

8:30 a.m.

[Mr. White in the chair]

THE CHAIRMAN: Good morning, ladies and gentlemen. I'll call the meeting to order. The members present have had the agenda circulated. Might I have a motion to that effect, to accept the agenda?

MS BLAKEMAN: I'll move that.

THE CHAIRMAN: So moved. Is it agreed? Carried.

The approval of the minutes that you have before you of the February 4 meeting. Do I have a motion to that effect? Dr. Pannu. Is it agreed? Carried.

Now, we have with us today the Hon. Clint Dunford, noted for his recent editorials in our local paper here, from the highs and lows of political life. Advanced Education and Career Development is his ministry. He's here with a number of people from the department. As you know, we generally have an opening statement for introductions of the department and staff, and we'll continue with questions from there.

MR. DUNFORD: Thank you, Mr. Chairman. Today I have with me Lynne Duncan, who is the deputy minister; Jim Dixon, who is the Public Service Commissioner; Phil Gougeon – at least we have a title for Phil – assistant deputy minister, system funding and accountability; Steve MacDonald, who is the senior director, operations, learner assistance division; Shelby MacLeod, who is my executive assistant; and Gerry Waisman, who is our senior director, finance, administration and Alberta Vocational College support division.

By way of introduction, first of all, I want to thank all the staff from both the Department of Advanced Education and Career Development and the public service organization. They've done an extremely difficult amount of work in order to get this minister prepared for this particular session. I appreciate the volume of work that's gone into the documents I have in front of me and that hopefully we'll be able to use during the presentation today. I also want to indicate that when the questions get technical or difficult, I have these able people here to handle that for me.

I would propose, Mr. Chairman, reviewing Advanced Education and Career Development matters first and then turning to the personnel administration office. Would that be agreeable?

THE CHAIRMAN: It's your time.

MR. DUNFORD: Okay.

By way of an outline for the '96-97 fiscal year, Alberta's adult learning community included 26 institutions under the department's umbrella. We have four community consortia, 84 community adult learning councils, almost 25,000 apprentices, and the equivalent of 123,000 full-load students in postsecondary education. About 58,000 students received financial assistance. To put these '96-97 accounts into perspective, the Department of Advanced Education and Career Development is a billion dollar enterprise. About \$219 million supported learners, about \$846 million was provided to postsecondary institutions to support learning, and about \$12 million was spent on administrative infrastructure.

Now, I would propose to address the following questions. Did we do what we said we would? Did we do it within the funds we were allocated? Finally, are we making progress toward the goals Albertans have set for us? I believe that on all three counts the answer is yes.

So did we do what we said? Albertans expect adult learning and research of the highest standard. They have identified five goals for us. They are accessibility, responsiveness, affordability, accountability, and for universities, research excellence. Those goals guided our business plan for the '96-97 fiscal year; in other words, they guided what we said we would do. More importantly, the five goals determined what we actually did.

The first goal is accessibility. This year the access fund supported the creation of 5,800 new student places at a cost significantly below expectations. In the '97-98 fiscal year we exceeded the fund's goal of creating 10,000 spaces. In each of the past seven years the number of students in postsecondary education has increased. In '96-97 enrollment was at a record high of 123,049 full-load equivalent students. Because of increased productivity across the system, institutions have been able to accommodate those students. I'd like to congratulate them for their creativity and caring and for being able to make difficult decisions.

The second goal is responsiveness. The governments of Canada and Alberta signed the agreement on labour market development in December of 1996. Alberta was the first province to sign this type of agreement. It ensures consistent delivery of service through a single provincial window. It means more effective operations, more effective programs, and better service for Albertans.

Other agreements and initiatives increased the transferability of credentials and the mobility of Albertans. We are leading in the implementation of the labour mobility chapter of the agreement on internal trade. This requires co-operation with other governments, other departments, and regulatory bodies to reconcile standards.

A detailed work plan to address interprovincial mobility for people in regulated trades was developed in conjunction with the Canadian Council of Directors of Apprenticeship. The interprovincial standards, more commonly known as the red seal program, enhance worker mobility across Canada. Over 93 percent of Alberta's journeymen have a red seal available to them. This enables them to move to employment opportunities when they arise. More significantly in today's economy, Alberta recognizes the qualifications of workers from other provinces and territories who have red seal status in trades designated in Alberta.

Also in the apprenticeship system, we implemented an alternate certification mechanism, the qualification certificate program. This program provides a way to recognize competencies a person has obtained while ensuring that Alberta's industry standards are met. Through a review of prior work experience, knowledge, and skills, this prior learning assessment enables capable workers to get on the job quickly.

There were also significant changes in funding for postsecondary institutions in '96-97, particularly in the implementation of a new funding mechanism. As in previous years the bulk of funding, or about 90 percent, was provided as operations grants. However, we built on the success of the access fund to directly encourage and reward desired activities and outcomes through targeted funds. Those targeted funds are contained in envelopes. The learning enhancement envelope, the research excellence envelope, and the infrastructure renewal envelope were all introduced during the '96-97 fiscal year.

The learning enhancement envelope is a good example of funding particular projects which support the department's larger goals. The first allocation of \$10 million encouraged institutions to use technology to enhance classroom learning and to bring programs to students where and when they want them. The learning enhancement envelope supports virtual learning and is part of our efforts to get institutions ready for the future.

The third goal, affordability, includes students and taxpayers. We continue to develop the partnership between students, families, and

taxpayers to support the costs of education. Revenue from tuition and similar fees constituted about 21 percent of the institutional revenues for credit programming in '96-97.

For students with financial need the loan program was expanded. Loan limits were increased by \$300 and parental contribution rates were reduced to reflect increases in the cost of living. For especially high-need students, remission continues to ensure that their debt levels are manageable.

Alberta has a generous student assistance program. During the 1996-97 fiscal year, we continued to press the federal government to introduce a debt management program for the 60 percent of student loans they finance. I will continue that pressure until we get results from the federal government. I am hopeful we will hear something positive in the upcoming federal budget.

8:40

Like all government departments, we are making a concerted effort to improve our operations to make them more affordable. By 1996-97 the department had reduced its staff by 26 percent. We are doing things differently, and we are striving to ensure that many Albertans seeking learning are the direct beneficiaries of taxpayers' investments.

Mr. Chairman, this government has said that it will be accountable for results. Towards this fourth goal of accountability, the ministry piloted key performance indicators for postsecondary education during the '96-97 fiscal year. They are 14 clusters of standardized measures, including graduate satisfaction and employment as well as cost per student and per graduate. Alberta is the first jurisdiction in Canada to have developed KPIs for postsecondary institutions. Other provinces have looked at the concept and are asking about our experiences in defining, measuring, and consistently applying the indicators to different types of institutions. Just as an aside from my prepared notes, I might add the fact that we have now included research as a key performance indicator in our performance envelope. That now makes us unique, I believe, in North America. Key performance indicators, as I said, were piloted during the '96-97 fiscal year. The following year KPIs were used in allocating funding through the performance envelope.

Albertans also told us they expect nothing less than research excellence. In '96-97 the ministry released a policy framework through which we will work with universities to pursue research excellence and to increase access to and development of new knowledge.

The fifth goal of research excellence for universities not surprisingly is supported through the research excellence envelope. The envelope allocated \$2 million in '96-97, its first year of operation. The funds are used by the universities to attract high-calibre researchers and graduate students. I'd like to quote from a letter I received from Dr. Lorne Tyrrell, the Dean of Medicine, about how the University of Alberta was able to use their funds.

I have found the Research Excellence program to be extremely valuable in helping to establish research laboratories for some outstanding scientists we have recruited to the university, as well as help young scientists establish their laboratories.

Developing a highly skilled workforce is a priority for Alberta in today's emerging and growing knowledge economy. Alberta Advanced Education and Career Development led 11 departments in developing People and Prosperity, a human resources strategy for the province. That strategy represents a broad effort to provide Albertans with the skills and knowledge they need to fully participate in their communities and the economy. In its draft form in the fall of 1996 the strategy was the basis for consultations at the second ministers' forum on adult learning. We took those consultations and our internal work and focus group consultations

and finalized the People and Prosperity strategy, and this was released in February of 1997.

The province's economic strategy projects a net employment increase of \$155,000 over the next four years. Together we are ensuring that Albertans have the skills and knowledge to create those opportunities and to obtain meaningful work. Together the five goals of the Alberta learning system help us accomplish one task: equipping Albertans for the future. That's a big job, and there are limits on how we met it. One limit is money, which leads me to the second question: did we operate within the resources available to us? The answer is yes; expenditures were within 1.5 percent of our plan.

On page 56 of our annual report we set out the three key areas where our spending was less than planned. First, student demand for programs such as maintenance grants and skills development was lower than we had expected. Second, there was a reduction in the costs associated with student loans issued because fewer eligible students applied for loans. Third, there was a lower than expected expenditure in the access fund since less funds were needed to accomplish the program's objectives. As I indicated, the fund exceeded its goal of creating 10,000 student places in two fiscal years.

Are we making progress? This leads me to the final broad question I suggest should be of interest to this committee. Our commitment to Albertans is to work with them to set goals for adult learning and research, to measure our performance on each of the goals, and to report on the results. The ministry's annual report is our report to Albertans on the progress we are making. It sets out each of the goals they have set for us, it identifies the indicators we're using to measure our performance, and it discusses how well the adult learning system is measuring up. Mr. Chairman, these performance measures indicate quite clearly that Albertans continue to have access to high-quality learning opportunities and research excellence.

Adult participation in education, in training is higher in Alberta than in any other province, with 40 percent of adults taking courses. Enrollment at postsecondary institutions is at an all-time high. Fully 75 percent of high school graduates enroll. Apprenticeship enrollments are on a strong upward trend. Those graduates are finding that their learning needs are being met. In their words and actions Albertans are telling us how the system works. When interviewed, roughly 80 percent of postsecondary graduates and nearly 100 percent of apprentices said their learning needs were being met. Almost 80 percent of graduates are employed, and the vast majority of those graduates are in work which is directly related to their education and training.

The labour market training programs to help unemployed Albertans are proving to be successful. The majority of former welfare clients are finding employment or going on to further studies. Finally, the data suggests that the research being performed at Alberta universities is among the best in Canada.

To summarize, Mr. Chairman, the slogan is: lifelong learning. To implement it, we need quality adult learning that is accessible, affordable, responsive, and accountable. We've got it, and I will continue to work with others to make the quality of learning and research even better. To my colleagues: we did what we said, we did it within budget, and, most importantly, we're making progress toward our goals.

I'd be pleased to take questions at this time regarding Advanced Education and Career Development or, at your pleasure, would go on to my comments on personnel administration.

THE CHAIRMAN: I think perhaps we should have your full presentation now instead of interrupting the flow.

MR. DUNFORD: Okay. Just a few comments, then, in terms of the

personnel administration office. We believe and allege that we continue to manage our financial resources effectively. In 1996-97 the PAO expenditures were under budget by \$420,000, or 5.6 percent of our total budget. Our savings are mainly due to reduced manpower costs. The PAO restructured in 1996 and '97. Vacant positions were unfilled in anticipation of the budget reductions in the next fiscal year, and the result was savings of \$380,000. Overall operating expenditures were \$6,876,000, capital expenditure \$140,000, for a total of \$7,016,000. Capital expenditures for the PAO included the development and enhancement of the cross-government human resource information system. These systems were enhanced only to meet current operating requirements. They will be replaced by Imagis system in April 1998. As a result, there were savings of \$40,000.

Once again, we'll be glad to accept any questions on either of these areas.

8:50

THE CHAIRMAN: Thank you, Mr. Minister. Prior to initiating questions, there are two brief announcements here. One, I have received copies of a notice of motion from some members. There are some eight motions to be put to the membership. I would like to have those circulated, and then, just prior to the end of the meeting, I'd ask that we have a motion to accept the motions as delivered so as to read them all in one at a time to save some time.

The second thing I'd like the movers to consider is not putting these motions to the committee next week – next week is the Treasurer – but to put it off two weeks. I'd have the concurrence of the movers that that'd be the case so as to save time. That would be put over to the meeting when we have Municipal Affairs before us.

With that, prior to initiating questions, the second bit of business. We have with us the Auditor General once more and some of his staff. We know one of them for sure – he's here on a regular basis – but perhaps you would be so kind as to introduce the remainder, sir.

MR. VALENTINE: Thank you, Mr. Chairman. With me today on my left is Nick Shandro, who is Assistant Auditor General with responsibilities for the Department of Advanced Education and Career Development. On my immediate right is Mary-Jane Dawson, who is a principal in the office and has responsibilities for educational institutions that fall under this ministry. On Mary-Jane's right is Patty Hassink, manager of audits, with responsibilities in the advanced education sector. I also have a number of my colleagues in the gallery this morning and thank them for coming and being a part of this procedure.

THE CHAIRMAN: First on the list we have Ms Blakeman, then Mrs. O'Neill and Ms Olsen.

MS BLAKEMAN: Thank you. I'd like to address myself to the skills development program, and I'm going from the Auditor General's report, pages 44 to 46. I'm really interested in this program, because it's one of the ways that people coming from a disadvantage or from social assistance hopefully could move into employment training and then into successful employment. I know there were some problems noted by the Auditor General with this particular program and the performance measurements for it. So the question is: what steps has the department taken to establish annual performance targets for the skills development program; for example, the number of participants that completed training and the number of participants finding employment that lasts more than a specific period of time?

MR. DUNFORD: Sorry; I was looking for my notes. How do we address each other in this? Do we use Christian names?

THE CHAIRMAN: It's generally the last name we prefer.

MR. DUNFORD: Oh, is it? Ms Blakeman?

THE CHAIRMAN: That's fine. We're more interested in the information that comes forth than the names.

MR. DUNFORD: There were some specific questions within the overall comments you were making. I was looking through my notes to get to my spot and didn't hear the last specific questions. Could you repeat those, please?

MS BLAKEMAN: I was looking for what specific steps the department has taken to establish annual performance targets for the skills development program. Inside of that, I'm looking for the number of participants that completed the training and the number of participants finding employment that lasted a specific period of time. Hopefully there's a standard that is a longer period of time; in other words, enough training for them to successfully move into the workforce.

MR. DUNFORD: Perhaps I'll get Steve MacDonald to supplement some of my comments. With the number of participants – and I'll ask him for those particular numbers – based on the survey work we've done, something like 69 percent of the participants that have been in the program were still employed six months after leaving that program. Of the total participants, there was a satisfaction survey completed, and we had approximately 92 percent that indicated that overall they were satisfied with the skills development program.

We of course are particularly concerned in skills development about outcomes. The whole shift in philosophy and, I think, in practical aspects over the last five years has been a change in reference from the fact that we were just inputting into a particular program to now: what are the outcomes? I guess to be very, very specific with you, the only reason we ought to be having a skills development program is – just as you're suggesting, I think, in your questions – that people are coming out of there with the skills they need to take on employment and in fact are employed down the road after taking this development. I know it's been a concern to a number of folks about the skills development program, but we were serious in going to outcome based, and that's where our position is.

Steve, do you have any actual numbers? I don't have them in front of me.

MR. MacDONALD: The actual number of clients who participated in '96-97 was approximately 13,000.

MS BLAKEMAN: Obviously connected to my first question, the Auditor General noted some deficiencies with the contract management as it relates to the integrated training pilot program. I'm wondering what steps the minister of the department is taking to respond to the recommendations of the Auditor General to improve those contract management practices, specifically to make sure they reflect the conditions and the expectations and that their proof of success or performance is obtained prior to approving further contract payments.

MR. DUNFORD: The objectives and the expected outcomes have been defined for all the labour market training programs, and program completion rates are to be measured for up to 12 months

after training is completed. While we recognize that some clients are not yet ready, willing, or able to benefit from training leading to employment, we are working with Family and Social Services to develop alternative programs for these clients and standards for measuring gains in their employability.

Again, if Steve could supplement my comments, I'd appreciate it.

MR. MacDONALD: Sure. In response to the question about what's been done on the contract management side, we've totally revisited our procedures and actually implemented a new policies and procedures manual around contract management. It includes audit procedures for invoice and payment verification, postpayment verification, and contract monitoring. It also includes standardized clauses in the contract so that when a contract is entered into, there is a consistency in what will be measured and the performance expected of the providers. All of those things have been implemented, and we've gone to a training procedure with all the contract managers in the field, using those templates and those new policies and procedures.

THE CHAIRMAN: Mrs. O'Neill.

MRS. O'NEILL: Thank you, Mr. Chairman. My question is pertaining to the Auditor General's annual report, and I'm on page 43. It has to do with capital assets of postsecondary institutions. The recommendation from the Auditor General was that the department "obtain information regarding the institutions' long-range funding requirements for capital assets." I couldn't find in the public accounts any of their business plans including these capital budgets, and it's pointed out there, too, that they weren't there. My question is: have you got a response at all, Mr. Minister, from any of the institutions as to whether they're going to put that into their business plan and their budgeting process?

9:00

MR. DUNFORD: Mrs. O'Neill, they do put it into their business plans. Lynne is just indicating to me, beyond the response I've made, that in our infrastructure renewal envelope one of the requirements in terms of proposals they would bring forward is that they have their capital plan involved in that proposal.

MRS. O'NEILL: If I may, Mr. Chairman. Then they have all submitted those to you?

MR. DUNFORD: Yeah, I think we have them.

MRS. DUNCAN: They haven't been submitted yet, but they will be.

MRS. O'NEILL: Supplemental, please, Mr. Chairman. With regard to the capital assets, are they inventoried on the financial disclosure sheets from these institutions, and are they inventoried by depreciating factor?

MRS. DUNCAN: I'll give you a general answer. They are required to do an inventory. There are rules in terms of what asset levels you have to have in order to inventory them, and they set some categorical type depreciation rates. I can't tell you what they are at this time.

Mr. Shandro probably can answer the question.

MR. SHANDRO: All of the institutions are including their capital assets on their financial statements as required by generally accepted accounting principles. Generally accepted accounting principles require that these assets be amortized according to their useful lives

less residual values. In the course of conducting our audits we believe that policy has been applied appropriately across the institutions. So the amortization rate reflects the consumption of the asset over a useful life.

MRS. O'NEILL: Thank you.

MS OLSEN: I will just follow up on Mrs. O'Neill's questions in relation to capital assets, understanding that policies issued by the department for institutions specify that three-year business plans should clearly identify capital needs to be funded by the department envelope for the institution. This is in relation as well to the Auditor General's report, pages 43 and 44; we're still there. The Auditor General noted that a number of the three-year institutional business plans did not contain the capital budget that provided for future capital funding requirements. I understand that the department has taken steps to address capital asset requirements by sector, by engaging an independent consultant to report on the sector's capital infrastructure requirements over the next few years. I'm just curious and would like to know who was the consultant hired to examine this, and how much was that consultant paid?

MRS. DUNCAN: We could probably give you the name of the consultant today. In terms of how much they were paid, we'd have to get back to you. Phil, do you know the name of the consulting firm?

MR. GOUGEON: It was RMC Consulting from Edmonton. I can't give you the exact number, but it was less than \$80,000. We can give you the exact cost of the consultant.

MS OLSEN: Sure. We'll accept a written answer from you at some point.

My second question follows up to that. What were the terms of reference for the study, and why were auxiliary facilities, parking facilities, furniture, and equipment needs not included in this examination of infrastructure requirements?

MR. GOUGEON: The terms of reference were to look at the state of the facility. So what we did was had the consultant conduct a cursory review on it, of the whole system, in co-operation with the institutions. The reason those auxiliary facilities weren't included was that we were looking at facilities that government has funded. Parking facilities, for example: the institutions usually have billed them as self-funded facilities. They have to mortgage them and pay for them themselves, so we don't put money into it. We were looking at government supported assets and focusing on the educational components of their facilities.

MS OLSEN: Thank you.

THE CHAIRMAN: I should remind your office that if you're responding to any of the questions offered today, in furtherance of the advancement of all knowledge, if you could route that through the secretary so we can share it with all members, it would be good. Okay? Thank you.

We have Mr. Amery, followed by Dr. Pannu and Mr. Lougheed.

MR. AMERY: Thank you, Mr. Chairman. To the hon. minister. In August of 1996 your predecessor, the hon. Jack Ady, announced that the AVC would become board governed. This move would allow them increased flexibility by placing the board closer to the community they serve, and they would be better able to meet the challenging needs of their students. Everybody thought that would

be a positive step in the right direction. I wonder if that has occurred yet.

MR. DUNFORD: Well, we're still in the transition process on it. As we speak today, we have the interim governing authorities that are in place. The time schedule: we would have this, I think, completely turned over to a board authority given the target date of April 1 of '98.

MR. AMERY: Thank you.

Again, I would like to refer you to public accounts, volume 2, page 43, element 2.2. In 1995-96 under the same element, 2.2.1, the estimated expenditure was \$259,000. Your department overspent by \$60,000 at year-end. Despite this overexpenditure, in the 1996-97 public accounts the department cut the expenditures to \$114,000 and yet overspent by \$2.3 million. I wonder if you could explain what the AVC administrative support is and the reason for this overexpenditure.

MR. DUNFORD: Most of the cost, Mr. Amery, came as a one-time cost as part of this transition of a move to board governance. There were separation payments for 56 people. There was some, as we would refer to it, telecommunications shortfall and some governance retooling. The remainder of it was due to a late decision that colleges could apply tuition revenue to an adult development program against expenses, and the overexpenditure then is balanced by a surplus in another element, 2.1.7. The contributing factor was the fact that dedicated revenue was lower than expected for a cost recovery.

MR. AMERY: Thank you.

THE CHAIRMAN: Dr. Pannu, followed by Mr. Lougheed.

DR. PANNU: Thank you, Mr. Chairman. Mr. Minister, my question is regarding the relationship between performance-based funding and accessibility. You spent some time in your introduction expanding on that issue. The performance-based funding mechanism is designed to reward institutions that increase their enrollments in pursuit of the systemwide goal of increasing the number of student spaces. Now, each year as a result of this, the performance award for taking in these extra students is spread over an increasing number of students. This results in a continually decreasing level of per student funding for this cohort such that the reward for taking them immediately falls below the cost incurred by the institutions. For example, within five years institutions are carrying up to 60 percent of the cost of these additional students despite the additional revenue garnered by tuition. Is it realistic to expect institutions to find further efficiencies in light of the 47 percent decline in per student funding since 1980 and the 10,000 additional spaces created below cost by the access fund?

9:10

MR. DUNFORD: I would seek some guidance from the chair. There was no performance envelope funding in '96-97, so his question is directed at what we did in '97-98. What's your pleasure?

THE CHAIRMAN: The general rule is that under the current budget year questions are not allowed. I mean, it's still within the department's purview. Generally, we like to reflect on that which is contained in your annual reports for the year we're examining at present, along with the Auditor General's. Now, if the question is related to that or can be read from that without getting into current policy, then it's generally acceptable.

MR. DUNFORD: Okay. Well, I'd like to . . .

THE CHAIRMAN: Do you wish the questioner to modify the question so as to fit with that?

MR. DUNFORD: You know, the fact that I had made reference to the performance envelope in my opening remarks – I'd be perfectly willing to respond in a general nature, if that would satisfy the member.

THE CHAIRMAN: Really it is your call. We are limited by the rules of our asking questions; you are limited only by that which you feel in your ministry is to be disclosed. If you wish to go into current policy, so be it. We just are not allowed to ask questions of that nature.

MR. DUNFORD: Well, just to respond in general. When Jack Ady was the minister of this department, he came to our caucus in response to a caucus directive basically that there would be an accountability mechanism that would be brought into the post-secondary system. My understanding is that the then minister had gone through quite an extensive and encompassing consultation process to arrive at a performance funding envelope and then, of course, talked about it in the business plan. So just at the end of the '96-97 year – when I was appointed it was actually March 26, so we were within five days, I guess, of the year we're now discussing – there was no question in my mind that I would carry forward that initiative he had begun, had announced, and was in the process then of implementing.

We're very proud of a performance-based envelope method of funding, but we recognize that we're not providing a perfect solution in a rather imperfect world at this particular point in time. There were many reasons for delaying, maybe even canceling, a performance-based funding envelope, and notwithstanding some of the problems that were identified – and I think you've hit on one of them – we decided that it was important that we proceed. In my mind, the performance funding envelope is an evolutionary process, and it's going to take, in my opinion, five years, eight years – I don't know how many years – before we have a system that is functioning at a very high performance level, if I can use that term about a performance envelope.

But the point I would make to all the members today is that in order for an evolutionary process to take place, you have to have a start. So what we are in is the early days of a remarkable framework for accountability that will be perfected over time in Alberta, but I believe it will become a benchmark or a best practices model not only for the rest of Canada but for the rest of the western world. That's how seriously I take this.

DR. PANNU: Supplementary, Mr. Chairman. Thank you, Mr. Minister, for going out of your way to answer my question although you didn't have to. I appreciate that.

In the public accounts for '96-97, volume 2, page 44, item 2.8, I want you to pay attention to 2.8.1, access fund, \$35 million net estimates. Apparently \$25.6 million was expended during that year on the access fund. Over \$9 million remained unspent. Would you be able to make some comments on that discrepancy? Related to that, of course, how much of this \$25.6 million expended did go to relieve the enrollment pressures in institutions?

MR. DUNFORD: Well, we had budgeted the \$35 million, and what you see in front of you, then, is what it actually cost us to meet the targets we had set out. Basically, it's as simple as that. What we had anticipated it would cost us – it didn't cost us that much, so we ended

up with a surplus on that line item of the \$9 million you see. So things went a lot better, I guess, than what had been anticipated.

Once again, I think this is another reason for the institutions across our system to be congratulated for not only their ability to respond to the financial demands that were placed upon them but then, as we started to build back up, the tremendous efficiency they found within their own institutions.

DR. PANNU: I understand the minister may not have information on the question, but since the performance funding formula was introduced I guess in '96-97, — am I correct on that; that was the first year? Okay. In that case, related to that 2.8 category there, does the minister have any information on how these expenditures may have affected the rigour and the quality of education? Any measure of that?

MR. DUNFORD: I don't have the data in front of me, but we have data in our possession that indicates that the quality of the Alberta postsecondary system has not deteriorated because of our ability to bring access funding to bear.

THE CHAIRMAN: If you have information to that effect that could be put together in a small package, that would be fine.

MRS. DUNCAN: I would think the annual report includes that information. It shows all the key performance indicators that we use to measure the quality of the system. It's right in the annual report.

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

MR. LOUGHEED: Dr. Pannu must have been reading my mind or my notes or something.

9:20

THE CHAIRMAN: Do you wish to come back later on the list, perhaps, sir?

MR. LOUGHEED: Only if this — I could pass to another member.

Regarding 2.8 on page 44, you talked a little bit about this. I guess my question would be if you can elaborate more on whether this was a proactive move or a reactive move with respect to any performance problems it was specifically trying to introduce. If you feel you've answered that already, then I'd pass.

MR. DUNFORD: Well, it's an interesting mix you've given me to respond to, because in some ways it was proactive and in other ways I believe it to be reactive. Now, certainly I'm not going from being the minister at that particular time but going from the involvement then that we had at standing policy committees and within caucus. The access fund was a reaction in the sense that there was still demand in the system. There was determined to be a need to provide an additional 10,000 seats across the postsecondary system at that particular time. So in that way we were reactive.

However, there would be two ways in which to address that. We simply could have added to global budgets by institution, but where we were proactive was by the very definition of 2.8.1 itself, which of course is the access fund. So the department and the ministry then responded in a proactive way by requiring institutions, in some cases on an individual basis but quite often on a collaborative basis, to submit proposals as to how they were going to increase access or increase the number of seats they would have available at their institution.

We feel it's been a real success. It's something that we're continuing, and it really has brought, I think, into the postsecondary

system not only some sense of restructuring, but we've also been able to in some ways drive reform in the system as well. You know, with the focus on collaboration for an example, we're now starting to see our institutions respond in a co-operative and collective manner rather than a continual competitive arrangement, trying to fight over the qualified young people that we have coming out of our secondary system.

MR. LOUGHEED: If I could just add a little more to that then. You spoke of the access fund with regard to learning enhancement and research excellence. That would be more along the lines of the proactive move, then, to encourage that area? Also, I guess you alluded to something like the learning enhancement envelope, where you're attempting to get institutions to work together.

MR. DUNFORD: Well, absolutel, on the learning enhancement, but the access fund as well. There were a number of programs. I guess they'd be available in our annual report.

[Mr. Shariff in the chair]

We'd certainly be able to circulate a list if the committee was interested in some of the access fund proposals that were approved. Some of them were quite inventive. It was really refreshing to see colleges and universities, and universities and universities, finally starting to work together in this province instead of taking a somewhat bunker mentality to their market share. We have to find a way here in Alberta, in my opinion and my belief, to again work in a collaborative manner, because our competition isn't within the province; our competition is that external market.

THE DEPUTY CHAIRMAN: Ms Blakeman.

MS BLAKEMAN: Thank you. I'm referring on page 46 to the total line for 1997 funds unexpended, \$14,410,000, and also back on page 45 to total operating expenditure voted under career consulting and information and financial assistance to students.

MR. DUNFORD: Could you tell me what numbers you are at?

MS BLAKEMAN: Sorry. It doesn't have its own line item, but it's below 3.3.10, total operating expenditure — voted, total unexpended under those categories. Sorry: program and sub-program, support for adult learners, career consulting and information and financial assistance to students. Given that we have such a need for people to access advanced education or post high school learning, how come so much money wasn't expended there?

MRS. DUNCAN: Maybe I could answer that for the minister. That \$14 million characterized here as an underexpenditure is for the total department; it's not just for those programs. As the minister noted in his introductory remarks, out of a budget of over a billion dollars we left unspent \$14 million, which is roughly 1 and one-half percent, which I would argue is pretty good budgeting. You know, if you've got over a billion dollars and you only underexpend by \$14 million — you want to be on the underside, you don't want to overspend, so you've got to leave some money on the table. That's only 1 percent of a total budget of over a billion dollars.

MS BLAKEMAN: Okay. Thank you.

There's an overexpenditure I wanted to ask about. On 3.3.9, risk premium and guarantees — this is on page 45 under non-budgetary disbursements. Are you with me? Okay. There was an overexpenditure of \$4.283 million. What are the reasons for that?

MR. DUNFORD: One of the things that happened to us was that the banks instead of clearing out their full backlog for the '95-96 year – some of it's built into '96-97. Where we showed a surplus in '95-96, because they hadn't cleaned out their backlog, we show this overexpenditure in '96-97.

MS BLAKEMAN: Okay. Thanks for the answer.

THE DEPUTY CHAIRMAN: LeRoy Johnson.

MR. JOHNSON: Thank you, Mr. Chairman. My questions arise from comments on page 48 of the Auditor General's report. The Auditor General recommends that your department should endeavour to obtain appropriate evidence that contract obligations have been satisfied prior to the authorization of payment for these services. These comments are made in reflection of how contracts with Career Designs Inc. and M & M Careers Ltd. were dealt with. It seems there was perhaps insufficient accountability on the part of these contractors as to what information they were required to provide government. What has the department done in response to these recommendations?

MR. DUNFORD: Perhaps with your permission, not having been the minister of the day, I would ask Steve MacDonald to respond.

MR. MacDONALD: Sure. As I said in my earlier comments, we totally reviewed all the policies and procedures around contract management. I think the issues arose last year around lack of clarity on the expected outcomes of the contractors. So we took care to define what those outcomes should be and to better define the deliverables expected of the contractors. We've also taken care to improve our client tracking system so there's better automated information against which to evaluate an invoice and compare it to the actual results achieved. Those are the primary two actions we've taken in response to the concerns raised by the Auditor General.

9:30

MR. JOHNSON: Thank you. You may have answered in part the supplementary question, but I'd like to ask it anyway. How will the department be ensuring they obtain appropriate evidence of contract performance prior to approving contract payments in the future?

MR. MacDONALD: We're really taking a two-pronged approach. One is to improve our automated information on the data we're receiving from the contractors and, again, more clearly on the deliverables expected within the contracts. Also, we're improving our on-site visits. We're taking steps to ensure that the record-keeping is kept up to standard and things like that. So there's a two-pronged approach: one is the automated and one is more the manual-audit type of function.

MR. JOHNSON: Thank you.

THE DEPUTY CHAIRMAN: Ms Olsen.

MS OLSEN: Thank you. My questions revolve around the Auditor General's report again, pages 41 and 42, in relation to business plans. Given that we know that the institutions are required to prepare the plans and submit them to the minister's office, some concerns have been identified in relation to those plans. The Auditor General has pointed out that the plan guidelines prepared by the ministry don't provide sufficient guidance on the type and the level of information required of the postsecondary institutions. Subsequently, we have the business plans being submitted and they're not then deemed an

effective tool for the department or institutions. So I'm concerned that the strategies supporting the ministerial goals are not always described in measurable terms, nor are they linked to the targets or the performance indicators. What are the requirements specified in the guidelines or instructions that are issued by the department to postsecondary institutions regarding the preparation of their plans? I'm talking about the type and the level of information that's given to them.

MR. DUNFORD: Phil, we don't have the specifics in front of us, but do you want to just talk in general terms? We can always get more specific information to them later.

MR. GOUGEON: In response to the Auditor General's concern, we revisited the templates that we were using for our business plans, but you have to remember that business plans are plans. The institutions are expected to look at the goals set for the system and develop business plans that will try and achieve those goals. As well, they have their own community goals and their own client goals that they have to build into their business plans, and they have done that.

What we've tried to do is develop a format and a time frame that now fits within the government planning process. We expect institutional business plans, for example, to now be available to us by April 1 of each year to fit into the business planning process of government for the next year so that those business plans can help us develop our business plan.

MS OLSEN: A supplementary. On what basis did the department make funding allocations to postsecondary institutions in '96 and '97, given that business plans lacked key assumptions and program driver cost, student enrollment projections, and change in student demand for programs?

MR. GOUGEON: In '96-97 we were still reducing the budgets of the institutions through the three-year 21 percent reduction plan, and we provided targeted funds as well.

MRS. DUNCAN: I think you would find in '96-97 that we had produced our Access through Innovation, our policy statement for postsecondary education. The institutions knew our five goals, knew the direction we were headed in, and with the funding that was provided to them through the operations grant – and, as Phil notes, that was reduced by 3 percent that year – they were expected to go in the directions that had been set in the Access through Innovation document.

THE DEPUTY CHAIRMAN: Dr. Pannu.

DR. PANNU: Thank you, Mr. Chairman. I would like to invite the minister to revisit with me page 48 of the Auditor General's '96-97 report. I wonder if the minister is in a position to give us an estimate of the funds that were paid out but were not justified by the evidence at hand; to Career Designs, for example. Would you have any dollar figures on it? The Auditor General clearly draws attention to the payments of some funds which have not been justified in the form of placement incentives to Career Designs. I wonder if you can put some dollar figure on it. What might have been lost?

[Mr. White in the chair]

MR. DUNFORD: Well, we might have to again get some specific information to you. I want to point out that we do appreciate the Auditor General's investigation in this, but we have to put on the record that there was no evidence of wrongdoing that was discovered

here. It has caused us to re-examine the whole process that we were using. In earlier comments we've discussed how the Auditor General's office has helped us, you know, with their own particular procedures. I think it shows one of the benefits that we try to make not only of the Auditor General's report but the office as well. We're seeing from the institutional side somewhat of a transition in terms of business plans and the way that people operate, and now it applies to our private contractors as well.

I would draw the similarity to way back in '93-94, if I can use that term "way back." It seems like a long time ago. Maybe it wasn't. When business plans themselves first started coming forward, it was really quite interesting, the uniqueness of business planning from the department side. This government was very, very serious about business planning, so we just stuck to our guns.

In an earlier question just prior to this we were talking about now seeing that transition amongst the institutions. We can't provide and demand a business planning arrangement from our private folks in the same manner that we can from the public. But most of the things that we do now are being driven, of course, by an outcome strategy. That forces the people that want to deal with us to get more in a business planning type of mode. I think that along with the Auditor General and what we're trying to do as a ministry, in contract management we've really started to improve the reporting processes, the accountability aspects of it. No one likes to think of some of the things that have been raised, but their being raised provides an opportunity for us to get feedback on our own performance and take corrective action.

DR. PANNU: Thank you, Mr. Minister, for undertaking to provide us with some figures on this. I look forward to that.

Related to that and on the same page, the last paragraph on page 48, the Auditor General makes some observations on a problem with the contract the department had with M & M Careers and that there were certain penalties the department was in a position to impose for nonperformance of the contract. I wonder if the minister would also give us some estimate of the funds realized through the imposition of these penalties for poor performance or nonperformance of the contract by M & M.

MR. DUNFORD: I have no personal knowledge that we did in fact do that, so I'll look to advice and assistance from Steve.

MR. MacDONALD: I don't have those figures with me here today. There was a small overpayment recovered from M & M, and I'll get those numbers to you.

DR. PANNU: Mr. Chairman, a very last, very short question. Obviously, Mr. Minister, there are problems with contracting out without being careful about doing a cost-benefit analysis. Has the department some plans to do a cost-benefit analysis before engaging in contracting out on these kinds of training programs in the future?

9:40

MR. DUNFORD: The answer, I guess, simply is yes. There were obviously some areas that needed looking at. I believe we responded here today in hopefully an open fashion that we are responding. These are taxpayers' dollars. I am a steward of taxpayers' dollars, and we want to make sure we're expending them in a proper way.

There's a tremendous and healthy private vocational activity that's going on in this province. Certainly under my watch in this ministry I don't want to do anything to wipe out a private-sector opportunity in this area. So we will continue to do the best we can. We'll work with the Auditor General to make sure that we have the systems in

place, that the accountabilities are in place, and hopefully that we have an even stronger private-sector operation going. With the tremendous demands facing us not only from skill shortages but what we're going to need in the new economy, we need all the tools we have operating effectively. It's my responsibility as long as I have this ministry to see that that happens, and that will happen.

THE CHAIRMAN: Mr. Shariff, followed by Mr. Klapstein and Ms Blakeman.

MR. SHARIFF: Thank you, Mr. Chairman. I would like to ask a question with regard to the public accounts, volume 2, page 44, element 2.8.4. I see that your department spent more than twice what was budgeted. Could you give reasons for this, and what were the unexpected expenditures for?

MR. DUNFORD: I think it was equipment upgrades. Lynne?

MRS. DUNCAN: Phil, why don't you do it?

MR. GOUGEON: A question was asked earlier about the amount of surplus in the access fund. We had recognized that there was difficulty in the infrastructure renewal envelope in terms of institutions not having enough money to upgrade equipment. So we took some of that surplus money and put it into the infrastructure renewal envelope as a onetime amount for that year. That allowed institutions to address some of their equipment needs that they wouldn't have been able to otherwise address.

MR. SHARIFF: Okay. Can you just clarify that? The amounts being spent were more for equipment, computers, software, and things like that, as opposed to building maintenance?

MR. GOUGEON: Yes. In that year all of that money was for equipment needs.

MR. SHARIFF: Okay.

THE CHAIRMAN: Mr. Klapstein, followed by Ms Blakeman, followed by Mrs. O'Neill.

MR. KLAPSTEIN: Thank you, Mr. Chairman. I would like to call our attention to page 8 of the Auditor's report. The Auditor General noted on page 8 of his report that the public service as a whole will have to deal with how to attract and retain staff with the experience and enthusiasm to deliver cost-effective government services. Have you found this to be the case within your department, and if so, has anything been done to address the issue before it becomes a significant problem?

MR. DUNFORD: Well, of course right now we're in an environment of collective bargaining with our union. That seems to be going well, and hopefully it will continue. But we are trying to address as well what is happening on the management side. As recently as last evening at a dinner in Calgary I was able to enjoy the company of a previous Alberta civil servant who has moved on into other fields and done it at quite an attractive salary rate change, I might say. So we are not insensitive to where we are in terms of competitive compensation in the civil service. Especially in the management areas there has been a freeze since – what? – '90 or '91, Jim?

MR. DIXON: Ninety-one.

MR. DUNFORD: Ninety-one, somewhere in that particular area.

Even though on the union side there were zero increases, that meant actually zero to the salary ranges. Anyone that was still entitled to incremental steps inside that range received them. So within the context we found ourselves in in the last four or five years, certainly the members of our bargaining unit need some consideration. We believe that we're providing some consideration in current collective bargaining, but we also see a need to develop both a management strategy and a senior official strategy. We're currently in the process of doing that.

MR. KLAPSTEIN: A supplementary. The Auditor General also notes that a significant number of senior managers will be eligible to retire over the next five years. Is anything being done in your department to ensure their leadership skills and experience can be adequately replaced?

MR. DUNFORD: Well, a leadership development project team – I guess that is the phrase I would use – has been put together. They're working within particular departments trying to almost develop – I want to use the term “succession plan,” but I don't know that that's the actual phraseology we want to use. We have to look at the current skill levels that we have and then forecast what we are then going to need because of the retirements that have been pointed out. We now could get ourselves into a situation of: okay, what are the training opportunities, then, that we're going to have to present? So that's currently, I guess if you want to call it, a survey and options are being developed.

There were, I guess, some dollars put aside too for a training fund. I don't know that that was done in '96-97. Was it?

MR. DIXON: No, that was '97-98, in that range.

MR. DUNFORD: In '96-97, then, we were in the process of reviewing what we felt we were going to need, and now, subsequently, we're trying to respond to that.

MR. KLAPSTEIN: Thank you.

THE CHAIRMAN: Ms Blakeman, followed by Mrs. O'Neill.

MS BLAKEMAN: Thanks. Two more cost overrun questions. The first one is under other program, support for adult learning, 2.1.8 on page 43. That's \$3.129 million, and I'm just wondering what the reason is for that.

MR. DUNFORD: That was a purchase of, I guess, computer equipment?

MRS. DUNCAN: Software.

MR. DUNFORD: Okay. Computer software that went out to the institutions to assist them with their reporting function back to us.

MS BLAKEMAN: Okay.

MR. DUNFORD: Was I not clear?

MS BLAKEMAN: No, you were clear.

THE CHAIRMAN: As clear, as concise as we know him all the time.

MR. DUNFORD: I do get long-winded at times on this sort of thing.

MS BLAKEMAN: We value your input.

MR. DUNFORD: Thank you.

MS BLAKEMAN: The second question. Cost overrun under apprenticeship and occupational training, 2.9, which is on page 44. This is under program development and co-ordination, 2.9.1.

MR. DUNFORD: That was the funding that we put in place to start funding what we call individual learning modules. Are you familiar with that term?

MS BLAKEMAN: No.

9:50

MR. DUNFORD: What we were trying to do on the apprenticeship side was do some streamlining in terms of not only getting more people into our apprenticeship system but also trying to streamline the delivery of those particular programs, so we went developing what we call individual learning modules. Now, are they CD-ROM?

MRS. DUNCAN: I think they can be, but not necessarily.

MR. DUNFORD: Okay. But an opportunity, then, for the apprentice to stay in their community, perhaps even stay employed.

MS BLAKEMAN: This is self-directed learning then.

MR. DUNFORD: Exactly.

MS BLAKEMAN: Okay. It was for that program, or for the computer cost, the hardware cost, and software cost?

MR. DUNFORD: Right.

MS BLAKEMAN: I'm interested in how that program works out.

MRS. DUNCAN: Curriculum development as well.

MS BLAKEMAN: Okay. Good. Thank you.

MRS. O'NEILL: Mr. Minister, in your opening remarks today you mentioned the fact that fewer eligible students than you had projected or anticipated were requesting or accessing student loans. So my question to you is: would you care to comment on how that will impact on your budget reporting for the next year? I know that reaches into the future, but I'm wondering if that does impact.

MR. DUNFORD: I can't tell you that I fully understand government accounting at this point, but I have excellent people here that will help me. What we do in our budget: we forecast what we think we'll need for student loans. Then we also have in previous years provided them for what student loans were being paid. I'm hearing your question as something related to what we planned and what we didn't have to pay out. I guess that's a situation that could happen any given year. We make a forecast as best we can as to what we need to put aside for the student loans and the remissions and the interest relief program. Then, when we finally arrive at the day when we've expended all of that, did we spend what we forecast or didn't we? In the particular year we're talking about, we didn't spend it.

MRS. DUNCAN: The easy answer is yes. There is a statutory provision for future costs of loans, and because there were fewer students than we expected, at some point we'll have to go back in

and adjust that statutory expenditure. We'll make a lot of accountants rich trying to figure out what we did.

MRS. O'NEILL: Thank you. I didn't realize there was a statutory requirement.

DR. PANNU: Again, I would like to ask the minister to comment on observations made by the Auditor General in his report on page 53. It has to do with the concerns expressed by several postsecondary institutions of the province about the efficacy of using KPIs as new accountability measures. The Auditor General acknowledges the fact that "some institutions have indicated to us that the linkage of KPIs to 'performance envelope' funding may be premature," although he seems not to necessarily fully agree with that feeling on the part of these institutions. So he draws our attention to the fact that the "corridor" concept, which links a range of performance results to one rating, provides a safeguard to neutralize the effects of minor reporting anomalies.

I wonder if the minister would be able to explain to me what this corridor concept is and how it neutralizes the anomalies that the institutions are concerned about.

MR. DUNFORD: I'll get Lynne to answer. The comment I want to make is that in the context of our accountability for '96-97, it is an is. In terms of '98, it's a was. Go ahead.

MRS. DUNCAN: Essentially when the '96-97 year was in progress, we were planning a performance envelope, and rather than setting targets as a specific number, we set them as a corridor or as a range. So my interpretation of the Auditor's comments was that the margin of error in the data he had reviewed with the institutions was not significant enough to adversely affect our assessment of performance, because we were using a range within which institutions had to fall rather than a narrow and precise number.

THE CHAIRMAN: Before we go on, the Auditor General would like to respond.

MR. VALENTINE: I can confirm the deputy minister's remarks, and I don't want any misunderstanding about the support of my office for KPIs. In a very simplistic way the office policy is that we will not be critical of those who measure and have a problem with the measurement, but we will be extremely critical of those who fail to measure.

DR. PANNU: A last supplementary, Mr. Chairman. On the same page, later on, the second last paragraph, the Auditor General recommends that

further efforts are required to resolve inconsistencies in the calculation of full-time equivalents, total headcounts, and completers.

I wonder if the minister has taken some action on this since hearing from the Auditor General on this issue and what that action is.

MRS. DUNCAN: The answer to your question is yes. I think the work on full-time equivalents and total head counts is largely complete, and the institutions are all on the same page, if you will, as to how we count that data. As to completers, there still are a lot of more conceptual difficulties with that statistic, and as a result we won't be publishing it anywhere in the near future until we resolve those difficulties.

THE CHAIRMAN: That concludes the questions. We have one more bit of business to deal with that I indicated before we started. We need a motion from the committee so as to accept the notice of

motions to be added to the record as delivered, as opposed to going through individuals. Might we have that? Dr. Pannu. Is the motion understood?

MR. SHARIFF: It's going to be debated on the 25th?

MS BLAKEMAN: Yes.

THE CHAIRMAN: Is it agreed? It is carried.

Would you put the motion, please, Ms Blakeman? Give the notice of the motion as identified and read the title.

MS BLAKEMAN: That

this is a notice of motions to be presented at this meeting on February 11, to be debated on February 25 as presented and circulated.

Thank you.

THE CHAIRMAN: Good. Fine. Is it agreed? It's carried.

1. Ms Olsen:
That the Standing Committee on Public Accounts prepare and adopt a formal strategic plan that describes its mission, goals, objectives, and strategies and lays out performance output and outcome measures.
2. Ms Blakeman:
That the Standing Committee on Public Accounts be given the authority to scrutinize the operations of Crown agencies and commercial enterprises and to assess any government decision to privatize or contract out activities performed of these entities prior to privatization or contracting out.
3. Mr. Zwozdesky:
That the standing committee be given the authority to require the Auditor General to perform a special duty review under sections 17 and 20 of the Auditor General Act as requested by the standing committee and to report the findings of the review to the standing committee.
4. Ms Olsen:
That the Standing Committee on Public Accounts be given permanent referral of the public accounts of Alberta, the annual budget and business plans prepared by the government and ministries, the annual performance reports prepared by the government and ministries, and any reports prepared by the provincial Audit Committee.
5. Ms Blakeman:
That the Standing Committee on Public Accounts prepare reports on its findings and recommendations on an annual basis, submit these reports to the Legislative Assembly, and have the government table a comprehensive reply to each of the recommendations contained in the reports within 60 days.
6. Mr. Zwozdesky:
That the Standing Committee on Public Accounts be given the authority to conduct a review of the existing loan and loan guarantee portfolio of the province of Alberta to ensure that there are adequate monitoring procedures in place and Alberta taxpayers realize maximum value of the disposition and/or termination of these financial arrangements or obligations.
7. Ms Olsen:

That the Standing Committee on Public Accounts be given the authority to conduct a review of Crown-owned lending institutions – the Alberta Treasury Branches, the Alberta Opportunity Company and the Alberta Agricultural Financial Services Corporation – with the objective of improving effectiveness and efficiency of service delivery to Albertans.

8. Mr. Zwozdesky:

That the Standing Committee on Public Accounts be given the authority to request the superintendent and chief executive officer, CEO, of the Alberta Treasury Branches to appear with the Provincial Treasurer before the committee to account for the operations of the Alberta Treasury Branches during the previous fiscal year.

MRS. O'NEILL: Mr. Chairman, as I heard Ms Blakeman say, the notice of motion – the intent being that they all be considered as one. My understanding is that it reads “Notices of Motions.”

THE CHAIRMAN: That's correct.

MRS. O'NEILL: I'm curious. Are you intending it to be as a total unit or as separate ones?

THE CHAIRMAN: No. The intent from the mover, as I understand it, is that each of these items will be moved, discussed, and voted upon at that time as individual motions. It's just ease of bringing them on. Is that not correct, Ms Blakeman?

MS BLAKEMAN: Yes. This is actually following on the hon. member's suggestion that she'd like an opportunity to review motions and suggestions for the operation of the committee prior to debating them. Therefore, these are now circulated. These are the ones that we're interested in putting forward in front of the committee and, in two weeks, to review.

10:00

MR. SHARIFF: We are going to be going through these eight motions at the Public Accounts meeting on February 25. In just looking at the content and the potential debate for each motion, it may be advisable for us to postpone the minister who is scheduled for that day from coming to the meeting on this particular date. Otherwise, find an alternate way of dealing with this. Because I believe we will end up taking a lot of time debating each one individually. It may be unfair to the minister to be waiting here for an hour before we give the minister an opportunity to speak.

THE CHAIRMAN: Perhaps what we can do is leave it as presently contemplated, and the vice-chairman and I will discuss the matter. Prior to commencement of the formal part of our meeting next week, we will indicate what our best advice is and then take it from there. Is that reasonable? Agreed? The next meeting we have was discussed; we needn't do that.

We should like to thank all those in attendance, particularly the minister and his staff, for being so forthright and actually getting into some policy areas that you needn't have gone into. We would also like to thank the Auditor General once more for coming along with his staff. Thank you kindly.

We do now stand adjourned.

[The committee adjourned at 10:03 a.m.]

