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The 27th Legislature
Fifth Session

Standing Committee
on
Public Accounts

Seniors

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Standing Committee on Public Accounts

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Carol Ann Kushlyk	Senior Financial Officer and Assistant Deputy Minister, Strategic Services
Chi Loo	Assistant Deputy Minister, Seniors Services
Jim Menzies	Acting Executive Director, Persons with Developmental Disabilities Program

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8:30 a.m. Wednesday, March 14, 2012

[Mr. MacDonald in the chair]

The Chair: Good morning, everyone. I would now like to please call this Standing Committee on Public Accounts to order.

Please note that the meeting is recorded by *Hansard*, and the audio is streamed live on the Internet.

My name is Hugh MacDonald from Edmonton-Gold Bar. We will start with Mr. Fawcett here, and we will quickly go around the table and introduce ourselves, please.

Mr. Fawcett: Kyle Fawcett, Calgary-North Hill.

Dr. Massolin: Good morning. Philip Massolin, committee research co-ordinator, Legislative Assembly Office.

Mr. Elniski: Doug Elniski, MLA, Edmonton-Calder.

Mr. Kang: Darshan Kang, MLA, Calgary-McCall. Good morning, everyone.

Mr. Chase: Harry Chase, Calgary-Varsity. Mr. Chair, I have seven questions at least, and hopefully I'll have an opportunity to read the remainder into the *Hansard* record for answering.

Mr. Loo: Chi Loo, assistant deputy minister for the seniors services division.

Ms Kushlyk: Carol Ann Kushlyk, assistant deputy minister for Seniors.

Mr. Bhatia: Robert Bhatia, deputy minister, Seniors.

Ms Doyle: Brenda Doyle, ADM for community support, Seniors.

Mr. Beesley: Dale Beesley, executive director, AISH.

Mr. Menzies: Jim Menzies, acting executive director for the PDD program.

Mr. Ryan: Good morning. Ed Ryan, Assistant Auditor General.

Mr. Saher: Merwan Saher, Auditor General.

Ms Calahasen: Pearl Calahasen, Lesser Slave Lake.

Mrs. Forsyth: Hi. I'm Heather Forsyth, Calgary-Fish Creek.

Ms Bianchi: Giovana Bianchi, committee clerk, Legislative Assembly Office.

The Chair: Thank you.

May I have approval of the agenda that was circulated? Moved by Pearl Calahasen that the agenda for the March 14, 2012, meeting be approved as distributed. All in favour? Thank you.

Item 3, approval of the minutes that were circulated from the March 7, 2012, Standing Committee on Public Accounts. Moved by Mr. Elniski that the minutes of the March 7, 2012, Standing Committee on Public Accounts be approved as distributed. All in favour? None opposed. Thank you very much.

This, of course, comes to our meeting this morning with the officials from Alberta Seniors. We are dealing with the annual report of Alberta Seniors and Community Supports 2010-11; reports of the Auditor General from April and November of 2011 and, I suppose, the one that came out the other day; and the annual report of the government of Alberta 2010-11, and this includes the

consolidated financial statements and the Measuring Up progress report.

I would like to formally thank the LAO research staff for their briefing materials this morning. Thank you very much.

I would now invite the deputy minister to make a brief opening statement on behalf of the Department of Seniors. Thank you, sir, for your time this morning.

Mr. Bhatia: Thank you. I'm pleased to be here this morning on behalf of the Hon. George VanderBurg, Minister of Seniors, to discuss the ministry's 2010-11 annual report. The ministry's 2010-11 actual spending was approximately \$2.05 billion, an increase of 5.4 per cent from 2009-10. This provided support to about 147,000 low-income seniors through the Alberta seniors' benefits program, to 9,300 adults through the persons with developmental disabilities program, to approximately 43,000 adult Albertans through the assured income for the severely handicapped, or AISH, program. Approximately 79,000 Albertans benefited through the Alberta aids to daily living program.

Our programs and services reflect the government's commitment to vulnerable Albertans by assisting those who are most in need. We continue to address the changing needs of an aging population. As income is one of the major determinants of health and well-being, the ministry's income support programs have a significant impact on the quality of life of Alberta seniors. During the 2010-11 fiscal year benefit levels were increased for low-income seniors in long-term care and designated supportive living facilities to offset increases in long-term care accommodation fees.

Seniors benefited from improved access and information about seniors' programs with the July 2010 launch of the online benefit estimator. This tool assists seniors in determining eligibility for all seniors' financial assistance programs administered through the ministry.

In November 2010 the aging population policy framework was released. The framework will help guide our government to address the future needs of an aging population and improve coordination between governments and stakeholders that serve and support seniors.

During the same November we also released a new elder abuse prevention strategy which outlines some of the actions that governments and communities can take to help prevent and reduce elder abuse and to improve supports for seniors affected by abuse.

To address the changing accommodation needs of seniors, over \$89 million was allocated for investment through the affordable supportive living initiative to help create over 900 new affordable supportive living and long-term care spaces.

The ministry also worked to strengthen support to Albertans with disabilities. Funding for the AISH program was increased to address caseload growth and costs for the health benefits provided.

Six priority actions were developed to help the persons with developmental disabilities program to be more responsive to individual needs and focus on helping adult Albertans with developmental disabilities to be included in their communities and live as independently as possible. The priority actions are: implement an eligibility regulation, define mission and core businesses, develop a common assessment process to determine individual support needs and related funding, increase flexibility for families to manage supports, improve support for people with complex needs, and increase the effectiveness and efficiency of the program.

The priority actions will improve clarity about the PDD program's mandate, increase consistency in program delivery, and

increase its effectiveness and efficiency so that the program is more sustainable over the long term. The priority actions will promote positive outcomes for individuals, help ensure the program's long-term sustainability, and make the program more responsive to individuals, including those with complex support needs.

Work also continued on Alberta Supports, and a contact centre started operation in June 2010. By calling the Alberta Supports contact centre, seniors and vulnerable Albertans can find out more information about the programs and services that are available in their community. The web portal and contact centre provide one-stop access to information for seniors and vulnerable Albertans on 34 social-based assistance programs and more than 120 services. The Alberta Supports contact centre responded to more than 90,000 calls from June 2010 to the end of the fiscal year in March 2011.

The ministry is committed to addressing the safety and security of vulnerable adults, and new legislation strengthened that commitment. The internationally acknowledged Adult Guardianship and Trusteeship Act creates options for people who need help making decisions and provides adults who are no longer able to make all of their own decisions with safeguards to protect them.

The Supportive Living Accommodation Licensing Act and regulations were proclaimed on April 1, 2010. Twenty-three education and information sessions were held to inform residents, agencies, and operators about the legislation, providing a safe and comfortable environment for residents.

The Protection for Persons in Care Act was proclaimed on July 1, 2010. This legislation improves protection for adults who receive care or support services from publicly funded service providers. Service providers covered under this legislation include nursing homes, hospitals, group homes, seniors' lodges, shelters, and other supportive living settings. In the act, care or support services means any service that relates to a client's health or physical or psychological well-being. The new act also applies to mental health facilities designated under the Mental Health Act. Additional service providers are specified in the regulations. The act sets out clear responsibilities for service providers to prevent, report, and address abuse.

8:40

Looking now at the financials for 2010-11, the ministry's actual spending, as I said, was just over \$2 billion, with more than \$420 million for seniors' services and supports. This includes income supplements through the Alberta seniors' benefit program as well as supports through the seniors' dental and optical programs, special-needs assistance for seniors, and school property tax assistance for senior homeowners.

About \$1.5 billion was provided in supports for Albertans with disabilities, primarily through the assured income for the severely handicapped and persons with developmental disabilities programs. Through AISH specifically \$757.6 million was provided in income supports and health-related supports. Over \$590 million was provided to the PDD program to enable PDD community boards to provide supports to Albertans with developmental disabilities. About \$118 million was provided to the aids to daily living program to assist Albertans with a long-term disability or chronic or terminal illness to obtain basic medical supplies and equipment to help maintain their independence in their homes and communities. This also included \$1.9 million for the residential access modification program to provide grants to recipients to modify their homes.

Turning to the Auditor General's reports for 2011, the April 2011 report followed up on the effectiveness of the seniors' lodge

program as well as the monitoring and evaluation of service providers for the persons with developmental disabilities program. My ministry has worked towards addressing the Auditor General's recommendations.

In May 2011 consultation sessions were held with key stakeholders to identify the major issues related to the lodge program. Department staff are working on initiatives to address the issues that were raised. We appreciate that the role of lodges has evolved over time in response to the changing needs of their residents. To recognize rising costs, increased assistance was provided under the lodge assistance program and one-time funding for lodge maintenance and safety projects was provided.

The ministry has also worked to address the concerns raised about the PDD program. For instance, the PDD community boards have implemented many improvements in contract monitoring and are continuing to enhance the contracting process.

We have also moved forward with common criteria and approaches for monitoring the financial reporting and the financial health of service providers. We have developed a common-risk reporting approach with semi-annual reports to the ministry together with a new contract policy, template, and contracting processes, including tools that help the boards monitor services and invoice activity on a monthly basis.

Mr. Chairman, that concludes my remarks for today. I would just like to thank all of our staff for their hard work throughout 2010-11 and since.

Now we'd be pleased to answer your questions.

The Chair: Thank you very much.

Mr. Saher, does the office of the Auditor General have anything to add at this time?

Mr. Saher: Yes, please, Mr. Chairman, some brief comments. My comments relate to the April and November 2011 reports. I refer the committee to page 33 of the November report, which has the results of our follow-up audit of seniors' care in long-term care facilities. We found that the Department of Seniors' monitoring program is working well to ensure that long-term care facilities comply with accommodation standards. No new recommendations were made to the ministry in either the April or November reports.

However, on page 162 of the November report committee members will see two outstanding recommendations from 2005. The deputy minister has just talked about these recommendations. The recommendations relate to the effectiveness of the seniors' lodge program and to determining the future needs of the seniors' lodge program.

Also, as the deputy minister has just indicated, the PDD boards are now ready for us to do a follow-up audit on their contract monitoring and evaluation.

For the year ended March 31, 2011, we issued unqualified audit reports on the financial statements of the ministry and the Department of Seniors and the six persons with developmental disabilities community boards.

Thank you.

The Chair: Thank you.

We'll now proceed with questions. Mr. Chase, please, followed by Mr. Elniski.

Mr. Chase: Thank you. The Alberta government expects boards and not-for-profit organizations to expend no more than 5 per cent in administration. However, the PDD board spent 24 per cent of its budget on administration in the 2010-2011 year and will spend a similar amount, close to \$200 million, according to the 2012-2013 budget projections. Meanwhile front-line caregivers,

especially those further down the contracted line, experience large turnovers due to low wages and morale, which greatly interrupts the consistency and quality of care for developmentally delayed individuals. How can your ministry justify spending a quarter of your budget on administration at the expense of front-line service provision?

Mr. Bhatia: Mr. Chairman, I may ask Brenda Lee Doyle or Jim Menzies to supplement, but a few comments. First of all, when we talk about administration within the persons with developmental disabilities program, it is a very broad definition of administration. What is included would be, for example, supervision of the staff that are actually providing the services to clients of the program. For example, within a service provider that is contracted by the PDD program, the front-line worker would obviously be accounted for in the delivery costs, but the supervisor, who's monitoring several front-line workers and is actively involved in the supervision of care, would be counted as part of administration.

It is a very broad definition. It is a program that requires a fair bit of management and oversight at the field level, and that's a big component of those administration costs. So I would say that the administration costs are not at the expense of front-line delivery but, rather, are an important part of the safe delivery of the program.

In terms of the wage levels for service provider staff, as you would be aware, subsequent to the fiscal year that we're talking about here, the government has taken several steps to provide additional funds for front-line workers, including one-time bonuses during 2011-12 and an ongoing commitment contained in Budget 2012.

Mr. Chase: Thank you. The Premier promised that all AISH recipients would receive a \$400-a-month increase, but apparently that is not the case for institutionalized individuals. Given that neither the Seniors minister nor the Premier will commit to not removing the cap on long-term care fees, why aren't AISH individuals in long-term care protected from fee increases by the additional \$400 a month? Why the two-tier approach to AISH benefits?

Mr. Bhatia: To some extent that question goes to looking forward. I can comment that the purpose of modified AISH, as it's called, is to ensure that an AISH recipient who needs to be in a facility like a long-term care centre or designated assisted living, for example, is able to afford the fee and, on top of the fee, has a reasonable amount of additional income available for other things. So for those recipients it's \$315 of additional income beyond the fee. When the fee is increased, we increase the support to ensure that the AISH recipient is able to afford the increased fee. We did not and have not increased the amount of additional money that the AISH recipient has left in their pocket after the fee.

8:50

The Chair: Thank you.

Mr. Elniski, please, followed by Mrs. Forsyth.

Mr. Elniski: Thank you, Mr. Chairman. Good morning, Robert, Carol Ann, Brenda, Chi, everybody. Before we get into this, I would just like to go on record as thanking you, Robert, and your department staff for what has been in my constituency, I believe, just a stellar level of service. You've made a number of projects happen for me that have done nothing but benefit my constituents.

I'd like to talk for a brief moment, though, about the lodge assistance program from two fronts. The first front, of course, has

to do with the one-time maintenance funding that you provided last year. I believe it was \$300 a door. What were the criteria specifically with respect to the use of that money by the foundation? Did you have follow-up in that, or were they on their own?

Mr. Bhatia: I might have to ask for some assistance with the specifics of that.

Carol Ann, can you comment on the criteria?

Ms Kushlyk: The special grant that goes to LAP at the end of the year is to be used for operator expenses that have increased over the years, just to help them with, you know, safety issues or any security issues that they may have or just some small repairs they want to do. It's to help with operator expenses throughout the year.

Mr. Elniski: Okay. Good. Thank you very much.

Just a follow-up question to that with respect to the original DPW lodges, the old U-shaped lodges, many of which are now in over their 50th year, a lot of them having been constructed in the early 1960s. Have all of those facilities been renovated to current standards or demolished and replaced, or do we still operate some of those?

Mr. Bhatia: I'll comment in general terms, and Carol Ann may wish to supplement. There is more work to be done on lodges, and we're on an ongoing basis looking for ways to fund further renovations. Some have been funded through the affordable supportive living initiative, and there will need to be further funding over time to renovate more lodges. Many have been done very successfully – I've seen them myself – but it would not be right to say that all had been fully renovated to what would be built today.

Mr. Elniski: Okay. Thank you.

Thank you, Mr. Chairman.

The Chair: Mrs. Forsyth, please, followed by Mr. Rodney.

Mrs. Forsyth: Thanks. Thanks for coming before us. My questions are pretty simple. I'd like to know how many long-term care beds you had in 2010-2011, assisted living beds in 2010-2011, lodge beds in 2010-2011, and how many home-care hours you provided in 2010-2011.

Mr. Bhatia: With respect to home-care hours home care is delivered by the Ministry of Health and Wellness, so that's a better question for them.

With respect to the number of units that information was provided at Committee of Supply, and there was a little bit of confusion around the numbers because during the year we switched to a different way of measuring the number of units in the system. The number of units in the past was measured based on capacity, on how many beds were there. More recently we've moved to measure the number of people actually in the beds on a particular day. There can be a difference, a not insignificant difference, for a whole variety of reasons.

We measure it typically at the end of December. The numbers of total supportive living on a capacity basis were 29,000 at December 31, 2010, and 14,800 long-term care beds. Based on occupancy there were 25,903 supportive living beds at December 31, 2011, and 14,092 long-term care beds. But I would again emphasize that the numbers are not quite comparable because one measures capacity and one measures occupancy.

I would also add that in general, as the members would be aware, the province continues to add supportive living beds via the affordable supportive living initiative and otherwise.

With respect to long-term care in general, while there is a small number of beds that are closed in older facilities, there are beds added in new facilities, including some funded by the affordable supportive living initiative.

Mrs. Forsyth: I think that that's where the confusion lies. We've now received five different numbers in regard to long-term care beds and assisted living beds versus lodge beds. There's no question that there's a bottleneck in the system, with seniors occupying beds in the hospital. If you and I were to go for a walk across this province and we wanted to know how many long-term care beds and assisted living beds we physically have, whether we're basing it on occupancy or not, what would those numbers be?

Mr. Bhatia: Mr. Chairman, I've given those numbers. I don't have any other numbers to give.

Mrs. Forsyth: So if I can, deputy, what you just finished saying is that there are 14,800. How many lodge beds? I didn't get the lodge beds.

Mr. Bhatia: The lodge beds at December 2010 were 9,500, again, based on the capacity measure.

The Chair: Thank you.

Mr. Rodney, please, followed by Mr. Kang.

Mr. Rodney: Thank you, Mr. Chair. Folks, my reference is page 72 in the ministry annual report. It shows that for the year ended March 31, 2011, the department spent \$734 million for community support programs and strategic planning. Of course, I know the mandate of the committee is not to decide if that's the right amount or the right policy or anything; we're here to examine the numbers from last year only. When you look at the \$734 million and compare that to the year before, it's actually \$47 million more. Now, I think that in anyone's estimation that's a fair chunk of change. Perhaps there's a good reason for this. I'm just wondering what you can detail in terms of an answer for why the increase was that substantial and, perhaps, some of the return on investment that Albertans got for that.

Mr. Bhatia: Mr. Chairman, of that increase \$5 million was for financial assistance to the PDD community boards, so for the ongoing operation of the PDD program; \$3 million was for the one-time maintenance grants for lodges, that we talked about a few minutes ago. The bulk of the increase, \$39 million, was additional funding for the affordable supportive living initiative, providing capital grants to support the development of additional supportive living facilities in the province.

Mr. Rodney: Thank you very much.

Page 84, then, just a dozen pages past that, shows the department spent approximately \$110 million more in grants in 2010-11 compared to 2009-2010. I guess I'd be interested in knowing some more detail in terms of where these additional grants were expended. Whatever details you could give on that would be appreciated.

Mr. Bhatia: Mr. Chairman, one can see from the annual report that a very significant portion of the ministry's and the department's budget is in the form of grants. Making up that \$110 million increase in grants, first of all, is the \$39 million additional

affordable supportive living initiative grants. So that's in that number as well. Then one other big piece was almost \$41 million in additional AISH payments. Those are classified as grants for the purposes of the accounting. So the \$41 million was for caseload increases in AISH. Then \$8 million in, again, grants to individuals under the aids to daily living program, again for caseload and some cost increases in benefits; \$11.4 million was grants to individuals under the Alberta seniors' benefit program; 3 and a half million dollars for the seniors' dental program; and the other two smaller items, that I mentioned a few minutes ago, the \$5 million for the PDD boards and \$3 million for the lodge maintenance grants.

9:00

Mr. Rodney: Thanks. I really appreciate that detail. It's good to know the difference.

The Chair: Mr. Kang, please, followed by Ms Calahasen.

Mr. Kang: Thank you, Mr. Chair. My questions are on the PDD specialized community supports. According to the ministry's 2010-11 annual report amounts needed for specialized community supports under the province's persons with developmental disabilities program were grossly underestimated. The Calgary region community board, for example, spent way more, about 41 per cent, I believe, than was originally allocated. That's on page 98, sir. Question number one. Introduction of the supports intensity scale was meant to measure more accurately the levels of support PDD clients need. Why, then, were these increased amounts not anticipated?

Mr. Bhatia: The specialized community supports is actually a fairly small item in the total PDD spending, but the Calgary region did spend more in that area. The reason was that they made a specific grant to the Calgary Homeless Foundation in order to provide ongoing accommodation for highly complex PDD clients. That was the reason for the increase. As I said, the percentage overage in Calgary may have been fairly significant. I didn't actually calculate it. In dollar terms it was about \$1.8 million, and that was due to this one-time grant to the Calgary Homeless Foundation.

Mr. Kang: That was just a one-time grant to the Calgary Homeless Foundation. Were there any other applications for specialized community supports that were submitted in 2010-11 and under what circumstances? Can you explain the circumstances? How many applications were submitted, then?

Mr. Bhatia: I'll ask Brenda Lee or Jim Menzies to comment on that. That wouldn't be large in the overall budget terms if there were.

Ms Doyle: Yeah. Specialized services are a very small portion of the budget, therefore, either specialty services such as psychological or behavioural supports. Also, it is used for a situation such as in the northeast where there are transportation issues. This one in Calgary was related to housing for individuals with complex needs.

The Chair: Thank you.

Ms Calahasen, please, followed by Mr. Chase.

Ms Calahasen: Thank you very much. First of all, thank you, Alberta Seniors, for taking care of the most vulnerable. I really appreciate that, especially in my constituency. I like what you have done in terms of, I guess, when you look at the core programs. I really like the fact that AISH, PDD, Alberta Seniors,

aids to daily living seem to come one, two, three, four because I think it identifies the needs in most places. I know my constituency certainly exemplifies that.

The other part that I thought was really interesting is the stream: the home to the supportive to the facility living. On page 162 there are some recommendations from the Auditor General's report. One of the recommendations there talks about "implementing a method to evaluate service provider performance." That must mean at every level of any living: lodge or supportive living or whatever.

On page 36, again from the Auditor General's report, under Department of Seniors and Community Supports: implemented, it talks about "inspects each facility annually for compliance." It also talks about if a complaint or an incident occurs that the staff try to resolve that. My question has to do with: in the last year can you tell me how many complaints were made on any facility that had anything to do with seniors? That's my first question.

Mr. Bhatia: It may take a moment just to find the specifics to that, or if we can't, we'll provide it as follow-up. As the question indicates and as I mentioned briefly in my opening comments, the implementation in the Supportive Living Accommodation Licensing Act has provided a very strong framework for identifying and addressing any concerns with the standards in facilities.

In addition, through the Protection for Persons in Care Act we have the ability to respond to specific complaints about abuse in facilities. Under protection for persons in care there were 363 reports of abuse, of which 356 were fully dealt with and seven remained open. Of those, 225, or 63 per cent, occurred in health care settings. So 168 of those 225 were in long-term care, 52 of the 225 were in acute-care hospitals, and then there were a handful of others in facilities like the AADAC facilities. Of the total, 109 were in persons with developmental disabilities settings, 17 out of the 356 were in lodges, and four were in homeless shelters.

The Chair: Is that 356 in 2010-11?

Mr. Bhatia: That's 2010-11.

Ms Calahasen: When I look at page 36 of the Auditor General's report, continuing on that, it says that all the stuff was "followed up to ensure compliance." What happens to those that were not compliant in 2010-2011?

Mr. Bhatia: There is a process of routine inspections at all of the licensed supportive living facilities. If there is noncompliance, then there is follow-up by our staff to ensure that the facility comes into compliance.

I'll ask Carol Ann just to comment a little more on the specifics of that follow-up.

Ms Kushlyk: Seniors has a monitoring and compliance program, and it is on the public website. We inspect all of our facilities and group homes every year. Every one of them do get reviewed, and any noncompliance is written up immediately. They have 30 days to comply. We work with the operator and provide education and information sessions in order that they can come into compliance, but if there is any risk at all to any of our clients, we make sure immediately that something is done.

Ms Calahasen: Thank you.

The Chair: Thank you.

Mr. Chase, please, followed by Mr. Groeneveld.

Mr. Chase: Thank you. 2010-11 saw significant decreases in the amounts several PDD community boards spent on grants. The amount the Edmonton region community board thus spent, for example, fell by no less than 84 per cent, and that's contained on page 152 of the annual report. Please explain such a dramatic decrease in spending.

Mr. Bhatia: Sorry. I just want to make sure I'm looking at the right thing. Can you just repeat the reference?

Mr. Chase: Yes. Page 152 of the annual report, dealing with a decrease in expenditure of grants by a total of 84 per cent for the Edmonton region community board. They underspent by 84 per cent, or their expenditures dropped by 84 per cent, a significant drop in their grants expenditures.

9:10

Mr. Bhatia: Brenda Lee, are you able to answer that now, or do we need to follow up?

Ms Doyle: I think we'll have to get back to you on that one.

Mr. Chase: Thank you. Through the committee clerk, of course. Could you please explain what falls under the heading Grants?

Mr. Bhatia: In general?

Mr. Chase: If you would, please.

Mr. Bhatia: As I mentioned a few minutes ago, most of our program activity actually does constitute a grant, especially when you look at the department financial statements. Grants to individuals would be the AISH program, the seniors' benefit programs, the seniors' dental, aids to daily living, and because there's a transfer of money directly to an individual, that is considered a grant and classified as such.

Then in the department financial statements the money provided from the department to the PDD regions is considered a grant. However, when you look at the ministry financial statements, that take into account the spending activity by the PDD regions, much of that spending is for wages or supplies and services, contracts with the service providers. So that is not considered a grant when it's the monies spent by the PDD region. It's a bit confusing, but at the department level most of our activity is actually grant payments.

Mr. Chase: Could you substitute the word "subsidy" for grant and come up with a reasonable understanding?

Mr. Bhatia: A subsidy to me is where there is a specific activity and someone provides financial support to that activity, and that's really not the nature of our programs. I mean, take for example the Alberta seniors' benefit. It is purely an income supplement to seniors, and seniors can use that money in whatever way they need.

Mr. Chase: Thank you.

The Chair: Mr. Groeneveld, please, followed by Ms Forsyth.

Mr. Groeneveld: Thank you, Chair. Like my colleague Mr. Elniski and the other colleagues here I'd like to thank you people for what you've done, particularly in my constituency, where in 2010 we managed to have a fire in one of our facilities down there. I congratulate you. I know there are other ministries involved in tearing the wing down and starting over and getting it

up and running so quickly. We truly do have a beautiful facility in that wing right now.

I'm going to ask my questions, Mr. Chair, about the aging policy framework, and if you look around the room, I should be the guy talking about the aging populations.

Some Hon. Members: Agreed.

Mr. Groeneveld: Thank you.

My question is out of the annual report on the aging population policy framework on page 21. The strategy mentions that the aging population policy framework was released on November 8, 2010. Can you explain how the framework guided the development of the programs and services for Alberta Seniors at that time?

Mr. Bhatia: As I mentioned in my opening, the framework was released in November 2010 and is intended to provide, hopefully, long-lasting guidance not only to government but also to other stakeholders about the overall direction of policy with respect to an aging population. We have taken some specific measures under the aegis of the framework and consistent with the framework since then. For example, soon after the framework was released, the government released a document entitled Addressing Elder Abuse in Alberta: A Strategy for Collective Action. That strategy sets out how the government will work with other partners in the community to help prevent incidents of elder abuse and how to respond effectively when those incidents occur.

A few months later, in April of 2011, in the area of financial security and income the government released a paper entitled Engaging the Mature Worker: An Action Plan for Alberta. That action plan aims to make it easier for mature workers to continue their participation in the workforce and enable them to continue contributing their skills and experience and thereby earn income.

We're also developing an electronic and print resource designed to encourage and assist Albertans to adequately consider a variety of financial and nonfinancial considerations relating to retirement and older age. We hope to have that available this calendar year.

As the members would be aware, the minister has introduced legislation to establish a property tax deferral program, which will permit senior homeowners to defer all or part of their property tax bill on an annual basis if they so desire. This program is consistent with the principles and policy directions in the aging population policy framework as it will allow seniors to leverage their own resources to meet their specific needs and to help them to age in place.

Mr. Groeneveld: Thank you. Certainly it's well needed.

Turning over the page, then, to page 22, my supplemental question would be under strategy 1.2, the ministry supported and contributed to the crossministry efforts to develop a financial literacy strategy for Albertans. Can you provide details of this strategy, and maybe more importantly how it has benefited Albertans, especially seniors?

Mr. Bhatia: We are still working on that and doing research on Albertans' financial literacy and the effects that financial capability might have on their preparation for retirement. The development of the actual strategy has been delayed somewhat because this is an area where we need to work very closely with the federal government, and there has been some delay in that work at the federal level and in the joint work with them.

We are pursuing options to raise awareness and to encourage and assist Albertans of all ages to think about adequately planning for both the financial and the nonfinancial aspects of retirement and old

age. This will include development of some web-based information resources to promote effective planning and preparation.

Mr. Groeneveld: Good. Thank you.

The Chair: Mrs. Forsyth, please, followed by Mr. Elniski.

Mrs. Forsyth: Thank you. I'd like to ask the department in regard to the commissioned review of the PDD programs to identify efficiencies and savings in program administration so that it can be redirected to the front line, how much in efficiencies or savings did you find so that it could go to the front-line workers?

Mr. Bhatia: I'll ask Brenda Lee Doyle or Jim Menzies to comment on any specific numbers that we can provide at this point.

There is very significant effort under way in PDD to improve both effectiveness and efficiency. The work under the six priorities that were identified by the previous minister a couple of years ago now and that I mentioned in my opening has been complemented by the work following on from the review that the member has indicated.

9:20

The work is ongoing with the regions right now toward, for example, ensuring that our processes within PDD are consistent across the regions so that, essentially, a client entering the PDD system in one part of the province would go through the same kinds of processes as in another. That will also lead to efficiency because there will be much greater ability to share resources across the regions.

We're also doing things like: we've consolidated the websites and so on across the regions. We are looking at having a common type of organizational structure across the regions as well.

The savings from those, either in dollar terms or in improved effectiveness, will come, you know, over the next few years. Some of those changes have been implemented already. They will largely be implemented over the next year.

In terms of any specific changes in administrative expenses during '10-11, those would really predate the effectiveness of the review. The savings from the review are to come in future years.

Mrs. Forsyth: So you don't know what the cost savings are right now?

Mr. Bhatia: Not at this point.

Mrs. Forsyth: Okay.

I'd like to go back to the question regarding complaints in regard to lodges. You mentioned that you'd received 356 complaints. I wonder if you could provide the committee with a breakdown on what those complaints were, without getting into any personal detail, obviously, where they came from, and how those complaints were made. Did they come from a family member? Did they come from a resident? Did they come a staff member? I don't need those now. I would just like you to provide that breakdown and send it through to the committee chair if you can, please.

Mr. Bhatia: Yeah. That would be our preference. We don't have all of those details with us.

The Chair: If you could send those quite quickly for obvious reasons, while this session is still proceeding, we would appreciate that.

Mr. Bhatia: We will provide them as quickly as we possibly can.

The Chair: Thank you.

Mr. Elniski, please, followed by Mr. Kang.

Mr. Elniski: Thank you very much, Mr. Chair. Yet again, I'd like to go back and talk a little bit about some of your facility things, but first I'd like to make an additional editorial comment. It pleases me that nowhere in your documentation do I hear you refer to the word "beds" when actually what you are talking about are the people who occupy them. Far too often I find that in our own lexicon we use the word "bed" when, in fact, we often interpret that as being storage or something. I find it quite offensive sometimes because the entire industry and the entire business is really, frankly, about people; it's not about the storage places we seem to slide them into. So thank you very much for doing that.

The second question I have has to do with the licensing criteria. About 155 of your facilities were redefined as supportive living and needed to be inspected last year. Did you get them all done? I know I had three facilities in my constituency that were inspected and passed. I'd just like to know where you're at on that, Robert.

Mr. Bhatia: I'll ask Carol Ann to comment more specifically, but in general the inspections are carried out annually. I know we would have inspected the very vast majority of them. I don't know if we have a number to confirm exactly how many we did.

Ms Kushlyk: We did over 700 – I'm not too sure of the number – units that we did look at from the affordable supportive living area, and we also looked at all 174 long-term care.

Mr. Elniski: Oh, wonderful. Good. Thank you.

Just as a quick follow-up question with regard to the incident reporting for critical incidents. Once an incident report is received, does your ministry have a process in place with respect to investigation and management of those particular incident reports, or do you just receive them as information?

Ms Kushlyk: We receive them in a number of ways, but we do have a complaint line that we have set up, and then everything comes through the complaint line.

Mr. Elniski: I appreciate that, Carol. I'm actually thinking about what happens after you get the complaint. Do you have a process that you use for investigation?

Ms Kushlyk: Yes. We have an investigation process.

Mr. Elniski: Okay. Wonderful. Thank you very much.

The Chair: Mr. Kang, please, followed by Ms Calahasen.

Mr. Kang: Thank you, Mr. Chair. My questions are about AISH. According to line item 3.2.1 on page 88 of the ministry's 2010-11 annual report the ministry received a total of \$26 million in supplementary funding for financial assistance and health-related assistance under the assured income for the severely handicapped program. I see here that about \$3.9 million was unexpended. So why did \$3.9 million allocated to financial assistance under AISH go unexpended?

Mr. Bhatia: New people come onto AISH throughout the year. Typically AISH has grown in caseload by around 4 per cent, 4.5 per cent. When we set the budget at the beginning of the year, or if we see a more rapid increase in caseload than was at first anticipated, we will ask for a supplementary estimate to ensure that we have the funds to cover the cost of anybody who becomes

eligible for AISH during the year. It's impossible to get it exactly right. What happened in '10-11 is that we thought the caseload was going to grow a little more rapidly than it actually did in the end, so there was some money that just wasn't needed for caseloads. That's the reason.

Mr. Kang: Do you have some reasons to speculate that the caseload will go up?

Another question is: why, despite the \$21 million in supplementary funding for it, was health-related assistance under AISH overexpended by \$765,000?

Mr. Bhatia: I'll ask Dale Beesley to comment on that.

Mr. Beesley: The health-related assistance was up a bit more due to some of the changes in the Alberta pharmaceutical strategy; in particular, some of the costs around dental services were higher than anticipated for the health-related services.

Mr. Kang: My other question was: why did you ask for more money here? Were there any reasons for that?

Mr. Bhatia: Again, Dale can answer a little more, perhaps. We know that there are new people applying for AISH all the time. We know that we have applications in process where people are compiling all of their medical information and so on. New applicants can come at any time to start the process. Based on experience and based on some actual models that we have, we project how many people will come onto AISH. So it's based on experience; it's based on things that we can try to take into account. But at the end of the day there may be more or less than we would project actually coming on stream.

Dale, would you like to supplement?

Mr. Beesley: Sure. What I can add is that we have an average net of about 200 people a month come on AISH, but that doesn't mean that it's just 200. We could have 300 come on and a hundred come off as people turn 65, pass away, or leave the program for whatever reason. So we track it monthly. We track it very closely, but it's very difficult to project, as Robert mentioned, at what point someone is at in their review of eligibility. Specifically for medical, it's really hard to predict. The only time we can really start to predict it is when there's a financial benefit increase. But all things being equal, we track it as much as we can and report to the Legislature every quarter, to the Treasury Board, where we're at with our caseload.

9:30

The Chair: Thank you.

Ms Calahasen, please, followed by Mr. Chase.

Ms Calahasen: Thank you very much, Mr. Chair. On page 87 of the annual report if you go down to 2.2.1, Alberta seniors benefit, there is an unexpended amount of \$6,877,000. Could you tell me why that would be unexpended when we've got so many seniors in need? As well, what impact has that underexpenditure created for seniors generally?

Mr. Bhatia: The seniors benefit program, of course, is made available to all seniors who qualify for the program based on their income. The surplus money in the program was not because we held money back or anything like that. When you take the people eligible for the benefit program itself along with the people who also receive supplementary benefits in order to enable them to live in long-term care or supportive living, the total requirement for all those people who are eligible was less than what we expected.

Ms Calahasen: Okay. To continue, Mr. Chair, in 2.2.6 you also have an unexpended amount of \$109,000 in the seniors optical assistance program. Can you tell me how many seniors were denied to save this amount?

Mr. Bhatia: Nobody would have been denied the benefit in order to save. It's a question again of how many people are eligible for the program and how many actually applied for the optical benefits.

I'll ask Chi to supplement if there is anything else going on with that.

Mr. Loo: No. If the individuals are eligible, they would not be denied on that basis. Again, they fluctuate; seniors' vision may change more frequently or less frequently. So that's standard. We project what we may need, and the actual comes in a little bit lower at times.

Ms Calahasen: Basically, this unexpended amount means that there are no seniors that have been denied these kinds of things. It's not to be able to save those dollars.

Mr. Loo: No. The surplus did not come from denying the individuals. No.

Ms Calahasen: Thank you.

The Chair: Thank you.

Mr. Chase, please, followed by Mr. Rodney.

Mr. Chase: Thank you. At 9:33, question 3 of 7, ASLI grants. According to the consolidated statement of operations, which appears on page 48 of the ministry's 2010-11 annual report, the actual amount spent in 2011 on affordable supportive living initiative grants was \$89.2 million, 44 per cent more than had been estimated. My first question: why was funding for ASLI grants so seriously underestimated in 2011?

Mr. Bhatia: Mr. Chairman, we answered a couple of other questions about programs where the eligibility is set, for example the seniors benefit program, and then we provide those benefits, whatever happens to cost. The affordable supportive living initiative is quite different in that these are the capital grants provided to support the development of affordable supportive living, so it could be designated assisted living, for example.

For several years the government made a commitment of \$50 million a year to that program, but in '10-11 during the year the government decided to provide additional support to fund more supportive living units. So the government just made a discretionary decision to increase the amount available for the program, and therefore we were able to make more grants for supportive living units.

Mr. Chase: Thank you. You may have to get back to the clerk with this information: what proportion of the \$89.2 million spent on ASLI grants in 2011 went to private-sector as opposed to not-for-profit organizations?

Mr. Bhatia: I'm not sure if we have that specific number with us. If we don't, we'll get it to you. As indicated in the question, the grants are available, potentially, to for-profit operators or to not-for-profit operators. We look at the quality of the project and the proposal, not the form of organization applying.

Carol Ann, do you want to just comment on the numbers?

Ms Kushlyk: Yes. Approximately 65 per cent goes to nonprofit, and private is 35 per cent.

Mr. Chase: Thank you.

The Chair: Thank you very much.

Mr. Rodney, please, followed by Mrs. Forsyth.

Mr. Rodney: Thank you very much. I'm glad we're able to fit in a few more questions here before the time is up.

My second pair of questions start with page 48 of the ministry's annual report. Of course, we've had a number of questions about AISH. A lot of folks don't realize that this is perhaps the best program of its kind in the country, and we're very fortunate to have it. I appreciate that there were changes last year and more to come, but we can only talk about last year's numbers. I want to note that on page 48 it shows that the actual expenditure was increased by \$41 million from the previous year, but that was \$24 million over budget. I'm guessing that there's a good reason for this, but I wonder if you could explain it to us?

Mr. Bhatia: Thank you. Mr. Chairman, the general answer is kind of what I've alluded to before, that the caseload was growing and, in fact, growing more rapidly during the year than we had originally anticipated. In fact, the caseload grew by some 2,344 clients during 2010-11. We had budgeted it to grow at about 4 per cent, and in the end the actual caseload growth was 5.9 per cent. Each percentage increase in caseload cost the program about \$7 million in annual expenditures. So that was the reason for the overexpenditure relative to the original budget. Of course, we did get the supplementary estimate to cover.

The other factor was health benefits such as prescription drugs and dental expenses. That was also the year that the Health and Wellness ministry implemented the pharmaceutical strategy with the transition allowance to pharmacists, and that increased costs in the health component of the AISH program as well.

Mr. Rodney: Thanks very much. Just as I ask my last question, I want to thank the department for all the services, whether they be AISH or seniors or disability supports. I know that people in my constituency often call, and their snags are so often worked out so quickly. People genuinely appreciate all the work that you do. I just wanted to add that.

The third category that I wanted to refer to is the third one I just mentioned, disability supports. That reference is on page 72 of your annual report. It mentions there that \$889 million was spent for disability supports. That's still a significant increase from the year before, \$50 million. I know that a lot of provinces would love our budgets to spend on things like this if they could. For a lot of people that increase would be their budget. Can you just explain the increase of \$50 million in expenditures? How many Albertans are receiving those benefits, which are getting close to a billion dollars?

Mr. Bhatia: That number also includes AISH. So the 43,000 Albertans that benefited from AISH during 2010-11 were included in those that benefited from that increase. In addition, the aids to daily living program caseload also increased by about 3 per cent, and there were cost increases in benefits there of about 5 per cent. Those increases really come from population growth, from the aging population, and the growing incidence of Albertans with chronic diseases and other things, including obesity and the results of smoking.

9:40

Another factor in aids to daily living is the increasing ability of people with fairly complex needs to live outside of an institutional setting. If they're outside of an institutional setting, they're eligible for aids to daily living. About 79,000 Albertans benefited from the aids to daily living program. In addition, there are about 3,800 individuals who received supports from the Alberta brain injury initiative and other more minor programs that the division administers.

Mr. Rodney: Thank you.

The Chair: Mrs. Forsyth, please, followed by Mr. Groeneveld.

Mrs. Forsyth: Thanks again. I want to try and differentiate between the number of calls, complaints that you received versus reportable incidents. I'd like to know how many reportable incidents you've had in regard to accommodations. I know that they have to be reported as part of the accommodation standards. So how many reportable incidents have been reported over the last year?

Mr. Bhatia: Are you asking about the supportive living standards or protection for persons in care?

Mrs. Forsyth: On page 27 of your strategy you talk about: "As part of the new accommodation standards, operators are now required to submit an incident report directly to the Ministry within two . . . days when critical incidents to accommodation services occur in their setting." Then it goes on to say what reportable incidents are. So they have to be reported to you within two days. I wonder: over the last year how many reportable incidents have been reported to you?

Mr. Bhatia: I'm going to ask Carol Ann to answer that. She has the numbers handy.

Ms Kushlyk: Thank you, Robert. The number of incidents that were reported in 2010-11 was 210, of which 22 were incidents of death or serious harm, 26 incidents of residents unaccounted for, 87 incidents of activation of a contingency plan, 17 incidents of extensive damage due to accommodation, and 58 incidents that did not meet the reportable incident criteria. Incidents that are reported to the ministry must be related to the accommodation or accommodation-related services.

Types of facilities. There were 67 incidents in long-term care facilities and 143 in supportive living facilities.

Mrs. Forsyth: Okay. That's a lot of numbers to rattle off right away and for anybody to try and absorb, so I'd like to know if you could please send that through the chairman.

I did catch "22 deaths." Are you saying that in the last year there were 22 deaths in a facility? I mean, people die in facilities, so you don't have to report that they passed away. I'm quite stunned to try and figure out what's happening here. You've had 22 deaths in facilities that weren't natural causes?

Mr. Bhatia: They weren't all deaths. Those were deaths or serious harm, but there were 22 incidents that were, obviously, serious.

Mrs. Forsyth: Would you like to elaborate on that a little bit if you call it a serious incident or a death?

Mr. Bhatia: We can provide you with some more information, but I don't think there's much we can add right at this point.

Mrs. Forsyth: If I may, that's quite alarming, to be very frank with you. If you have a serious incident or if you have a death, I guess I need to understand what has happened. We know we had the bathtub incident. We know that one for sure, a scalding incident.

Mr. Bhatia: We'll provide you with more information on the nature of the incidents that would be included in that number.

The Chair: Thank you. Again, not to repeat myself, but we would appreciate this information as quickly as by the end of the week. I'm sure you have the resources to get this information to us in that time frame.

Mr. Groeneveld, please, followed by Mr. Kang.

Mr. Groeneveld: Thank you. When I go through here to your goal 5, under 5.1 on page 33 of the ministry's annual report your ministry "commissioned a review of the PDD program to identify efficiencies and savings in program administration." Can you talk a little bit about the recommendations from this review and, probably more important, whether the recommendations were accepted?

Mr. Bhatia: Mr. Chairman, the review that was done by KPMG and released early last summer made six key recommendations. The first was to dissolve the six community boards and create one organization. The government rejected that recommendation and has continued the boards but, as I indicated earlier, put an emphasis on ensuring that the regions work closely together to enhance the efficiency of the overall program.

A second recommendation, that tied very closely to that first one, was that if you weren't going to have the community boards, then to establish an advisory council. But since the government chose not to dissolve the boards, the second recommendation wasn't really relevant.

The next recommendation was to establish a different organizational model within the PDD regions and across the regions. That's what we're working on now, and it will be implemented over the next year.

They recommended improving the efficiency of the service provider network by implementing a new procurement strategy to optimize the number, size, and efficiency of the service providers. MLA Genia Leskiw did some consultation late last summer around this recommendation. We are now starting some pilot projects to test some different approaches to contracting. As you can appreciate, the contracting to provide services for these vulnerable individuals is a little different than contracting to pave a road. There are a lot of complexities involved, so we're proceeding very cautiously. But we are trying out new ideas and approaches to contracting.

Then the next recommendation was to implement additional resources to support and enhance the use of family-managed supports. That has largely been implemented. There are new tools available to help make it easier for those families who want to engage individuals to provide the services for them rather than having PDD do it on their behalf.

The Chair: Thank you.

Your next question, Mr. Groeneveld.

Mr. Groeneveld: My next question, naturally, would be the status. The status is a little bit scattered on what was accepted and what was not accepted, I assume, then. Of the ones that were accepted, are we showing any improvement on the front lines as such?

Mr. Bhatia: Basically, in terms of what was accepted and not accepted: dissolving the boards was not accepted; and, really, the others that didn't relate to that were accepted. Then with respect to the progress, clearly, on family-managed it's there and in place. Some of the other things we've done to provide more consistent information to the public across the regions is in place. The other changes are in progress and going along well but aren't finished yet.

Mr. Groeneveld: Aren't there yet. Okay.

Thank you, Chair.

9:50

The Chair: Thank you.

In light of the time we have, we have to now go to questions that are read into the record, and we would really appreciate a quick response from your department, sir.

But before we do that – the chair apologizes – Ms Woo-Paw joined us some time ago, and I failed to recognize her. Good morning.

We'll now proceed with questions read into the record, and we will start with Mr. Kang, please.

Mr. Kang: Thank you, sir. My question is regarding performance measure 1(b), which sets a target of 10 days for assessment time for special-needs assistance for seniors' program applications. Question 1: please explain why since 2004 the average assessment time for such applications has steadily increased and is now more than double the ministry's target. Page 17 of the annual report.

Question 2 is with regard to page 21 of the 2010-11 annual report. Increased workloads and an increase in the volume of applications are cited as the reasons for unacceptably long assessment times. Why were such increases not anticipated, and why were you not prepared to deal with them more expediently?

The Chair: Thank you.

Mr. Chase.

Mr. Chase: Can I have some direction as to how many of my questions I can read in? I have four remaining.

The Chair: Without preamble, sir, you could get all four of them in.

Mr. Chase: Great. As a recent study confirms, over a quarter of residents in Alberta's supportive living facilities may be unsafe because of insufficient staffing and care for their complex needs. Question one. According to page 17 of its annual report the ministry exceeded its targeted number of affordable living units for the year by 482. What steps did the ministry take to try and ensure sufficient qualified staffing for such a large number of units. Question two: why were only 30 new long-term care beds, beds that actually meet the care needs of those with complex health issues, provided that same year? Page 25 of the annual report.

The May 2005 report of Auditor General Fred Dunn on seniors' care and programs contained numerous recommendations for seniors and community support, one of which was that the department improve the effectiveness of long-term care services by collecting sufficient data to make informed accommodation rate and funding decisions. As page 40 of the November 2011 Auditor General's report indicates, this recommendation remains outstanding. Question one. Recent stories of abuse and neglect in Alberta's long-term care facilities have shocked us all. Why hasn't the department done everything it could to prevent such tragedies? Question 2 two: why has this recommendation been ignored now nearly seven years?

Strategy 3.3 of the ministry is to "review the approach to regulating residents' long-term care accommodation fees to provide better incentives for the development of new or replacement spaces and the improvement of existing facilities." Page 27 of the annual report. Question one: to what extent has such a review been undertaken to incentivize private investment by removing the cap on long-term care accommodation fees? Is the ministry aware that private ownership is strongly associated with inferior long-term care?

Another one of the recommendations made in the May 2005 report of the Auditor General on seniors' care and programs was that the department improve the effectiveness of the seniors' lodge program in part by collecting sufficient information to set the minimum disposable income used as a basis for seniors' lodge rent charges. As page 40 of the November 2011 Auditor General's report indicates, this, too, remains outstanding. Question one: in the absence of such information, how does the department set a minimum disposable income that allows residents of seniors' lodges to live in dignity? My last question: why has the department ignored another of the AG's recommendations? Why has it not improved the measures it uses to assess the effectiveness of the seniors' lodge program.

I'll provide these last sets of questions in hard copy to *Hansard*.

The Chair: Thank you very much.

In the time we have left, we have other items on the agenda to deal with. On behalf of all committee members I would like to thank Alberta Seniors for their time this morning. We look forward to receiving answers to our questions through the clerk to all members, hopefully, for sure by Friday.

Mr. Bhatia: Thank you, Mr. Chairman.

The Chair: Okay. Thank you. Now we have other items to discuss, and you are free to go as you see fit while we conclude our agenda. Thank you.

Under other business, the discussion relating to the letter that we received on March 8 from Mr. Mason has been deferred to our next meeting, which is, hopefully, on March 21, at his request as, unfortunately, he was not able to join us today. This is in regard to the government of Alberta's drilling stimulus initiative, which cost \$2.9 billion in lost royalties, according to a letter that we all received from Mr. Mason. So we will deal with this, hopefully, next week.

Does any member have any other business?

Mr. Elniski: Are we at liberty, Mr. Chair, to make any comment about what's before us here or what's been deferred, or would you prefer just to wait before we get into any conversation at all?

The Chair: I would prefer to defer it. But this matter has been before the committee before. It was Mr. Kang who asked questions regarding this. You can check the record for the questions that he asked and the response from the officials from the Department of Energy. It was quite an interesting response, actually.

Ms Calahasen: Then we're going to deal with it now?

The Chair: No. We're going to move on.

Ms Calahasen: Thank you.

The Chair: Now, I have a question for the office of the Auditor General. Before, when ALGC was here in the fall – and this is a

follow-up. I'm interested. In your report from earlier this week you made some recommendations regarding NorQuest College, and you make a recommendation based on verbal agreements that were made or no contract at all. My question, sir, to the office of the Auditor General would be: why would you – and I think you're right in recommending that NorQuest tighten up their procedures regarding verbal agreements. But the same does not apply to your own office when the office of the Auditor General apparently made a verbal recommendation to AGLC to change accounting practices going back to the year 2000.

Ms Calahasen: What is this part of? Is that on the agenda, Mr. Chair? I'm just wondering why we would bring it.

The Chair: I'm putting it on the agenda, yes.

Ms Calahasen: But we haven't agreed.

The Chair: I don't think we have to have an agreement.

Ms Calahasen: I thought we did. We already authorized the agenda, Mr. Chair. I'm just wondering whether or not that's appropriate to be bringing it up. Do we not bring it up in the . . .

The Chair: No. Excuse me. Any member can bring up under other business any item. I'm bringing this up because I think it's a very important matter.

Mr. Saher: I'm happy to answer.

Ms Calahasen: Okay. I just think it's . . .

The Chair: No. Let the office of the Auditor General proceed.

Mr. Saher: I'm happy to answer the question. I'm pleased that as chair you agree that the recommendation to NorQuest is appropriate. At this moment I fail to see the connection between our recommendation to NorQuest and our handling of advice to AGLC in the past.

The Chair: Well, a verbal recommendation was apparently made by the office of the Auditor General to change the accounting process at AGLC, and that was done.

Mr. Saher: We provide a lot of advice to the entities that we audit which is verbal. If it's good advice, it's accepted and acted on. If the management group at the entity we give advice to chooses not to act on it, that's their prerogative. As I say, Mr. Chair, I at this moment cannot see the connection between our recommendation to NorQuest and matters at AGLC.

The Chair: Okay. Thank you.

Any other business that members have?

Item 6, date of the next meeting. The next meeting has been scheduled for March 21, 2012, with Alberta Health Services. That's next Wednesday at 8:30 if the session is still occurring.

Mr. Chase: Motion to adjourn.

The Chair: Moved by Mr. Chase that the meeting be adjourned. All in favour? None opposed. Thank you.

[The committee adjourned at 10 a.m.]

