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**Proceedings of the Standing Committee on
Resources**

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Department of Advanced Education and Skills

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Honourable Ross Wiseman, MHA

RESOURCE COMMITTEE

Department of Advanced Education and Skills

Chair: David Brazil, MHA

Vice-Chair: Christopher Mitchelmore, MHA

Members:

Eli Cross, MHA
Keith Russell, MHA
Sam Slade, MHA
Tracey Perry, MHA
Lorraine Michael, MHA

Clerk of the Committee: Elizabeth Murphy

Appearing:

Department of Advanced Education and Skills

Hon. Kevin O'Brien, MHA, Minister
Lori Anne Companion, Deputy Minister
Tony Cornect, Parliamentary Assistant
Brendan Hanlon, Finance and General Operations
Dennis Hogan, Assistant Deputy Minister, Workforce Development & Immigration
Lisa Lindahl, Executive Assistant
David Pike, Assistant Deputy Minister, Corporate Services
Jean Tilley, Assistant Deputy Minister, Community & Social Development
John Tompkins, Director of Communications
Roxie Wheaton, Assistant Deputy Minister

Also Present

Lisa Dempster, MHA
Kevin Pollard, MHA
Bradley George, Researcher, Official Opposition Office
Dana English, Researcher, Official Opposition Office
Susan Williams, Researcher, NDP Office
Ivan Morgan, Researcher, NDP Office

Pursuant to Standing Order 68, Lisa Dempster, MHA for Cartwright – L'Anse au Clair, substitutes for Christopher Mitchelmore, MHA for The Straits – White Bay North.

Pursuant to Standing Order 68, Kevin Pollard, MHA for Baie Verte – Springdale, substitutes for Keith Russell, MHA for Lake Melville.

The Committee met at 9:00 a.m. in the Assembly Chamber

MR. BRAZIL: Ladies and gentlemen, I want to welcome everybody as we start the 2014-2015 Budget Estimates for Advanced Education and Skills.

I want to welcome the minister, his officials, and members of the Committee. We will get an opportunity in a minute to actually do formal acknowledgements of who is here.

I do ask: Can you be cognizant of this when you do speak? Obviously, Minister, emphasis will be on yourself and Committee members, but if one of your officials is answering a question that they identify themselves so the Broadcast Centre can identify the proper person who is speaking as part of that.

One of the housekeeping items first we will start with is that I am going to ask Elizabeth to ask for a nomination to select a Chair.

CLERK (Ms Murphy): Is there a nomination for Chair of the Committee?

MR. CROSS: I nominate Mr. Brazil as Chair.

MS PERRY: Seconded.

CLERK: It is moved and seconded that Mr. Brazil be elected Chair.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CLERK: Contra.

Carried.

On motion of Mr. Cross, Mr. Brazil was elected Chair.

CHAIR (Brazil) Okay. Thank you.

We will move right into doing introductions. I do ask, not only members of the Committee but also any staff they may have with them, also introduce themselves as we go through.

If you could mention, to the MHA, which district you are for also and the title of any staff members.

We will start with you, Sir.

MR. GEORGE: Bradley George, Researcher, Official Opposition Office.

MS DEMPSTER: Lisa Dempster, MHA for Cartwright – L'Anse au Clair.

Good morning.

MS ENGLISH: Dana English, Researcher, Official Opposition Office.

MR. SLADE: Sam Slade, MHA for Carbonear – Harbour Grace District.

MS MICHAEL: Lorraine Michael, MHA for Signal Hill – Quidi Vidi.

MS WILLIAMS: Susan Williams, Researcher, NDP Office.

MR. CROSS: Eli Cross, MHA for Bonavista North.

MR. POLLARD: Kevin Pollard, MHA for Baie Verte – Springdale.

MS PERRY: Tracey Perry, MHA for Fortune Bay – Cape La Hune.

CHAIR: Now we will start with the minister.

MR. O'BRIEN: Kevin O'Brien, Minister of Advanced Education and Skills, MHA for the District of Gander.

MS COMPANION: Lori Anne Companion, Deputy Minister of Advanced Education and Skills.

MR. PIKE: David Pike, Assistant Deputy Minister, Corporate Services.

MR. HANLON: Brendan Hanlon, Departmental Controller, Advanced Education and Skills.

MR. CORNECT: Tony Cornect, Parliamentary Secretary to the Minister of Advanced Education and Skills, MHA for Port au Port.

MS TILLEY: Jean Tilley, ADM, Community and Social Development, Advanced Education and Skills.

MS WHEATON: Roxie Wheaton, ADM, Service Delivery.

MR. HOGAN: Dennis Hogan, Assistant Deputy Minister for Workforce Development and Immigration.

MR. TOMPKINS: John Tompkins, Communications.

MS LINDAHL: Lisa Lindahl, Executive Assistant to Minister O'Brien.

CHAIR: Welcome to everybody.

There is one other piece of housekeeping that we need to do. I need a motion to accept the minutes of May 8, 2013, Resource Committee through the Estimates of Advanced Education and Skills.

Can I have a motion to adopt last year's minutes, please?

MS PERRY: So moved.

CHAIR: So moved, Ms Perry.

A seconder?

MR. CROSS: Seconded.

CHAIR: Seconded, Mr. Cross.

All those in favour signify by saying 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those opposed, 'nay'.

Motion carried.

On motion, minutes adopted as circulated.

CHAIR: We will move right in. I will just give you a little outline of the process I will be using. We will start with the Opposition, and we will give you ten to twelve minutes so that we can move around. If I think you are getting close to the end of a particular section that we are on, and we will start with section 1.1.01, and you only have a question or two left, another minute or two, I will ask you that, and if you want to continue to finish that section so you can keep your thoughts flowing we will do that. Then we will move on to the Third Party as part of that process.

We will take a break at around 10:30 for ten minutes or so just to let people stretch their feet, or if you have to go to the washroom or make a quick call as part of that. As we go through, I do ask that you stick specifically to the budget lines here. As you know, the Estimates are about the financial aspects of the Budget and not policy related to those.

There are times when the minister has the privilege if he wants to explain a little bit more about how that relates to the Estimates, to some policies, but that is entirely up to him. It has been very co-operative over the years with people sticking to the budget lines and there is a bit of leeway there based on that principle but we ask that you stick to the actual dollar figures here when it comes to the Estimates.

I am going to start with Ms Dempster.

MS DEMPSTER: It is my first time –

CHAIR: Sorry, I must apologize. Yes, my first one this year.

Opening remarks, normally we start with the minister responsible.

Ten or twelve hours later of doing this, I will be going right away, Minister, it is yours.

MR. O'BRIEN: Thank you, Mr. Chair.

It is certainly a pleasure to be here this morning. I just wanted to highlight a couple of things in regard to the department over the last year and going forward into 2014-2015. As everybody

knows, the Department of Advanced Education and Skills really touches the lives of Newfoundlanders and Labradorians on many levels, and essentially this department is about helping people.

This was highlighted most recently with Maplewood Apartments and how we reacted to the fire there, along with the issue over in Corner Brook where we had some residents who were displaced from an apartment building, an emergency-type basis. Also, with Cliffs Natural Resources when they announced the idling mine and how my department and staff reacted to that issue.

The department budget of Advanced Education and Skills is responsible for \$917 million of the provincial Budget, which is about 11.5 per cent of the entire Budget. We are working to ensure all our programs and services are helping people secure independence and employment along with prosperity, and also to support our ongoing efforts in poverty reduction, literacy, and inclusion.

We have made enormous strides going forward in my department over the past year. Just to highlight a couple, the development of a new consistent employment and training assessment tool for everyone who avails of our program. We have developed that. We have consolidated the four-way subsidy program applications into one to better meet the needs of the people of the Province; the recent announcement on student employment programs and applications being made more effective and efficient for students and employers.

The new case management system which provides an online service for employers and community agencies is nearing completion, which will see three systems going into one. The department has also recently implemented a reorganizational structure. One of the most significant additions to this new organizational structure is the quality assurance and service improvement division which is now being created. That will monitor and measure quality and identify areas regarding targeted attention.

I also want to, for the record, say that the change is for the better, and it also will happen without any layoffs at all. As a matter of fact, my staff

and I drilled deep into the reorganizational process to make sure the impact to our staff was minimal, in that we made sure that staff would not have to move from one area to another of the Province, which is sometimes not available to the particular employee. Through the process of the reorganization we made sure our staff was well taken care of. Also, I want to highlight, the policy staff and resources will now be shared across all divisions making the department more nimble and responsible in the development and delivery of the programs and services.

I want to highlight post-secondary education. Over the past year 12,000 students and youth benefitted from our employment programs, and 20,000 students are supported through the ongoing tuition freeze. Budget 2014 commits about \$14.7 million over two years to eliminate provincial student loans with a projected investment of approximately \$50.6 million over five years, and approximately 7,000 students annually are expected to receive the upfront grant assistance.

Also, the provincial government has further demonstrated its commitment to reducing student debt by investing an additional \$5.1 million this year to continue the tuition freeze for students attending Memorial University and the College of the North Atlantic. Since 2005, we have invested more than \$282 million in tuition freeze, making Newfoundland and Labrador students the envy of the rest of Canada.

Under the apprenticeship program, this year we are continuing our Journey-person Mentorship Program and also another \$1.1 million, supported with about \$6.6 million in federal funding has been allocated to continue the Apprenticeship Wage Subsidy program.

Under Memorial and CAN, the government is helping post-secondary institutions prepare students for work with a \$1.5 million investment for the College of the North Atlantic to support high demand, high priority programs, and \$1.9 million to increase base funding at the fishery and Marine Institute to continue the expansion of educational programs, research, and student services. We are also providing \$1.1 million to continue the extension of the Faculty of Engineering and Applied Science at Memorial

University in priority areas of ocean, arctic, and offshore energy.

Budget 2014 also provides over \$19 million in infrastructure funding for Memorial University. It includes \$5 million to support continued modernization of the university's older student residence and \$2.6 million for ongoing modernization of science labs. Government is providing \$4 million for infrastructure at the College of the North Atlantic, including \$1.5 million for a medical sciences lab at Grand Falls-Windsor campus, and \$1.7 million for industrial shop modernization at college campuses. Since 2004, the government has invested \$2.7 million in Memorial and another \$742 million in the College of the North Atlantic.

Supporting poverty reduction; there is approximately \$170 million in Budget 2014, which means a total investment in the Poverty Reduction Strategy since 2006 has surpassed \$1 billion. The historic investment includes \$4.8 million to raise the basic rate for people receiving Income Support by 5 per cent, beginning July 1. This projected investment will be \$32.3 million over the following five years.

Persons with disabilities; Budget 2014 also includes \$12.6 million to advance inclusion and support employment opportunities for persons with disabilities. It also includes \$600,000 for the Vehicle Accessibility Program in inclusion grants for 2014. A person can avail of a \$25,000 grant to upgrade a vehicle in regard to making it more accessible, improving the lives of people with disabilities; along with a \$25,000 maximum grant for not-for-profit and community-based organizations to enhance the accessibility of their facilities and events.

Mr. Chair, the Department of Advanced Education and Skills, as I said in my opening remarks, touches the lives of people right across this Province, day in and day out. I want to thank all the staff right across Newfoundland and Labrador who work with my department in providing that service because they spend a lot of hours in regard to delivering those programs to the people, and the people who need it the most, and I thank them for that.

Thank you, Mr. Chair.

CHAIR: Thank you, Minister.

Ms Dempster, before you start, I will just outline that we will start with subhead 1.1.01. If you have no questions on that, you can move on to the next subsequent subhead and go from there.

We will start with you, Ms Dempster.

MS DEMPSTER: I thank the minister for those comments. It is my first time, so if I stray I am not really being defiant. It might be part of a learning process. Anyway, we will go through this.

My first question is from the very first page under Gross Expenditure, starting from there. Advanced Studies received \$90 million less than last year. Can you just explain what was cut from the Budget?

MR. O'BRIEN: The student residences are now on the capital side. That is a decrease because the investment on the capital side has now been completed. The residences down at Memorial University have been completed. The residence over at Grenfell College is now completed. So that reflects – we do not need that capital investment anymore, so we are down to normal levels.

MS DEMPSTER: Okay, thank you.

Overall, \$17 million was cut from the AES budget, can you just discuss that?

MR. O'BRIEN: You are going to have to follow the – where are you again?

MS DEMPSTER: I am still under Gross Expenditure.

MR. O'BRIEN: I am usually working off the 1.1.

MS DEMPSTER: Pardon?

CHAIR: I think now she has gone to 1.2.01.

MS DEMPSTER: No, I am not there yet. This is just a couple of questions I had before I started.

MR. O'BRIEN: Okay.

CHAIR: Okay. Well, if you happen to know under which section, it will make it a little easier for the minister to follow and his officials also.

MR. O'BRIEN: Yes.

MS DEMPSTER: Okay.

You want me to move on to the – all right, okay.

CHAIR: No, you can follow that trend, as long the minister is aware of where it is (inaudible) expedite it and get a better understanding.

MR. O'BRIEN: I can follow it; that is all.

MS DEMPSTER: Okay.

Can you outline for us how the staff complement would change over the next year? Are there any positions that are being cut from Budget 2014?

MR. O'BRIEN: When you are talking about the reorganization of the department? There are no layoffs whatsoever. As a matter of fact, there will be thirty-four new jobs created over the next year. There are a number of them that will be here in St. John's, the rest of them will be across the different regions, depending on what we would require. We have 710 people right now. We have a couple of vacancies that are going to competition pretty soon, along with the thirty-four that will be created, will give us a total of 753 employees across Newfoundland and Labrador.

MS DEMPSTER: Okay.

I ask that, one position that I was aware of was the regional manager in Goose Bay is being cut, but I guess if someone is retiring and you are not filling, that is not considered a –

MR. O'BRIEN: Well, we are going down to two regions, so we only need two regional directors now. That particular person in Goose Bay could very well apply to be the regional director for the Western Region, but I think that person, as you just referenced, is going to retire; but if the person did not retire, that person would stay on staff at the same pay schedule that he is on today.

MS DEMPSTER: Okay.

So there are some people who are retiring and their positions probably not being filled?

MR. O'BRIEN: That is a normal process anyway. We have retirements all the time, especially having 753 employees in Advanced Education and Skills. That is just a normal process or whatnot.

I think the overall restructure of the department will benefit the people of the Province because it will be clearer to the persons requiring the service. They can follow that process clearer now than ever before, plus we will be more responsive to their needs.

MS DEMPSTER: Okay, thank you.

I have just one more generic question before we get into where I am supposed to be. Where exactly will the offices be converted to employment centres?

MR. O'BRIEN: To employment centres?

MS DEMPSTER: Yes.

MR. O'BRIEN: All of them actually provide a certain amount of employment services. Stephenville will be an intake centre for Income Support. Most of the calls will go into there.

If there is an overload in regard to the system – as a matter of fact, we are developing a new phone system as well. We have a consultant working with OCIO in regard to that. That will identify the pressure areas to our phone system, but the phone system would seek over and above the complement of employees out of Stephenville on the intake centre. It will seek the next employee we have who will have the skill to actually provide and give advice to the client, and provide the service to the client right straight across the Province. That is the way we are becoming more nimble and more responsive to their needs.

In regard to employment, pretty well every regional office in the Province will be providing a certain amount of that service, along with the support that we would have here in St. John's.

MS DEMPSTER: Okay. The phone line sounds like it is moving like Service Canada. If

you call about EI you do not know where across the country they are picking up the phone, sort of like that.

MR. O'BRIEN: Yes, but we want somebody to answer the call as quickly as we possibly can. When it comes to a call, it does not matter where the person is just as long as they can actually be responsive and supportive of the person who is calling.

MS DEMPSTER: Okay, thank you.

General Administration, page 8.4 under 1.2, I am looking at Salaries. It seems to be an example here where the budget numbers provided from last year did not actually match the Estimates document for last year. The 2013-2014 Estimates said there was \$2.5 million in Salaries, not \$2.3 million. I am just wondering about the discrepancy there.

MR. O'BRIEN: I do not know where you are looking. Are you looking at 1.2.01.01?

MS DEMPSTER: 1.2.02.

MR. O'BRIEN: Just a second now. 1.2.02 –

MS DEMPSTER: Yes.

MR. O'BRIEN: 01?

MS DEMPSTER: 02.

01, yes, sorry.

MR. O'BRIEN: Okay. We had budgeted \$2,271,500 and the revised is \$2,415,500.

MS DEMPSTER: It did not match when we went back and checked last year's Estimates.

MR. O'BRIEN: I do not have last year's Estimates with me.

MS DEMPSTER: Okay, because I have a few questions –

MR. O'BRIEN: I am going to work off my page, right.

MS DEMPSTER: Yes, I understand – because I have a few questions and we were kind of

going back and forth comparing last year to this year. Maybe that is something we can follow up with?

MR. O'BRIEN: We could, because in regard to the Estimates last year, our budget was \$2,271,500. The revised is \$2,415,500, which would reflect the negotiated collective agreements for the public sector employees and the signing bonuses.

MS DEMPSTER: Okay.

Moving on, Transportation and Communications; again, the 2013-2014 Estimates document said \$208,000. I just had a question around the discrepancy.

MR. O'BRIEN: We have a budget of \$188,800 and the revised says \$188,800, and the \$189,100 is an increase because of the collective agreement and meal rates per diems.

I do not know what you are working off, to be honest with you.

MS DEMPSTER: Okay. I am just looking at the budget right there under Transportation and Communications \$188,800 and then under Estimates \$189,100. That is where I was seeing a – I just had a question.

MR. O'BRIEN: Yes, but you are going back a year.

MS DEMPSTER: Pardon me?

MR. O'BRIEN: When you are looking at those Estimates in regard to the \$189,000 or – what is the number you just said?

MS DEMPSTER: \$208,000.

MR. O'BRIEN: Yes, you are gone back to the 2013-2014 Budget. We are here to do the Estimates in regard to 2014-2015.

MS DEMPSTER: When we pulled it out and looked it did not match. That was why I had those questions there. I am just looking for clarification around the discrepancy.

MR. O'BRIEN: Our budget is \$188,800, the revised is \$188,800, and our estimate for this

year, 2014-2015, is \$189,100 which reflects the collective bargaining agreement.

MS DEMPSTER: Okay.

MR. O'BRIEN: That is what we spent, \$188,800.

MS DEMPSTER: Okay. It seems high to me. Can we just talk about that for a minute? Can you explain?

MR. O'BRIEN: In regard to Transportation and Communications?

MS DEMPSTER: Yes.

MR. O'BRIEN: Well, there is a fair bit of movement in regard to 710 employees providing the service. We have people who went into Wabush, taking that as an example. That requires a number of staff to provide the service. So there is a fair bit of movement for our staff right across the Province. You are talking about Newfoundland and Labrador and the geographic mass that we have. It requires a fair bit on the road for various staff to provide that service and outreach to various remote communities.

MS DEMPSTER: Okay. It is pretty much the travel of the staff there.

Under Purchased Services, again looking at the Estimates 2013-2014, it said \$3.19 million, and a discrepancy there of \$50,000.

MR. O'BRIEN: Our budget in Purchased Services is \$3,248,200, we spent \$3,768,700. The reason behind that is the lease cost for a number of our AES offices were charged to other activities, such as the LMDA. We had to extend a six-month extension to the federal computer system, and that federal system is now being replaced by a provincial system called LAMPPS. A portion of the lease cost will be charged to the LMDA program, commencing again in 2014-2015. So it is just an appropriation there that we changed one of the other to take care of the six-month extension as we developed our own program.

MS DEMPSTER: Okay.

I asked the question because, again, we are not getting it to match up with last year, and that was a \$50,000 discrepancy.

MR. O'BRIEN: Just give me one second there, Lisa.

MS DEMPSTER: Yes, certainly.

MR. O'BRIEN: You are not finding our budget of 2013-2014 revised. You have different numbers on your page, is that what is happening?

MS DEMPSTER: That is what we were comparing it with, was the Estimates document from last year. We do not have the most current then to –

MR. O'BRIEN: The reorg was not done then. The 2013-2014 funds now have been reallocated to match new structure. We are working off this year's book, which would be different than last year's book. That is all because of the reorg.

MS DEMPSTER: We really did not have the latest numbers then to work with, did we?

MR. O'BRIEN: Well, you should because you have your Estimates documents.

MS DEMPSTER: Okay.

MR. O'BRIEN: You have a copy of your Estimates document there – just show her the book that you have. Yes, that is it.

OFFICIAL: Are you working off this one?

MR. O'BRIEN: Yes, just show her.

OFFICIAL: The Estimates from last year, the revised and then the budget (inaudible).

OFFICIAL: Oh, we have both. There are discrepancies throughout, as you probably know.

MR. O'BRIEN: Yes, that is because of the reallocation of funds due to the reorg.

MS DEMPSTER: Under Purchased Services, can you just talk for a minute about what was purchased last year and what will be purchased this year?

MR. O'BRIEN: In regard to last year, as I just said, we had to support a six month extension to the federal CSGC computer system and then we had to support that for six months. We had to take some of our provincial funds to support the LAMPPS system but now we will go back into the LMDA program again commencing 2014-2015. We have lease agreements, and the cost of that lease agreement is \$3,014,500. We have banking fees of \$120,000. We have printer-copy charges of \$84,300. That is all under Purchased Services.

MS DEMPSTER: Okay.

The provincial revenue, where did that come from?

MR. O'BRIEN: Provincial revenue relates to miscellaneous repayments of prior years' expenditures like trip advances, standing travel advances, closing out petty cash, that kind of thing.

MS DEMPSTER: Okay.

CHAIR: Ms. Dempster, do you have any other questions on 1.2.02?

MS DEMPSTER: No.

CHAIR: Okay. Then I will go to Ms Michael.

Ms Michael.

MS MICHAEL: On that section – no, I think the questions I was going to ask have been answered. Although let's look at the Salaries. It seems like \$144,000 more was spent than estimated. Is that a real one or is that part of the reorg?

MR. O'BRIEN: No, that is part of the collective agreement public sector pay out of the \$1,400 signing bonus.

MS MICHAEL: So we are going to see that a lot, right?

MR. O'BRIEN: Absolutely, yes.

MS MICHAEL: Okay, that is great.

The other question was my question, so that is fine for that section.

Thank you, Mr. Chair.

Do you want me to go on then?

CHAIR: Yes you can, for the next twelve or fifteen minutes.

MS MICHAEL: Fine, okay. I was not sure. I really was not fully clear on that, so you are using time a bit.

Okay. I would like to come back then, we just did 1.2.02. Under 1.2.03, Grants and Subsidies, we see a fair increase there. Could we have an explanation of that please, Minister? That is 1.2.03.10, Grants and Subsidies.

MR. O'BRIEN: That is up by \$600,000. The additional funding has been reallocated with the department for the inclusion of vehicle retrofit grants. That is the one I referenced in my opening remarks.

MS MICHAEL: Yes, right. Okay.

I wonder under this, because I think it is probably better to ask – I will do line by line and some general questions at the same time. I think that makes it more sensible, doesn't it?

MR. O'BRIEN: Sure, yes.

MS MICHAEL: Could we have a few updates with regard to the inclusion strategy for people with disabilities? Could we have an update on the activities there, please?

MR. O'BRIEN: Yes. In regard to me becoming the minister back in October, we have placed a focus in regard to the strategy of inclusion. That is the reason you see that reallocation of the \$600,000 to support the Vehicle Accessibility Program.

As well, I mentioned, I think it was \$12.6 million in regard to enabling people with disabilities to avail of skilled training and certainly to avail of a job. Our action plan is nearing completion now as well, so we should be able to get that out over the next month or so. Since I have been in the department I have met

with a number of groups, as you probably do know.

MS MICHAEL: Yes.

MR. O'BRIEN: It is a focus of mine, especially from my past life as a pharmacist and having people with disabilities come to my place of business. We have been moving along with that. I think it has been well received by the community. We have appointed the new council too, as well, as you know. They have been very supportive and very informative in regard to front line needs of people with disabilities as well. So it is a real group process.

MS MICHAEL: Okay. With the Opening Doors disability office, some of the cuts, have they been reversed then from last year's Budget?

MR. O'BRIEN: No, they have not been reversed, no they have not. I think as well, we are becoming more responsive to the needs of persons with disabilities. It is not necessarily the number of jobs as how you react to the actual request. I think we are moving forward in the right direction. We are more responsive, more nimble, and more supportive. We have been listening to exactly what they require in trying to respond to that requirement.

MS MICHAEL: I wonder, minister, could we have – not now, if you do not have it, but afterwards – the numbers of people who have been helped by the Opening Doors Program and where it stands right now in terms of numbers?

MR. O'BRIEN: I will just give you a quick number, I am pretty sure I have it here. I think it is 470 or so people have been supported, if I remember right – 490 individuals with disabilities in regard to funding to complete post-secondary programs and work-based training.

Are you just talking about Opening Doors only?

MS MICHAEL: I was just talking about Opening Doors in particular.

MR. O'BRIEN: Okay, yes, we can get that number for you.

MS MICHAEL: Okay, thank you.

MR. O'BRIEN: I am sorry about that.

MS MICHAEL: That is okay.

MR. O'BRIEN: Yes.

MS MICHAEL: I do not expect you to have all those numbers right on your fingertips right there.

I wonder, with regard to the Poverty Reduction Strategy, I think you probably do have – I do not know if you would call it a list, but I am sure you have identified what you count as poverty reduction.

MR. O'BRIEN: Absolutely.

MS MICHAEL: Could we have a list of that?

MR. O'BRIEN: We can give you a complete list.

MS MICHAEL: Yes, okay.

MR. O'BRIEN: Yes, it is not a problem.

MS MICHAEL: Okay. That would be helpful.

Also, with regard to Grants and Subsidies under 1.2.03, could we also have a list there of what makes up the Grants and Subsidies?

MR. O'BRIEN: You sure could.

MS MICHAEL: Okay.

That is all my questions on 1.2.03, Mr. Chair.

CHAIR: You can go to the next section.

MS MICHAEL: Okay, great.

CHAIR: You still have lots of time.

MS MICHAEL: This is more a question of curiosity than anything. Under 1.2.04, I note that the Newfoundland and Labrador Student Loans Programs has been moved from the Student Financial Services. I am just wondering about the rationale for that, because it used to be under the Advanced Studies: Student Financial Services.

MR. O'BRIEN: Yes, it is just to keep all our financial services in one place.

MS MICHAEL: That is what I thought it would have been before, that it all would have been in one place, but now you have moved out the student loans separately.

OFFICIAL: That is just the financial portion. The student loans are still with post-secondary.

MR. O'BRIEN: Yes, it is still there. Student loans are still with post-secondary; it is just the financial side is moved all in one place.

MS MICHAEL: Okay.

That is it then for 1.2.04. I do not have any more questions there.

CHAIR: Thank you, Ms Michael.

We will go back to Ms Dempster, or Mr. Slade or whoever from the Opposition if you would like to ask questions on those sections that you have not already covered.

MS DEMPSTER: Thank you.

Before I start a couple of the questions, I had the same questions here to ask looking for a list of grants and subsidies. That will be provided to myself as well?

MR. O'BRIEN: Yes, absolutely.

MS DEMPSTER: Thank you.

Page 8.4, under 1.2.03, Professional Services, I am just wondering what professional services are being purchased – the \$195,000?

MR. O'BRIEN: Funding is provided for evaluations in the department's programs; \$140,000 there. The appeal board per diems are \$30,000. Consultants we used \$25,000.

MS DEMPSTER: Okay.

Under Purchased Services, what services are being purchased there?

MR. O'BRIEN: Funding was provided for accessibility and disability related

accommodation costs, \$30,000; Stats Canada data purchases, \$45,000; printing costs, \$42,000; and general purchases of another \$25,000.

MS DEMPSTER: Did any of that money go to John Noseworthy for his work?

MR. O'BRIEN: For who?

MS DEMPSTER: John Noseworthy.

MR. O'BRIEN: No. That was completed last year.

MS DEMPSTER: Pardon me?

MR. O'BRIEN: That was done last year.

MS DEMPSTER: Before my time.

MR. O'BRIEN: Before my time.

MS DEMPSTER: All right, I was looking for a list of the grants; I have that. Moving on to page 8.5 under 1.2.04.

MR. O'BRIEN: Subhead 1.2.04?

MS DEMPSTER: Yes.

The Grants and Subsidies, is that just for the grants portion of the provincial loan? It is a \$328,000 increase there. I am just wondering why.

MR. O'BRIEN: I can break it down for you in regard to grants and subsidies.

We had an operating cost of \$3,065,500. That operating is done by one entity, I believe, for all of Canada. The cost of funds in regard to interest was \$500,000. You had admin fees of \$1.7 million. You had disbursements of loans of \$9,100,000 and then you had disbursements of up-front grants of \$12,300,000. Then you had the revenue side which is in regard to collection of loans is \$20 million, and then principal debt repayments of \$23 million, giving you a total of \$30 million.

MS DEMPSTER: Thank you.

Again, the Revenue – Provincial, where does the come from, primarily?

MR. O'BRIEN: Provincial revenue is a collection of your loans.

MS DEMPSTER: Okay, I thought you said that – I am not hearing completely. Maybe I should have my ear bud in.

How many students are in default of paying their loans right now?

MR. O'BRIEN: In default we have about \$71 million. It would be hard to say how many students are involved in that \$71 million under default, but I can try to get a number for you. That is a pretty complicated number. I can give you \$71 million that is in default.

MS DEMPSTER: Okay.

MR. O'BRIEN: We have brought in a number of programs since 2009 or so in regard to supporting students who might have a problem in regard to repayment of their loans: interest relief; we have balanced their payments to suit their salaries, that kind of thing and whatnot, but collection is still in default of \$71 million.

MS DEMPSTER: Okay.

The Student Loan Program, it looks like an increase there of \$478,000. I was just going to ask why the increase.

MR. O'BRIEN: You are talking about the revenue?

MS DEMPSTER: Under the Total; I am still on 1.2.04, Student Loan Programs. Budget \$28,697,500 and then the Estimates \$29,175,500. If I did my math right, there is a \$478,000 increase.

MR. O'BRIEN: Yes.

That, again, is an increase in revenue related to additional student loan collections. It also reflects a decrease in forecasted collection revenue for Newfoundland and Labrador Student Loan Corporation to decline in portfolio. That is actually declining as we go forward, because where we are moving our loans to grants.

MS DEMPSTER: Just in time when my daughter starts post-secondary.

Page 8.6, under 2.1.01 –

MS MICHAEL: Mr. Chair, can I just ask one question while we are on 1.2.04?

CHAIR: Sure. Afterwards I am going to come back and we are going to make a motion to adopt. That is normally how we do it and then we move on to the next one.

Ms Michael.

MS MICHAEL: I am just wondering, Minister, with the move that will be made on the provincial side from loans into grants, is there going to be any thought given to forgiveness of outstanding debts as we move into the loans program?

MR. O'BRIEN: As I just referenced, we have done a lot –

MS MICHAEL: I mean into the grant program.

MR. O'BRIEN: Yes, absolutely.

We have done a lot over the last number of years with regard to supporting our students who have graduated in the past, such as interest relief. We have worked with students to rebalance their payments to be offset by their earnings and reflect their earning and whatnot, but at this point in time we are not considering a total forgiveness.

MS MICHAEL: Okay.

Thank you.

CHAIR: Are you good on that, Ms Michael?

MS MICHAEL: That is it, yes.

CHAIR: I am going to ask for a motion to adopt subheads 1.1.01 to 1.2.04.

Moved by Mr. Cross; seconded by Mr. Pollard.

All in favour signify by saying 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed, 'nay'.

Motion carried.

On motion, subheads 1.1.01 through 1.2.04 carried.

CHAIR: Ms Dempster, we can go on to continue with you under subsection 2.1.01 or any section beyond that.

MS DEMPSTER: Thank you.

Again, at each of the beginning of those pages I had some questions around discrepancies from last year to this year.

I will move on: Transportation and Communications, again, it seems very high. I was just going to ask: What was covered there; why is it so high?

MR. O'BRIEN: This is exactly what it is: Client Services. You have a fair bit of travel of staff from various offices to meet and support clients, so the travel is up to about \$475,000 under that category. You have telecommunications which is \$543,800 and then you have postage cost as well of \$84,000.

MS DEMPSTER: Okay.

Under this section, Minister, can you tell us what was purchased last year?

MR. O'BRIEN: In Purchased Services?

MS DEMPSTER: Yes.

MR. O'BRIEN: Funding was again provided for leasehold improvements at \$22,000; you have photocopier leases of \$90,000; meeting room rentals of \$32,000 when we were out in the Province; shredding services of \$14,000; advertising and promotions, \$11,000; printing services of \$19,500; and some other general purchased services, about \$63,000.

MS DEMPSTER: Okay.

I am just wondering why it came in \$70,000 under the budget.

MR. O'BRIEN: Under Purchased Services?

MS DEMPSTER: Yes.

MR. O'BRIEN: The leasehold improvements were deferred and were also used to offset the one-time computer system support costs in the development of LAMPPS.

MS DEMPSTER: Okay. Lamps, in case the lights go out again.

What is being purchased this year?

MR. O'BRIEN: Say it again, what is being purchased this year?

MS DEMPSTER: On a go-forward, yes.

MR. O'BRIEN: Well, much the same thing. You still have your leasehold improvements going forward; you always have that. You have your photocopier costs and shredding services when it comes down to client services.

MS DEMPSTER: Okay. So it is just –

MR. O'BRIEN: Yes, normal operating.

MS DEMPSTER: Okay.

Page 8.7 under 3.1 –

CHAIR: Ms Dempster, can I just go back to Ms Michael so we can finish off that section, should we have some questions?

MS DEMPSTER: Yes, that is fine.

CHAIR: Ms Michael.

MS MICHAEL: Thank you very much, Mr. Chair.

Minister, I just want to make sure I have everything clear with regard to the reorganization, so that is what this question has to do with.

Under Client Services, is this where the Integrated Case Management is happening?

MR. O'BRIEN: That is correct.

MS MICHAEL: That is right, okay.

MR. O'BRIEN: Yes.

MS MICHAEL: Earlier on you talked about two regions, were you talking about two regions for the whole Province?

MR. O'BRIEN: Yes, two regions for the full Province.

MS MICHAEL: What are those regions called?

You mentioned the Western, so there is –

MR. O'BRIEN: The Eastern and Western. What it is Central-east is all in the Eastern. Gander and east is in one region, and then from Grand Falls west, including the Northern Peninsula and Labrador, is in the other.

MS MICHAEL: Labrador is west, okay.

MR. O'BRIEN: Yes.

MS MICHAEL: Will each of those regions have one place where the case management is being handled? Like a call – I do not want to say call centre, but one office in each place that will be handling all the case management for those regions?

MR. O'BRIEN: All of the intake in regard to calls will all go into Stephenville first, and then if they go into overload – which sometimes you get a spike in certain months – then it will go out to certain individuals who have been identified to have the knowledge and the expertise to address those calls.

MS MICHAEL: Right.

Now, Minister –

MR. O'BRIEN: It is going to be an overall co-ordinated type of approach to the delivery of the programs through Advanced Education and Skills.

MS MICHAEL: Is that co-ordination going to take into account wait times? Because right now we are still getting an awful lot of phone calls from constituents – and not just in my district, but from around the Province – with regard to how long people are on the phone waiting to get a call answered.

MR. O'BRIEN: It is a big concern of mine as well, and that is one of the main reasons in regard to the reorganization itself. Also, we are working with a consultant along with OCIO on a new phone system that will actually address some of those needs as well.

MS MICHAEL: Is it in those two centres that the thirty-four new hires are happening?

MR. O'BRIEN: No, they are going to be spread out. Some of them will be here in the Eastern Region as well, in certain offices right straight across Newfoundland and Labrador.

MS MICHAEL: All related to the case management?

MR. O'BRIEN: All related, absolutely.

MS MICHAEL: Okay.

Thank you.

CHAIR: Are you good on that section, Ms Michael?

MS MICHAEL: That is fine, yes.

CHAIR: Can I have a motion to adopt subhead 2.1.01?

You have a follow-up question. Sorry, Ms Dempster.

MS DEMPSTER: I just want to get up on a couple of things there.

CHAIR: Yes, go ahead.

MS DEMPSTER: I had the same concerns. I am thinking about the local knowledge piece, of somebody from Norman Bay now calling Stephenville, and the person who is answering the phone is wondering where on earth is Norman Bay, and someone is trying to explain why they might need the extra money. I guess we will see how we make out on a go-forward basis with that.

I had two questions and one has just slipped my mind. The wait times, is there an acceptable time and you are going to be monitoring that? What is an acceptable wait time on a phone line?

You might need to make improvements as you go. Have you –

MR. O'BRIEN: Yes. Our system, I think the way it will work is no different than if you phoned Air Canada. They will tell you that because they have a high volume of calls, your expected wait time is going to be thirty minutes or twenty minutes or two minutes. We will be monitoring that. That will give us a clear snapshot of how long people are waiting.

We have not set an actual time in regard to what is an acceptable time, not as of yet, but we will evaluate going forward exactly what is happening within our system. Then we have the flexibility within the new thirty-four jobs to adjust that too, as well. This is going to be over a year. We are saying a year, but we will hopefully have it all implemented prior to that.

One of the things we are going to try to do is really focus on the amount of time that a person has to wait on the phone. So it is a combination of technology, a combination of evaluation and making sure we are responsive to the needs.

MS DEMPSTER: Thank you.

I just have one more question there.

CHAIR: Go ahead.

MS DEMPSTER: Going back to some of the things I read in the John Noseworthy report. He talked about the client-to-client service officer ratio. I am wondering on a go-forward, are you working with a ratio there?

MR. O'BRIEN: We always look at the ratios. We have a declining caseload. The caseload has gone down significantly over the last number of years.

As a matter of fact, each and every year we have about 500 less clients per year every year because we have been effectively moving persons from Income Support to meaningful jobs and meaningful lives. We are always cognizant of that ratio because sometimes they are complex needs and complex issues surrounding them. We think on the reorg and how we will be able to respond to their needs,

that we have the right ratio and will have the right ratio with that declining caseload.

MS DEMPSTER: Thank you.

CHAIR: Thank you.

I will ask for a motion to adopt subhead 2.1.01.

Moved by Ms Perry; seconded by Mr. Cross.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed?

Motion carried.

On motion, subhead 2.1.01 carried.

CHAIR: We will move on now to section 3.1.01.

I will go to Ms Michael to start on this section.

MS MICHAEL: Okay. Thank you very much.

I will have to leave that section I am looking at because it is not making sense to me. So I will have to move on, sorry about this.

Under 3.1.03 Purchased Services, the budget has been cut in half. Could we have the reasoning for that, please?

MR. O'BRIEN: 3.1 –

MS MICHAEL: 3.1.03. Mother/Baby Nutrition Supplement. There are only three subheads in that.

MR. O'BRIEN: Yes, okay. Purchased Services?

MS MICHAEL: Yes, it has been cut in half.

MR. O'BRIEN: Yes. The funds were provided for printing brochures, advertising, and other items related to the program. That is now consolidated into the Queen's Printer.

MS MICHAEL: Okay.

MR. O'BRIEN: So we do not need that.

MS MICHAEL: Very good.

Under subhead 09, in the same section, last year under Allowances and Assistance the budget was not fully spent, yet you are maintaining the \$320,000. Why was it not fully spent last year?

MR. O'BRIEN: Births.

MS MICHAEL: Births.

MR. O'BRIEN: Mainly births, so we are hoping for more this year.

MS MICHAEL: All right. We knew the births were down, so you are hoping the births are going to come up again. I will not ask you how you are going to do that, minister. We will not go there.

MR. O'BRIEN: I will shy away from that one.

MS MICHAEL: I do have a couple of general questions with regard to Income Assistance. It is not so much on the particulars there, but in general. I was glad when I saw in the Budget that there was an incentive to help people who were moving from Income Support into employment under Health.

MR. O'BRIEN: Yes.

MS MICHAEL: I am wondering, are there any discussions under AES with regard to further disincentives for staying on Income Support? I am wondering, for example, are you thinking about an increase of allowable earnings while on Income Support, or are there any other plans in place to further reduce disincentives?

MR. O'BRIEN: We are always having a look at all of our programs in Advanced Education and Skills, especially myself as minister. I know that there are a certain number of people, because of complex needs and reasons, will always need Income Support and support from the Province.

MS MICHAEL: Right.

MR. O'BRIEN: There are also a number of people who may very well be able to avail of

employment and meaningful lives, so we are always in the process of evaluation. We use our programs within our skilled developments and workforce development strategies to try to move those people over too and support them in regard to education and training – our skill sector piece, sector skills program, absolutely fabulous.

As a matter of fact, I met with a person in Grand Falls-Windsor who praised that particular program this past Friday. I met with him and certainly looking forward to doing a couple of more of those programs to enable those people to move from where they are to today into more meaningful lives.

We try to support a person within the confines of all of our programming dollars to make sure that the person avails and has the opportunity to avail of any opportunity that is out there.

I do not know if that answers your questions. We are pretty innovative in Advanced Education and Skills.

MS MICHAEL: Right.

I understand the reason for tying a lot of that to the market. I fully understand that, but I have had some examples brought to me by individuals themselves of the determination of whether or not what the person wants to do is something that fits the whole market analysis being what finally decides the person cannot get assistance for further education.

I think sometimes we need to have flexibility if somebody, for example – I am just taking an example off the top of my head – in their thirties is looking at the desire to go into BA because of the person's own desire of where he or she wants to move, but it does not fit in the market to do that; they are being refused.

I have a problem with that, so I am wondering what you think about that as minister.

MR. O'BRIEN: I have a problem with that, too. We are changing in regard to the policy surrounding that, having a good look at it, because certainly a person should have choice – their own choice. If we can support them in that choice to the point that they are employed, well I think that is where we should be.

On a go-forward basis we are looking at re-evaluating the policy surrounding that, make it more flexible, as you just referenced, making sure that the person really is supported in the way they want to be supported. Because it is no good for them to come in through the door having a dream and then because of the stringent nature of the policy surrounding it, have that dream really dashed. We are working with our clients individually now, and I think you will see a big change over the next six, seven months or so.

MS MICHAEL: Okay, well maybe I can pass that good information on to a couple of people I have been speaking to –

MR. O'BRIEN: Please do.

MS MICHAEL: – because I can think of one case in particular where the person was going around basically begging family members to help so that the person could do the first year BA because of refusal. This was a person who also had a disability.

MR. O'BRIEN: Please, have them contact again.

MS MICHAEL: Yes.

MR. O'BRIEN: As you know the rule in regard to training was one in every four years. We are even re-evaluating that, and maybe we should go down to one in two, that kind of thing. We want to be responsive to the needs of individuals.

MS MICHAEL: That is good to hear.

MR. O'BRIEN: Thank you.

MS MICHAEL: Thank you.

I think that is all for the moment.

CHAIR: Thank you, Ms Michael.

Ms Dempster.

Subhead 3.

MS DEMPSTER: Pardon me?

CHAIR: Subhead 3 (inaudible).

MS DEMPSTER: Subhead 3.1.01, federal revenue. I am just wondering where, specifically, does that come from?

MR. O'BRIEN: From the feds.

MS DEMPSTER: Again, I might be asking questions that – that is right – everyone else knows the answer to, but I am allowed, it is my first go.

CHAIR: It is part of the Estimates, yes; don't feel bad about that.

MR. O'BRIEN: I couldn't resist – it comes from the feds.

It is actually for the Income Assistance to Innu. So that is their responsibility.

MS DEMPSTER: Okay.

My next part, still on that, is wondering why there is such an increase in that federal money.

MR. O'BRIEN: In the federal money?

MS DEMPSTER: Yes.

MR. O'BRIEN: Well, I guess it is –

MS DEMPSTER: A huge jump there.

MR. O'BRIEN: Yes, there is a huge jump. It is going from a budget of \$200,000; revised was \$700,000 and \$861,000. I would think it is according to the federal agreement, because they are responsible. That is all federal money; we will take it.

MS DEMPSTER: Well, absolutely, I just wanted to know. That is huge; where is it coming from and what is it for?

MR. O'BRIEN: Yes. I would think it is just a variance in regard to our provincial-federal agreement.

I can give you the little bit more information in the House, if you want.

MS DEMPSTER: That would be great.

Now, down to the provincial, where does that come from? From the Province, right?

MR. O'BRIEN: In regard to that revenue, it is really received from former and current income assistance clients who are making payments on their accounts receivable balance. They have been overpaid, that kind of stuff over the years.

MS DEMPSTER: Claw backs and –

MR. O'BRIEN: Absolutely.

It is not really a claw back; it is just that it is overpayments.

MS DEMPSTER: I have a question, the health budget 2014, \$700,000 allocated there to extend the drug coverage for low-income residents under NLPDP. I am just wondering: Does this mean someone on Income Support will get a year extension if they are transitioning out?

MR. O'BRIEN: Absolutely. As a matter of fact, that has been extended to a year now. It is not six months; it is up to a year –

MS DEMPSTER: I thought that. I just wanted to make –

MR. O'BRIEN: – which is a great benefit as well for the transitioning of these people.

MS DEMPSTER: That is it for me on that page.

CHAIR: Ms. Michael, are you good on that section?

MS MICHAEL: Yes, thank you.

CHAIR: If we could have a motion to adopt subhead 3.1.01 to 3.1.03.

Moved by Mr. Pollard; seconded by Ms Perry.

All in favour signify by saying 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed, 'nay'.

Motion carried.

Ms Dempster, sorry, go ahead.

MS DEMPSTER: I do have questions on 3.1.03?

CHAIR: Oh, sorry, I thought you had completed the whole thing.

MS DEMPSTER: I was going page for page.

CHAIR: We will hold that motion and we will go back to 3.1.03.

Go ahead.

MS DEMPSTER: Looking under the Allowances and Assistance, I am noticing that it was under spent by \$70,000.

MR. O'BRIEN: Which heading are you under, Lisa?

MS DEMPSTER: Sorry, 3.1.03.

It was under spent by \$70,000.

MR. O'BRIEN: That is correct.

MS DEMPSTER: I am just wondering why.

MR. O'BRIEN: Uptake, births.

MS DEMPSTER: Okay, now I have a couple of follow-up questions on that.

I am wondering how many women last year received the supplement, and I am really interested in finding out how it is advertised.

MR. O'BRIEN: I can get you the number; that is a number that I would not have with me here this morning, but I can provide you that in the House of Assembly as well.

In regard to advertising, we use a lot of avenues to get the word out: the Family Resource Centres, physicians, nurses, all kinds of ways of doing that. I think it is pretty well understood in regard to this program being available but each and every year we take on brochures, that kind of thing. Each and every year we take on a piece of work in regard to getting the message out, even in the hospitals itself, and make sure a new mom gets the right information that

becomes available to them, and then they can apply for the service.

MS DEMPSTER: I ask because sometimes how you get the message out in rural is very different than how you need to do it in urban, because my mind goes back to when I sat as a Labrador rep on the Provincial Wellness Advisory and there was discussion around promoting breastfeeding and why that kind of peeked at a certain number and it did not go further. There was some focus on who should be the messenger, and they were talking about physicians. Well, especially in my district, once you go to a centre and have the baby when you come back you are not seeing a doctor anymore; you are going into community clinics. So that is why – but I am sure you have staff who are cognizant of that.

MR. O'BRIEN: Actually, the nurses, in regard to the place of birth, the hospitals, they are the best avenue to get the message out because they sit with the new moms.

MS DEMPSTER: Yes, and community clinics in our case –

MR. O'BRIEN: Yes, that is right, exactly.

MS DEMPSTER: – would definitely need to be the avenue because there are no hospitals there.

MR. O'BRIEN: Yes.

MS DEMPSTER: I wondered how much each woman gets, and is it just for women on Income Support?

MR. O'BRIEN: No, all low income. It does not matter about Income Support.

MS DEMPSTER: What is the threshold there?

MR. O'BRIEN: They get \$60 per month, I know that, and \$90 one time, but what is the threshold in regard to low income?

OFFICIAL: I will have to check.

MR. O'BRIEN: I have to check that number because they are all different.

MS DEMPSTER: Yes, that is fine.

MR. O'BRIEN: I cannot remember exactly what is attached to this program under policy, but I will get that to you as well.

MS DEMPSTER: That is fair. There are a lot of programs.

MR. O'BRIEN: That will be quick for me to get it for you.

MS DEMPSTER: Okay.

CHAIR: Are you good?

MS DEMPSTER: Yes.

CHAIR: Okay. We will go with the motion by Mr. Pollard, seconded by Ms Perry, to adopt subhead 3.1.01 to 3.1.03.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed?

Motion carried.

On motion, subheads 3.1.01 through 3.1.03 carried.

CHAIR: Okay, we will move to subhead 4.1.01.

Continue Ms Michael.

MS MICHAEL: This is a complicated section.

MR. O'BRIEN: For me too.

MS MICHAEL: I bet. We are sort of going to be going back and forth from two different sets of notes. I will try to do this well.

With regard to a couple of line items first, 4.1.01, they are small amounts but I am just curious. Under Professional Services and Purchased Services, which come under subhead 01, there is \$5,000 allowed for Professional Services. It looks like it is a pro forma thing because nothing was spent, yet \$5,000 is maintained, the same way with the \$18,000. What would be the types of services they are under that section?

MR. O'BRIEN: Under Professional Services and Purchased Services?

MS MICHAEL: Yes, please.

MR. O'BRIEN: Under Purchased Services it would be like printing brochures, advertising, that kind of stuff. Professional Services would be if you needed a consultant or someone of that sort to support the new division.

MS MICHAEL: What would that \$4,000 have been then, do you have that detail? I am just curious.

MR. O'BRIEN: The \$5,000?

MS MICHAEL: Yes, \$4,000 under Purchased Services. It was revised down from \$18,000 to \$4,000 under Purchased Services.

MR. O'BRIEN: What would that \$4,000 spent –

MS MICHAEL: Yes.

MR. O'BRIEN: I do not have that in front of me but I can get it for you.

MS MICHAEL: Yes, please. It would give me an idea.

MR. O'BRIEN: I would think it is the development of brochures and all that kind of stuff, but I can certainly get it for you.

MS MICHAEL: Okay, thank you.

Under 4.1.02, it is not really a line item, but as it says there in the explanation, it is appropriations for the development and implementation of a comprehensive suite of employment and training programs.

I know under the department you are fully aware of everything that is now under that, but I wonder could we have the list of what exactly the comprehensive suite is? What are the employment and training programs that now fit under that section?

MR. O'BRIEN: Okay. Yes, I can do that. Unless you want me to list them all out here today?

MS MICHAEL: If it is a long, long list you can just send it to all of us afterwards. If it is a short one –

MR. O'BRIEN: Yes, because there are subs to all of them. There is the LMA and there are subs under that, and there is the –

MS MICHAEL: That is what I was looking at. Are the labour market programs coming in there? Are there new programs there that we are not aware of, and the employment services that have moved from community organizations to department staff? That is a separate question – under the programs is what I have said. Then I have another question.

We have had a number of employment services that have been moved from community organizations back to the department. Is there any evaluation going on of the impact of that?

MR. O'BRIEN: Oh, absolutely.

MS MICHAEL: Can you give us some idea of that?

MR. O'BRIEN: Yes, we evaluate as we go forward each and every day in regard to the number of clients and the types of services that we provide those clients.

The programs under that division include youth and student services; you have the Employability Assistance for Persons with Disabilities; you have the labour market adjustment, which is TIOW; Labour Market Agreement; the Labour Market Development Agreement; and the Employment Development Supports.

Right now Advanced Education and Skills is really a one-stop shop. The programs are very flexible and more responsive to the clients. They do not have to go to a second tier in regard to availing of the services. We do evaluate making sure that we are meeting the needs of the people.

MS MICHAEL: I am just curious, minister – and I have a feeling my colleague from Cartwright – L'Anse au Clair may be asking the same question. How do you evaluate from the perspective of the community's perspective

whether or not needs are being met as well as they were being met before?

MR. O'BRIEN: Okay. The way we do that is in regard to the number of clients we have served. If I remember right – I will get it for you here now. If I remember right, there are about 10,000 individuals who avail of the work experience programs, employment supports. As well, we have about 8,217 employers that have visited our JobsNL sites and that kind of stuff.

We evaluate in that process because we advertise. We make sure people are aware of all the programs that are out there that they can avail of as best we can in regard to ads, brochures, services, and our 1-800 numbers, along with the services that are provided through our staff. We evaluate according to the number of people who come in through our doors, either that or call for services.

MS MICHAEL: Okay.

MR. O'BRIEN: I evaluate them myself by the number of certificates I sign every single morning in the Apprenticeship Program. It is worth your while to see the number of people going through that process.

MS MICHAEL: I have a question on that later on. You can answer it now if you want. In terms of numbers going up, do you have numbers going up?

MR. O'BRIEN: Yes, we have. It varies from year to year due to the simple reason that we have a very robust economy out there. We have kind of plateaued in regard to the number of people seeking training because they are employed. Now we have to sort of balance that and convince some of those people to actually train up, regardless of the employment for the future. That is a process that we are going through as well. We have had upwards of a little over 5,000 individuals who we trained this year alone and funded.

MS MICHAEL: Right. Do you have a number on your fingertips of how many have been training up in terms of becoming journeyed?

MR. O'BRIEN: Yes, I do. Journeypersons will be – no wait now, I will get that right here now.

Where is that? I have it here. Just give me one second there, Lorraine.

MS MICHAEL: Yes, no problem.

MR. O'BRIEN: Did you get that, Dennis? I am going to have to get that for you, Lorraine. I do not have it right at my fingertips; I am sorry.

MS MICHAEL: Right, that is okay.

MR. O'BRIEN: I apologize for that.

MS MICHAEL: I understand having a lot of paper and not being able to find something.

MR. O'BRIEN: I did have it.

MS MICHAEL: While looking for that then I would be interested too in the gender breakdown. Are the numbers going up of women?

MR. O'BRIEN: It is.

MS MICHAEL: Yes, if we could have that number as well.

MR. O'BRIEN: Yes, we have one program that targets Aboriginal people and women.

MS MICHAEL: Right.

Okay, so if we could have a sense of that.

MR. O'BRIEN: Yes, absolutely.

MS MICHAEL: Thank you.

CHAIR: Okay, Ms Michael, I appreciate it. I will go back to Ms Dempster.

MS MICHAEL: Yes, I think we can give a chance to –

CHAIR: Go to someone else.

MS MICHAEL: Okay, very good.

CHAIR: Ms Dempster, go ahead.

MS DEMPSTER: Thank you.

Okay, page 8.9, 4.1.01.

MR. O'BRIEN: Subhead 4.1.01.

MS DEMPSTER: Yes, and I have a generic question probably just for my benefit.

MR. O'BRIEN: Okay.

MS DEMPSTER: This seems to be a new section of the budget from last year.

MR. O'BRIEN: It is.

MS DEMPSTER: I am just wondering under what heading of last year's budget were those positions factored in.

MR. O'BRIEN: It will be combined into a number of headings actually. To be quite honest with you it would be hard for me to break it down for you here. This is a new program that oversees the actual Workforce Development and Immigration strategy.

MS DEMPSTER: Okay. I have a couple of questions there. Where is the Population Growth Strategy in the budget? I am wondering what was allocated for this year? When is it coming out? When can we expect to see more on that?

MR. O'BRIEN: We should soon be tabling, releasing our document of what we have heard in regard to the consultation process. We are hoping to have the strategy itself finalized probably by early fall.

It is quite complex. You had to go out and consult particularly with the people of the Province. As a matter of fact we had a great response right across the Province. As a matter of fact their online response service as well was used fairly often. We have extracted a lot of information there on ideas that the people of the Province have had.

Currently we have I believe three people working in regard to the Population Growth Strategy doing some great work and whatnot. It is incorporated into our full envelope of employees in regard to those particular three people.

MS DEMPSTER: Do you have a list of the titles and positions attached with that strategy?

MR. O'BRIEN: I sure could, yes.

MS DEMPSTER: That would be great.

Okay, that is all I have on that page, Mr. Chair.

CHAIR: Okay, you can keep going.

MS DEMPSTER: Okay, keep going?

Under page 8.9, I have the same question again, but it could be just me. A new section of the budget; I was trying to find under what heading last year the positions were factored in. The Business Transformation Report recommended streamlining the seventy AES programs into forty-three. I am just wondering: Was Noseworthy's recommendation followed there?

MR. O'BRIEN: Just a second now. Yes, well in regard to that report we have had probably about 47 per cent of the recommendations implemented or in process. The other 50 per cent are under evaluation and moving forward as well.

MS DEMPSTER: Okay.

MR. O'BRIEN: All of our labour market funding programs is now under this division of employment and training programs. We have a full suite of programs under this division.

In regard to the employees, they have an expertise very responsive to their needs. It makes us really more responsive and productive and as well easier to evaluate all the programs, making sure that we are actually having the impact not only in Eastern Newfoundland and Labrador but in the remote areas as well. It will just give us a clearer picture of exactly what we are doing. That is one of the reasons why we needed to do this.

MS DEMPSTER: Okay.

Under 4.1.03.09, Allowances and Assistance, I am just wondering what would be covered under this. Then I have the same question again about Grants and Subsidies; what would be covered under this?

MR. O'BRIEN: Do you want the Allowances and Assistance first?

MS DEMPSTER: Yes.

MR. O'BRIEN: Okay.

Allowances included Employment Development Supports of approximately \$800,000; as well as \$600,000 in regard to the ABE placement support allowance. The Employment Development Supports is funding that is provided to assist Income Support and non-EI eligible clients pursuing education, training. It is a program of less than twelve weeks and not supported or covered by student aid. Under the ABE placement, the placement support allows for and includes a \$200 start-up allowance and then a \$50 monthly stipend on transportation, if required, to that particular person.

Under the grants piece, you have the Linkages Program which is a provincial youth employment and career program; you have NL Works, which is comprised of a long-term and seasonal component which provides a wage subsidy to assist employers in creating employment opportunities; then, you have the Employment Development Supports grants to agencies which certainly includes Vera Perlin, Stella Burry, the T.I. Murphy Centre, and that kind of stuff. That is in the total of \$4.8 million

–
MS DEMPSTER: Minister, even if I could just get a list.

MR. O'BRIEN: I can give you a list.

MS DEMPSTER: That would be good. It would save you that.

MR. O'BRIEN: They are long.

MS DEMPSTER: That is it for me.

CHAIR: Would we like to take a ten-minute break so people could stretch their legs and if they need to go the washroom. Lorraine, do you have –

MS MICHAEL: (Inaudible) would we be able to have the names – you named some of them, I think – but of the employers under this?

MR. O'BRIEN: Yes, a pleasure.

MS MICHAEL: That would be good.

Thank you very much.

Did you answer the question under Grants and Subsidies, the \$900,000 difference last year but we are back up to basically the same amount this year? The revision of last year's budget showed a difference of \$900,000 not spent.

MR. O'BRIEN: We had some savings in regard to the business development projects. Random North Development Association folded; they did not put in a request. Then we had difficulties, I guess, in recruiting eligible participants as well, but we have a push on now within the department to make sure that if there are any partners out there that we can partner with, well then we are there to help them. That is where the savings came from.

MS MICHAEL: Thank you.

You had the Employment Transition program for single parents with three sites. Do you have the numbers of clients and the numbers who were employed?

MR. O'BRIEN: We can get it for you.

MS MICHAEL: You can get that for us?

Thank you very much.

MR. O'BRIEN: Yes, absolutely.

MS MICHAEL: That is it, Mr. Chair.

CHAIR: Perfect.

We will take a break until 10:40 a.m., please.

Thank you.

Recess

CHAIR: Okay, ladies and gentlemen, we are about to continue.

Ms Dempster, I am going to go back to you and start on that same section.

MR. O'BRIEN: Can I have a second?

CHAIR: Sure, yes.

MR. O'BRIEN: I have some updates.

First, for you Lorraine; in regard to journey persons, it has increased from \$257,000 in 2005 to \$508,000 in 2013.

MS MICHAEL: Great.

MR. O'BRIEN: In regard to the Population Growth Strategy, we have two analysts and an executive director providing the oversight. That is the three people we have there, and there are 11,590 students in default.

MS MICHAEL: Thank you very much.

CHAIR: Good information.

Ms Dempster.

MS DEMPSTER: We are on 4.1.04?

MR. O'BRIEN: 04, yes.

MS DEMPSTER: My first question is around the Revenue – Federal there. Is this the total LMDA funding for the year?

MR. O'BRIEN: This is the total. We budgeted \$104,202,200 and that is the Federal Labour Market Agreement.

MS DEMPSTER: Yes.

The Salaries budget overspent by \$200,000 last year, I am just wondering –

MR. O'BRIEN: That is severance.

MS DEMPSTER: Severance?

MR. O'BRIEN: Yes.

MS DEMPSTER: Okay.

Minister, given that this is the LMDA money, do these Client Services officers and managers only deal with EI eligible clients?

MR. O'BRIEN: Yes, that is the EI eligible program.

MS DEMPSTER: Their workloads are divided that way.

MR. O'BRIEN: Absolutely.

MS DEMPSTER: Okay.

Looking at Professional Services, the budget was overspent by \$400,000 last year. I am just wondering why and what was purchased there?

MR. O'BRIEN: That was the extension on the computer system as we are moving into our own –

MS DEMPSTER: LAMPPS?

MR. O'BRIEN: LAMPPS, yes.

MS DEMPSTER: Yes, okay.

Then under Purchased Services we see an underspending of \$360,000.

MR. O'BRIEN: That is the funding that was originally budgeted to cover the office lease cost and was used to cover the additional computer system costs under Professional Services. We switched one to the other, which we can do under the LMDA program.

MS DEMPSTER: Okay.

I have a question around JCPs. I am wondering, what is the status? We put a call into the department, I think it was around February 18, and we never heard back. Is this program still continuing?

MR. O'BRIEN: JCPs?

MS DEMPSTER: Yes.

MR. O'BRIEN: Absolutely.

MS DEMPSTER: Okay.

MR. O'BRIEN: As a matter of fact, we went to call for proposals about a month ago maybe. They are all under evaluation now, so I will be probably pushing them out the door pretty soon.

MS DEMPSTER: Okay, that was my next question. Yes, okay, all right.

MR. O'BRIEN: I am sure you will be after me.

MS DEMPSTER: Pardon me?

MR. O'BRIEN: I am sure you will be after me.

MS DEMPSTER: What is the budget amount allocated for JCP?

MR. O'BRIEN: The JCPs are up around \$11 million now.

MS DEMPSTER: Eleven million dollars?

MR. O'BRIEN: Yes.

MS DEMPSTER: Okay. There have been no changes in criteria or anything with that?

MR. O'BRIEN: No.

MS DEMPSTER: Okay. I have another question on the final one, Grants and Subsidies. What types of organizations uptake this funding? Can I get a list of that?

MR. O'BRIEN: This is all individuals actually in regard to the grants.

MS DEMPSTER: Okay.

MR. O'BRIEN: It is all individuals who get funded up under the LMDA program. Under the allowances you have – I mentioned Random North has folded. You have Stella Burry, you have the Victorian Order of Nurses, and the Salvation Army. I can give you the list.

MS DEMPSTER: That is the list I was talking about, yes.

MR. O'BRIEN: Yes, that is the list you are talking about right?

MS DEMPSTER: Yes.

MR. O'BRIEN: I can give you that if you want.

MS DEMPSTER: Perfect. I appreciate that.

MS MICHAEL: Yes, and I would like you to include the number of clients as well.

MR. O'BRIEN: We can get that for you, absolutely.

MS DEMPSTER: Okay, that is all the questions I had for that page.

CHAIR: Okay. Well I will go to Ms Michael to finish that section. Then we will come back again to the other parts of that section. Yes, that is great.

Ms Michael.

MS MICHAEL: Okay. Well I just threw in – the mike was not on when I did it but I did include asking for the number of clients in that list. All my other questions under that section were asked, so I do not have any more under 04.

Going on to 05, this is Labour Market Agreement. Obviously, it is the reorganizing that has created that change in Salaries.

MR. O'BRIEN: Under the Salaries, yes it is. It is a reallocation of program funding within the LMA.

MS MICHAEL: Yes.

MR. O'BRIEN: Yes.

MS MICHAEL: Okay. About how many employees would have been involved in that? Do you have that number?

MR. O'BRIEN: The number of employees – David, you are going to have to give that to me. I do not see it on my sheet.

OFFICIAL: Ten to twelve.

MR. O'BRIEN: There are about ten to twelve involved.

MS MICHAEL: Okay, very good.

So nobody dropped, just moved around.

MR. O'BRIEN: Just moved around – absolutely not.

MS MICHAEL: Great.

Under Transportation and Communications, a major amount of money spent there that was not budgeted for, \$131,000 actually. What caused that?

MR. O'BRIEN: LAMPPS again, training costs.

MS MICHAEL: Up that much?

MR. O'BRIEN: Yes.

MS MICHAEL: Okay, but this year it is down to \$20,000.

MR. O'BRIEN: Yes, because LAMPPS will be implemented. It is training the trainer, right?

MS MICHAEL: Okay, right.

Under Professional Services, the budget was \$264,700. What was that for? It was obviously not spent. Only \$1,000 was spent, or it was revised to \$1,000.

MR. O'BRIEN: As you know, we can reallocate funds under the LMA programming on the federal side. Under Professional Services it is really funding that is provided to deliver the programs and services, but we did not need that so we just reallocated that amount of money.

MS MICHAEL: Okay.

What would have been delivered that you did not need?

MR. O'BRIEN: Again, in Professional Services if we would need a consultant and hire a consultant for some reason or another in the past for the producing of any kind informational brochures and whatnot.

MS MICHAEL: It sort of looked like there was a real plan in place to cost that much money, I guess, that is why I am asking.

MR. O'BRIEN: It changes from year to year.

MS MICHAEL: Okay.

Under Purchased Services, again it went up. The revision was up by \$36,000 but then this year back down to \$90,000.

MR. O'BRIEN: Canada Job Grant consultations. That is a new grant, the Canada Job Grant by the feds so we needed to do a consultation process and that cost us about \$36,000.

MS MICHAEL: Okay.

That was the complications through the consultation.

MR. O'BRIEN: Yes.

MS MICHAEL: Okay, great.

Thank you.

Under Allowances and Assistance, there was a difference of \$1.3 million, I think, between the budget and the estimate; \$38 million. What was that about?

MR. O'BRIEN: That is just a reallocation of programming as well. We just adjust it.

MS MICHAEL: Okay. Then that reorganization is staying in place obviously?

MR. O'BRIEN: That is correct.

MS MICHAEL: Okay.

Then under Grants and Subsidies, we see the revision was \$1.5 million more than had been estimated.

MR. O'BRIEN: Yes. That is another reallocation of programming to meet the needs; demand driven.

MS MICHAEL: Okay.

I wonder under this one – you are used to getting this question. Could we have a list of the employers and numbers of clients in this one as well?

MR. O'BRIEN: Yes, absolutely.

MS MICHAEL: Great. Thank you.

That is all I have for 4.1.05. Will I move on, Mr. Chair?

CHAIR: Yes, you can go on to 4.1.06.

MS MICHAEL: Under 4.1.06, the question there, I just have one under Grants and Subsidies. The revision was \$421,000 less than projected. What would have accounted for that?

MR. O'BRIEN: The project approvals were a little less than the – it is demand driven again, as well. Certainly, the Grants and Subsidies in that category is a cost-shared agreement between ourselves and the feds on a 70-30 basis to target older workers. It is still demand driven. As I mentioned before in regard to the economy, there is a lot of the older workers who are actually working.

MS MICHAEL: Right, okay. Then obviously you are going to maintain the money because you never know what is going to happen.

MR. O'BRIEN: Absolutely.

MS MICHAEL: Okay, great. Thank you.

I think that is all I have for that one.

Under 4.1.07, I do not have any questions there, actually.

Under 4.1.08, once again \$1.2 million was not used. Is that a similar answer there as well?

MR. O'BRIEN: It is. There were savings of about \$600,000 under the graduate program. That is charged off to the feds. Then we just switched over in regard to – because you will see that the Estimates are down by \$800,000 in regard to the Inclusion Grants and the \$600,000 too, there as well. So it is a reallocation of funds meeting the requirement.

MS MICHAEL: Okay.

If I could come back to 4.1.07, it is more of a general question. It is not a line item so much. What will the new Labour Market Agreement for Persons with Disabilities contain? When will we know the details of that?

MR. O'BRIEN: Pretty soon. We are moving through in negotiations now as we speak on all of the programs. I think the LMA is there, the Canada Job Grant is there, and we are moving

into the LMDA as well. So over the next couple of months or so we should have a clearer snapshot in regard to what the feds are requiring.

MS MICHAEL: Okay. With regard to –

MR. O'BRIEN: If you can remind me, I will share it with you when it comes, if we can. Just remind me as well.

MS MICHAEL: Yes, it would be good to get that.

Okay, Susan, make that note, that we will do that.

MR. O'BRIEN: Yes, we are getting old.

MS MICHAEL: No, too much to deal with.

MR. O'BRIEN: Yes.

MS MICHAEL: With regard to the vehicle accessibility program, how was the \$600,000 determined, and will it meet the demand?

MR. O'BRIEN: It is a good program, high uptake, I guess. When it comes down to the budget, you can only do so much in each and every year. So we divide that \$400,000 in the upgrading of vehicles and \$200,000 in regard to non-for-profits making their buildings more accessible to people with disabilities.

We anticipate full uptake again this year. We tried it and it worked. The community was quite responsive, so I am really happy with that one. I wanted that bad in this Budget.

MS MICHAEL: Do you know or do you have – if it does exist, was there, not so much a waiting list, but were there applications that were not able to be met last year?

MR. O'BRIEN: We met most of the applications. There were a few that we did not meet, but we are going out now with another Request for Proposals. We will keep them in the queue as well.

MS MICHAEL: Okay.

MR. O'BRIEN: Absolutely.

MS MICHAEL: Okay, thank you.

Under 4.1.09 –

CHAIR: Ms Michael, I am going to let you finish that, then I will go back to Ms Dempster and you can go back and review all of them.

MS MICHAEL: Sure.

CHAIR: Normally we try to – if there is a flow going we continue and you can go back wherever it starts and finish up.

MS MICHAEL: Okay.

I just have a quick question actually on this. Two questions, one has to do with lines. I will ask the other one first.

What actually constitutes this division now, the Skills and Labour Market Research? What actually fits into that now?

MR. O'BRIEN: That division is responsible for the development and delivery of labour market information resources and services for individuals and employers. It supports them in the research we have on future labour demands where they can actually position themselves, train up the right people, and, as well, individuals see the opportunity. So we supply that information and then they can really make up their own mind where they want to go with their careers.

MS MICHAEL: Great. Okay, thank you.

Then, my line item questions are under the Professional Services and Purchased Services. In one case in the Professional Services \$104,600 not spent and in the Purchased Services a large amount over what was budgeted.

MR. O'BRIEN: Yes. We had lower requirements than was originally expected in the Professional Services so we reallocated that money to cover the purchase service requirements which was additional costs related to the maintenance of the JobsNL site, form development and that kind of work activity.

We had 3.7 million hits on JobsNL since April, 2013 to February. So it is a pretty busy site.

MS MICHAEL: Okay. That is it then for me.

CHAIR: Thank you, Ms Michael.

I will go back to Ms Dempster. You can go over any of those sections here if you like.

MS DEMPSTER: (Inaudible) 4.1.05. I misunderstood, I thought we were going page for page.

I do want to ask the minister – I do not think I am going to get through what I have here, so how do we go from here? Do I send you a list of the questions that I do not get time to get answered today, or what is the process?

MR. O'BRIEN: Yes, absolutely.

MS DEMPSTER: I imagine it is only a one-shot deal to sit in Estimates, is it?

MR. O'BRIEN: It is, yes.

MS DEMPSTER: Yes, okay.

MR. O'BRIEN: But feel free, absolutely.

MS DEMPSTER: Yes, because I have quite a bit of material here.

Back to 4.1.05, Ms Michael did ask a question about the \$550,000 under spent, and I had questions around that as well. With the drastic cut in Salaries from last year to this year and a lot of the answers are revolving around the restructuring and stuff, so I am wondering about a briefing. This was in my mind last week as well. Is it possible to get a briefing later on all of the changes within the department, just so we have an understanding of it?

MR. O'BRIEN: Yes, we can.

I just want to impress on you that there is no staff loss there in regard to the salary component. It is just that we are reallocating the funding within the LMA to meet the market needs. We have absorbed the salary costs for those particular people in our main budget line in regard to the provincial side.

MS DEMPSTER: Okay. So it is a moving around?

MR. O'BRIEN: That is right, yes.

MS DEMPSTER: Yes, okay. It just seemed to be a high amount there.

Again, maybe the answer is similar with Transportation and Communications. The revised numbers from last year have almost tripled. Is that sort of the same?

MR. O'BRIEN: Yes, LAMPPS training again. Our focus was on the LAMPPS program which is going to be really beneficial to the department.

MS DEMPSTER: Okay.

OFFICIAL: What does that stand for, LAMPPS?

MS DEMPSTER: LAMPPS is a system they are now using for data. I am not sure what the acronym is for.

MR. O'BRIEN: Well, I do not know. Your guess is as good as mine. Somebody came up with it.

MS DEMPSTER: Yes, I know. They have gone through a number over the last two decades.

MR. O'BRIEN: It is a good program to consolidate all our services.

MS DEMPSTER: Yes, somebody just asked that question.

MR. O'BRIEN: It gives us a clear picture in regard to what we are doing.

MS DEMPSTER: With the JCPs I just want to pop back and ask a question for a minute. What was the deadline for that? I never saw anything out on that and I do have a number of inquiries.

MR. O'BRIEN: We put out a Request for Proposals – April 4?

OFFICIAL: April 15.

MR. O'BRIEN: April 15.

MS DEMPSTER: April 15?

MR. O'BRIEN: Yes, April 15 and then we have a second round in July.

MS DEMPSTER: Okay. I will make sure my groups know about that.

MR. O'BRIEN: I am sure you will.

MS DEMPSTER: I still have one more follow-up question under Transportation and Communications. I am just wondering why there is such a big reduction from last year, given there was such a high spending in this area in previous years from what I can see.

MR. O'BRIEN: Are you still on 4.1.05?

MS DEMPSTER: I am – going from the \$83,000 down to \$20,000.

MR. O'BRIEN: Yes, in regard to that category, it depends on the pressure points that you have in any given year. This year our training costs were approximately \$150,000 greater than we anticipated under the LAMPPS program, so that piece there. Then we had a reduction in regard to the administration costs on the federal-provincial agreement as well. It is a mismatch of things within that category. It is no reflection that people are not travelling and that kind of stuff in regard to the programming.

MS DEMPSTER: Okay, I got it.

MR. O'BRIEN: We just had to get that piece of work done on the LAMPPS.

MS DEMPSTER: Just a side comment, I find it interesting that right here in reference to this part of the budget the number is very accurate with last year's Estimates, but then in a load of other places it was not. I thought that was noteworthy of mention.

Under 09, Allowances and Assistance, it was underspent by \$1.6 million last year.

MR. O'BRIEN: Yes, that is again reallocating the money around, which we have flexibility to do under the federal agreement.

MS DEMPSTER: Yes, okay.

The Grants and Subsidies, can I get a list there? I see you overspent by \$1.5 million. That is probably just a switch around.

MR. O'BRIEN: That is a carry forward as well under Grants and Subsidies.

MS DEMPSTER: Okay.

MR. O'BRIEN: Under the present federal agreement you can carry forward. So when you look at the budget Estimates for 2014-2015 which is only at \$4.8 million, well that reflects that actual agreement and the expected number that we are going to have once that agreement is signed.

MS DEMPSTER: Okay.

Can you take a minute to tell us about the status of Labour Market Agreement and the Canada Job Grant?

MR. O'BRIEN: I had a number of meetings with the federal minister, a number of conversations with the federal minister in regard to the Canada Job Grant. It looks a lot different, I should say, now than it did previous to his first offer. I had serious concerns with regard to any kind of an impact it would have on our LMA program which certainly addresses the needs and the challenges for the most vulnerable people in the Province.

At the end of the day, there will be no impact on our LMA program whatsoever. I do agree that employers should participate. I am not sure really what the uptake will be in the first year in regard to the employer participation, but we are going to certainly pursue that as well.

We are moving through the actual agreement right now in regard to the nuts and bolts of that agreement. We should have it all completed by, probably, the first part of July.

MS DEMPSTER: Okay. I know there were some sticky issues there back and forth.

MR. O'BRIEN: No, they worked that out.

MS DEMPSTER: With the other provinces, I mean. I have been following it a little bit in the news.

MR. O'BRIEN: We work well together, all the provincial ministers; we work really well together in regard to all the challenges, and individual challenges from one province to another. Instead of having each one of us working individually, we were all working off the same page.

MS DEMPSTER: Good.

I have one more follow-up on that. Will the Canada Job Grant only target the non-EI eligible?

MR. O'BRIEN: It will.

MS DEMPSTER: It will?

MR. O'BRIEN: Yes, non-EI.

Well, it depends on how we negotiate it as well. We are trying to negotiate it in regard to the contract itself, some flexibility in eligibility and all that kind of good gear. So for me to give you an answer on that would be – really, I can fill you in once the agreement is completed.

MS DEMPSTER: Okay.

On 4.1.06, again it looks like an under spending there of \$400,000. I am just wondering who received the money and again if I could get a list?

MR. O'BRIEN: I can give you a list of that as well. It is just that the project approvals were less.

MS DEMPSTER: Okay.

Also, is this just money for the targeted initiative for older workers?

MR. O'BRIEN: This one there is a 70-30 agreement that we have. Yes, it is. Most of those people, either they are retired and they do not want to go on with any type of work, or they are actually working. The uptake is a little bit less than what we anticipated last year, but we put another effort on to see if we can target them again and loop them over. It is just like spikes.

MS DEMPSTER: Yes, okay.

I did have a follow-up that I forgot, sorry, on the Income Support. The \$4.8 million increase, is that for the year or is that over five years?

MR. O'BRIEN: The \$4.8 million starts on July 1, so then it is annualized at, I think, five point six.

MS DEMPSTER: Okay.

The Fish Plant Worker Employment Support Program, is that done? That was a one-shot deal. Is it still active, that program?

MR. O'BRIEN: Well, it depends. That is really held down at the Department of Fisheries – Municipal Affairs actually administers that program, not me.

MS DEMPSTER: Okay.

MR. O'BRIEN: Not this department, I should say.

MS DEMPSTER: Do you know what? When I met with you a few months ago, you were the Minister of Municipal Affairs and that was part of the conversation we had. Maybe I am getting old, too.

The federal revenue on that page, 4.1.06, where does that pot come from?

MR. O'BRIEN: The feds. I cannot resist.

MS DEMPSTER: That is fair.

MR. O'BRIEN: That federal revenue is provided –

MS DEMPSTER: Is that specifically for the –

MR. O'BRIEN: That is the 70 per cent that they provide. That is their 70 per cent and we have to provide 30 per cent.

MS DEMPSTER: Okay.

It is specifically for the TIOW?

MR. O'BRIEN: Yes.

MS DEMPSTER: Okay.

Under 4.1.07, Allowances and Assistance, what is covered under that?

MR. O'BRIEN: I can give you a list, as well. You have your training services program. You have your supportive employment job trainers. Then you have the PRS initiatives, which include funding for the school to work transition supports for persons with disabilities. There are a number of things involved there.

MS DEMPSTER: Okay.

A list there, and in the Grants and Subsidies, I am just wondering what agencies might be availing. If I could get a list that would be great, and we can chug on along.

Again, for my clarification purposes, the federal revenue there, is that the Labour Market Agreement for Persons with Disabilities?

MR. O'BRIEN: Partially. That federal revenue is partially to offset the cost of the eligible expenditures, which is the 70 per cent.

MS DEMPSTER: Okay.

I just had a question, too, around the Inclusion Strategy. I am wondering what your goals are this year for that?

MR. O'BRIEN: Well, we are going to break it out. We have \$600,000 identified for the Inclusion Strategy to support people with disabilities in regard to vehicle accessibility, and then \$200,000 in regard to non-for-profit organizations that want to make their buildings more accessible to people with disabilities. Then we will start moving forward on many components in supporting people with disabilities.

MS DEMPSTER: Okay, thank you.

Under 4.1.08, this section in last year's Budget book had \$200,000 in Salaries. I am just wondering, where are these positions now? There is nothing there.

MR. O'BRIEN: You are into 4.1.08?

MS DEMPSTER: Yes.

MR. O'BRIEN: They are incorporated into the reorg as well. There is no loss in the supportive services there under Youth and Student Services. They are incorporated into the overall envelope with regard to the new divisions.

MS DEMPSTER: Okay.

Grants and Subsidies; again, I was wondering what types of grants and subsidies? I noticed it was under spent by \$1 million last year.

MR. O'BRIEN: Yes. You have your SWASP programs; you have your gradual employment programs. You have your student employments one, two, and three. We have adjusted that this year in regard to collapsing three programs down to two; one for post-secondary, one application process. The elimination of the tuition vouchers allowing us to employ these students for longer as well as more hours per day, and actually an extra 200 students as well.

MS DEMPSTER: Okay. Like the budget being reduced down to \$800,000. I suppose that always concerns me if I see places where we are not spending the monies that were allocated because the need seems so great. I am just not sure. Is it because people are not aware?

MR. O'BRIEN: Yes. There is a bit of re-profiling of money too under the Inclusion Grants and one-time money for the close out of the case management system under LAMPPS as well.

MS DEMPSTER: Yes, okay.

MR. O'BRIEN: It is just the reallocation of money. The same money is there for the student employment.

MS DEMPSTER: Again, we can get a list from this area, can we?

MR. O'BRIEN: Yes, sure you can.

MS DEMPSTER: That would be great.

Under 4.1.09, this is a new section this year right?

MR. O'BRIEN: A new division, yes it is.

MS DEMPSTER: Yes. I am wondering: Where did these positions come from? What positions are included there in that amount?

MR. O'BRIEN: There are nine permanent and temporary positions included in this division. It came from the previous divisions within the department. This brings it together under the Skills and Labour Market Research division, which is absolutely required if we are going to meet the needs of our clients.

MS DEMPSTER: I have some questions around the 70,000 job openings. I think it was in the 2020 document. In 2011 it talked about the – I am looking at Dennis because he would be familiar with this, too – 70,000, and we have not had any updates since then. We do not know if it is now 50,000 or 40,000.

Is there an update? Because I have employers saying to me: we need this labour market information, Lisa, and it is like trying to get blood from a turnip – just to quote them. Are there some updated figures that your department has on that?

MR. O'BRIEN: Yes, I will provide it. We are working on that now, actually, a reevaluation and making sure we have all of our numbers right, connected to upcoming projects and all that kind of stuff, and retirements, et cetera.

Anyway, we will move it forward to you. As soon as I get it, I will give it to you. It will give you a good snapshot.

MS DEMPSTER: Yes. Given the concern we have about the labour market in the Province, we have to really get a good handle on that.

MR. O'BRIEN: Yes, we will give you both. Each and every one of them, I will do both. Is that okay?

MS DEMPSTER: Okay, excellent.

Professional Services again, I am still looking at 4.1.09. This is a new section. I am just wondering what was budgeted for here? This section was under spent by \$100,000.

MR. O'BRIEN: It is just that it is down. It was originally expected that we would require the

\$150,000, but as we just talked about, it is a new division. We did not spend that money because by the time it became active we did not need that amount, but we probably will, going forward.

MS DEMPSTER: Okay.

There was a discrepancy I saw in Salaries but it is not coming to me now. We can move on.

Over to 4.1.10; I have some questions around immigration, and they kind of tie into the labour market. It was two years ago that the budget was significantly cut by more than 40 per cent. We know immigration is going to play a big part in helping us with the direction that we are moving in in addressing the labour market shortages.

Is there any plan to fill the executive director position and the other senior positions that were – I guess I want to know what you are doing to address some of that.

MR. O'BRIEN: I guess what we have done, and sometimes you are reluctant to use the word streamlining, but I think we are more effective in regard to what we do for immigrants on a go-forward basis, differently than what we used to do before.

To give you an example, our numbers are going up each and every year. In 2012 we had 731. This year we are going to have 838 by the looks of things. We are being effective in the supports. We have had a mission over to Ireland, which was really successful. I cannot remember the number but I think it was twelve or thirteen people in regard to that. We are planning other missions. We are developing an action plan in what we are going to do there, too.

When you look at the number of persons as compared to the results, you will see that the results are much different than you would probably think in regard to that overall 40 per cent cut. I would rather take our money and spend it elsewhere, especially when we are having the desired effect and impact that we are having.

Now we have the new Expression of Interest agreement that we are negotiating with the federal minister, Chris Alexander, which will

probably give us another target number of about 550 possible immigrants that we can take out of the labour pool which will be a national pool. That gives us – right now we are looking at no less than 850, and probably even over 1,000.

MS DEMPSTER: Did you say that was another agreement?

MR. O'BRIEN: Yes.

MS DEMPSTER: What is the name of that agreement?

MR. O'BRIEN: Expression of Interest.

MS DEMPSTER: Pardon me?

MR. O'BRIEN: Expression of Interest.

MS DEMPSTER: Expression of Interest.

Okay, thank you.

MR. O'BRIEN: I should tell you they are looking for a new name for that particular agreement. They have not come up with it yet. Anyways, that is a new agreement over and above the nominee program.

MS DEMPSTER: Okay.

Still on 4.1.10; again, I was wondering why the discrepancy from the \$654,000 not the \$687,000.

MR. O'BRIEN: Which line are you on?

MS DEMPSTER: I am there on 4.1.10, Salaries.

MR. O'BRIEN: Okay, yes.

We had a vacancy, and also we had an increase in the collective bargaining agreement offset and the signing bonuses there as well. We are in the process now of advertising and filling a few vacancies across the department, which are very few really. We have about twenty I think overall, which in a big department like this. With people retiring, you are going to have a certain amount of vacancies and you have to go through that process.

MS DEMPSTER: Okay.

I had questions around Transportation and Communications, but I guess that is just travel throughout the Province.

MR. O'BRIEN: Yes, that is correct. It is FPT meetings, that kind of stuff as well. I am responsible for four federal ministers now; they are my counterparts. So I have four Federal-Provincial-Territorial meetings every year – at least four, if not eight.

MS DEMPSTER: Okay.

Under Professional Services, \$30,000 under spent there.

MR. O'BRIEN: Professional Services – that is the evaluation of the Provincial Nominee Program. That will be completed in the first of this fiscal year. We did not get it done last year, but we will complete it in this fiscal year.

MS DEMPSTER: Okay.

Anything glaring under Purchased Services for that amount allocated this year?

MR. O'BRIEN: Purchased Services – no, just room rentals, advertising promotions, printing, general services that we use to support our operation.

MS DEMPSTER: Okay.

The Grants and Subsidies, the \$145,000, if I could get a list again that would be great.

MR. O'BRIEN: Yes.

MS DEMPSTER: I am just trying to get a snapshot of who gets the money there.

MR. O'BRIEN: Can do.

CHAIR: Just a note, anything that is requested by one member, we share with the other members also.

MS DEMPSTER: Yes, that is great.

MR. O'BRIEN: Yes.

MS DEMPSTER: Under the provincial revenue, I am wondering about the supports for young families and the drafting of an immigration policy. I am looking at something that was in CBC back in January when Dunderdale said that Reid's focus will include providing supports for young families.

When will we see an immigration strategy? Is that something that your department is working on right now?

MR. O'BRIEN: Yes, it should be done – a new plan probably within the next six months or so; roundabout.

MS DEMPSTER: Okay, thank you.

On the Provincial Nominee Program, will the Province be increasing the quota?

MR. O'BRIEN: That is up to the feds. That is what I am in negotiations with Minister Chris Alexander on now.

MS DEMPSTER: Okay, thank you.

CHAIR: Ms Dempster, I am going to let you go to 4.1.11 to finish that off and then back to Ms Michael.

MS DEMPSTER: Finish off that page?

CHAIR: Yes, if you could. If that is fine with Ms Michael?

MS MICHAEL: Yes.

MS DEMPSTER: Okay, thank you.

I have a question, but it is probably back to streamlining because no salaries are budgeted here this year.

MR. O'BRIEN: Yes, that is because the LAMPPS system is being completed and implemented. So they have gone back to their original positions. They were seconded.

MS DEMPSTER: Okay, thank you.

The Professional Services was overspent by \$400,000 last t year.

MR. O'BRIEN: That is because the project work which was originally scheduled for April, May 2014 was actually completed in 2013-2014, so we are ahead of schedule.

MS DEMPSTER: Okay. You do not see that often. So that is why the number was reduced so dramatically.

MR. O'BRIEN: Absolutely.

CHAIR: Ms Michael.

MS MICHAEL: Thank you.

I just have a couple of questions under 4.1.10; they are not line items. I am wondering where we are right now, Minister, with regard to the retention rate, with regard to immigrants? Do we figure that out on an annual basis, the retention rate?

MR. O'BRIEN: Yes, we do evaluate – I do not have any numbers here right now, but actually the number of people who are remaining in Newfoundland and Labrador has been increasing as well. We have a fair number of supports out there in regard to community supports and making people welcome, reactive to their needs and all that kind of stuff is playing a big role in that.

I can probably have a look at that and just see exactly there the numbers are compared to the 838 and the 731 because at one point in time, as you would know, especially in my world in regard to MDs, they came, they practiced for a year or so and then they went off to another community, mainly the bigger centers because that is where their culture was located. We are having better success there now as well. I can give you some numbers on that later.

MS MICHAEL: I am just wondering – I do not know if anybody actually in the group would know this – how long a period of time is allowed to make the determination by retention? Is it like you have been here six months or a year? Does anybody know?

MR. O'BRIEN: I would take actually a couple of years.

MS MICHAEL: Yes, that is what I was curious about.

MR. O'BRIEN: From my past, I would take that as personal, because I have recruited enough docs over the years.

MS MICHAEL: If that could be indicated in the statistic, what the period of time is that is being judged.

MR. O'BRIEN: Yes, we can get that for you.

MS MICHAEL: Great.

That is all I have under section 4; I just add that question.

CHAIR: Okay, perfect.

I am going to ask for a motion to adopt sections 4.1.01 to 4.1.11 all inclusive.

Moved by Mr. Pollard; seconded by Ms Perry.

All those in favour signify by saying, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed, 'nay'.

Motion carried.

On motion, subheads 4.1.01 through 4.1.11 carried.

CHAIR: Ms Michael, we are going to start and move you into post-secondary education. I would just want to note timing wise, and I only say that because I know there are some important questions you may want to get to, and I only say that because the schedule right now is fairly tight between now and the break for Easter, we may not be able to reconvene.

If there is a pertinent question you may want to get to first and then if time allows, fair enough.

Ms Michael.

MS MICHAEL: I personally have to leave the room at 11:45 a.m., so it is even more pressure on me. Thank you very much.

Under 5.1.02 –

MR. O'BRIEN: Subhead 5.1.01?

MS MICHAEL: Yes, 5.2.01 – I have two sets of questions. That is why I get confused.

I do not think I have questions under salary; I know what that is. With regard to Grants and Subsidies, \$1.8 million was not disbursed last year. Why was that?

MR. O'BRIEN: That was the Journeyperson Mentorship Program. The uptake on that is not what we anticipated; there are challenges within that program itself. We have allocated \$600,000, if I remember right, towards that program, which will support it as we go forward but we need to evaluate it. What is happening is a lot of the journeypersons that we would actually support in regard to financial support, to support our apprenticeships, are actually working; or you have the other challenge that you might have a journeyperson who would be available to mentor but lives in Ramea, but the job opportunities and the employer is in Corner Brook. Then you have to move the person from Ramea, which they do not want to do.

We have to re-evaluate the program to see if we can make it more effective to the requirements. So, we are going to take a year and have a look at it and then maybe go back at it again in a different way.

MS MICHAEL: From what you said earlier around journeypersons, it seems like we are getting more people journeyed in the Province, not having to leave the Province, from the numbers that you gave earlier.

MR. O'BRIEN: Oh, absolutely – definitely.

MS MICHAEL: The more we can do, the better it is obviously.

MR. O'BRIEN: Absolutely.

MS MICHAEL: Thank you very much.

Under revenue, the federal revenue has dropped in that section; \$380,000, I think.

MR. O'BRIEN: It is gone down by \$380,000 and that is funding from the LMA and the LMDA for the Apprenticeship Wage Subsidy as per the federal agreement. The LMDA is \$4 million and the LMA is \$2.6 million.

MS MICHAEL: I think that is all I have under 5.1.01. Subhead 5.1.02 – and once again it is related to Grants and Subsidies. Now here we have the Literacy and Institutional Services, which is pretty important, but I notice that there has been a big drop in the Grants and Subsidies here; \$1.1 million was not disbursed under Grants and Subsidies. Now, you are maintaining the same amount for this year, which is good, but what happened there?

MR. O'BRIEN: Okay, well the timelines for the project start and approval played a factor in the savings of \$400,000 under the foreign qualifications grant funding, which is a national program in regard to foreign qualifications. I think you are familiar with that in regard to somebody coming into Newfoundland and Labrador within the country and verifying their qualifications to coincide with our own qualifications.

MS MICHAEL: Right.

MR. O'BRIEN: As well, the ABE program, the uptake is slightly less than what we anticipated, but we served any of the clients who came forward. We are also having a look at that program to see if we can push it out to even more remote areas in Newfoundland and Labrador, either by distance or whatever we can do to enable people to avail of the service.

MS MICHAEL: Was there going to be any evaluation of the fact that ABE has been, I believe, to a degree, moved out of the community with the changes that have been made, and were the decisions around ABE partially the reason that you are seeing not as great an uptake? I would like to see an evaluation of that.

MR. O'BRIEN: The ABE program is now offered in all the communities that it was previously, under the contract, servicing. Now what we are looking at are areas in the Province that had never, ever had an ABE program. That is what we are looking at, and certainly

partnering with community-based organizations to deliver that if we possibly can. Right now, the program is costing us less, so now we have a little bit more flexibility to offer and to push it out to the more remote areas of the Province. So it is a benefit that way.

MS MICHAEL: I am still curious about why there was a smaller uptake in the places where it already is.

MR. O'BRIEN: Yes, I can sort of speculate. I am not sure if we can give you absolute data that would give you the answer, but the reason is that a fair number of the people who probably would have availed of ABE program under a stagnant economy are now working under a robust economy and making good money. So now we have to try to get them to move from a robust economy – a labourer now out in Gander is making good money in regard to building homes. That is the challenge we have.

We continue to promote the program and the benefits of it in the long term. Certainly, yes, you can make some money now when you have a robust economy, but if you ever have a downturn then you have nothing to fall back on other than you are a labourer. We have to try to get the people to move forward, avail of that particular program, and then go on into a skilled trade. It is all about promotion, advertising, and whatnot.

I can try to get you some data, but it is really hard. The simple reason is the particular person who might go to an ABE program is actually working. They are not available to come.

MS MICHAEL: I look forward to some data. Thank you.

MR. O'BRIEN: Yes, I will try. It is difficult. I want to warn it is difficult because it is all demand driven. We just cannot go in and say to a person who is on a job site: How come you did not do the ABE program? I know what the answer is going to be: Because I am working.

MS MICHAEL: Okay.

Under federal revenue, we only got \$15,000 of what was anticipated. What is that about?

MR. O'BRIEN: Are you under 5.1.02, federal revenue?

MS MICHAEL: Yes, federal revenue.

MR. O'BRIEN: That is the foreign qualifications grant funding for this year. It has been adjusted to reflect the amount of funding spent under the project, and that is the qualification one. That is moving forward now, but it was a little bit slow in regard to that. That was the anticipated cost, but we anticipate to take up the full amount this year coming.

MS MICHAEL: Okay.

I have no more questions under that and I do not have any questions under 5.1.03.

CHAIR: You can keep going for another few minutes, and then we will come back and you can finish off.

MS MICHAEL: Okay, great.

I do not have anything under 5.1.04, I do not think.

Subhead 5.2.02, Physical Plant and Equipment for Memorial University, can I have just an update on where things are because obviously the amount of money being spent has gone down a fair bit. All I am asking for is an update on what is happening there.

MR. O'BRIEN: The new residence, as you know, is complete down at MUN and a new residence over in Grenfell is done. We have about \$19 million budgeted for various grants to renovate the existing older residences in St. John's and in Corner Brook. You have some deferred maintenance and that kind of stuff. You have equipment and renovations and then you have the science labs upgrades as well, which is a cash adjustment, giving a total of \$19,389,000. We just do not need as much money in capital any more, for that particular project.

MS MICHAEL: I have to say I am really glad to hear about the labs.

MR. O'BRIEN: Yes, it is really good.

MS MICHAEL: Desperately needed.

Under 5.3.01, again my questions have to do with Grants and Subsidies because there is a big drop here in the revision, though it is gone back up to \$85 million.

MR. O'BRIEN: This is to support the tuition freeze at the college, along with your 2 per cent salary increases. You have a shift standby deferential at the college, and there is \$1.5 million to support the college in offering programing with regard to high demand labour areas.

MS MICHAEL: What was the reason for the revision down by over \$5 million?

MR. O'BRIEN: It would be in –

MS MICHAEL: In Grants and Subsidies in last year's budget.

MR. O'BRIEN: There were savings due to lower than anticipated LMDA sponsor students. They are actually demand driven too. As you know, there are a fair number of students who avail of the federal programming, so there is a lower number this year.

MS MICHAEL: Okay.

I am assuming then that would also explain the dip in the federal revenue.

MR. O'BRIEN: That is correct.

MS MICHAEL: Yes, those two things put together.

I think they are all the questions up to 5.3.02. I do not really have any more questions, Mr. Chair, you will be very happy to hear.

CHAIR: For that whole section?

MS MICHAEL: For that whole section, yes.

CHAIR: Sounds great.

Ms Dempster, you have some extra time. Ms Michael, if you need to go back, if something pops up, please just let me know.

MS MICHAEL: If something comes to me, yes.

Thank you.

MS DEMPSTER: Thank you.

Under 5.1.01, just a couple of general questions here, Minister. Budget 2014, \$5.2 million was announced to support apprenticeship and trades to develop new approaches for educational upgrading and employment supports. I am just wondering if you could tell us a little bit about that and what they are.

MR. O'BRIEN: Just repeat the question again. I thought you were going to a line. I missed part of it.

MS DEMPSTER: Yes, no problem. I wanted to see if you are still awake. I am only kidding.

Budget 2014, \$5.2 million to support the apprenticeships and trades, and it talked about new approaches for educational upgrading and employment supports. I would just like to know a little bit more about that because that is a huge issue.

MR. O'BRIEN: Yes, that would be under the labour market training as well, right?

MS DEMPSTER: Is there a specific plan for that \$5 million? We all will certainly agree the need is there when it comes to the apprenticeship area.

MR. O'BRIEN: Yes. It is just to support the apprenticeships, the people who are training up to meet the labour market demand over a number of programs. They are supported both on the federal side in regard to the LMDA and the LMA, the labour market adjustment wage subsidy program, and as part of our funding to support all of those programs.

MS DEMPSTER: Okay.

Now, I hear that, but in the Budget it said new approaches, so that was why I asked that. I wanted to just educate myself on it.

OFFICIAL: Some of that might be with the new approach with journeypersons, too.

MR. O'BRIEN: In our new approach in regard to the journeypersons as well, just to give you an example, how we are adjusting the journeyperson program, attaching apprenticeships to the journeyperson, and all that kind of good stuff. We have a lot of things moving in the department that have not been totally fleshed out yet, but we feel we require that money because it is really important, as you just said yourself, in regard to supporting those apprenticeship people.

As I said earlier today, as well, we are becoming a lot more flexible in regard to our policies surrounding all of our programs to make it work for the people. We are getting to a point now where if our policy is too stringent and too strict then we cannot address the needs of the person, the client, who is contacting us.

MS DEMPSTER: Absolutely, yes, because it is no good to be too black and white when there is an awful lot of grey out there.

MR. O'BRIEN: That is right, exactly.

MS DEMPSTER: Budget 2014 also mentioned the 9,100 person years of employment at Muskrat Falls. I would love to know what the provision is there for apprentices. Will we have any idea of that 9,100 person years how many apprentices will be taken care of?

MR. O'BRIEN: I can have a look. That is not within my department, but there are a fair number of apprentices who will be employed at peak in regard to Muskrat Falls. We are hoping a fair number of them will be over in Lab West as well. There is a great demand in regard to our apprenticeships right now in the Province and people who would train up for it but I will try to endeavor to get a number for you.

MS DEMPSTER: Yes, because I look back to the two decades I spent in this area. On the one hand we are talking about the 70,000 skilled shortages and the demand for trades – you would sit in a movie and it would be playing – then on the flip side, everyone we were putting through the trades were coming back: I can't get a job, I have no experience; I have no experience, I can't get a job. It is a challenging area but it is one we have to really continue to try to sink our teeth into.

MR. O'BRIEN: Yes, and that is certainly the reason why we have our focus in that area. It is to make it more flexible where those people can get jobs in Newfoundland and Labrador, and make it more attractive to the employer to employ. That is the kind of things we are doing within the department. You not only work with the individual, you have to work with the employer too.

MS DEMPSTER: A lot of times, Minister, with the bigger companies they do not want to mess about with the paperwork. So on one hand it is wonderful we have programs there but then they are not engaging in them.

MR. O'BRIEN: Yes.

MS DEMPSTER: I think reducing the red tape as much as we can is certainly a move in the right direction.

MR. O'BRIEN: Absolutely.

MS DEMPSTER: Okay, thank you.

Moving on to 5.1.02 Literacy; I was reading some of this on the flight last night, some of the contracts ending now.

Will you be getting an annual report on the private training, the corporations that are delivering, and if so, can we – I would like to have a look at that as well.

MR. O'BRIEN: We sure can, we will give you the results.

MS DEMPSTER: Okay.

Are these contracts going to automatically be renewed April 1?

MR. O'BRIEN: Yes, they are.

MS DEMPSTER: They are.

MR. O'BRIEN: Yes, a continuation.

MS DEMPSTER: Okay.

MR. O'BRIEN: Like I said, we are going to start looking at being more flexible and moving into some of the remote areas of the Province as

well and see can we actually penetrate that area. So that gives us the opportunity in regard to the changes we made to actually go after that new market that I consider because you will bottom out in regard to ABE students if you just keep continuing to offer it only in the same places.

MS DEMPSTER: I agree with that, absolutely.

MR. O'BRIEN: You have to go; you have to move the tar a bit.

MS DEMPSTER: In the Speech from the Throne – this is just a general question I had again – an adult literacy plan was mentioned. What is the timeline on that?

MR. O'BRIEN: Within probably the next six months, maybe early September.

MS DEMPSTER: Okay.

As you move forward on that are you planning on having community consultations? Was there money allocated in the Budget to go out at the grassroots and get some feedback on that?

MR. O'BRIEN: Yes, we have consulted already.

MS DEMPSTER: Okay. When did that take place?

MR. O'BRIEN: Probably about a year ago?

OFFICIAL: I know that was a good while ago. We will do some touch (inaudible).

MR. O'BRIEN: Yes. We did it some time ago and we will probably touch again with different groups and that kind of stuff that participated in the first instance.

MS DEMPSTER: Okay, because I knew there was a little bit of work done in that area. I think that was back in 2008 or something. That certainly would not be current now.

MR. O'BRIEN: If we have a look at it and we require it, we will do it, absolutely, if we do not get what we anticipate through the process. Right now we have a fairly good plan in place.

MS DEMPSTER: Okay.

We are getting there; I might get through it all. I skipped over a bunch because the answer was always the same, restructuring and realigning. That is why I think the briefing will be good.

Memorial, 5.2.01, the core review that was planned for MUN and CNA, has that been delayed or cancelled? I have not seen –

MR. O'BRIEN: No, that is ongoing.

MS DEMPSTER: Okay.

MR. O'BRIEN: As a matter of fact, they have hired an external consultant to do that because you cannot really evaluate yourself, no differently than we can evaluate our own selves. So they are into that process. As a matter of fact, Memorial has expressed an excitement in regard to that, because it is good to do that. Also, government has told them any of the savings they would find they can reinvest it in Memorial in their priority areas.

MS DEMPSTER: Okay.

There are no specific targets into how much you would cut in that core?

MR. O'BRIEN: No, we will not cut at all. It is their process.

MS DEMPSTER: Yes.

MR. O'BRIEN: It is their process. What it enables them to do is hire a third party to have a look at: Is the monies they are investing in certain areas having the desired impact? Could they move that money elsewhere to have a better impact? That kind of thing, so all the money stays whole to Memorial University.

MS DEMPSTER: The same, I imagine, for CNA?

MR. O'BRIEN: The same for CNA, absolutely.

MS DEMPSTER: Yes, okay.

The monies for the science lab upgrades, are these in the Science Building itself? Is that where there is a new building going up?

MR. O'BRIEN: Yes, there is a new building going up in regard to a core science building. They are moving forward with that as well.

MS DEMPSTER: I am just thinking you would not want to do lab upgrades, too.

MR. O'BRIEN: No, but there are existing labs in MUN as well. There are a lot of labs in MUN.

MS DEMPSTER: Oh, I know.

MR. O'BRIEN: Yes, absolutely. This is upgrades to some of the existing labs that they will require over and above the new core sciences.

MS DEMPSTER: Okay. Yes, that was just a question around clarification.

MR. O'BRIEN: Yes.

MS DEMPSTER: There was also a mention in the Budget of the \$150 million from Hebron for the Science Building. Is that all for the Science Building?

MR. O'BRIEN: Not all.

MS DEMPSTER: No.

MR. O'BRIEN: A portion of it is reserved, depending on what – they are going through a process now in regard to a design-build process, and we will support them through that fund.

MS DEMPSTER: Okay.

So you do not know how much or what is the timeline? Can we get a breakdown on that?

MR. O'BRIEN: Well, there is no breakdown, really, to give you yet until they finish their design-build process and determine what the actual cost of that particular facility is going to be. Then we will have a look and have some discussions with MUN on that.

MS DEMPSTER: Okay.

Minister, if it is a portion of that \$150 million going there, where is the other allocated?

MR. O'BRIEN: I think that is out of my scope in regard to the department, but there was some money carved out for Goose Bay, I believe. It is hard to say. That is not my department.

MS DEMPSTER: Okay.

Who can I ask?

MR. O'BRIEN: That would be probably Natural Resources or Finance.

MS DEMPSTER: Okay. Thank you.

I also had a question, wondering how much you are investing per institution this year in the tuition freeze with that \$5.1 million in total.

MR. O'BRIEN: Yes, let me think now. It is \$4 million, I think, for Memorial and \$1.5 million.

OFFICIAL: It is \$1.1 million.

MR. O'BRIEN: It is \$1.1 million; I am sorry. I will get my numbers straight there now.

MS DEMPSTER: Okay. We are almost done, if it is any consolation.

That is what I was wondering: How do you calculate that?

MR. O'BRIEN: That is the full amount. Yes, \$4 million and \$1.1 million.

MS DEMPSTER: Yes, I was just wondering how you calculated that.

MR. O'BRIEN: That is all according to the number of students who are enrolled.

MS DEMPSTER: Okay.

My two final questions: What is the cost to government annually for debt reduction grants?

MR. O'BRIEN: Debt reduction grants? That is in student loans?

MS DEMPSTER: Yes.

MR. O'BRIEN: I do not think I had that.

Do you have that, Dave?

OFFICIAL: (Inaudible).

MR. O'BRIEN: Three million dollars.

MS DEMPSTER: Okay.

What is the cost to maintain interest-free status on student loans?

MR. O'BRIEN: We will have to get back to you. I think I know the number, but I would not want to give you the wrong number. I will give it to you in the House.

MS DEMPSTER: Okay. I appreciate that.

Well, that is it for me.

CHAIR: We are good?

No other questions from any other members?

I am going to ask, then, that we adopt all inclusive for the Estimates review of Advanced Education and Skills from subhead 1.1.01 to 5.5.01, inclusive.

Moved by Mr. Cross; seconded by Ms Perry.

All in favour, signify by saying 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: Opposed?

Motion carried.

On motion, subheads 1.1.01 through 5.5.01 carried.

On motion, Department of Advanced Education and Skills, total heads carried.

On motion, Estimates of the Department of Advanced Education and Skills carried without amendment.

CHAIR: The Estimates for the Department of Advanced Education and Skills have been reviewed and adopted.

I want to thank the minister and his officials for their co-operation. I want to thank the Committee members and welcome to Ms

Dempster, your first Committee, and obviously Mr. Slade getting his feet wet also. That is part of the process.

Anyway, I need a motion to adjourn this meeting.

Moved by Mr. Pollard.

We are adjourned. Thank you.

On motion, the Committee adjourned.