were brought into that department. So you are budgeting on what you propose will be expended. The Department of Community Development was no different than any other government department in '95-96. They were being very, very careful financially and certainly were not expending anything that wouldn't be in a priority area. So I guess in reflection I would be pleased that they were able to be underexpended rather than find that they hadn't budgeted enough for some of the areas that were new or brought into the department to work with.

I would say that part of it is inefficiencies, part of it is in applications not being received. A lot of the expenditures in our department are grants to others, such as grants to seniors or grants through the foundations. If you don't receive the applications, you don't expend. However, we have to try and make sure that we have enough dollars budgeted to cover the applications that do come in.

I will ask Rai, Mr. Chairman, just to give you two or three of the areas, and that might help.

MR. BATRA: Starting with program 1, ma'am, and going right up to program 4, the underexpenditure is approximately less than one percentage point. In program 1 it's .7 percent, not a very great figure to be worried about. You know, you have those kinds of variances. In program 2 it's .9 percentage points. In program 3 it's only \$7,000, which is just about zero, and in program 4 we have about a 1.3 percent underexpenditure.

The primary reason for the moneys left over is the seniors. Underexpenditure was primarily due to fewer seniors than anticipated receiving the special needs assistance grant program, which resulted in lower total payments and surplus for setting up the old payments. Now we have some accounts receivables, and when you set up an accounts receivable, your expense goes down. That's purely an accounting thing. That was approximately one and a half million dollars. So if she were to take a total look at it, about \$1.2 million was left over in grants and one and a half million dollars in

accounting entry. Those are the differences.

MRS. McCLELLAN: I think another one, Rai, is the one in seniors also where we anticipated perhaps a higher number of low-income seniors than actually exist in Alberta. Alberta seniors' average income is higher than anywhere in Canada, but when you start your program and get it up and running, you have to, I guess as I said earlier, anticipate a bit on the generous side to make sure you have enough. But there was a significant underexpenditure in that area as well.

MR. BATRA: The answer to your question, ma'am, in terms of building a cushion is simply: we're never allowed to do so. There's a Treasury Board; there's a process. The Treasury folks look at us, and they're quite vigorous in their analysis. Now, if it happens that you budget for a certain number of people and a lesser number of people apply, the money is lapsed. We would not like to spend that money unwisely in the month of March, and it simply lapses.

MS BLAKEMAN: Lapses means back into general revenue?

MR. BATRA: That's right. It just goes to the general revenue fund.

MRS. McCLELLAN: Unless it's in a foundation.

MR. KLAPSTEIN: Good morning. Part of my question may have been answered in the opening comments, but I would like to turn your attention to page 134 of public accounts volume 3. I see that the general revenue grant to AADAC decreased by \$321,000 from 1995 to 1996. Although AADAC received over \$25.5 million from the general revenue fund in 1996, this reduction of \$321,000 must have had some effect on the services provided by AADAC. I would like to know what impact this reduction had.

MRS. McCLELLAN: Actually, in fact I believe the budget figure for AADAC is \$26.5 million. I may have misunderstood you.

I can tell you that AADAC continued to meet the service demands. In fact, in those years treatment admissions jumped to 37,000. That was a 6 percent increase. There was 12 percent in outpatient and 2 percent in inpatient over '94-95. I think AADAC should be commended because the savings were really accomplished through efficiencies in the treatment system. Also, as you know, AADAC clients contribute to the cost of their recovery. While it is a modest charge, there is a contribution by the client to their recovery cost. So that is where that is, but service demands were met.

MR. KLAPSTEIN: A supplementary, and you did, again, get into the second question that I had. I noticed that there was an increase of almost \$200,000 in client fees from '94-95 to '95-96. What services does AADAC charge for, and why was there such an increase in '95-96 in the amount received through client fees?

MRS. McCLELLAN: Okay. Room and board charges were \$10 a day both in 1994-95 and '95-96. That is in a residential treatment facility. The increase in client fee revenue in that year was a result of the continued good work and expansion of the business and industry clinic in Grande Prairie. That clinic commenced in 1994-95. Clients to those areas are mainly referred from corporate medical and employee assistance programs, and they receive immediate access in that program. There are fees in that program. They cover treatment services as well as room and board. Actually, for the 30-day program the cost is \$4,500 per client or \$150 a day. That is for the business and industry clinic in Grande Prairie.

9:43

MRS. BURGNER: If I may just supplement, Madam Minister, referencing the Grande Prairie clinic. This is unique in the sense that people who seek treatment either through references through their employment or on their own have an opportunity to come to this clinic. A number of them for the purposes of anonymity do pay directly on their own. There are some third-party components within insurance programs which can be accessed, and I suppose we have clients who come from all over North America to access treatment in this way.

I think it should be on record as realizing that in the addiction area we are leaders. This is one of the unique treatment centres in Canada of this nature. So it allows us to generate revenue while providing treatment. It's an important component of how we refocused to do more with less, as I mentioned earlier, and I do commend the staff who have developed this and marketed it as successfully as they have.

Thank you, Shirley.

MRS. McCLELLAN: Yes. Thanks, Jocelyn. One final thing on AADAC. I think I would be remiss if I didn't recognize the work of Len Blumenthal, who is recognized internationally. Len has received a number of citations, I guess would be a good word to put in a general sense, for his work and is in demand on an international basis.

AADAC's work is known in almost every country, and many countries ask us to assist them in setting up a model similar to it. As you know, we did a review of AADAC and its mandate. The recommendations were to continue AADAC in its present form, and certainly we've accepted those recommendations. But I certainly want to acknowledge Len and his staff, who, as I say, respond not only in Alberta but work with other countries. I have been invited at times to meet with groups who are dealing with drug and alcohol addiction in other countries – for example, when I was in South Africa – to give them information on AADAC, and in most cases they follow up by either coming here or getting information from us to set up these models. It's a good program.

MR. LOUGHEED: Page 51 of public accounts, volume 2, under program 3. In your opening comments you had talked about the Jubilee auditoria. Just looking at the overexpenditures in Jubilee auditoria and program support, they're not huge, but they are overexpenditures. What types of operating expenditures would be included there, and is there any particular reason why there would be overexpenditures in those areas?

MRS. McCLELLAN: There were a couple of things that occurred in that time. You might recall that there was a discussion as to whether the Jubilee auditoria should be privatized or operated by the private sector. There was a privatization feasibility study that was done and also an economic impact assessment on our museums done in that time. So those areas contributed to the additional expenditures. The Jubilee auditoria also at that time were downsizing and, in proceeding through the downsizing, had some severance costs that would be also reflected in that area. That's pretty much it.

MR. LOUGHEED: A second question relating to these cultural facilities, and you made reference to them in your opening comments, about how unique they are to Alberta and how they rate in international scales in order of importance. Now, it's my understanding that the budget for maintenance decreased significantly from the previous year, yet we know that we have to

maintain these facilities. Were you able to keep up with the maintenance program?

MRS. McCLELLAN: Well, it's fair to say that it was quite difficult, and I think I would want to commend the staff in our facilities. Indeed, due to their dedication we were able and are able to, one, keep all of our facilities open, we were able to operate all of our facilities without reduced hours, and maybe most importantly we were able to safeguard our historic resources through consultation and regulatory activities. The maintenance of our collections, the maintenance of our sites is extremely important because of course they are for the public's viewing and experience. We want to ensure that we don't let the quality slip, because word of mouth, as you know, is probably the best advertising you have for the traveling public who are going to view historic or any other types of sites. So I think the staff receive all the credit for being able to find efficiencies in the way they did things and helped contribute to the fiscal health of the province in those difficult years.

THE CHAIRMAN: There being no further questions from the committee, seeing none, all satisfactorily answered, I'd like to thank the minister and her staff for being so forthright and complete in their answers. I think it's a record. Three questions were asked without supplementary because the initial question was answered the first time around. I think that's a record here.

Thank you very kindly, Mr. Shandro and staff.

I should remind members that next week, the 18th, if of course the House is still in session, we will have before us the Minister of Advanced Education and Career Development. The Hon. Clint Dunford will be here.

Any further business to be conducted? There being none, I'd ask for a motion for adjournment. So moved by Mr. Ducharme. Is it agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: It's carried. We stand adjourned.

[The committee adjourned at 9:51 a.m.]

