

[Mr. MacDonald in the chair]

THE CHAIR: I would like now to please call this meeting of Public Accounts to order. There has been an agenda circulated to the members. Are there any questions or concerns regarding the agenda?

It has been noted since we had our last meeting that there perhaps needs to be further discussion by the committee at 10 o'clock regarding the Public Accounts conference that's to occur in Newfoundland.

MR. SHARIFF: At 9:55?

THE CHAIR: Yes, at 9:55. Is that agreeable, Mr. Shariff?

MR. SHARIFF: Yes.

THE CHAIR: Okay. Thank you.

This morning we are pleased to have again two ministers. We have the Minister of Seniors, the Hon. Stan Woloshyn, and the Minister of Community Development, the Hon. Gene Zwozdesky.

Before we get started with the formal part of the meeting, could I start as usual with introductions.

[Ms Blakeman, Mr. Cao, Mr. Cenaiko, Mrs. Dacyshyn, Ms DeLong, Mr. Lukaszuk, Mr. MacDonald, and Mr. Shariff introduced themselves]

MS LUDWIG: Cathy Ludwig, from the Auditor General's office.

MR. HUG: Jim Hug, Acting Auditor General.

If I could, Mr. Chairman, I'd like to introduce Mr. Fred Dunn, who, as I'm sure you're all aware, is the new Auditor General effective June 1. He's here today as a member of the public to observe the proceedings of a Public Accounts Committee meeting.

THE CHAIR: On behalf of the committee I wish Mr. Dunn the very best in his term as Auditor General of this province.

MR. SHANDRO: Nick Shandro, with the office of the Auditor General.

MR. BATRA: Rai Batra, Ministry of Community Development and Ministry of Seniors.

MR. BYRNE: Bill Byrne, with Community Development.

MR. ZWOZDESKY: Gene Zwozdesky, Minister of Community Development and MLA for Edmonton-Mill Creek. I'd like to also welcome Mr. Dunn and wish him well.

MR. WOLOSHYN: Stan Woloshyn, Minister of Seniors. Mr. Dunn, my apologies for not knowing that you were the new Auditor General. I thought you were just one of Nick's buddies.

MR. WILSON: Ken Wilson, deputy minister of Seniors and housing.

THE CHAIR: Mr. Zwozdesky, Mr. Woloshyn, are there further members of your staff that you would like to introduce at this time?

MR. ZWOZDESKY: Yes, there are. Perhaps I could just pass to Bill Byrne, my deputy, and Rai Batra to introduce their staff.

MR. BYRNE: We've got with us today two of the assistant deputy ministers for Community Development: Mark Rasmussen, assistant deputy minister of cultural facilities and historical resources, and Hugh Tadman, deputy minister of community and citizenship services.

MR. BATRA: Pam Arnston is our director for financial services. Ian McKinley looks after our financial planning branch. Darlene Andruchuk is our director of financial planning. Judy Barlow is our director of business planning.

THE CHAIR: Thank you.

MR. WILSON: We know that Rai Batra is our SFO for both departments, and these staff work for both departments.

MR. BATRA: I'm sorry; I should have stated that.

MR. WILSON: In addition I have Dave Arsenault here, the executive director of business planning for seniors' housing.

THE CHAIR: Thank you. We have been joined also by Dr. Kevin Taft, from Edmonton-Riverview, and Mr. Gary Masyk, from Edmonton-Norwood.

Now perhaps I'll call on Mr. Gene Zwozdesky to give a brief, concise overview of his department.

MR. ZWOZDESKY: Thank you very much, Mr. Chairman. I'd like to take a few minutes to give a broad overview of Community Development, and shortly thereafter Mr. Woloshyn will provide you with the Seniors portion, which for the period in question was part of Alberta Community Development.

Speaking of that, because of the government reorganization last March some functions and activities of the former Community Development ministry were transferred to the Ministry of Seniors, and since the annual report covered programs that are now the responsibility of Mr. Woloshyn, we will both present perspectives and highlights from Community Development as it existed then, and then we'll entertain questions. Let me say at the outset that for those of you who are preparing questions, it would really be appreciated if you could start by citing the page number and the line number so that we know where to go and where you're going – that would be very helpful – and then proceed with the question.

You've met our individuals here, so I'll proceed straight to my opening comments. To begin with I want to state quite emphatically how very proud I am of the quality of programs and services and activities undertaken by this ministry, how proud we are of them and of the individuals who work with us collaboratively, not only those in this room but throughout the province, to help realize our vision of creating a vibrant province where Albertans experience fair opportunity in the quality of life to which they aspire.

In particular I want to acknowledge some of these individuals and formally thank them for their efforts: my colleague from the constituency of Calgary-Montrose, Hung Pham, who chairs the Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee; thanks also to my colleague from the constituency of Bonnyville-Cold Lake, Denis Ducharme, who chairs the Francophone Secretariat; Mr. Charlach Mackintosh, the chief commissioner of the Alberta Human Rights and Citizenship Commission; Mr. Jock Osler, the former chair of the Alberta Foundation for the Arts, who recently stepped down and was replaced by Dr. Jeff Anderson, from Fort McMurray; Mr. Orest Korbutt, who chairs our Alberta Sport, Recreation, Parks and

Wildlife Foundation; Mr. Brian Calliou, who chairs the Alberta Historical Resources Foundation; Mr. Krishan Joshee, chair of our Wild Rose Foundation; and Mrs. Linda Mackenzie, who chairs the Government House Foundation.

With that brief opener I'm pleased to present for you the 2000-2001 annual report for the Ministry of Community Development. I hope we would all agree that the ministry's success in enhancing the quality of life in Alberta's strong and diverse communities does in fact lie in its focus on productive partnerships, an energetic and growing volunteer base, and supportive community-based organizations that are funded through this ministry's various foundations. A focus on productive partnerships, an energetic and growing volunteer base, and the support that is provided to a wide variety of community-based organizations are what enable this ministry to function and to extend its reach well beyond the resources provided to the ministry itself.

So the annual report before you contains financial statements for the ministry's reporting agencies and for the department as well. References to both are also in the overview section of the annual report, which I'm sure you're familiar with, where you'll find descriptions about the many parts of our ministry, and in the results analysis section, where you'll find highlights for the achievements on a goal-by-goal basis.

To give you a brief overview of some of the ministry's achievements for the period in question, which again is 2000-2001, I'll start with culture and heritage, where we found numerous celebrations particularly surrounding the launch of the Alberta 2005 centennial program in September of 2000, which quite coincidentally I was happy to be at with the hon. Mr. Woloshyn when he first made the announcements. This program, as you will recall, disbursed approximately \$50 million in its first year and devoted the bulk of the funds to community-based, publicly accessible facilities and to the planning for the upgrading of a number of government-owned facilities.

Community Development continued its commitment to assist Albertans' participation in the arts and culture scenarios. The Alberta Foundation for the Arts, for example, introduced a new grant program structure in September 2000 to provide a broader range of arts support in many ways that would help encourage greater community support and increase the stability of arts and culture as we know them in our province. The AFA disbursed approximately \$15.4 million to 419 individual artists and 680 arts groups, schools, and other organizations that were eligible. The foundation also provided about \$5.7 million in funding to 38 applicants through the Alberta film development program. These films, by the way, totaled about \$68.4 million in expenditures, and of that \$68.4 million about \$39 million was spent directly right here in the province, which is quite a testament to its success.

8:41

By March 31, 2001, there were about 264 public libraries connected to the Alberta public library electronic network, or what we call APLEN. This network allows equal access from public and postsecondary libraries to a wealth of information available through the Internet, and it's available for people throughout the province.

The Alberta Sport, Recreation, Parks and Wildlife Foundation provided about \$7.4 million in financial assistance to approximately 100 nonprofit organizations as well as an additional \$664,000 to over 275 local and regional projects in sport, recreation, parks and wildlife through a program called the development initiatives grant program. As you will also recall, Community Development was the ministry that provided support to major sporting events such as the Worlds, that were hosted here in Edmonton, the World

Championships in Athletics just last year.

The Alberta future leaders program, which provides recreational and leadership programs for aboriginal youth at risk, is another program we're very proud of. Over 20,000 young people participated in this program in 2000-2001. I had the great pleasure of visiting some of them, and I can personally attest to the success of this particular program.

Similarly, the International Year of Volunteers, which all of us I'm sure in one way or another participated in, was celebrated with a December 2000 launch, and ministry support for activities was quite evident throughout the province. Volunteer-driven, nonprofit organizations received about \$4.2 million in funding assistance through the quarterly grant program of the Wild Rose Foundation.

Moving to the area of human rights, the ministry released a report called Promoting Equity and Fairness for All Albertans, which identifies needs and issues related to diversity and an action plan for equity. The Alberta Human Rights Commission opened 645 complaint files and resolved or closed 693 files in 2000-2001, so we're on the right side of the equation there. The ministry provided \$1.2 million for educational programs or services supporting equality and organized and participated in diversity conferences and partnerships.

The ministry also played a major supporting role in work leading to the passing of the Holocaust Memorial Day and Genocide Remembrance Act in November 2000. This act provides an opportunity for all Albertans to consider other times and incidents of systematic violence, genocide, persecution, racism, and hatred that call out to us from the past or continue today.

One million Albertans and visitors to the province attended provincially operated historic sites, museums, and interpretive centres in 2000-2001. For your information, the Provincial Museum of Alberta broke all previous attendance records for its award-winning presentation of Anno Domini: Jesus through the Centuries exhibition. I'm very proud that the museum's Rise of the Black Dragon exhibit team received a silver Premier's award of excellence and that the museum's millennium series of exhibitions was selected as one of the top 100 events in North America by the American Bus Association.

The ministry staff played a key role in working toward some progress on the First Nations Sacred Ceremonial Objects Repatriation Act, which was passed in 2000.

The Royal Tyrrell Museum of Palaeontology attracted international renown for several significant discoveries during the year as well as for its preservation efforts. Among its awards were a bronze Premier's award of excellence and a prestigious Rolex award for enterprise, which went to researcher Dr. Elizabeth Nicholls. In addition, the Tyrrell museum entered into several partnership agreements including the opening of the Shell Discovery Centre and the study of ancient remains recovered from the Fort McMurray oil sands.

Before turning the floor over to my colleague Mr. Woloshyn, I want to just briefly touch on the 19 performance measures that are associated with the core businesses of promoting community development, protecting human rights and promoting fairness and access, and preserving, protecting and presenting Alberta's unique natural, cultural, and historical resources. Ministry efforts focused on meeting or exceeding the targets that are associated with the measures related to these core businesses. These efforts were very successful, and targets were either met or exceeded for 13 of the 19 measures.

One measure addressing the impact of support to the arts and cultural industries was partially met. Five other targets were not fully met, and they are as follows. First, the percentage of the

population participating in sport and recreational activities failed to meet its target by 3.9 percent. Secondly, two targets related to library membership and Albertans' use of public libraries were also unmet, probably due to increased use of the Internet. Thirdly, the target associated with Albertans' awareness of the Human Rights and Citizenship Commission was unmet, again perhaps due to limited media coverage of associated issues. Finally, public attendance at the northern and southern Jubilee auditoria failed to meet its target. Why this occurred is really rather unclear, but it may have to do with competing events and even competing venues.

I'm going to pass quickly to the Hon. Stan Woloshyn to address those areas of Community Development back in 2000-2001 for which he is currently responsible as the Minister of Seniors.

MR. WOLOSHYN: Thank you very much, Minister Zwozdesky. I must say that I was very pleased to pass over the remains of the department to such capable hands, and I'm glad you did such a good job in 2000-2001.

As we all know, on March 15 of 2001 the housing and seniors programs were taken off and established as a stand-alone ministry. I think that was a very astute move. I believe that we are the only province in the country that identifies a department directly for seniors and has housing at as high a profile within the government as these two are. I think that was a very astute move on the part of the government, one which I personally support wholeheartedly.

A lot of things have been happening along the way. I'll make my comments relatively brief since we know that the majority of the activities are in Minister Zwozdesky's end of it. In 2000-2001 with respect to seniors there was a governmentwide study on the impact of the aging population, a study called Alberta for All Ages: Directions for the Future. That report was released. It was received very, very well by the stakeholders, and it's one that we rely on to a large degree to look at where we're heading. That report along with the long-term care review and another one initiated what we'd call the government's push to have seniors as one of the four cross-ministry policy priorities for 2001 and 2002, and the work on the seniors' policy initiative began in February of 2001.

The division of Seniors has continued, as was its mandate, to provide support to lower income seniors through a seniors' benefit plan. We were quite successful in increasing the monthly payments to these people by an average 10 percent, which resulted in an increase of some \$13 million to the budget. In addition to that, the special-needs assistance program was also enhanced. As of March of 2001 about 126,000 seniors, or approximately 41 percent, were receiving some level of monthly cash benefit along with a full subsidy for the health care premiums. An additional 55,000 seniors were receiving either full or partial subsidy of their health care premiums, which means that a total of 181,000, or roughly 59 percent, of the seniors in the province were directly impacted by our programs.

The special-needs assistance. I don't need to say too much about that. That I do believe is about the only program of its type in the country. It's a very good program. In the year we're referring to, some 6,700 seniors' households had some degree of support from that particular program.

The other very important aspect of the ministry which cannot be overstated is with respect to the communication. We have the information services to seniors, and some 150,000 calls were responded to in that particular year. We also have across the province a variety of information centres which are through the department, and about 44,000 had direct personal help in other areas in the regional offices. I might point out that the Edmonton office for seniors' services was the recipient of the Premier's award of

excellence for the year 2000.

8:51

As you know, the other major aspect of our programs then was to provide housing programs. Through the programs we support through grants, management bodies, and nonprofit agencies across the province to the tune of some 36,000 subsidized housing units, valued at some 2 billion dollars. As well, an additional 4,000 rent supplement designations are there. The supplements go to the private sector. In this program in 2000-2001 there was an expenditure of some 125 million dollars.

One of the problems that we have is that the spin-off of the great economic growth in the province is seriously impacting the availability and the cost of housing, and this was reflected in our rent supplement programs and others. We had to go for supplementary dollars midway to help out with the rent sup programs in this particular budget year. In addition, we had a review of the program in conjunction with management bodies that are directly involved in order to more effectively respond to the pressures and needs of the people using them.

I might add that we've made some ministerial policy changes which have been quite helpful to them. For example, for the low-income people who have their rent geared to income, the management bodies can no longer ask for monthly reports on income. They have to go by a particular line on the income tax, and that's only done on an annual basis, with the hope that people who are able to increase their income during the year will be able to save enough to be able to move on to a different level of housing that is not involved with us or that, if not, at least they'll have more money to spend on their family. Either way, it's a win for them. I might add that the review works so that if people are concerned that they might have folks that are earning too much living in there, the following year the rent is based on their previous year's income tax also. So I think it's a very good move.

We, as you know, also work with persons with special needs in the ministry, and I personally think it works quite well. As you know, the provincial housing is only one small part of it. I would say that one of the areas that we can be very proud of in that particular year was the province's homeless initiative. Beginning in year 2000-2001, we committed some 3 million dollars a year to the seven major urban centres to assist them in implementing their community plans. That was seed money. Other partners included the federal and municipal governments, nonprofit agencies, and private organizations. In 2000-2001 project planning and funding allocations got under way to increase the availability of emergency shelters and beds and transitional housing in Calgary, Edmonton, Red Deer, Medicine Hat, Lethbridge, Grande Prairie, and Fort McMurray.

I might add that with this initiative our community plans were accepted by the federal government, notably Minister Bradshaw directly through a series of personal meetings that we had, and I would like to say that I do appreciate the fact that the federal government has stepped up in the homeless end and has contributed or committed to date I guess it's close to \$50 million provincially over a three-year period towards the homeless. If you look at places like Calgary and Edmonton, you can see the results of it. The provincial government does not get too directly involved other than facilitating. For example, in Edmonton we rely on the Edmonton housing trust fund to be the people who direct where most of the support should be going. It's not that we're backing out of it. It's a matter that we felt that perhaps the community could do a better job of determining where this support should be going.

Another major initiative in housing has to do with seniors. We're trying to move away from the institutional mentality, if you will, toward more of an aging-in-place concept. We've had what was the beginning of another very successful program. It was SSHIP, or seniors' supportive housing incentive program. In this particular one we had some very good partnerships arise. We had partnerships with the housing authorities, with not-for-profits, with whomever was willing. Again, it was very specifically targeted money. The \$10 million we allocated resulted in some 650 or thereabouts supportive housing units for low- and moderate-income seniors. As a matter of fact, we just opened up another one yesterday, in Wetaskiwin. The results have been quite positive through this program. For example, in the David Thompson area their extended care or nursing home waiting list, whichever you want to call it, decreased last year from some 120 to about 12 or 18. They attribute it, not us, to the provision and the partnering: the provision of supportive housing units and the partnering between the health authority and the lodges. So that one is going on, and I want to see if we'll see some great successes there.

The other aspect which we also have is that we do a lot of work with the management bodies, and we're trying to work it in such a way that we can get more accountability back and get a bigger bang for our buck. That's going very well, and that's all collaborative. We'll be having, as time comes, as a result of what we've started in that particular year and in the next year or two, some hopeful new approaches to supporting the management bodies in their provision of housing for the people of this province.

I'll close by making a comment on the Seniors Advisory Council, and I would say that that council has in the years that I have been with them done an excellent job of providing advice. They've expanded, opened their doors. We've got people in there from other groups – the Alberta Council on Aging also sit on that – so we're getting a pretty good feel through them and other seniors' agencies as to what the needs of the seniors might be. Quite frankly, I'm really looking forward to continuing with the challenge of providing adequate, safe, affordable housing for people in need in this province as well as working on improving the seniors' programs.

On that note, I'll thank my colleague Minister Zwodzesky, and we will field questions at this point.

MR. ZWOZDESKY: Thank you, Mr. Chairman. If we could just remind people to please give the page number and line number. That really helps to speed things along. We'll get in as many questions as we can that way.

THE CHAIR: Certainly. We appreciate your brief overviews of your respective departments.

Ms Blakeman, would you like to start this morning, please.

MS BLAKEMAN: I'd be delighted. Thank you. Welcome to the ministers and to the staff and the fun seekers and sports fans that have joined us this morning to the most exciting committee going. [interjection] Yes, and it's funny because I really believe that.

I'd like to start first with a question around housing, with two references to the Auditor General's report on page 75 for starters. In here we're talking about determining housing needs. In particular it's noted:

After the determination of its housing assistance needs, the Ministry's next step according to its Housing Policy Framework (August 2000), is to develop plans, with input from municipalities, to address the quantified needs.

I'm wondering: what other work was done in this fiscal year? We run up until March of 2001. You have a housing framework from

August of 2000. What's the status of your forecasting of housing assistance? Part of what I'm getting at here – and the minister has described some programs that the ministry supported – is that there seems to be a real reluctance from this government to get involved with other levels of government in providing new housing. There seems to be support for matching programs. [interjection] That's what we're here for is to find out exactly what the ministry did in that year. The minister will have time to respond. He mentioned \$3 million for the homeless, so I'm looking for what happened as a result of this housing policy framework and some discussion of moving the responsibility of housing to the municipalities and, as the minister mentioned, to the nonprofit groups.

9:01

MR. WOLOSHTYN: Well, I'll answer your questions backward. If ever you've made an error in observation, it's when you say that we are reluctant to work with other levels of government. The whole push with what we've done in housing has been to work with other levels of government. As a matter of fact, when we did our rollout for the community development plans, I met personally with the mayors of every city in this province, including Calgary and Edmonton, before we went ahead. The format for that plan was endorsed, accepted, and a lot of the input was from the cities directly. We also met with outfits like the Calgary Homeless Foundation, who are miles ahead of the rest of the province in determining and assessing needs. So those plans that we put forward were a reflection – and this is why I think they're so well accepted and working – of the municipalities.

From there – and I think this is extremely important – we didn't issue a whole pile of news releases. We had instead meetings with Minister Bradshaw, who thankfully still is a federal minister. She agreed with us to have one blueprint for homelessness, which was her part of the portfolio, that would be used by both the federal and provincial governments, so she accepted ours. Not only did she accept ours, but she used a Grande Prairie submission as a format for rural Quebec, used a Calgary submission for a format for urban Canada through her department. If that's not working with the federal government, I don't know what is.

The other part that we agreed on is that we would keep one another informed with respect to what we were doing. It was quite clear the \$3 million annually that we committed to was for seed money, and that \$3 million resulted in a commitment of over \$50 million from the federal government, that has been partially paid but committed to fully. That is probably – probably – the only program you can think of that has been involved with this province and the federal government that is noncontentious, not in the negative news every day, and delivering results. If you read the *Journal* the other day about the Edmonton Housing Trust Fund, the opening of a few of their transitional spaces and homes, and about the reference by some people to a Taj Mahal in Calgary, which was built largely with federal money – so when you say that we're not working with them, you're absolutely wrong, and I would appreciate it if you would get the facts out when you discuss this issue. If you think that we're not doing enough in some areas, fine. I'm open to any kind of constructive criticism, but after we've worked on something for three years and have had a good result, have been very careful so as not to offend the other levels of government so that we deliver what our mandate is – and that is housing to these people – I think that you should have another look at that.

What have we also done? We've gone ahead and we have a 15-year model to estimate the level of need, the first time that's been done across this country anywhere. It's something that we will hopefully be able to look at, that we'll be able to determine the needs

of supportive housing for the next 15 years. We also looked at the services available in the community, and rather than just focusing on spots or beds to see that the support mechanisms are in there – and quite frankly we've worked very heavily with Alberta Health and Wellness. This business of the supportive housing taking off hasn't been the result of one report. It's been the result of people in this department working with Health and Wellness, working with health authorities, working with not-for-profit agencies that deliver housing to low-income seniors, and working with housing foundations that are administering a provincial portfolio on behalf of the province. Those programs are working very well. They're doing what they were intended to do, and that is decreasing the dependence on extended care and putting people into a much better situation than they would have been, say, two or three years ago before some of these initiatives were taken. So that's my answer to that question, Madam Edmonton-Centre.

Thank you very much.

MS BLAKEMAN: You're welcome. I think that if the minister reviews the *Hansard* later, he'll see that the question that I was asking was around working with different levels of government to provide new housing, so he didn't need to get into that kind of high colour.

MR. WOLOSHYN: Well, no. That is exactly the question I answered. We're working with the different levels of government on providing new housing.

I did leave out one thing, and this is anticipating. It hasn't to do with 2000 or 2001. We hopefully – hopefully – will be soon signing the agreement for the affordable housing framework with the federal government, and you may ask: why hasn't it been signed yet? We have to still extricate ourselves from 17 other agreements that are choking this province, where we can't administer housing properly. It's not a blaming of anybody. It's something which grew over the years, and when we finish this new program – because they deliver their portion of the funds, so we can't have it all our way – hopefully we will have enough of an arrangement between the federal government and ourselves so we can be applying made-in-Alberta programs to made-in-Alberta problems to end up getting the biggest bang for our bucks.

I just resent any kind of reference that we don't work with the other levels of government because we spend so much time doing it. Canmore: go there. We delivered land to them so they could end up addressing their own social housing. The Auditor General probably picked that up in the books. We did a transfer. Fort McMurray: we transferred as a part of our contribution some land to them which resulted in the creation of 120 social housing units that'll be opening in June with an additional 60 this September, for 180 units. If that's not working with municipalities, hon. member, what is?

MS BLAKEMAN: I can see that the minister is very sensitive to this.

MR. WOLOSHYN: You bet I am.

MS BLAKEMAN: My supplemental question, which I have not had an opportunity to ask.

THE CHAIR: I'm sorry, Ms Blakeman. We're going to have to be more careful in the future. There is a long list here of people questioning.

MS BLAKEMAN: I'm entitled to a supplemental question.

THE CHAIR: And that was it.

MS BLAKEMAN: No, it wasn't. I didn't even get the words out of my mouth before the minister started to speak. I'd like my supplemental, please.

THE CHAIR: You will have another opportunity to direct questions to the minister. There are many people on the list, and perhaps the chair has been negligent in his duties. I would remind all members of the committee and particularly the ministers that answers could be, please, concise and short. Okay?

MS BLAKEMAN: I appreciate that, but I'd still like my supplemental.

THE CHAIR: You have another opportunity, Ms Blakeman, to ask a question, and, Minister, if you want to pursue this, you certainly can but in respect to other members of the committee. Thank you.
Mr. Shariff.

MR. SHARIFF: Thank you, Mr. Chairman, and thank you, both ministers, for the opening remarks. My questions today are directed to the Minister of Community Development, and I'm going to be making reference to two reports: the Auditor General's report, page 74, and the ministry's annual report, page 51. The Auditor General has made some very strong remarks on page 74 stating that "the Ministry's consolidated financial statements are incomplete." He goes on further to say that he believes "providing complete and accurate information about the Ministry's operations is critical to its accountability to the Legislative Assembly and to the public." I go to page 51 of your annual report, and I look at the 2000-2001 centennial legacies program, which disbursed some \$50 million to "numerous community-based projects and a few government-owned facilities throughout the province." My question is: could you throw some light on what this program accomplished in 2000-2001 with \$50 million being disbursed?

MR. ZWOZDESKY: You're talking about the centennial program on page 51 and what did it accomplish?

MR. SHARIFF: Right.

9:11

MR. ZWOZDESKY: Quite a lot. Actually, there were a number of centennial grants that were rolled out. In fact, those projects were announced through a news release that was issued on September 29, and it would show that something in the order of 17 facilities in 13 communities received funding through this program. I should perhaps also explain that there are four component parts to the centennial program, which isn't always, you know, immediately clear. Certainly from my experience over the last year and from the calls and letters we received, Mr. Chairman, I think it might be beneficial for purposes of *Hansard* to just set this record a bit straight.

First of all, the centennial initiative has, as we all know, the centennial legacies grant program, which is community-based capital grants. Secondly, we have provincial legacy capital grants, which are capital development projects at government-owned and government-operated facilities. Thirdly, we have the provincial legacy partnership projects. These are typically noncapital projects that could be undertaken, by the way, in partnership with communities. Finally, we have the celebrations portion, which is commemorative activities that will be commencing closer to 2005.

In a nutshell, I think a total of 22 projects received funding through the announcement of that project, and those were spread throughout the province: museums, swimming pools, community centres, government-owned facilities such as Provincial Archives, some of our museums, interpretative centres, and so on. So I guess the short answer is that that \$50 million to \$60 million, whatever the final number was, was distributed to maximum benefit across the province, and quite a lot got accomplished.

MR. SHARIFF: My supplementary is also to the same minister. I appreciate the projects that have been supported. My concerns stem from the previous budget and particularly to ensure that the \$50 million that were expended in 2000-2001 will continue to be spent in a responsible manner in future years as we lead to the centennial. In particular, if those achievements and accomplishments could be reported in a format that would be part of your report so we would understand which projects were supported on an annualized basis, it would be much appreciated.

MR. ZWOZDESKY: Okay. A good point. If memory serves, I think you would find those explanations on the web site. Are they still there? [interjection] Yeah, they're still there.

I don't know how the Auditor General records or reports those items, but the fact is that we could make available to you at virtually any time, all hon. members, which projects received what amount of funding through the \$50 million or so that was appropriated in the year in question, 2000-2001.

I could also perhaps preface those remarks, Mr. Chairman, by saying that there are pretty strict criteria that are in place for our centennial programs with respect to level of community need, level of community support, level of support from other levels of government, from other corporate, perhaps, participants and partners. Having said that, I'm of course disappointed, as everyone is, that the tragic events of September 11 led to the deferral of phase 2, which we were only weeks away from announcing in September of 2001. So it will be some time before we're able to report on the next phase, because, as we all know, that phase is still in deferral. We're talking about the grants that would have been announced pursuant to the March 1, 2001, deadline.

THE CHAIR: Thank you.
Dr. Taft.

DR. TAFT: Thanks, Mr. Chairman. I'm going to start with the kind of question that I often start with, and it goes off the previous one, having to do with the Auditor General's comments on page 74 of his report, the adverse audit opinion because of various related agencies whose activities weren't incorporated into the financial statements of the department, so this will go to Mr. Zwozdesky, I believe. This is a common comment from the Auditor General. You're not alone in being marked with this. The Department of Health and Wellness, the Department of Learning, and probably some others are in the same boat.

My question is to both the Auditor General's staff and to the minister. As I now have watched a number of other departments come through here, it seems to me that this problem may be solvable for some entities such as school boards, which I think get almost all their funding from the province, or the regional health authorities, which get almost all their funding from the province. But in this case my impression is that we're talking about organizations that get money not from the province. They may be using provincial assets, but their revenues come from the public. So I'm wondering if we are ever likely to see a solution to this difference of opinion. Can

the Auditor General imagine a situation where they would be satisfied with the department's reporting? Did you follow me there?

MR. HUG: No.

DR. TAFT: No?

MR. HUG: Perhaps I could just clarify that. The standard that we follow in terms of trying to determine whether or not an organization should be consolidated or not does not deal with how the money is raised that an organization raises. If I could just read the section that guides us from the handbook of the Public Sector Accounting Standards Board:

The government reporting entity should comprise the organizations that are accountable for the administration of their financial affairs and resources either to a minister of the government or directly to the legislature . . . and are owned or controlled by the government.

So the key issues are accountability and control, and when we look at the organizations that we've identified here, is there accountability? Well, in our minds, yes. I mean, they're administering a program on behalf of the province, so obviously there's an accountability relationship there for the administration of that program.

Is there control? We've identified a number of situations here that we believe would suggest that control does exist. For example, we indicate that budgets are approved by the minister, that their operations are governed by provincial regulations. Also, under the Housing Act the minister has the authority to direct the operations of the management bodies, and appoint their boards. So given the guidance that is set out in the standards that we must adhere to, we believe these organizations should be included in the reporting entity.

MR. SHANDRO: I just want to make a comment as well. What I see is that all the money comes from the public, and in this particular case the ministry does set the level of assistance on rents and that sort of thing, the amount of assistance that's required. So I'm just supporting Jim. The argument here is that it's hard to make a judgment that where the money comes from determines how you report the thing when in fact you control where the money comes from.

MR. ZWOZDESKY: Just in two sentences, if I could augment from our side so to speak, the ministry has had a different opinion obviously, and that is that the types of organizations we're talking about here are in fact independent from government. They are their own not-for-profit societies, and we respect that independence, that arm's-lengthness, if you will. However, through contract, for example, with the friends of SAJA or NAJA, the southern and northern Jubilee auditoriums, we ask them through contract to collect revenues at the front-of-house operations and also to retain the surpluses and to pay the expenses, by the way, related to facility redevelopment. So we have a contractual arrangement with them, and as such they remain separate entities. I think you'd find the same in the seniors' area.

9:21

DR. TAFT: All right. I have some smidgin of hope that this issue might be resolved in the long run for regional health authorities and maybe school boards. Should I have any hope that it'll be resolved with this department?

MR. ZWOZDESKY: Well, we haven't heard from Minister Woloshyn.

DR. TAFT: I'm thinking particularly of the friends-of-organizations.

MR. ZWOZDESKY: I don't know. You know, I asked the same question. In preparing for this, I took a look at this. You never like to be at odds with the Auditor General obviously, but in a case such as this, where we have for all intents and purposes a private, not-for-profit association, who in my view are doing a very good job, with whom we meet and get information from regularly, who co-operate and have done a tremendous job in the redevelopment of those two facilities and who will be doing more – I know the hon. Member for Edmonton-Centre asked some questions in this year's estimates in that regard, and there will be some answers flowing out. I think it's a system that works very well, but I wouldn't mind if Rai Batra, our assistant deputy minister, commented. If you can, in three sentences or less, Rai, just to round this out.

MR. WOLOSHYN: Don't limit him.

MR. ZWOZDESKY: I'm watching the time, and I heeded the chairman's remarks earlier about the number of questions ready.

MR. BATRA: Dr. Taft, it's not this ministry. In general the government differs with the Auditor General at this stage, but we have been working very closely with the Auditor General, and we're moving toward the CICA standards. This government in my view is one of the first provinces that is moving toward adopting CICA standards in terms of the public sector. There has been a difference of opinion. Our legal opinion from civil law states that those are not public funds, in the case of auditoriums particularly. That comes from civil law. Generally, inasmuch as the legislation may provide, the minister can direct, but the minister on a day-to-day basis is never involved with those things.

My hope is that at some stage the government as a whole will move toward consolidation. We are in line with the government policy at this stage, and I think the Auditor General qualifies his qualification by stating that the ministry is following government-wide policy.

THE CHAIR: Thank you.

DR. TAFT: That's okay. We'll go over this issue again.

THE CHAIR: Ms DeLong, followed by Ms Blakeman.

MS DeLONG: I'm referring to the annual report for Community Development, pages 27 and 28. Given the achievements in the 2000-2001 measures for the Alberta film development program reported on those pages, why are the targets so low?

MR. ZWOZDESKY: Pages 27 and 28?

MS DeLONG: Yes.

MR. ZWOZDESKY: Is that the opportunities for film? Is that the one?

MS DeLONG: Yes.

MR. ZWOZDESKY: Well, for the year in question – this would be the second year of the program. I think the sort of governmentwide, consistently applied type of measurement would be to rely on the first year of the program as being your benchmark. So given that the Alberta film development program really only started in '99-2000

and that we're now looking at the second year of the program in this meeting this morning, I don't think there was any other sort of tracking available to go on.

For the 1999-2000 annual report results, which would have been compiled based on information available from the industry, my notes show that 1,156 film production employment opportunities were offered to Alberta's actors, musicians, designers, writers, producers, et cetera, that 19 films were made in the province, and that about \$19 million in film production expenditures by Alberta-owned and operated production companies occurred.

When you look at setting your business plan, because of the timing and the printing deadlines of our estimates and so on, you have to put something in. So you go with the best information available, and that in this case was based on the one-year track record that we had. The results under the program actually reported almost double the amount projected, which is good, because if you're going to miss the target, we miss it sort of in favour of good news.

I'll just conclude, Mr. Chairman, by saying that a total of 2,583 film production employment opportunities were offered for the year that we're discussing this morning. That is very good news. The final thing is that when the three-year program concluded, which was just a couple of months ago, as you may know, it was one of the first things that I undertook to do, to see it extended. So we're expecting even better results or at least maintaining a par. I hope that answers your question.

MS DeLONG: So the targets have been increased for other years?

MR. ZWOZDESKY: Yes. Absolutely.

MS DeLONG: Okay. Thank you.

THE CHAIR: Ms Blakeman, followed by Mr. Cenaiko.

MS BLAKEMAN: Thanks. I'm directing your attention to the top of page 18 of the Community Development annual report, in which it's talking about co-ordinating the "provincial assistance to the 2001 World Championships in Athletics" that were held in Edmonton the summer of 2001. This question is directed to Minister Zwozdesky mostly. I note that the department covers assistance to sports and amateur sports, volunteerism, and arts and culture. I know that when the federal government put money into the 2001 games, they had a contract with expected outcomes. In particular, there was to be a \$5 million legacy project that came out of the \$40 million total from the feds. They also specifically tagged a certain amount of money that was to go to the arts, professional arts and amateur arts. That was very clearly to be used to pay artists to perform or to provide services. In this fiscal year there was \$10 million out of a total of \$40 million from the department. I'm wondering if there was an overall contract with expected outcomes that the government expected to see as a result of how the money was spent or to see as an outcome in the same way that the federal government did, and if so, what was the contract detailing?

MR. ZWOZDESKY: I don't recall, hon. member, if there was a contract per se, but there certainly would have been some understandings in that regard. I don't know. Mr. Woloshyn may know a little bit more about that specifically than I have at my fingertips. Do you want to comment on this?

MR. WOLOSHYN: Yes, I'd be glad to. I guess I was the minister in the middle with respect to this program. When the games were

landed by going off to Greece or wherever it was, the commitment was made to I guess basically the city through the games association that the provincial government would put up \$40 million. The understanding was that, yes, there's an accountability back, but there weren't strings attached to it, where dollars from here or from there or from elsewhere would go. That money was to be spent on the games. There was a schedule of advances, and this particular one was the last or second last one. So the accountability was there. The restrictions on where it was going weren't.

I might add that in this particular instance the games people would not have been able to function had it not been for the front-ending of the provincial moneys simply because the federal moneys were tied up until the very last second. So in answer to your question there were expectations, as you outlined, in terms of the games having some cultural component and whatnot. It was not tied to the dollars.

MR. ZWOZDESKY: Mr. Chairman, I don't know if we can get a brief augmentation to this issue from our assistant deputy minister, if you'd like, now or even after the meeting. Whatever you wish, Mr. Chair, I'm at your whim. We've got about half an hour left.

MS BLAKEMAN: Not if I lose my supplementary question.

THE CHAIR: You will not lose your supplementary question.

Briefly, please, and you could provide perhaps a written response to the clerk if you'd like.

MR. TADMAN: Mr. Chair and Ms Blakeman, certainly we can provide a more complete written response. However, both ministers are quite correct. In the first instance, the province did in fact write the original contract to provide the seed money. However, once all of the parties were involved – that includes our federal partners, the city of Edmonton, and ourselves – we entered into a tripartite agreement that was signed by all parties, which delineated all of the specific outcomes, all of the expectations, the arts payments for the performances that you will recall down in the river valley, all of those sorts of things. We can certainly provide a copy of that contractual arrangement and the reporting from the 2001. I might also point out that all three partners – the federal government, ourselves, and the municipal government – were full members of the operating committee and attended to all of the senior decision-making responsibilities, and there was a complete reporting provided.

9:31

MR. ZWOZDESKY: Thank you.

Is there a supplemental?

MS BLAKEMAN: Yes. I was trying to dig out whether there was a commitment or a specific number, as the federal government had done. Had the provincial government done that toward the arts component? I know that at the time there was concern generated from the community that the province did not tag specific money to the arts. The only ones that did were the feds, and therefore that ended up being the only amount of money that did exist to support the arts component. Given that this is a department that covers both of those, presumably without bias – and it doesn't usually – that's what I was trying to get to the bottom of.

MR. ZWOZDESKY: I'll be happy to look a little further into that, because I went to the cultural component, as you know, and I'm sure you did as well. Of the economic impact that we experienced, Mr. Chairman, of over \$180 million, \$160 million was affected here, and

that did affect the arts in a very large way. Does anybody have a specific answer to where Ms Blakeman's question is going on this? Rai, do you? If you have it now, offer it, and if not, we'll provide it in writing later.

MR. BATRA: We can provide a written answer, but in general you are correct. We did not have a specific provision for the arts sector itself, but hindsight is pretty good. The feds came in at least six months after us, so they had looked at our original agreement, and they put that component in. But to the best of my knowledge – it's almost a four-year-old contract – there was no specific provision but an expenditure in the arts component itself.

MS BLAKEMAN: Good. Thank you.

THE CHAIR: If you could provide a written answer through the clerk, we would be very grateful.

MR. BATRA: Yes.

THE CHAIR: Mr. Cenaiko, followed by Dr. Taft.

MR. CENAIKO: Thank you, Mr. Chairman. My question is to hon. Minister Woloshyn. On page 136 of the annual report the Alberta seniors' benefit program was underexpended by 2 percent, or almost 3 and a half million dollars. Can you tell me what the reasons for this variance were?

MR. WOLOSHYN: Well, first of all, one good reason was that we were able to enhance the program significantly that particular year and basically overestimated what our needs would be. Secondly, we altered the program to some degree. For example, we cover appliances, and we found upon reviewing it – and that program is in a constant review, I might add – that some places were asking for seven appliances every time, and I won't get into specifics. They don't all crash at the same time, so we then said: okay; it's a one a year kind of thing, unless you have an emergency. That cut back a lot of shall we say extra spending. The other one which I think was very appropriate was trying to gear special needs – and again it's a separate assessment. You have to be on the seniors' benefit to apply, and then we go through to in fact see what your cash flow is to some degree. We implemented a different structure for people living on Indian reserves because they don't pay rent and whatnot. So their portion, what we would say they could spend on it, that dropped down the number there. So it was roughly those three things: overestimating, and tightening up the program to in fact ensure that it continued to target what were really one-term emergent needs.

MR. CENAIKO: Thank you. My second question, Mr. Chairman, is just basically for definition purposes. To Minister Zwozdesky. On page 174, the Alberta Foundation for the Arts statement of operations, the public access program: now, I've looked through this, and I can't seem to find the true or the real meaning behind what in fact that does provide. The public access program, \$10 million.

MR. ZWOZDESKY: I'm assuming that that is one of the grant programs there. I don't have the definitions of those programs just in front of me, hon. member, but perhaps I'll get one of the officials with me here who might have – do you have it?

MR. TADMAN: Mr. Chairman, the public access program is not in true fact a new program. In the past year the Alberta Foundation for

the Arts has taken the opportunity to review the categorization of some of the arts funding. In this particular case they have moved from a specific discipline in terms of funding to a thematic type of funding. In other words, we were previously funding, for instance, the Citadel Theatre under performing arts, the Calgary Philharmonic under performing arts. We were treating festivals separately. By rearranging the type of categorization, we have actually put together live performances, if you will. So now under the public access funding category all of the live performances, including all of the major arts productions in Calgary and Edmonton along with all of the major festivals, are now bundled together. There hasn't been any effective change in the funding levels to any of these programs, but what it does allow us to do is to track more effectively our statistics with respect to live performances. Our more recent statistics would indicate that there have been 12 million paid visits to live performances in Alberta in the past fiscal year. So it was just a restructuring of a couple of programs under a thematic approach, sir.

THE CHAIR: Thank you.
Dr. Taft.

DR. TAFT: Thank you, Mr. Chairman. My questions are I think to Mr. Zwozdesky primarily. The extensive network of museums and cultural facilities operated by the province or closely connected associations are a source of pride. They're important from all kinds of aspects. My first question has to do with the physical maintenance of these facilities and the concern coming from other aspects of government operations sometimes that there's an infrastructure deficit building. Is that an issue, is that a concern, and is it something the Auditor General ever looks at here? How are your physical plants holding up?

MR. ZWOZDESKY: They need help. I would say that this too is a question I've asked because I'm concerned about the state of our facilities, as I am this year for example with the state of our provincial parks and campgrounds, which is not part of this discussion and we won't go there. But when we talk about our historic sites and our museums and the interpretive centres that we have, these have proven to be a very significant educational draw for our schools, as you probably well know, and a very significant tourism draw. It's a little bit like the old adage that you either change the oil in your car frequently or you wind up buying a new car. We're trying to keep the oil changed and clean, and in furtherance of that analogy we could use some additional moneys, I'll be frank, to help bolster that image. But I would say too that we're very fortunate in this province to have some tremendous partnerships such as, for example, you will see soon in the case of the Royal Tyrrell Museum of Palaeontology. We've attracted a major corporate sponsor there, who is working with us and will be opening a new educational wing out there. It's part of maintenance, but it's also part of expansion.

So the short answer is that, yes, it is a concern, and it's something that, had it not been for the September 11 thing, we would have been able to address last year. We're trying to address it again this year, and as soon as the economic picture brightens, I think you'll see some changes in that respect.

MR. HUG: In terms of our office the short answer is that, no, it's not an area that we've looked at.

DR. TAFT: Okay. Then on page 126 of the annual report of the department, note 5 addresses collections at the various museums. I'm thinking that the first note is the PMA, the provincial museum

collection of approximately 10 million objects. That's clearly a large and important collection, and as an asset of this province – so it should be of interest to the Auditor General – it's important that that collection be properly stored. I'm sure only a tiny portion of it is ever exhibited at any given time. Is this enormous collection, this asset of the people of Alberta, being adequately protected through proper storage?

9:41

MR. ZWOZDESKY: Well, certainly the asset is being protected as best as dollars available allow, but I think that all members here know that a large number of these assets are housed at the Provincial Museum and that we have outgrown that space. We did do a little bit of shopping around, if you will, for ideas on how to possibly relocate, and that was viewed as one of the centennial programs last year. I guess the good news is that it was deferred, the thinking on building a new provincial museum that would not only allow us to better care for some of the artifacts there but also to attract larger exhibitions in and so on. The good news is that the project hasn't been forgotten about or wiped off the map. It's been deferred.

Having said that, the issue of curating and storage is something that will improve a little bit, given the imminent move of the Provincial Archives out of the current PMA to a location on the southeast corner. Mr. Chairman, if you don't mind, I wouldn't mind just having the deputy comment on this very briefly, because he has a very deep passion for it and a lot of knowledge about it as well.

THE CHAIR: Certainly.

MR. BYRNE: Thank you, Minister Zwozdesky. Yes, obviously this is an area that we look at a great deal. I think what I would like to just add at this point now that I think is very germane to this is that, as you can appreciate, with the size of these collections, their complexity, and their distribution – you've pointed out the PMA – the reality is that of course we have similar collections in a variety of institutions around the province. One of the biggest problems in the past has been simply getting a handle on exactly where this stuff is and what the condition of it is.

I'm pleased to say that just recently we have in fact, after almost a year-long examination and call for proposals and whatnot, purchased a collections management system, which we think is state of the art, for managing these kinds of collections so that for the first time, as we get the data up and running, we'll have a very good handle on not only where exactly everything is but what the condition is and what are the specific requirements of each of the pieces. This will go a tremendous ways to improving our control of the asset and I think will then allow the minister to address on a case-by-case basis those instances of greatest need in the future that we'll be able to pinpoint and to address.

THE CHAIR: Thank you.

Mr. Cao, followed by Ms Blakeman.

MR. CAO: Thank you, Mr. Chair. Thank you to the two ministers. First of all, I'd like to commend the two ministries for helping a lot of senior citizens in my riding and also volunteer groups and arts groups in my area.

My question is regarding something financial on the annual report that you have. On page 89 is the consolidated statement of operations. I draw your attention to the middle of the page there where there are two changed numbers. One is the expense, in the expenses portion of it, promoting community development and supporting special purpose housing needs. In fact, the third one is

preserving, protecting and presenting Alberta's unique cultural and natural history. I see there's a jump there between budget and actuals. In fact, to me, I feel positive, but I just wanted an explanation about those.

MR. ZWOZDESKY: Okay. I'll comment, Mr. Chairman, on the promoting community development difference. I assume you're talking about the budget of \$80.9 million versus the actual of \$99.2 million?

MR. CAO: Yes.

MR. ZWOZDESKY: I believe that for the second question, which has to do with housing, you probably want it to go to Mr. Woloshyn.

Mr. Chairman, I'll comment on the promoting community development, the difference between the projected or budget and the actual amount, which is approximately \$18.2 million. There's about \$17.9 million of this increase, hon. member, that is a portion of the supplementary estimate that was used for centennial legacy projects related to arts and sports. There's approximately \$831,000 that was reallocated from other department programs for library system establishment grants. Approximately \$775,000 is a supplementary estimate to make a noncash disposal of land and provide for the building at Elk Point to the Northern Lights regional library system. That was for its headquarters, by the way. About \$628,000 was reallocated from other department programs within Community Development to address spending pressures such as the replacement of IT equipment to conform to the new Windows 2000 environment. Some of it was used in fact for mattresses for athletes at the Alberta Games and also to establish the Grant MacEwan literary awards.

There are also a couple of decreases in there so that we don't get confused with the math. For example, \$1.5 million is a net decrease mainly due to concerns raised by the office of the Auditor General. The ASRPW Foundation had put the donation fund on hold pending a review by the Canada Customs and Revenue Agency. Donations were not accepted during that period of time. Similarly, there was a \$340,000 net decrease in the Alberta Foundation for the Arts as a result of the timing of payments for the film development program.

So when you do all the math, you'll come out with a difference of \$18.2 million.

MR. WOLOSHYN: I'll be very brief. There are about four things that contributed to that. I indicated earlier that we had transferred land in Canmore and Wood Buffalo. That is shown for budgeting purposes as an expense, would show as an increase from there because that's the way it is booked. We also had the new program, the homelessness initiative, the \$3 million. That was also on that particular line item. As I indicated, rents were going up, so the increase in rent supplements would have shown up there also. Then, as you know, the other part is that we had increasing utility costs, which resulted in having to put more money back. That all is a part of that. I don't have the exact numbers in front of me, but that's a global picture of what created that rise.

MR. CAO: Thank you. My supplemental question. Just go to the same report, the annual report of the department, page 258. It's regarding the capital assets in the seniors' housing. My question is both to the minister and to the Auditor General's side of it. When I look at the assets, the total there, it looks like \$1.255 billion. I can see that's a big public asset. For any assets we'd probably like to see what the performance of that asset is or any kind of indication of how we use it in terms of the financial return. Maybe this is a public asset, so the utilization of it is for the quality of life of Albertans.

Do you have a comment on that?

9:57

MR. WOLOSHYN: Well, that's a good question. I could take a long time to answer it. How you would track back a return on investment would be very difficult other than – these assets started to accumulate back in 1970-71, if you will, and they were directed to all sorts of things, from the special purpose housing to social housing to seniors' housing. I think that if you could measure the return on them, it would be something called remarkable, because what it has done is it has given thousands of Albertans the ability to live with a decent roof over their head at an affordable level. Without going into it in detail, line by line, if you'll accept that as a global answer.

With respect to where the Auditor goes, I don't really care where he goes, because if you look through some of the things that have happened since '92-93, there was a major diversification of properties out of our portfolio. They went to management bodies. They went to municipalities. We have, as I indicated earlier, 17 agreements with CMHC that we're bound by, which tags us in a lot of cases to not be able to move this stuff around. If we ever get ourselves extricated from these agreements or end up with one global agreement, you will see some more moving around, because there is a requirement to reprofile housing. With investments that we have at the moment that are inappropriately used, shall we say, we want to be able to take that asset through the management bodies and reprofile it into a higher need. So that's a good question, and it's a difficult answer.

Our return on a dollar, I don't know. My problem is this – and I don't care if the Auditor General agrees or not. If we would have done this right in the first place, there wouldn't be any liabilities, mortgages against these facilities. They would have then been done by management bodies, and the income from them would have been put back into a social housing scheme, if you will, and it would have been self-sustaining by now. That is the direction we're trying to move to gradually, but because of a lot of other things – at the end of the day I want see the province involved. Yes, we must be involved, but I want to see mortgage-free properties so that the incomes and that can be directed where they belong, as opposed to going back to pay an investment that's 20 or 30 years old.

MR. HUG: I certainly wouldn't disagree with the minister.

MR. WOLOSHYN: Whew. The first one. You're going to be real good here.

MR. HUG: The financial statements don't disclose what you're asking for right now. I mean, essentially what the financial statements show is that there's an asset and then there's amortization and there is consumption of that asset through use. What actually is generated by that asset, the revenue and the rate of return to the province – that information isn't available per the financial statements.

MR. WOLOSHYN: Don't ask us for it, because we don't have enough staff to calculate it.

THE CHAIR: Thank you.
Ms Blakeman.

MS BLAKEMAN: Thanks. I have two questions, so I may end up just getting them on the record here. For the first one I'll reference page 62 of the Community Development annual report, and in it is

being discussed client demand at the Provincial Archives. There's been a change in the way the performance measurement is being done. It used to measure all demand, all requests for information, and it was changed. "In order to improve the assessment of the Provincial Archives of Alberta in reaching its goals, this measure was revised in 2000-2001 to include only external client [requests]." So it stopped measuring internal staff requests and requests from other government departments, and I'm wondering why the decision was made to do that. It struck me that you were still able to tell the difference before whether it was an external request or an internal one, but totally you had an idea of how much demand was on the system. Now you're only looking at external requests for it. I'm wondering why the change.

MR. ZWOZDESKY: It's a good question. Mr. Chairman, let me just say that methodologies and processes with regard to tracking and performance measure setting and target establishing and so on are a bit of an evolving entity. We do a lot of work researching and benchmarking, so they will change from time to time. It's been my experience reading the reports over the years that that goes on. I don't know if it's frequently or not, but I wonder, Mark, if you wanted to comment. Mark is the ADM.

THE CHAIR: Mr. Zwozdesky, in light of the hour if we could please have a written response through the clerk to Ms Blakeman, I think that would be appropriate.

MR. ZWOZDESKY: I was just going to ask if there was a one-sentence answer or not. Is there?

MR. RASMUSSEN: The answer is that we didn't do that internally. Rather, that was made at the suggestion, I believe, of our statistical advisors in working with the Auditor General's office. So we were trying to deal with their requests.

MR. ZWOZDESKY: But we can flush it out in a written response.

THE CHAIR: Okay. That would be appreciated.
Ms Blakeman.

MS BLAKEMAN: Thank you. The supplemental is coming off of page 25, in which there's a discussion of the performance measurement on funding to the arts and cultural groups. I always found this one strange, but the measurement of support for arts and culture by the government was a measurement of how much outside sources, private entities, were donating to arts and culture. In fact, there have been a number of changes measuring success of the government's support of arts and culture even in the short time I've been scrutinizing this, which is six years. I know performance measurements change. They should because in a lot of cases we don't have them right yet, and they're not giving us useful management information, but we seem to be particularly struggling around this one. I'm wondering, I guess, now if I could get some written discussion of that.

MR. ZWOZDESKY: Mr. Chairman, I'll just in one sentence answer it. This is something that I highlighted in my opening comments, and I will happily follow up. When I talked about one of our performance measures being partially met in my opening comments, if you'll review *Hansard*, there were two performance measures there that speak to this issue, and I'll be happy to provide an elaborated written answer.

MS BLAKEMAN: Good.

THE CHAIR: Okay. Thank you very much.

Again on behalf of the committee I would like to thank Mr. Woloshyn and Mr. Zwozdesky and their staff and the Auditor General's staff for attending our meeting this morning.

Mr. Woloshyn?

MR. WOLOSHYN: Yes. I would like to also express my appreciation to yourself as chair, to the committee for your questions, to the Auditor General's staff – Nick, listen; I'm appreciating your presence here – and also very, very much to Dave Arsenault from the Seniors department and to Rai Batra's staff, who've had the task of being the CFO for two ministries. I think that if you see the work that they've done in preparing us for this, they've done just an excellent job, and I would like to say thank you very much, because the result is that you people get the answers to your questions.

MR. ZWOZDESKY: I just want to echo that too, Mr. Chairman. We've had tremendous co-operation from the staff, and since the ministry has been split into two now, we too have inherited, you know, provincial parks and PDD and so on. These staff members do go the extra yard to help provide these answers, and I know that they will, as they undertake to provide the written ones, go that extra mile as well, and thank you for a very good job chairing.

THE CHAIR: Thank you.

There's one more item on the agenda.

MR. SHARIFF: It's too late now. It's 10 o'clock.

THE CHAIR: Yes. Thank you.

Can I have a motion to adjourn then? [interjection]

[The committee adjourned at 10 a.m.]

