

[Mr. MacDonald in the chair]

THE CHAIRMAN: Good morning, everyone. I would like to call this meeting to order, please. We have a quorum, I'm assured by the clerk.

Could I have a motion to approve the agenda as it was circulated? Thank you.

I would like to introduce the Hon. Clint Dunford – I see he has a significant number of his capable staff with him this morning – and, of course, Mr. Valentine. But I would like to ask, please, if you could formally introduce yourselves to those who are in attendance this morning.

[Mrs. Ady, Ms Blakeman, Mr. Cao, Mr. Goudreau, Mrs. Jablonski, Mr. Ouellette, Dr. Taft, and Mrs. Tarchuk introduced themselves]

THE CHAIRMAN: Mr. Dunford, could you introduce your staff, please?

MR. DUNFORD: Sure. We'll start with the deputy, who is Ron Hicks. Shirley Howe is the Acting Public Service Commissioner. Duncan Campbell and Dan Kennedy are our financial people. Then behind me: Yvonne McFadzen from performance and applied research, Neil Irvine and Pat Boynton from our Human Resources and Employment side. Oh, sorry. Mark Asbell, chair of the Labour Relations Board.

THE CHAIRMAN: Thank you.

Mr. Valentine, please.

MR. VALENTINE: Thank you, Mr. Chairman. On my left is Jim Hug, the Assistant Auditor General who is responsible for the audit activities conducted in Human Resources and Employment, and on my right is Rene Boisson, a senior principal in the office responsible for the same portfolio.

Thank you.

THE CHAIRMAN: Thank you.

I would like this morning to introduce the clerk, Corinne Dacyshyn. If there are any follow-up questions today, please, if you don't mind, direct your answers through the clerk.

Now, Mr. Dunford, would you have any opening remarks you would care to make?

MR. DUNFORD: Okay. Thank you very much. Good morning again. The Ministry of Alberta Human Resources and Employment includes the personnel administration office, the Alberta Labour Relations Board, and the Department of Human Resources and Employment, otherwise known as the people and workplace department. The Workers' Compensation Board, Alberta, and its Appeals Commission report to me but do not form part of the ministry.

I'd like to highlight some ministry achievements during the '99-2000 fiscal year and outline how some of those actions are playing out today. The largest event we went through in '99 was, of course, the creation of this department. For a couple of months we actually operated as three different ministries. We had advanced education and career development, family and social services, and also labour. We are now one, and we want to focus now on programs which are part of this new ministry.

As the departments came together, we came to see that we provide a continuum of services to help Albertans move forward. We help people who are not working, we help people move into the work-

force and succeed there, and we help workplaces be fair, safe, and healthy.

I want to turn first to our income support programs for Albertans in need. The basic principle behind Alberta's social programs, which bears repeating, is that resources are dedicated to the people who need them most. That principle has been behind a review of the assured income for severely handicapped. In October 1999 we introduced a series of changes to incorporate both that principle and better client responsiveness. We introduced an asset limit, increased the earnings exemption for single clients, introduced more flexibility for clients who were able to work, and increased benefits for all clients. The budget for this program expanded to \$268 million in '99-2000 both to accommodate these changes and to provide support to an ever rising caseload. Those caseload pressures continue today as Albertans are continuing to access AISH as a result of advancing medical conditions or aging.

Alberta's welfare program supports for independence supports people who do not have the resources to meet their basic needs. It includes training and workplace supports to help clients get the skills and experience they need to support themselves. About one-third of our clients are working, and SFI supplements their earned income. Another third are permanently not expected to work, and the other third require assistance because they are between jobs or headed into training. We provided benefits that were adequate to meet basic needs, but we also adhered to another basic principle behind our social programs, and that is that Albertans are better off working.

SFI clients who were expected to work received benefits for an average of 8.9 months. This compares to 9.8 months the previous year. More than 70 percent of the graduates from employment initiatives associated with SFI were not receiving benefits a year later. SFI caseloads have dropped by two-thirds since 1993, and we provided benefits to about 31,100 clients each month. We have been successful at reducing caseloads and helping move people into the workforce for several years, but our opportunity to reduce caseloads much further is limited. There are significant numbers of clients receiving SFI now who have many difficulties in returning to or remaining in the workforce.

Another important support in helping families become independent is the family maintenance program. The program helps custodial parents get maintenance orders and agreements from the other parent, which in turn are registered with the Alberta Justice maintenance enforcement program. If the custodial parent is receiving social assistance, income from the other parent reduces the need for benefits from government. When the custodial parent moves into the workforce, the agreements help ensure continued income for the children. We have also established new computer links between SFI and the program to ensure that those children who are eligible for support from another parent are helped.

Overall, the proportion of Albertans relying on provincial assistance programs was the lowest in the country that year. The trend continues today given that there are so many opportunities in the workplace. With that, let me turn to our supports for the workplace.

I want to highlight some important differences between our income support programs and our workplace supports. In income support the caseloads were low and the budgets were comparatively high because we provided direct financial support. This was to about 31,000 clients for SFI, as mentioned, and about 24,000 clients for AISH. But on the information and services side our performance measures look very different. The budget is small, and the number of clients is high. There were more than 37,000 participants in group workshops, more than 37,000 telephone calls to the career information hotline, and more than 40,000 participants in individual

career counseling sessions. There were more than 670,000 career publications mailed out and more than 700,000 visits to the labour market information centres.

The Alberta learning information service, or ALIS, web site provided information to about 400,000 users. Important new features were added to this site, including on-line applications for student assistance and updated profiles of 500 occupations in which Albertans work. When ALIS had been originally developed as a product of advanced education and career development, it was seen as a partnership of government, postsecondary institutions, and others. We kept that commitment through the reorganization, and the site is now supported by both Alberta Human Resources and Employment and Alberta Learning. This is an example of ministries sharing services and eliminating stovepipes.

8:40

Beyond providing information and assistance about work, we also helped set the stage for Albertans in specific target groups to be successful in workplaces. This includes young Albertans, and it includes people with disabilities. In the summer of 1999 the Premier created the minister's Employability Council, a group of Albertans with disabilities, employers, and service providers. The council was assigned the task of recommending program and policy changes and providing advice to government. The council began its fiscal work that fall. Its first report was just released this past January, and it continues its work today.

We continued with the expansion of the Youth Connections program and its support for connecting young people with opportunities to learn and to work. We also worked closely with Learning in providing financial assistance. Staff in career development centres and Canada/Alberta service centres across the province provided frontline information and advice about student assistance. We also provided financial assistance through the skills development program to low-income Albertans for academic upgrading, apprenticeships, and other employment related training. We provided over 18,000 Albertans with support through the year. The Auditor General's only recommendation about the department's '99-2000 fiscal year referred to this program. In his report the Auditor General highlighted a need for stronger accountability reporting by training institutions. So, for your information, since then we have negotiated a new memorandum of understanding with institutions. We believe that Albertans should be better off working. We help Albertans move successfully into the workforce and start working, and then we help keep them working.

The Alberta child health benefit keeps children in low-income families strong and healthy and encourages their parents to stay working. The program provides coverage for prescription drugs, optical and dental supplies, essential diabetic supplies, and emergency ambulance transportation. During the '99-2000 year we made the program stronger by raising the qualifying income thresholds and making them responsive to family size. The higher the bar, the more families fit under that bar. We provided coverage to 53,500 children that year, and since then enrollments continue to grow. We fund the program through our partnership with the federal government and the national child benefit. The NCB has two goals: reduce child poverty and promote parents' attachments to the workforce. Keeping children healthy and providing medical benefits to families helps keep those families off social assistance. It also helps ensure healthier adults in the future.

Supporting working families also includes providing a balance between employee rights and employer responsibilities. We help meet this goal by administering Alberta's employment standards. Our first function was to educate and our second to regulate. We

consolidated the employment standards telephone counseling unit into one location and made the dissemination of information more consistent, more efficient, and more accurate. In '99-2000 more than 180,000 clients received help in interpreting and applying minimum employment standards by telephone, and our client satisfaction rate increased significantly. We're proud of the fact that in 1999 staff received the Premier's award of excellence in recognition of their achievements.

We also provide legislative advice and direction to Alberta's self-regulated occupations, with the exception of the health, teaching, and legal professions. Through our professions and occupations unit we administered 11 acts and governed 24 self-regulated professional associations. We work closely with these bodies to ensure that they are governed in the public interest and have legislative standards that protect the well-being, safety, and property of Albertans.

We are also responsible for Alberta's compliance with the labour mobility chapter of the agreement on internal trade by July 1, 2001. We work with all of Alberta's regulated occupations and trades to enhance the movement of qualified workers throughout Canada. Work has progressed since the agreement was signed in 1994, and I am pleased to report that we were on track during the year in meeting our labour mobility obligations and we're still on track today. We worked to ensure that workplaces were not only fair but also safe and healthy. By targeting companies with poor safety performance, we focused our resources where they were most needed. The number of work-site inspections increased by 52 percent over the previous year, and the number of workplace health and safety orders more than doubled. These efforts contributed to a reduction in the proportion of work days lost due to injury or disease, but the number still remains above our target. Increased efforts to keep our work places safe still continue today.

Labour relations is the other factor affecting the workplace climate. Alberta's reputation as a good place to work and do business is partly based on our ability to maintain a stable relationship between employers and their unionized workers. Our rate of person-days lost due to work stoppages was the second lowest in Canada even though more than 400 collective agreements expired. In part, this rate was achieved with assistance from the department's facilitation and mediation staff. Over 90 percent of mediated cases were resolved without job action.

Another important part of the labour relations climate is the Alberta Labour Relations Board. It concluded 1,048 cases in the reporting period, of which 501 went to hearings. As part of its continued focus on reaching settlements without formal hearings, the board introduced a new resolution conference process. The board also conducted its first client satisfaction survey to identify stakeholders' satisfaction levels for the various processes that the board employs. That survey now acts as a benchmark for assessing the board's progress in those areas.

The other part of the ministry is the personnel administration office, or PAO. It is the government's central human resource agency and continues its work on building a strong public service. The Alberta public service has earned its reputation as one of the best in Canada through the hard work, dedication, and commitment of its 21,000 employees. Located in 166 locations throughout the province, these employees work in jobs as diverse as the province itself.

One of our challenges continues to be the aging of our employees. The average age is 44, with significantly fewer in the younger feeder groups who will replace those retiring in the next few years. So our focus continues to be on recruiting and retaining skilled workers, knowledge transfer, and leadership development and continuity in succession planning.

Through the corporate human resource development strategy we have implemented initiatives to address these issues, and the results, we believe, are impressive. Eighty-one percent of employees understand how their work contributes to their department's business plan, which is up from 77 percent in 1997. Ninety-three percent of managers report that their employees have the skills to meet current needs and 82 percent have the skills needed for the future. Employee satisfaction is up from 68 percent to 80 percent. We have provided over 500 opportunities for young people making the transition from school to work through internships, co-op placements, and work experience.

The Alberta public service has just been awarded the 2001 gold award for innovative management from the Institute of Public Administration of Canada. Mr. Chairman, I mention this not because it is a '99-2000 activity, but based on the work that was done in that year, we have just recently had this recognition and are very, very proud of that. This prestigious award recognizes the innovative approach the Alberta government has taken to meeting the human resource needs of the Alberta public service. It represents the ongoing commitment of the employees of the Alberta government to keeping Alberta strong. We need a strong public service to meet the increased high expectations of Albertans, to provide support to the private sector, and to continue contributing to a strong Alberta economy. To achieve this, we need to maintain our ability to compete in an increasingly challenging labour market.

In closing, I want to highlight the work of the ministry staff, all 2,000 of them, because they continued with the business at hand in an environment of organizational change. They processed hundreds of thousands of cheques, counseled people who wanted to find their niche in the economy, and talked to workers who wanted a fair day's pay for their work. At the beginning of the year our staff worked for three separate organizations, and at the end of the year they worked for one. No matter what the ministry was called, the work at hand was important. Over the course of the '99-2000 year the department directed taxpayer dollars to provide for the basic needs of Albertans, to help people to become independent and successful, and to help keep our workplaces safe, fair, and stable. Each initiative was money well spent on Alberta people and workplaces.

With that, Mr. Chairman, I'd be glad to answer any questions. As you can see, I have some excellent staff here to help me with that.

THE CHAIRMAN: Thank you, Mr. Dunford.

We'll now start with Ms Blakeman. She's anxious to ask at least one question.

8:50

MS BLAKEMAN: Thank you very much, Mr. Chairman. Welcome to the minister and his staff, although if I might prevail, perhaps he might introduce the person he didn't introduce to begin with, unless I missed it. There's one person that wasn't introduced.

MR. DUNFORD: Well, I started with Ron Hicks, my deputy minister.

MS BLAKEMAN: All right. Thank you.

Of course, welcome again to the Auditor General and his staff and to the sports fans and fun seekers that are joining us in the gallery. Always the best committee to observe.

I'll direct the minister's attention to pages 172 to 175 of the Auditor General's report. That's a fair amount of the comments on the Department of Human Resources and Employment centered around the skills development program and the memorandum of understanding. Especially, the AG points out that "there were no

contracts with the educational institutions" to supplement" the memorandum of understanding and notes that this is a concern because the MOU "is not legally enforceable," and "the funding for the Skills Development Program amounted to \$102 million." My first question is: can the minister tell us what initiatives the department undertook at that time, in this fiscal year, to ensure the compliance of educational institutions in the interim, until a memorandum of understanding and contracts were in place? What was done to ensure the compliance when you didn't have anything?

MR. DUNFORD: Okay. Besides, of course, the focus on the MOU, we did develop some interim procedures. One of them was the career assistance information system management, which was developed and implemented. There was a review and revision of the certification application process for these educational providers. With those procedures and the basic process we now use, I think we've been able to deal with the concerns that were addressed.

MS BLAKEMAN: Okay. As part of the recommendations from the Auditor General on page 174, he's recommending that the department audit the remaining educational institutions. It sounds like that's approximately 90 percent of them. I'm wondering if the ministry followed through on that recommendation from the Auditor General.

MR. DUNFORD: The short answer is yes. What we did was focus on the largest 10 institutions, which actually covered 90 percent of the students, so there's an ongoing review process in that area. Then we've got 10 percent of the institutions that, I guess, weren't as formal but we've done pilot audits in there, so we'll have to continue that review as well.

THE CHAIRMAN: Thank you.

Mr. Ouellette, followed by Dr. Taft.

MR. OUELLETTE: My question relates to youth employment and training programs, performance measure 2.1 on page 32 of the '99-2000 annual report. What were the department's employment and training initiatives for youth, and what did they accomplish?

MR. DUNFORD: The major initiative in that particular year was our Youth Connections program. I don't know if any of you happened to see the bus in Edmonton that we had totally decorated outside and the whole interior of the bus was dedicated to the Youth Connections program. This is one of the areas we have become very, very proud of. What originally started as a pilot project in Edmonton – and we originally looked at it as a kind of three-year deal. It became obvious so quickly that we were on to something and doing the right thing with Youth Connections that we in fact removed the status of "pilot" and started to extend the program throughout the province.

If you ever get a chance while you're here in Edmonton or when you're back home in your own constituency to visit a Youth Connections centre, I think you'll be very, very surprised and pleased. What we're doing there is trying to focus on the 16 to 24 age groups, and we're looking for either unemployed or underemployed young people. We start with the basic career counseling. We have computer programs that can really develop a career plan. It's just an excellent opportunity for young people – and we can all remember what we were like back at those particular ages – to try to provide some kind of direction for the future.

Our numbers: I think about 28,000 young people have gone through our operation, and the feedback we're finding is tremendous. Eighty-two percent, looking at my briefing notes, of

the young people that have used that service are actually finding employment, so we're very pleased and happy about that.

MR. OUELLETTE: Could you explain why the significant increase? You had estimated 5,100 and ended up with 20,780 actual.

MR. DUNFORD: Well, that's great. We know the youth are out there, and especially as it relates to career planning and of course getting young people into the workforce, you're just struggling continually to find ways to get their attention. We've been able to do that with the Youth Connections program. We had a tremendous amount of co-operation from businesses because we need them. We need somewhere for the young people to go, so we have mentoring programs, we have job shadowing. Actually, we could probably even have found paid employment situations as well. It's just been a tremendous success, and as I said earlier, we're very proud of it.

MR. OUELLETTE: Thank you.

THE CHAIRMAN: Dr. Taft, followed by Mr. Goudreau.

DR. TAFT: Thank you, Mr. Chairman. I assume I can ask some questions about the Workers' Compensation Board.

MR. DUNFORD: If you want to ask about . . . I'm here to answer questions and do the best I can.

DR. TAFT: Sure. Maybe the Auditor General can help. I'm on pages 175 and 177. I'm just noticing in the investing activities some fairly large variations from 1998 to 1999 and from actual to budget in 1999. Sale at maturity of investments in 1999 was budgeted at \$500 million; it came in at \$354 million. So you can see some of the figures here. Purchase of investments was budgeted at \$351 million and came in at \$194 million. The year before it had been \$677 million. I'm also looking at page 177 and seeing that the WCB has invested in derivative financial instruments.

Really my question is around risk and the level of risk and the swings that we may be seeing here for a public institution making investments. I'm wondering if you've got any thoughts or reassurances to provide on risk or if perhaps the Auditor General has any concerns about how the WCB may be handling its investments given that it's a public agency.

9:00

MR. DUNFORD: I'll defer to the Auditor General.

MR. VALENTINE: Mr. Chairman, if we had had something to say, it would be contained in our report under this section for Human Resources and Employment. The audit of the Workers' Compensation Board is done under my direction. I appoint the auditor. The auditor reports to the board of the Workers' Compensation Board and to me. That reporting occurred, and the material that flowed from that audit activity is contained within the report. If you want to address the variances in the budget and the risk management policy of the entity, I think the question should be properly directed to management of the Workers' Compensation Board.

THE CHAIRMAN: Thank you.

Dr. Taft, your second question, please.

DR. TAFT: No. That's fine. I'll wait my turn.

MRS. ADY: My question relates to the person-days lost to injury and disease in your performance measure 4.1a on page 41 of the '99-2000 annual report. Would the minister explain why the target of 29.6 person-days lost to injury or disease was not reached? I know you can't schedule when people are going to get better and how long injuries take to heal, but you have a performance measure, so I'm wondering why it was not met.

MR. DUNFORD: To the best of our ability and with the information that we're provided to analyze the situation, we're looking at the good-news and the bad-news scenarios of a robust economy. What is happening is that the job creation is so rapid and so broad that whatever the existing source of skilled and experienced people—the uptake was very, very quick, so we began to experience young workers to a large extent but in some cases inexperienced workers. They might have been at a more advanced age, but they were leaving one industry to move into another industry and therefore were inexperienced.

In the particular time frame that we're talking about, our statistics would show that workers with less than six months' experience on the job were actually three times more likely to have an incident leading to a lost-time injury. It was in '99-2000 when this really started to show up in our statistics, so we needed to start working on that.

MRS. ADY: That goes to my second question. In particular I'm thinking of the young people and the reports that we've seen lately. What has the government specifically done to prevent workplace injuries and fatalities during the year?

MR. DUNFORD: Well, the first thing was to try to have more of a presence in the workplace, so the actual number of inspections was increased rather dramatically. I don't know whether it was a sign of us losing a little bit of patience or whatever, because the number of orders that were written also increased rather substantially as well. But I don't want to just, you know, be on the enforcement side. It was during this particular year that we really started to promote our partnerships program, where we actually will certify companies that have been able to establish that they have a modern, a cohesive, and an encompassing safety and health program at the workplace and are prepared to be audited by their peer groups. So we started on really focusing some resources in that particular area. But, again, good economy comes sometimes with some risks in terms of experience.

THE CHAIRMAN: Thank you.

Mr. Mason, followed by Mr. Hutton.

MR. MASON: Thank you, Mr. Chairman. My question relates to something that I hear about quite a lot from workers, and that is the compensation for the chief executive officer of the Workers' Compensation Board. In the financial statements, schedule A—it's about page 187—it shows that the compensation increased, that the total package increased between '98 and '99 by very close to \$100,000. I'm wondering, first of all, if the minister has any control directly or indirectly over that and whether or not you feel we're getting value for money.

MR. DUNFORD: Well, the direct answer as far as the control is: I have no direct control. Under the legislation I'm responsible, actually, to take forward names to Executive Council for the people that will sit on the board, but the responsibility of the day-to-day operation is then delegated to that board. So questions on the salary I guess are more appropriately directed to the chair, but I can't resist some comment.

I think it is interesting to note a couple of things. My recollection is that the CEO position had changed either late in '98 or early in '99, and also there was a change in the chairmanship of the board and then also a change in the minister. So you had a situation of a minister and a chair inheriting an employment agreement that had been provided to that new CEO, and it has caused quite a stir. There's no question about that. I've had a number of workers call me about the same issue as they have you.

It's very difficult. Through our PAO experience we're in the business of often looking at salaries, benefits, and on some sort of comparative basis, so it depends on which end of the tunnel you enter. When you enter the tunnel and you look at a Premier of a province in '99 looking after probably – I don't know – a \$17 billion or \$18 billion operation, then that particular salary looks like it might be excessive, and I think those were words that were used by the Premier and by myself in the popular media of the day. But interestingly enough and not to defend the situation, again the technician part of me and my human resource background says: well, what are the comparisons?

We note with some interest that in the 1999-2000 year – and while I won't be exact with these numbers, I'm going to be fairly close. Ontario in that particular year had a \$12 billion unfunded liability versus Alberta's – I believe by that time we were at zero, but the Auditor General might be able to correct me. If we weren't at zero, we were heading for that. So we had a chief executive officer in Alberta and a chief executive officer in Ontario responsible for their particular operations, one with zero unfunded liability and one with \$12 billion of unfunded liability, with a salary of \$355,699 versus something in excess of \$750,000 for a male in Ontario.

9:10

MR. MASON: My next question: is it not a policy to try and make sure that some of these external boards have compensation packages that are more or less in line with compensation packages in the rest of the civil service? Shouldn't that be a policy objective?

MR. DUNFORD: There's no policy statement that I'm aware of that would say that. One of the interesting things about our agencies, boards, and commissions is that some of them have a various status as it relates to the government. So I think you'll find in some areas that there would be a direct connection with the compensation levels within the public service, but in others, such as the Workers' Compensation Board and perhaps the Alberta Treasury Branch, I think you'd be finding that the committees that would be responsible for compensation of its staff would have to look externally. The Alberta public service is not a highly paid organization, so in many cases to attract and retain the level of people you need for some of those specific situations, then you probably have to go beyond the limits of our salary compensation package.

THE CHAIRMAN: Thank you, Mr. Dunford.

Mr. Hutton, followed by Ms Blakeman.

MR. HUTTON: Thank you, Mr. Chairman. Could we look at the Alberta Human Resources and Employment overview, page 82, line item 3.2.4, employment initiatives? If you move over to the far right column, unexpended or overexpended, we're under on the employment initiatives by \$5,900,000. Could the minister explain why?

MR. DUNFORD: A nice segue from the question from Calgary-Shaw. In our booming economy I talked about how we were getting inexperienced workers into the workplace. Well, what was

happening, of course, is that then we didn't need them to be in skills training. We didn't need to be training them to get into the workplace because we found them. They were already there. So, you know, when you're doing your forecasting at the start of the year and then you wrap it up at the end of the year, we found that there was a significant decrease in the availability of people for training.

I don't want to get too far into anecdotes, because that might not necessarily be the general view of things, but I did have a number of meetings with service providers in the skills-training areas during that particular fiscal year where they were very concerned because contracts had been made where they were going to train a certain number of people. They went out, then, and put the resources around their operation that would then be able to train those numbers. Then when the numbers didn't show up, they're sitting there with huge fixed costs, so we had to work with them on that.

MR. HUTTON: Thanks, Mr. Chairman. My supplementary question is a little close to home, as I have a nephew with muscular dystrophy. What types of programs have we offered under employment issues for the severely handicapped?

MR. DUNFORD: Well, there are a number of them, although not all of them would be necessarily focused just on the handicapped area. Again, here in Edmonton particularly if you ever get a chance to tour our Alberta Job Corps, you know, that's an excellent facility doing fine, fine work, and we do have some ability in that particular area to help train defined disabled workers. Also, we have what we call the Alberta community employment program and then of course the basic employment skills program. You know, we're not a department that tries to build barriers. We're a department that tries to remove barriers.

With the Employability Council that we talked about, we're very, very interested in having all Albertans try to participate as best they can in what is turning out to be just an excellent economic and social opportunity.

THE CHAIRMAN: Thank you.

Ms Blakeman, followed by Mrs. Jablonski.

MS BLAKEMAN: Thanks very much. I'll refer the minister to my reference pages, 52 and 78 in your annual report. Now, the minister in his opening comments talked about supporting Albertans in need through the family maintenance program. I guess first I need a clarification because based on the minister's description, it sounded like he was saying that once the amounts had been secured from the noncustodial parent, the money was going straight to the custodial parent, which would be a change in the program. My understanding is that the Crown seeks out the payment from the noncustodial parent and then takes those payments to themselves, to the Crown, to pay itself back for having paid out assistance to the custodial parent and children. So if I could just get a confirmation, then, that that indeed is what's happening, that the money does not go to the family; the money goes into the government coffers.

I'm looking at page 78 under revenue, and I'm looking at other revenues: revenues of expenditure and other revenues. I'm wondering if that's where this recovered money is appearing, or does it in fact, through something I can't track here, appear under the Department of Justice maintenance enforcement program?

MR. DUNFORD: Well, let's try to answer the second one first. Say again. On page 78?

MS BLAKEMAN: Other revenues. Refunds of expenditure. It's the

only place I can find that I'm thinking might be what I'm trying to find. We don't speak the same language.

MR. DUNFORD: So the answer to your enquiry about page 78 is that this is not the revenue that you're talking about of recapture from the noncustodial parent. Those would show on the – what is it?

MS BLAKEMAN: I think you've got a note answering the question.

MR. DUNFORD: No. They're buddies, and they're just talking about something else.

So these are refunds of expenditure other than what you're talking about. The refunds that you're talking about would show up on Justice's financial statement.

9:20

MS BLAKEMAN: Then wouldn't there appear somewhere in these documents some sort of transfer that shows up if you're collecting the money and it goes straight to Justice?

MR. DUNFORD: No. If I said that in my opening remarks, then I misspoke, and I don't think I said that. We're not collecting that. We're not collecting that money. What we're doing is we're supporting that family while she, he, or maintenance enforcement is trying to get money from the noncustodial parent.

MS BLAKEMAN: So in fact there's no money connected with this program that you're listing on page 52 that goes through your department at all. You're mentioning it because you insist that anyone collecting supports for independence with children who has a custodial order admit to it. It's a mandatory service.

MR. DUNFORD: Well, I think we're both headed in the same direction. It's just that you're being more strident in your presentation of it I think. What we're talking about here is that we have to do something for what is usually the woman. We have to do something for that mother and her children while all of this other stuff is going on in trying to track down the noncustodial parent. We take them in so that on a monthly basis we're providing those supports. When we hear that maintenance enforcement has now been able to collect and is now contributing back to that family, then we stop our contribution, so one replaces the other.

MS BLAKEMAN: There's no change in the program then? That's the way it's been for some time?

MR. DUNFORD: No. Is that what your question was?

MS BLAKEMAN: It was around clarifying your remarks. Thanks very much.

MR. DUNFORD: Okay.

THE CHAIRMAN: Mrs. Jablonski, followed by Dr. Taft.

MRS. JABLONSKI: Good morning. I'm referring to your annual report on page 82, line item 2.2.7. It's referring to shelters for homeless adults, and it shows an overexpenditure of almost \$2.4 million. Can you tell me why that happened?

MR. DUNFORD: Well, there were more homeless throughout Alberta, particularly in Edmonton, Calgary, and Lethbridge, that we had to deal with, so we increased our contribution in that area.

MRS. JABLONSKI: I know that our Red Deer housing committee has been working very hard to find long-term solutions, and with the help of concerned citizens and generous contractors we've had some very exciting and innovative projects in Red Deer. Has this department investigated why our pressures are increasing in this area? Have you looked at any long-term solutions to resolve the homeless issue?

MR. DUNFORD: Again, yes. Of course, the pressures are perhaps somewhat obvious in the sense that we're attracting quite a number of people to the province. Not all of them are job ready. Not all of them have the kind of resources that they might need to support themselves once they get here. We're finding that there were cost pressures in this particular year we're talking about. There were cost pressures in the sense of rent, accommodations, and there were people that were ending up in the homeless category. A tremendous amount of work was being done not only by our department but particularly by Community Development at the time, which started, then, a real discussion during '99-2000 that there had to be a better way. There's got to be some way in which the government can have a more cohesive approach to homelessness in this particular province. So we are now trying to evolve from a bit of a stovepipe approach to this particular area to a more cross-ministry initiative.

The federal government – I don't know if it was in this year when the money started to flow – have expressed a particular interest. I note with some degree of interest and perhaps satisfaction that not necessarily Red Deer but Calgary and also Alberta generally have been noted by the federal minister as, one, being serious about homelessness and trying to deal with the issue and, secondly, being innovative in some of the approaches, but we're not there yet.

THE CHAIRMAN: Thank you.

Dr. Taft, followed by Mr. Lukaszuk.

DR. TAFT: Thank you. I have a couple of questions around SFI and some indicators that I would be interested in but didn't see in here. You talked about the length of time which people are on SFI. I forget the average. It was eight or nine months.

MS BLAKEMAN: It's 8.9 months.

DR. TAFT: It's 8.9 months. Okay.

I'm wondering if in your department you have done or you would be willing to do a more detailed frequency distribution month by month: how many are on for one month, how many are on for two months, perhaps up to a year and then quarterly after that. I reflect on the mid-80s, when the Alberta economy suddenly tanked, and for people using what was the equivalent then of SFI, the caseloads just soared. There was debate in the public that people were perhaps abusing it and then I think some counterevidence that in fact people were often on for just a short period because they were truly in crisis but were scrambling to get off. So I don't know if you have a more detailed frequency distribution, say, month by month: 10 percent are on for one month, 22 percent are on for two months, or something like that. If you do, it would be great to have.

MR. DUNFORD: We don't for this particular year that we're looking at today in Public Accounts. Of course, Mr. Chairman, I'm a little reticent, as you might imagine, to get into 2001 because then of course it goes far beyond perhaps the mandate, but you're raising a real concern. When we talk about SFI, supports for independence, we talk about it being a temporary program. We should be able to show to the Alberta public that, yes, it in fact is a temporary

program, and we should have some sort of analysis such as you're suggesting, so we'll look into that.

DR. TAFT: Sure. My hunch is that most people use SFI for a fairly short and legitimate crisis situation as opposed to abusing it.

My second question, Mr. Chairman, then . . .

MR. DUNFORD: Just before you go to your second question, I want to acknowledge that you are absolutely right. In fact, as a matter of policy we sometimes do the same thing. We'll have an AISH client, and if they run into some temporary difficulty, we'll move them to SFI so we can help them and then move them back to AISH.

DR. TAFT: Okay. My second question, then, relates to caseload size for SFI and AISH. You had talked – and it's in here; I don't have the page number – about the total caseload for the year. Do you have information on the caseload size per caseworker in this year?

MR. DUNFORD: Have you got your calculator with you? I'm not sure what it is. That's something that perhaps we can supply back through the chair.

DR. TAFT: Sure. Okay. Thank you.

THE CHAIRMAN: Mr. Lukaszuk.

MR. LUKASZUK: Thank you. Mr. Minister, much along the same lines of SFI and AISH, a two-part question. If I can refer you to page 82 of the annual report, in the figures for 2.3.1 you indicate that in 1999-2000 there was an overexpenditure of approximately \$1,400,000 on benefits for people not expected to work; I imagine that would be SFI. However, just a few lines below, on 2.3.3, you indicate that despite the fact that AISH caseload numbers are growing, there is a rather large underexpenditure of approximately \$1,800,000. Is there a reason for the projections being so different from actual expenditures, or are we just seeing a shift from one program to another?

9:30

MR. DUNFORD: I think what is represented as we look at the numbers and try to compare the actual caseloads – it was a situation of our forecasting. We forecasted a higher increase in AISH than what did occur and forecasted a lower number of assured support folks in our SFI than what occurred. Actually, it's an interesting observation that you've made, and it's caught me a little bit by surprise. We walk around knowing that our SFI caseload is down and our AISH caseload is going up, yet from your very astute question, that would indicate something different. That trend was there then, and it still is, but I think it was our forecasting.

MR. LUKASZUK: Thank you.

MR. DUNFORD: That's my answer anyway, and I'm sticking to it.

MR. LUKASZUK: I'll take it.

THE CHAIRMAN: Mr. Lukaszuk, do you have another question?

MR. LUKASZUK: That shall be it.

THE CHAIRMAN: Mr. Mason, followed by Mr. Cao from Calgary-Fort.

MR. MASON: Thank you, Mr. Chairman. Last week Mr. Yankowsky from Edmonton-Beverly-Clareview and I met with a bunch of people in the Abbotsfield area, which is sort of divided by our constituency boundary, who are involved in a co-operative organization for women on social assistance, and they gave us quite a presentation. They'd actually done a video, and they provided us with several actual budgets they lived on and described their experiences and so on.

I think one of the strongest themes that came out of it was that if people were allowed to get ahead a little bit more, retain a little bit more of any earnings they had, develop potentially even some equity in their own housing, and so on, it would be a real way for them to get off assistance, and most of them expressed a desire to do that. They often felt very much trapped on the assistance they were getting; the rules tended to keep them there when they wanted to get off. I'm wondering if you've given any thought to reviewing the policies with a view to encouraging people to get into the workforce.

MR. DUNFORD: I think it was in this year, the '99-2000 year, that I first heard the term welfare wall, and I think that's touching on what you're raising. Through our support systems we sometimes have the policy and the procedure that goes along with that in such a way that a person is penalized for trying to get beyond that particular wall. It's one of the reasons we negotiated the Alberta child health benefit plan as it came out of the national child benefit program, and that was to try to provide low-income Albertans with some support for their children as they moved into the workplace or stayed in the workplace. So since '99-2000, in looking at that, we've been trying to find ways in Alberta to if not totally remove that welfare wall at least not have it quite so high.

Then here again I go, Mr. Chairman, stepping into today, but just for the benefit of the member, we will be announcing shortly a review of our programming and services for low-income Albertans.

MR. MASON: There was quite a bit of interest in the review, and both the Member for Edmonton-Beverly-Clareview and I tried to answer questions about what it would entail and what the time lines would be, and quite frankly we didn't really know. I guess my question is: as part of the review, might you be interested in coming out and meeting with the group and getting their presentation?

MR. DUNFORD: Well, there will be a chair and a committee announced, and really I'll let them do that, because as you might know by now, when I put committees together, I like to just delegate that basic authority to them. I think they feel better about it, but it also provides the advantage to me of being in a position that when they come back with recommendations, I can accept, reject, or modify because I wasn't part of the system then. But upon the announcement, certainly by your raising it today and the fact that as I look through the room I see there are members of that committee that will be announced – they're hearing the same thing, so I'm sure you'll be talking to the chairs right after the announcement. If you won't, I will.

THE CHAIRMAN: Okay. Thank you, Mr. Dunford.
Mr. Cao.

MR. CAO: Thank you, Mr. Chairman. First of all, I just want to express my thanks to the Auditor General and his staff for providing us with information to keep an eye on government operations and also to the minister and his department staff for very, very important work, servicing the people side of Alberta, which is very complex, with behavioural issues and everything else. That is a very complicated, complex area.

In my view, the clients of public services are Alberta individuals. So my question to the minister: is there a focus or measurement of the satisfaction from clients who receive public services?

MR. DUNFORD: Let me get to our performance measures in our business plan. Do you happen to have that in front of you?

MR. CAO: I just want to say in generic terms.

MR. DUNFORD: Okay. Well, for your information, just quickly looking at page 38 of our business plan, we do have client satisfaction with the employment training programs. In some areas we're showing some improvement, but in our career development workshops we're actually showing some slippage in client satisfaction, so that's an area we need to focus on. We also have had some surveying done in the area of our labour market information, and we're showing a 92 percent satisfaction rate in that particular area. So our numbers are pretty good, but as you know, some of the ministries and certainly ours have adopted as a motto that just because we're doing good doesn't mean we can't do better.

9:40

MR. CAO: My second question relating to the same focus. I would like to know what programs help to develop and maintain what I call the client servicing focus behaviour of our public employees, particularly those frontline workers who interface daily with many difficult Alberta individuals?

MR. DUNFORD: Oh, I see. You're talking not so much about how our clients see us but in terms of our frontline employees themselves, how they're dealing with the situation.

MR. CAO: Right. Helping them to have the tools to do the job.

MR. DUNFORD: You know what? I don't know that we have a particular survey that we've incorporated into our business plan, but it's a heck of an idea, and we'd better take a look at it.

MR. CAO: Thank you.

MR. DUNFORD: Maybe PAO has something. Just a sec. We might have some information for you.

I assume, Mr. Chairman, this is not like radio. Dead air is allowed – is it? – while we look?

THE CHAIRMAN: Oh, yes. It's certainly allowed.

MR. DUNFORD: Okay. Oh, you know what? If I would have remembered what I said in my opening remarks . . . You will recall that 81 percent of our employees understand how their work contributes to the department's business plan, and this is up from 77 percent in '97. Ninety-three percent of our managers report that their employees have the skills to meet current needs, and 82 percent have the skills needed for the future. Employee satisfaction, which I think is where you're getting to with your question, has risen from 68 percent to 80 percent. So four out of five. Of course, that means one out of five of our employees is not there yet, so obviously we have work to do.

MR. CAO: Thank you.

THE CHAIRMAN: Ms Blakeman.

MS BLAKEMAN: Right. I'm going to stride forward with another question on the family maintenance program. I note under the analysis on page 52 that "the percentage of single parents on SFI with an agreement or order that is being collected is lower than in the previous two years" and that you are going to review it. So seeing as we're more than a full year past this date, I'm assuming you've done the review, and I'd be interested in the results.

MR. DUNFORD: We're talking here about the complexity of the issue, and we're still reviewing it.

MR. MASON: Some great stride forward.

MS BLAKEMAN: A very short stride forward.

Well, then, a supplementary to that. On page 51 it notes that the proportion of clients not receiving benefits 12 months after leaving SFI continues to exceed the target. However, the number of SFI clients assessed as being suitable for participation in employment and training initiatives has declined from the previous year.

Can you illuminate, elucidate more on this, particularly around bridging programs?

MR. DUNFORD: We're really starting to get into some multibarriered people. I guess that's good news in the sense that when the economy started to turn – I suppose it was in '95 or '96 – there still was a huge population that was unemployed and in many cases on the welfare rolls. Of course the uptake, then, is that as the economy expands, those are the first to be able to move quickly into the workforce and in many cases can move in fairly quickly. Some pre-employment training perhaps, maybe just a few life skills things, and away they went. There's still then, of course, that pool of people that was left behind that we're getting to each year, but clearly the barriers are higher.

MS BLAKEMAN: I know why they're there. The question is: what are you doing to work with them?

MR. DUNFORD: Well, we're continuing to do the kinds of things we have done in the past, but we've got to start providing a little more slack to our service providers. With the kinds of clients we're able to send them, we just can't be as demanding as we were in the past. I think any reasonable person would see the fairness in that situation.

THE CHAIRMAN: Thank you.

Mr. Broda, followed by Dr. Taft.

MR. BRODA: Thank you, Mr. Chairman. My questions pretty well have been asked by others, but I do have one here. SFI, where basically it's providing financial assistance to unemployed people right now, is a temporary program is what I've heard. Do we keep a record of how many people that may have gone on SFI have gone back to their former employer? Do we have any records such as that?

MR. DUNFORD: Back to their former employer?

MR. BRODA: If they were employed before and because of circumstances something happened that they were unemployed, maybe financial burdens or something happened in the family.

I'm going to refer to an individual that I know in my constituency. He's 29 years old, has had a heart attack, is unemployed right now,

is going to be requiring some assistance for maybe six or eight months. He's on high medication because he's had a heart transplant. He may go back again to his former employer. So do we keep a record of that?

MR. DUNFORD: We keep records of their employment, but I don't know if we specifically differentiate between: is it the former employer or just the fact that they're employed? I think it's just the fact that they're employed.

MR. BRODA: A supplementary to that. When we do some retraining for these individuals, who may take up a course that is available to them, do we look at the specific area they may be from, say a rural community? For example, if you retrain for chemistry or something like that and there's no chemistry outfit in that particular community. Do they pick and choose what they can retrain in, or do we kind of direct them so that they can fit the jobs in their particular community?

MR. DUNFORD: Yeah. Our career development people are quite familiar, of course, with the demographics and the economic culture we're involved with. With that plus the good labour market information services they provide, that combination, I think they're able to – you know, the fact that a person wants to become a nuclear physicist but only has a grade 9 education, we might steer them into some other occupation.

THE CHAIRMAN: Thank you.

There's been a change in the list. Mr. Mason, followed by Mrs. Jablonski.

MR. MASON: Thank you, Mr. Chairman. I appreciate that this minister has actually shown some real interest in reducing the incidence of workplace injuries and deaths in the province. I'd just like to ask in terms of the number of inspectors or other positions responsible for enforcing safety in the province, how that has changed in the last year or so, and also how it would relate to levels, say, in the late '70s or early 1980s.

9:50

MR. DUNFORD: Well, let's see. We would have had in the year we're looking at here 58 of what we'd call our field safety inspectors. How that would relate to the mid '70s I'm not exactly sure. So that's another one that we'll have to provide back in writing.

There's no question, though, that with the restructuring that took place in '93 and '94, there was some impact in this particular area. You know, there was a reduction at the same time in the amount of activity in the province, and with the recessions we were going through and so on, I'm not sure what some sort of evaluation or some sort of ratio as to the number of employers per safety inspector would look like. But in any event, we have increased the inspections.

As you perhaps are aware – and again I'm moving off the subject year – we have been adding to our resources in that area. Although the results are still being tabulated, our general feeling is that given the young workers in the workplace and the inexperienced workers, we're able to hold our own.

MR. MASON: A supplemental, Mr. Chairman. Why doesn't the ministry require mandatory union management health and safety committees in the workplace? Do you feel it is a valuable way to affect the overall rates of injuries and deaths?

MR. DUNFORD: There was a key decision made in Alberta in the

mid '80s as it related to not only mandatory joint work site health and safety committees but mandatory safety programming. The decision was made – and I don't recall who the minister of the day was – that the education route would be the way Alberta would go instead of the fork in the road that would take long increased enforcement. Now, I realize that some of that was based probably on political philosophy, but I believe it has proved to have been the right decision. Because when we analyze other jurisdictions across the country, some of which are more enforcement oriented than Alberta is, you'll find that Alberta consistently – and they're all using the same measure – ranks either as the lowest, second lowest, or third lowest in the country as it relates to the measurements one would use to assess a safety and health program. I'm talking about person-days lost. I'm talking about the number of reportable incidents and that sort of thing.

So there's a strong feeling that's been built up over 10 or 15 years here in this province that education is the first way to go. I think what you're seeing, though, under this ministry now is that we have expanded our enforcement role as well. We're saying that you've had two employers, you've had ample time to go the voluntary route, to go the education route, and for whatever reason you're either refusing to do that or refusing to take it seriously, so we're going to help you see the seriousness of that situation. So we're trying to still follow the education fork mostly, but we're also spending more time on the enforcement. As a matter of fact, because of the competitive nature of our economy in Alberta today, I think we're okay by increasing the enforcement side. Why should someone benefit by putting in no or minimal safety programs while another company just down the street is trying to do the right thing?

MR. MASON: The committees?

MR. DUNFORD: Well, that's all part of the health and safety profile of a particular company: how are they dealing with a joint work site health and safety situation? So we've still left it as a voluntary education-type decision rather than enforcement.

MRS. JABLONSKI: Mr. Minister, on page 51 of the annual report, under the analysis you speak of "a more highly barriered clientele." I'm not entirely sure what that means, but I want to ask a question that I consider very important and very serious. We're starting to understand better a disability known as FAS, fetal alcohol syndrome, and effects. We know that these people, because of this disability, think differently and act differently. I want to know if we recognize this in some of our clients, if we have a program to diagnose whether they have this disability or not, if we have programs to suit their needs, because obviously you can't push them through the regular programs, and if we're planning for this and if there's funding.

MR. DUNFORD: I think it's yes, no, no, and yes, if I've counted correctly. Yes, we're seeing it. No, we don't have special programs yet. This is one of the areas where we as a government are going to have to spend a lot more time and a more co-ordinated approach on it. Yes, we need to recognize that. We need to be working with Health and Wellness, we need to be working with Justice, we need to be working with the aboriginal department, we need to be working with Community Development to have a combined approach to this.

FAS has not reached the level of cross-government initiatives yet, but believe me, there are going to be people sitting in here in upcoming years talking about their FAS, FAE programs. They're going to have to, because this is a huge problem coming at us.

MRS. JABLONSKI: So we are planning for it?

MR. DUNFORD: Well, we're planning for it, but the year we're discussing is a kind of start of the recognition situation, and now we have to move into some action. We've talked too much about this; we need to act.

MRS. JABLONSKI: Thank you. Very good.

THE CHAIRMAN: Okay. In light of the hour, I would like to thank the minister and his staff. It's evident that time was taken to prepare for this meeting this morning, and on behalf of the committee I would express appreciation for your time and your consideration. I would also like to thank the Auditor General, Mr. Valentine, and his staff this morning for their time.

I would like to note that our next meeting is next Wednesday. We will have the Hon. Dr. Lorne Taylor, the Minister of Environment, and his staff before us.

With that, I would like to call for a motion to adjourn, please.

[The committee adjourned at 10 a.m.]