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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 Wade Verge, MHA

RESOURCE COMMITTEE

Department of Advanced Education and Skills

Chair: Eli Cross, MHA

Members:

Ray Hunter, MHA
Nick McGrath, MHA
Lorraine Michael, MHA
Christopher Mitchelmore, MHA
Tracey Perry, MHA
Sam Slade, MHA

Clerk of the Committee: Elizabeth Murphy

Appearing:

Advanced Education and Skills

Hon. Clyde Jackman, MHA, Minister
Tracey Abbott, Executive Assistant
Genevieve Dooling, Deputy Minister
Bob Gardiner, Assistant Deputy Minister, Advanced Studies
David Pike, Assistant Deputy Minister, Corporate Services
Brendan Hanlon, Departmental Controller
Dennis Hogan, Assistant Deputy Minister, Workforce Development & Immigration
Michelle Hunt, Director, Communications
Roxie Wheaton, Assistant Deputy Minister
Tina Williams, Communications

Also Present

Lisa Dempster, MHA
Scott Reid, MHA
Dana English, Researcher, Official Opposition Office
Susan Williams, Researcher, NDP Office

The Committee met at 5:30 p.m. in the Assembly Chamber.

CHAIR (Cross): Okay, I see the light is on and I see everybody is in their chairs. It is so nice of you to come out at this time of the evening. It is a beautiful evening out there now compared to what it was in the morning.

This is the very last session that we are going to hold this year so we have the little red caboose. This is the last Estimates meeting for this year.

What we do is we start off in a couple of minutes. The minister would get fifteen minutes to inform an introduction or opening comments. Then the Official Opposition, whoever is taking the lead from them, would get fifteen minutes in the first session.

We trade the time back and forth in ten-minute increments. We break about half-way through for five minutes or so, more to give the gentleman down in the Broadcast Centre a pause. I think he is working alone tonight. It is not that we need a pause, but down there he may need to go and he has got no one to replace him.

We will start with the introduction of the members of the Committee, starting with Ms Dempster.

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

MS ENGLISH: Dana English, Researcher for AES.

MR. REID: Scott Reid, I am the MHA for St. George's – Stephenville East.

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

MS WILLIAMS: Susan Williams, Researcher.

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

MR. HUNTER: Ray Hunter, District of Grand Falls-Windsor – Green Bay South.

MR. MCGRATH: Nick McGrath, MHA for Labrador West.

CHAIR: Okay, and Minister, you.

MR. JACKMAN: I am Clyde Jackman, Minister of Advance Education and Skills. I will let my staff introduce themselves.

MS DOOLING: Genevieve Dooling, Deputy Minister.

MR. PIKE: David Pike, ADM, Corporate Services.

MR. GARDINER: Bob Gardiner, ADM, Post-Secondary Education.

MS WHEATON: Roxie Wheaton, ADM Responsible for Service Delivery and Income and Social Supports.

MR. HOGAN: Dennis Hogan, ADM for Workforce Development and Immigration.

MR. HANLON: Brendan Hanlon, Departmental Controller.

MS WILLIAMS: Tina Williams, Communications.

MS ABBOTT: Tracey Abbott, EA to Minister Jackman.

CHAIR: Okay.

Just as a reminder so everyone knows, the people asking the questions are asking the minister. If the minister decides to deflect to someone in the department, you wait for the little red light to come on and you start off just by announcing your name. If he identifies you by name, it is for the Broadcast Centre to see on camera.

We need a motion to adopt the minutes of the Forestry and Agrifoods Estimates.

Moved by Mr. Reid; seconded by Mr. Hunter.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Contrary?

The minutes are adopted.

On motion, minutes adopted as circulated.

CHAIR: Now we will start with the Clerk. Which section are we into?

CLERK (Ms Murphy): That would be section 9.

CHAIR: Section 9 for those following their Estimates booklets. We will call the first head.

CLERK: Subhead 1.1.01.

CHAIR: Subhead 1.1.01 is open; the minister, for opening comments.

MR. JACKMAN: All right, Sir.

Thank you very much.

I will have some introductory remarks. This department is one that I say touches the lives of Newfoundlanders and Labradorians. I suppose since I have been there I think the biggest word I can use to describe it is that it is a department that helps people.

If we look at Wabush Mines and the challenge that they are going through down there right now, it is important that we have people on the ground to assist with programs and whatnot, and be able to help the folks out as much as we possibly can on the ground there. Sometimes there are factors that are beyond control of government. It is industry and the way industry operates, but I think it is important that we have people on the ground there. That is what the people in this department do.

In Wabush, they have been down there several times. I have been down there myself and I think the people on the ground met with the Wabush council. They were very much appreciative of the work that officials from the department do. It is no different than when we had the Sykes call centre in Corner Brook and Terra Nova Shoes in Harbour Grace.

Also, there are the Emergency Social Services. We provide Emergency Social Services during

the time there is a need in our Province. One example is in Hopedale recently. They had the Canadian Red Cross and the Salvation Army. Our people worked with them to deliver water to the community of Hopedale when they were in need of it for the last three months. We provided services to that. There were nine chartered flights that went in there. The staff were telling me that they carried eleven pallets of water, 10,000 litres, to that community and it cost \$20,000. Again, I say, we serve the people who need it; that was one example of it.

The budget for the department is \$879 million of the provincial Budget. It is 10.6 per cent of the entire Budget, and this is the breakdown: \$326 million goes to Memorial University; \$91 million goes to the College of the North Atlantic; \$159 million goes to skills and development; \$232 million goes to Income Support; and \$30 million to student financial assistance.

From our department, we want to ensure that only the best services and programs are offered to Newfoundlanders and Labradorians to help them achieve employment and, equally as important, to achieve independence. In particular, there is even a further focus on the needs of employers, students, employees, and individuals. I want to highlight some of the accomplishments within the department that will have a direct impact on the daily lives of people.

We are now in the second year of restructuring the department. The restructuring of Advanced Education and Skills will make it more responsive to the changing demands of today's labour market. This was in consultation and whatnot, and we have done that restructuring and it has happened with no layoffs. It will eliminate isolation, focus goals, and clearly measure and define success, all while developing independence, self-sufficiency, and success in the way we serve people.

Through this change, the department will continue to transform itself. There are going to be four branches and sixteen divisions with the shared goal of ensuring that Newfoundlanders and Labradorians can seize the opportunities that we have in this Province.

One of the newest additions – and I think this is a critical piece of what is going to make this department more effective and more in tune with what is happening. There is a structure and that is the creation of the Service Improvement and Quality Assurance Division. This division will monitor and measure service quality and identify areas that require attention.

With that quality assurance and service improvements being very much active and continuous, you are always revisiting and seeing what things are working, what things you need to improve upon. We have also seen transition in the Disability Policy Office and the Poverty Reduction Strategy. This was with AES and now it is with my other department: Seniors, Wellness and Social Development.

We have a new deputy minister. While she is only small, she is very mighty. She comes from a financial background. From my short time in AES, with the number of dollars and programs that we have across that department, I think she is going to be a really true asset to moving the department forward.

Our attrition target is nine positions annually. So over the course of the five-year attrition plan that we have, we are looking at forty-five individuals. We do currently have forty-two staff who are eligible to retire and another twenty-two becoming eligible in 2015-2016. We will review these retirements when they occur and identify the nine positions for the attrition target as move forward.

We also provide Income Support. I know the House of Assembly is an interesting spot and we challenge and ask questions of each other, but we have come a long ways. The percentage of population receiving Income Support in this Province right now is at an historic low. In 1997, there were 30,766 children under the age of eighteen who were living with families in receipt of Income Support. In 2014, that is 8,325. So we have seen a decrease of 22,000. The percentage of the children in the Province living in families in receipt of Income Support has decreased from 20.6 per cent in 1997 to 8.6 per cent in 2014. I think it is a commendable piece for sure.

This past fiscal year, we successfully negotiated the Canada-Newfoundland and Labrador Job Fund Agreement. That replaces the Labour Market Agreement. I am pretty well certain there will be some questions on that tonight. As we move down through some of these programs, they are pretty complicated and detailed. When it comes to certain facts and questions, I will be deferring questions to staff on that.

Just as an example, in 2014-2015 forty-one employers received funding to train 225 individuals. So uptake from these programs has remained strong. Likewise, the Labour Market Development provides \$126 million annually to Newfoundland and Labrador to support the training and employment needs of programs for people in the Province. Under this agreement, we have served upwards of 20,000 people who have availed of these services. There is no doubt about it, there are many good things happening in that field.

I will say the apprenticeship program is up for renewal. We are going to be rolling out the revamped apprenticeship program. That will be coming out very soon.

Another thing that I am proud of, and, I think, very many students and parents are appreciative of, is that as of this September we will – for the Newfoundland and Labrador portion of the student loan program – it will be eliminated. The Newfoundland and Labrador portion of the Canada student loan will be totally funded by the provincial government.

Memorial University is a large part of our program. So is the College of the North Atlantic. We certainly recognize those schools.

Mr. Reid, the centre in Stephenville is amongst those. Like I said to you the other day, they are going through a bit of a transition right now but I can assure you there are no intentions of closing that site. I have discussed it with Glenn Blackwood to see how it is that we can strengthen the program. They will be working with the local community to see what we can do there.

Another large part of it is the population growth. We will, again, be rolling out this strategy very

soon. So it is going to be a busy spring for us for sure.

Mr. Chair, that is about it for me. We can open the floor for discussions however you choose to do it. We can do item by item or whichever way the floor chooses.

CHAIR: Okay.

We will move to the Official Opposition. Ms Dempster is going to start.

MS DEMPSTER: Thank you.

I have ten?

CHAIR: Fifteen.

MS DEMPSTER: Fifteen. Thank you.

Thank you for the overview. I know you said we would start with 1.1.01, but can I ask a couple of questions first before I start with the Estimates?

CHAIR: I think that is what the minister just said. He is comfortable either way.

MS DEMPSTER: I want to reference the Salary Details –

MR. JACKMAN: Yes.

MS DEMPSTER: – document for 2015-2016 and 2014-2015, specifically Schedule I on page 1 and Schedule II on page 2, the summary of department details. Under Schedule II, page 2 –

MR. JACKMAN: Hold on for a second will you, please,

MS DEMPSTER: Sorry.

MR. JACKMAN: This thing is not working. Do we have another one of these around?

MS DEMPSTER: Am I low?

MR. JACKMAN: I am not deaf as a door knob but I am getting there.

MS DEMPSTER: I am low? Okay.

MR. JACKMAN: This thing is not working or something is not working here.

MS DEMPSTER: I am not low when I get wound up, am I, Minister?

MR. JACKMAN: No, that is true.

MS DEMPSTER: It must be the time of day.

MR. JACKMAN: I am well aware of that. The sunshine should have an effect on it.

I hope you ate a big supper.

MS DEMPSTER: I did. It was too big.

MR. JACKMAN: Let's try that and we will see if it works.

Here we go. Good.

MS DEMPSTER: Alight.

Salary Details, Schedule II, page 2 of the Salary Details document 2015-2016, according to page 2 of the 2015-2016 Salary Details document there were 633 permanent positions budgeted at a total cost of \$41 million for 2014-2015. The revised number of permanent positions for 2014-2015 is 628 at a total cost of \$42.4 million. I am just wondering, what are the five positions that were cut last year?

MS DOOLING: I can speak to that. It was not five positions that were actually cut. It was some cleanup we did on position control numbers. I can give you the positions that were attached to those.

The minister's position for our minister in AES is eliminated this year because it is paid out of the Seniors, Wellness and Social Development department. There was the abolishment of two PCNs that relate to two former deputy ministers. One with respect to the deputy minister for population growth; there is no dedicated deputy minister for population growth now. As well, there was another deputy minister's position that was transferred to another department several years ago and that position was abolished as well. There is only one deputy minister position in the department in the Salary Details now.

There were two vacant Client Services Officers positions that were not a part of our approved reorganizational structure. They were vacant and both of those vacant positions were abolished.

MS DEMPSTER: Okay.

Thank you.

MS DOOLING: You're welcome.

MS DEMPSTER: Why is the revised number for the 2014-2015 \$1.4 million higher than what you have listed as the budgeted number for 2014-2015, despite the five less positions?

MS DOOLING: The increase was mostly due to the payout of severance and retirement costs. As well, there was utilization of administration costs. There was a component there in a federal program that was also utilized. So those were the two pieces; largely though severance and retirement payout.

MS DEMPSTER: Okay.

Thank you.

MS DOOLING: You're welcome.

MS DEMPSTER: When you look at Schedule I from the Salary Details document for 2014-2015, page 1, it says 663 positions at a total cost of the \$41.5 million. I guess I was wondering, too, why are you reporting the same number of positions budgeted in the 2015-2016 and 2014-2015, but it is a different budget amount?

MR. JACKMAN: Who wants to take that one?

MS DEMPSTER: I am not asking about the revised numbers, but talking about what was budgeted there.

MR. JACKMAN: What particular page are you on?

MS DEMPSTER: These are just some notes I made before I start, regarding Schedule II, page 2 of the Salary Details.

MR. JACKMAN: Okay.

MS DEMPSTER: Schedule I right here for last year.

MR. JACKMAN: Schedule I, yes.

MR. PIKE: There were five positions that were removed from the salary Estimates. The increase in costs for 2014-2015, as Gig mentioned, was the increase for severance payouts of the staff who severed during the year.

MS DEMPSTER: Okay.

Comparing Schedule I, 2014-2015, with Schedule I, 2015-2016; Permanent Salary Costs in 2014-2015 were \$37.1 million and Permanent Salary Costs in 2015-2016 are \$37.4 million. Can you just explain why Permanent Salary Costs are roughly \$240,000 higher in this most recent Budget for the same number of positions?

MR. PIKE: That would be the planned salary increases.

MS DEMPSTER: Okay. That is what I thought.

MR. JACKMAN: What you are doing here is asking accumulated. By each section that we go through here, if we were to go through it line by line, there are certain sections there that would see a 3 per cent salary increase.

So what we are looking at here is accumulated. That is what you are asking now, right?

MS DEMPSTER: Yes, that is right.

Then, Other Salary Costs in 2014-2015 were \$4.4 million; and Other Salary Costs in 2015-2016 are \$4 million. Again, is it just the same thing, why there is \$400,000 less budgeted for Other Salary Costs for 2015-2016? I do not know. Were there temporary positions cut? If so, I am just wondering what they were.

MR. JACKMAN: If I look at the first section, 1.1.01, there was a severance payout. There used to be a Parliamentary Secretary who was there so that is no longer paid. If you wanted to, we could go through each one of these sections and outline for you which ones are severance and which ones are positions.

MS DEMPSTER: We have a lot of information here tonight, so I do not know if we could get a list of that for after.

MR. JACKMAN: That is what I mean.

MS DEMPSTER: Yes, perfect.

MR. JACKMAN: We could show you where the severance is and some of the positions that are impacted.

MS DEMPSTER: Perfect.

I will clue up that part then quickly. Page 3 of the Salary Details 2015-2016, Summary of Attrition shows nine positions lost at a total of \$544,000. I just want to confirm, this is just for 2015-2016?

MR. JACKMAN: That is right. Yes.

MS DEMPSTER: I am wondering what these positions are. How many of the 435 core positions to be cut over the next five years will be in AES, any idea?

MR. JACKMAN: What we have is that there are going to be forty-five positions removed. As I said in the opening, we have something like forty-two positions that are available for retirement, and then we have another twenty-two that are going to be coming up in the following year.

We have not made a determination yet as to where exactly those positions will be coming. As we do further review reorganizing the department, then we will make a determination there.

MS DEMPSTER: Okay.

I do not know if I missed this before I got my – besides through attrition, will there be any other positions cut under AES in 2015-2016?

MR. JACKMAN: No.

MS DEMPSTER: No. Okay.

How many positions are vacant right now in the department?

MS DOOLING: As of March 31, there were thirty-four vacant positions.

MS DEMPSTER: Thirty-four. Okay.

The Estimates document, the front page, Summary of Expenditure and Related Revenue; the budget for the department is \$37.5 million less than in 2014-2015. Can you explain why?

MR. JACKMAN: You are on page 1?

MS DEMPSTER: Yes.

After this, Lorraine, I am starting line items.

MR. JACKMAN: I am assuming on this page right here. What is your question again?

MS DEMPSTER: My question is the budget for the department right here is \$37.5 million less than it was in 2014-2015. I am just wondering why.

MR. JACKMAN: Dave will answer this one.

MR. PIKE: Our budget is approximately \$35.7 million less than the budget for 2014-2015. There are numerous line items that make up that net difference. For example, there are increases in that in our budget for 2015-2016 for negotiated salary increases. There are various deficit- reduction options that we have put forward using federal money as opposed to provincial money.

To turn to Memorial University, Memorial University's budget overall dropped by approximately \$20 million, as well, there were capital projects at memorial that ended for approximately \$9.7 million. So, memorial can equate to most of those differences year over year, but there are ups and downs to that overall budget.

For example, at memorial the residence upgrades were completed. We reduced their budget by \$4.1 million. Deferred maintenance projects ended for about \$3 million. There are laboratory science upgrades that are ending. So once we get into the details of each of the activities it will become evident what they are.

MS DEMPSTER: Okay. Thank you.

I am now moving to line items to make it simpler to follow.

Page 9.3, 1.1.01, Minister's Office, Salaries, \$80,000 less for 2015-2016, why was that?

MR. JACKMAN: Well, like I said, one of the issues is that there is no longer a Parliamentary Secretary there.

MS DEMPSTER: Okay.

MR. JACKMAN: That was accounted for in that section. That is it.

MS DEMPSTER: Okay. Is that only \$30,000, a Parliamentary Secretary's salary?

MR. JACKMAN: No, there is a whole list of them. Parliamentary Secretary is one. The minister's salary is now – part of it is paid through Seniors, Wellness and Social Development and some of the minister's car allowances – mine is removed too because – through Seniors, Wellness and Social Development.

MS DEMPSTER: Okay.

MR. JACKMAN: This comes with a reduction of one department.

MS DEMPSTER: That is right. You only need one car now; one minister (inaudible).

MR. JACKMAN: I only got one driver.

MS DEMPSTER: Transportation and Communications, \$40,000 over budget in 2014-2015.

MR. JACKMAN: There was an increase, for example, with FPT meetings. This would account for some of the travel into Wabush as well; the staff have been in there a few times and I have been in there. So that accounts for it, and some into an immigration recruitment session.

MS DEMPSTER: Okay. What was purchased here – okay, you have outlined that.

Subhead 1.2.01, Executive Support, Transportation and Communications, \$47,000

budgeted, overspent by \$20,000 last year, what would have been purchased here?

MR. JACKMAN: What section is that in?

MS DEMPSTER: Page 9.3, 1.2.01, Executive Support, the \$20,000 overspent there.

MS DOOLING: For the Transportation and Communications for Executive Support?

MS DEMPSTER: Yes.

MS DOOLING: Okay. There was an increase as well due to additional travel for executive members on FPT meetings and general departmental business.

MS DEMPSTER: Okay.

Subhead 1.2.02, Salaries overspent last year by \$230,000.

MR. JACKMAN: So you are on page 9.3.

MS DEMPSTER: Page 9.4.

MR. JACKMAN: Page 9.4.

This was an increase due to a retirement and a severance for a departmental staff and transition to the new department; change in the organization structure.

MS DEMPSTER: Okay. Employee Benefits, \$200,000 – can you just tell us what specifically is covered under here?

MR. JACKMAN: Employees Benefits – that was reduced down from \$210,000 down to \$185,000?

MS DEMPSTER: Well, I have \$200,000, which seemed kind of high to me. I just put in the overall average there. What is covered under that?

MR. JACKMAN: That is Employee Benefits. Funding is provided for training and professional development for the staff at \$93,000, and then there was another one for \$179,000 for payments to workers' compensation.

MS DEMPSTER: Okay.

CHAIR: Okay, the time is expired to fifteen, so if there is something directly supplemental to that I can extend it for a few seconds, if not –

MS DEMPSTER: Well, I do not know if I have time. I can come back to this section maybe.

CHAIR: Yes, come back there.

Ms Michael, do you want to start your first ten minute session?

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

I will be continuing along 1.2.02, but before doing that, just asking the minister – I have done this now at all the sessions. A good practice has started this year that we did not have in other years. The ministers have been giving us the briefing notes afterwards. So we can look forward to that?

MR. JACKMAN: Yes. I will not be able to leave this with you because I have it all scratched up, but we will –

MS MICHAEL: No, but you will get a copy to us –

MR. JACKMAN: We will, yes.

MS MICHAEL: – and that way there is a lot that we do not have to copy down, because we know we will be getting it.

MR. JACKMAN: Yes.

MS MICHAEL: Okay, thank you so much.

I have to say I am delighted that has started; it is great.

MR. JACKMAN: Yes.

MS MICHAEL: Coming then to 1.2.02, continuing along under Supplies – it is not a big difference – under spent by \$20,400, but what does that usually cover, Supplies in this line?

MR. JACKMAN: That is savings – we had the government-wide discretionary piece.

MS MICHAEL: Yes.

MR. JACKMAN: That is where it is.

MS MICHAEL: Okay.

MR. JACKMAN: Where you see some of these small dollars, that would be consistent across all of it.

MS MICHAEL: That is where it is.

MR. JACKMAN: Yes.

MS MICHAEL: Yes, and that is probably the same under the Professional – no, Professional Services was overspent by \$18,000. What would have caused that? What was the Professional Services this year?

MR. JACKMAN: There were external audits for some of the departmental programs – that is one – and the Professional Services cost dropped a bit by the Targeted Initiative for Older Workers. Primarily, it was that there were external audits that were a bit higher than in 2014-2015.

MS MICHAEL: Okay, but you do not expect that to happen next year because we are back down to \$15,500.

MR. JACKMAN: No.

MS MICHAEL: Okay.

Under Purchased Services, it is overspent by \$211,000. Can we have an explanation, please?

MR. JACKMAN: These were some lease costs for some of the AES offices, and the lease costs were a bit higher than was anticipated.

MS MICHAEL: Now you are going back down to the same budget as last year, so –

MS DOOLING: Ms Michael, how we will handle that in 2015-2016 is we will find the savings within other categories by implementing some discretionary items ourselves to make sure that we cover any increase in leases as they come due.

MS MICHAEL: Okay, thank you.

MS DOOLING: You are welcome.

MS MICHAEL: Under Property, Furnishings and Equipment, \$18,500, under spent by \$15,500, and then budgeted this year at \$10,000?

MR. JACKMAN: Again, that is part of that discretionary funding, a freeze that we had.

MS MICHAEL: Okay.

Subhead 1.2.03, I think the Salaries are pretty self-explanatory, so I will not bother with that one. Transportation and Communications was almost on target; I do not think there is a need to ask about that either actually. Purchased Services, there was a variance of \$25,600 last year. Was that also discretionary?

MR. JACKMAN: Yes.

MS MICHAEL: Okay, great.

I am not about to waste our time and since this is my fifth one this week –

MR. JACKMAN: I can give you counselling after this is over.

MS MICHAEL: I do not want to be in here until 10:00 tonight.

MR. JACKMAN: I have gone through three, so we will sit down and counsel each other.

MS MICHAEL: Right.

Okay, that is fine; let me turn the page there. Under General Administration, 1.2.04, Newfoundland and Labrador Student Loans Programs, I am just wondering under Revenue – Provincial there was \$150,000 unspent, but it is back up to \$1,150,000 for this year.

MR. JACKMAN: Do you want –

MS MICHAEL: Yes, an explanation of the –

MR. JACKMAN: I suppose I should ask one of the staff, but it is around collections –

MS MICHAEL: Right.

MR. JACKMAN: So who would want to –

MR. PIKE: Ms Michael, it is lower than anticipated collections and it relates to a category of loans that were issued prior to 2004. That loan portfolio is in excess of ten years now. The funding for that was reduced this year, but we are anticipating that with the loans that are coming up for payment that we will meet a target of \$1.1 million next year.

MS MICHAEL: Okay, great.

Then eventually, though, that will be gone, right, with the change?

OFFICIAL: Yes.

MS MICHAEL: Okay, great.

Under 2.1.01, Salaries here, I would like an explanation because we had approximately a \$970,000 variance last year and an increase this year over last year.

MR. JACKMAN: One of it was retirement and severance for some departmental staff that totalled \$500,000 and then there was a funding for the 3 per cent salary increase that totalled \$318,000.

MS MICHAEL: Okay, thank you.

Transportation and Communications, there was a variance of \$8,000 upwards last year.

MR. JACKMAN: Increased for postage.

MS MICHAEL: We had that for somebody else last night.

MR. JACKMAN: Yes, when we were looking through this I was amazed at how much it cost, but that is it.

MS MICHAEL: Right.

MR. JACKMAN: There are some mail outs that go to clients as well.

MS MICHAEL: Okay.

I forget. Who was here last – I cannot remember – yesterday. One of the ones yesterday said

there was a big jump for them because of the postage.

MR. JACKMAN: Yes.

MS MICHAEL: Under Supplies, that may have been discretionary, was it? It was \$43,000 under.

MR. JACKMAN: Yes, expenditures were lower than previously budgeted across all of the twenty-eight offices.

MS MICHAEL: Right. What would be the supplies in this division of Client Services? What kinds of supplies would be covered in that line?

MS DOOLING: Ms Michael, that would just be routine office supplies for twenty-eight offices across the Province.

MS MICHAEL: Okay.

MS DOOLING: Your pens and your paper, that sort of thing.

MS MICHAEL: Usual stuff for the whole Province.

MS DOOLING: Your usual stationary supplies and that.

MS MICHAEL: Okay. Thank you.

Purchased Services; there I am more interested in what is it that gets covered under Purchased Services in this division?

MR. JACKMAN: Yes, the funding is down because of discretionary, but if someone wants to see –

MS DOOLING: Purchased Services would basically be your leasehold improvements. That is about \$22,000. Then we have managed print services, your copiers, those sorts of things, and your shredders, your advertising promotion, those sorts of expenditures.

MS MICHAEL: Okay, great. Thank you very much.

MS DOOLING: You are welcome.

MS MICHAEL: Under Property, Furnishings and Equipment, it was \$10,000 more than budgeted. Was there a particular reason for that?

MR. JACKMAN: Yes, there was one particular one. That was an increase related to the purchase of some signage for buildings for ten of the offices.

MS MICHAEL: Okay, thank you.

Did you have any new offices added last year or they just did not have signage before?

MR. JACKMAN: I do not know if they did not have them, but there was new signage put up, either replaced or –

MS MICHAEL: Okay. Thank you.

Subhead 3.1.01, Income Assistance, Transportation and Communications has a variance of \$60,000. Can I have that explanation please?

MR. JACKMAN: Yes. What was it, Transportation and Communications? Is that the one with the postage?

MS DOOLING: It is the postage again.

MS MICHAEL: Postage again?

MR. JACKMAN: That is postage and mail outs, yes.

MS MICHAEL: Okay.

MR. JACKMAN: There was an increase in the number of mail outs, too, to clients.

MS MICHAEL: Right.

MR. JACKMAN: What they were attempting to do is to encourage more people to have direct deposits.

MS MICHAEL: Right.

MR. JACKMAN: So it may cost us a bit to get it set up, but that is the aim, to get more and more people on direct deposits.

MS MICHAEL: Well I think we have had this conversation since you became minister.

MR. JACKMAN: Yes.

MS MICHAEL: I had it with the minister prior to you.

MR. JACKMAN: Yes.

MS MICHAEL: Just to put it on the record, you know where I stand on this. I agree that it is good to do it, but we also have to recognize people should not feel pressure to do it.

MR. JACKMAN: No.

MS MICHAEL: Some people just do not have accounts, or they do not have a facility in the community they live in, et cetera.

MR. JACKMAN: Yes.

MS MICHAEL: You had said you would look into that because I had reported some front-line stuff to you.

MR. JACKMAN: Yes. We have not been swamped with calls with it.

MS MICHAEL: Right.

MR. JACKMAN: We have had the occasional case where someone has wanted it dealt with differently and we have accommodated.

MS MICHAEL: Great.

MR. JACKMAN: So any accommodation that is needed in those particular cases, we will make them.

MS MICHAEL: Right, and we have not had any calls recently either, since I spoke with you.

MR. JACKMAN: Yes.

MS MICHAEL: Thank you for looking at that.

MR. JACKMAN: Not a problem.

MS MICHAEL: Great.

CHAIR: Time is flying tonight.

MS MICHAEL: Okay, that is fine.

Thank you very much.

CHAIR: Back to Ms Dempster.

MS MICHAEL: I will be back.

MS DEMPSTER: Back to 1.2.02. I will just pop back here.

MR. JACKMAN: Yes.

MS DEMPSTER: Transportation and Communications, there is kind of a hefty budget there. What is covered there?

MR. JACKMAN: Let me see, Transportation and Communications.

Do you want to speak to that one?

MS DOOLING: Yes.

MR. JACKMAN: You are asking the specific, not about reductions or increases. You are asking specific as to what is required in it.

MS DEMPSTER: Yes, what is covered in that budget?

MR. JACKMAN: Yes.

MS DOOLING: Absolutely. That is postage and freight costs for all divisions within the provincial office, that is just over \$92,000 of it; there is divisional travel, about \$15,000; and telecommunications, phones, telecoms, those sorts of things, about \$42,400 in that.

MS DEMPSTER: Okay, thank you.

MS DOOLING: You are welcome.

MS DEMPSTER: Under Purchased Services, over \$3 million last year and again this year. I know a chunk of that is probably for leases.

MR. JACKMAN: Yes.

MS DEMPSTER: Is it just leases?

MS DOOLING: The majority of it.

MS DEMPSTER: When we look at what was purchased last year.

MS DOOLING: Yes. The majority of it, over \$3 million, relates to leasing; then there are banking fees, about \$120,000 there; and then printing and copiers, that is about \$85,000.

MS DEMPSTER: Okay.

Not expected to purchase anything this year, just handy about the same; leases?

MS DOOLING: Basically the same, yes.

MS DEMPSTER: Okay.

The Revenue – Provincial; where does this come from, specifically?

MS DOOLING: The provincial revenue is with respect to funding that we put out to organizations and if they are unable to spend the entire amount, they would refund the remainder back to the department.

MS DEMPSTER: Okay.

My next question was: Why did you receive \$200,000 more than anticipated last year? That could be why.

MS DOOLING: Yes, it is because organizations returned some of the funding.

MS DEMPSTER: Okay.

Subhead 1.2.03, Salaries under spent by \$80,000 again.

MR. JACKMAN: This was the quality assurance division I spoke about. It was approved as part of the department's reorganization. It was not fully staffed in 2014-2015 so now you will see that increase, but that was basically it. It was not funded for the entire year.

MS DEMPSTER: Okay, thank you.

Under Transportation and Communications, what specifically is covered here?

MR. JACKMAN: That is discretionary funding. Across all of the department we looked at ways where we could help out with a little bit less funds. That is one there. It was down by \$5,100 or something.

MS DEMPSTER: Okay.

Professional Services, the \$145,000, what is covered there?

MR. JACKMAN: That is expenses for evaluation plans, appeal board per diems, those types of things, and dollars that were spent around reviews of the apprenticeship board and the program as we move forward with it.

MS DEMPSTER: Were there any other evaluations that were done?

MR. JACKMAN: No, not that I am aware of. Was it?

MR. PIKE: We can provide a list to you of evaluations.

MS DEMPSTER: I appreciate that, thank you.

Under Purchased Services, I am wondering what you purchased last year and what you would be purchasing this year, and why you were under spent by \$25,000.

MR. JACKMAN: Again, that is part of the discretionary funding freeze where we looked at savings we could make. That is basically it.

MS DEMPSTER: Okay.

What was purchased there in Purchased Services?

MR. JACKMAN: One of the changes, I suppose, is moving to my new Department of Seniors, Wellness and Social Development. There were some expenses incurred there. Gig can mention a few more of them.

MS DOOLING: The majority of expenditures that would occur under Purchased Services are your print, your photocopying, and those sorts of things. Your copiers could be leased and just the maintenance of those copiers, as well as your advertising, those sorts of things.

Our budget was reduced in 2015-2016 because a small amount of money was transferred over to Seniors, Wellness and Social Development for the two divisions that transferred out of AES and into the new department.

MS DEMPSTER: Do we know what that figure was?

MS DOOLING: Do I know the figure that was transferred to Seniors, Wellness and Social Development? It was approximately \$9,500.

MS DEMPSTER: Okay.

Moving on 1.2.04 –

MR. JACKMAN: I will say to you that as we go through some of these – she mentioned that particular amount under this division – there will be other amounts that will show up across others, with the move to Seniors, Wellness and Social Development.

MS DEMPSTER: Okay.

I just have kind of a general question starting under student loans because the description says this budget “includes payments to financial institutions and individuals under various components of the Program.” Can you tell us a little bit about the program and the institutions and the individuals mentioned?

MR. PIKE: The Student Loan Corporation was established in 2004 to disburse funding to students in terms of, at the time, grants and loans. We use a service provider, like all provincial jurisdictions across the country, who disburse the funds for us.

We also receipt the funding for loans that we receive, and there are three categories of loans that we receive: prior to 2000, then up to 2004, and then from 2004 to the current date. There are different ways that we collect the funding through different arrangements.

MS DEMPSTER: Okay.

MR. PIKE: Basically the Student Loan Corporation is the banker for the student loan program.

MS DEMPSTER: Okay.

I am just wondering too why you received \$150,000 less than you had anticipated last year?

MR. JACKMAN: Again, we mentioned that – do you want the information?

MS DEMPSTER: No.

MR. JACKMAN: Yes, we mentioned that.

MS DEMPSTER: I have it now, yes.

How many students are currently in default on their provincial student loan? Do you know?

MR. JACKMAN: It might be something we would have to look up and provide.

MR. PIKE: We have that information. There are 11,100 students as of March 2014. I do not have the March 2015 data. As of March 2014, there were 11,100 students in default.

MS DEMPSTER: Do we know how much is owed to the Province?

MR. PIKE: In defaulted loans, \$65 million, as of March 31, 2014. In –

MS DEMPSTER: Go ahead.

MR. PIKE: In those loans that are issued that are in good standing – there are 24,000 students with loans in good standing for a total value of \$78 million.

MS DEMPSTER: Okay.

I have a couple of questions on the upfront needs-based grants. What will it cost this year to complete the transition to upfront needs-based grants? You alluded to that in your opening. I am just wondering is it included here.

MR. JACKMAN: It is \$12.6 million.

MS DEMPSTER: It is \$12.6 million. Okay.

What will be the total cost of this program once 100 per cent of the provincial portion of the student loan is a grant?

MR. PIKE: The cost will be approximately \$30 million a year. It depends on the uptake of the program.

MS DEMPSTER: On the uptake, yes.

All right, 2.1.01, Salaries; the budget is \$300,000 higher this year.

MR. JACKMAN: That is to cover off the 3 per cent salary increase. That is basically it.

MS DEMPSTER: A salary increase of 3 per cent.

MR. JACKMAN: Yes.

MS DEMPSTER: Okay.

The Salary Details document lists 196 Client Services Officers in the Province under Client Services. Can you tell us what their role is?

MR. JACKMAN: Of Client Services?

MS DEMPSTER: Yes, Client Service Officers.

MR. JACKMAN: You go ahead.

MS WHEATON: Client Services Officers are responsible for determining eligibility for a whole array of programs and services, so everything from eligibility for Income Support or skills development. They have full delegated authority.

In the government world they are considered to be professional-level positions because they come with a lot of skills sets. They would be dealing with clients who are homeless and people who are victims of violence. They could be dealing with people who are looking to go back to school. They are the front-line staff in our organization who deals with all of the eligibility for funding.

MS DEMPSTER: Roxie, can you give us a breakdown of where they are located throughout the Province? Can we get that?

MS WHEATON: In terms of the number by location?

MS DEMPSTER: Yes.

MS WHEATON: Sure. You would find pretty much Client Service Officers in all of our locations. We can get you that.

MS DEMPSTER: Thank you.

CHAIR: Okay, that might be a good point to transfer over to Ms Michael.

MS MICHAEL: Okay. Thank you.

Picking up at 3.1.01, I think this is straightforward; the Allowances and Assistance, \$3 million under. I would imagine that is not a figure that can be nailed down because it is money that is going out to individuals, correct?

MR. JACKMAN: Yes. You will see up and down depending on the client caseload.

MS MICHAEL: Right. So you are keeping it at the same amount basically.

MR. JACKMAN: Yes.

MS MICHAEL: It is actually up \$615,000 - \$615,700 actually.

MR. JACKMAN: Yes.

MS MICHAEL: Okay.

The federal money; that is money to the Innu Nation, is it?

MR. JACKMAN: Yes.

MS MICHAEL: Right.

Then the provincial revenue; what makes up provincial revenue in this area?

MR. JACKMAN: That one is related to collections of overpayments.

MS MICHAEL: Okay.

It is a fair bit. Is that fairly normal, that amount?

MR. JACKMAN: Yes, I would think so. I mean if I use it as an individual case, sometimes we get someone who might be collecting Income Support, receiving and then getting CPP

afterwards, and have to pay back. That is one example of it.

MS MICHAEL: Okay.

Of course it is Province-wide.

MR. JACKMAN: Yes.

MS MICHAEL: Thank you.

Subhead 3.1.02, National Child Benefit Reinvestment; \$600,000 was budgeted and \$500,000 – so a variance of \$100,000.

MR. JACKMAN: Yes. There was lower than anticipated take-up by Income Support clients.

MS MICHAEL: Right.

MR. JACKMAN: It is interesting. I was interested in this particular stat too; the numbers have been going down over the past number of years.

MS MICHAEL: Because of the statistics.

MR. JACKMAN: Yes.

MS MICHAEL: Do most low-income people – obviously most of them are aware of it.

MR. JACKMAN: Yes.

MS MICHAEL: So you make an effort to make sure they are all aware of it.

MR. JACKMAN: Yes. I think the majority of people who would be looking into it would receive it.

MS MICHAEL: Right.

MR. JACKMAN: It is just that the numbers are going down it seems.

MS MICHAEL: Okay. Thank you very much.

All right, 3.1.03, the Mother/Baby Nutrition Supplement. So, obviously, just one staff person involved with that program is there?

MR. JACKMAN: Yes.

MS MICHAEL: Yes, okay.

Allowances and Assistance, a \$60,000 variance, but I think it is sort of logical, again, this is the kind of thing –

MR. JACKMAN: It is a client uptake kind of thing, yes.

MS MICHAEL: – up and down, that is right.

MR. JACKMAN: Yes, right.

MS MICHAEL: Okay.

Sorry.

MR. JACKMAN: You are going to deafen me worse, knocking that microphone.

MS MICHAEL: I should be careful because you and I have a similar problem, right.

MR. JACKMAN: Every time you smack it – bang.

MS MICHAEL: Not that I wear an aid, but the day will come for me, right.

MR. JACKMAN: I could say you are killing me, but I will not.

MS MICHAEL: Thank you.

All right, 4.1.01, Workforce Development and Productivity Secretariat, the budget was under last year, a variance of \$184,600. What was the variance? What caused that?

MR. JACKMAN: This was the result of a position not filled, as these positions are being created, classified, and filled in that departmental transition that we were talking about.

MS MICHAEL: Yes, okay.

Is it filled now or you are anticipating it?

MR. JACKMAN: We are in the process of filling it now.

MS MICHAEL: Okay, thank you very much.

Under Transportation and Communications there was a variance of \$6,000 last year. Why is there one there?

MR. JACKMAN: One is related to the FPT meetings. The other one is work that we are doing in Wabush, and likewise that we did in Corner Brook.

MS MICHAEL: Okay. That has come out a couple of times now, right. Thank you.

MR. JACKMAN: Yes.

MS MICHAEL: Then Supplies, I suspect that is the discretionary spending –

MR. JACKMAN: Yes it is.

MS MICHAEL: – that brings that down by \$6,000.

MR. JACKMAN: Yes.

MS MICHAEL: Okay.

Property, Furnishings and Equipment, I guess the same thing, was it?

MR. JACKMAN: Yes, it was.

MS MICHAEL: Okay, discretionary.

MR. JACKMAN: Likewise some of the movement of folks from AES to Seniors, Wellness and Social Development.

MS MICHAEL: Okay, thank you.

I have just a couple of questions under that. What is the work of the secretariat? What exactly does it do, practically speaking?

MR. HOGAN: The Workforce Development Secretariat was established approximately two years ago. Its role is to help better align the labour market supply and demand. So we work very closely with employers, with individual workers, with training institutions, unions, community groups, educational institutions, to really tackle the issues that are challenging for the labour market in the Province.

One of the primary roles of the secretariat really is all about engagement. It is that policy expertise and engagement function that allows us to better inform the programs that the department offers.

MS MICHAEL: Okay.

I have a related question to that, I guess to the minister. I appreciate that and I understand the need for that, and I did have this conversation with the former minister. However, there are times – and I did have a couple of cases of people in Income Support who went through this – where somebody in Income Support may want to do a course at the university, for example, do a degree. Right now, when you do the analysis of the workforce, et cetera, it does not fit. In actual fact, I know of at least two people who have come to me who were refused doing their BA because it did not fit. It is like you want to do a BA. Really, what job are you going to get from that, this kind of thing.

MR. JACKMAN: Yes.

MS MICHAEL: The former minister did say to me that was being looked at, looking at more flexibility around people being able to do education that, maybe in the immediate, you cannot see the job, but realizing there is still a value for people.

MR. JACKMAN: Okay, I will tell you what I will. I will have a discussion with the staff up the office and I will have a chat with you in the House on it again.

MS MICHAEL: Sure. Thank you very much.

You did mention, Clyde, when you were doing your opening there, you did mention the Population Growth Strategy. Could you just give us a little bit more detail of what is happening?

MR. JACKMAN: Well, I can tell you we are going to have a busy couple of months because – I cannot give out all the details now because we are going to release it, but it is coming out in four sections.

Immigration is a large part of it. Another one is – I think when people see what the changes are

coming through the apprenticeship program, they are going to be quite pleased with it.

I know that for myself, personally, who have had a lot of trades people in my district, some of the things that are coming here, they have been waiting ten years to get. So that is two components of it.

What is the other component? Here we go. She knew I was going to forget one of them.

There is a focus on families and there is another focus on communities. The apprenticeship one is going to come under a workforce type of program.

This is going to be starting to roll out over the next couple of months. It will not be just one announcement. It will be a series of them with a focus on those particular components.

I have to say, putting all politics aside, I am going to commend the department because what they have produced is exceptional and I think people are going to be quite pleased with it. I would say the NDP are going to be over the moon with it.

MS MICHAEL: You better be careful, though, the Liberals are going to be accusing us of coalition again.

MR. JACKMAN: That is not a bad thing.

MS MICHAEL: No, that is not a bad thing. It is not actually.

Well, since that brings me to the end of anything I wanted to ask about 4.1.01, I will pass it over because I only have thirty seconds left.

CHAIR: Okay.

Lisa.

MS DEMPSTER: Thank you, Mr. Chair.

I want to pop back for a minute to 1.2.02, the \$200,000 that you had received, more than anticipated. You mentioned sometimes money is not spent. Is it possible for us to get a list of what organizations or what programs – I am just wondering, what are some examples –

MR. JACKMAN: I have an example in my own district. The Burin Peninsula Chamber of Commerce returned \$46,000 of \$100,000 that they had. They just did not have the client take-up that they expected they were going to get. Another one was a community centre on the West Coast that returned \$26,000.

Yes, we can do up a list of that. That is no problem.

MS DEMPSTER: Okay.

Back to 2.1.01, the Salary Details document lists twenty-four Social Worker I positions in the Province under Client Services. Can you just tell us what their role is?

MS WHEATON: In Advanced Education and Skills we have social workers who focus on two primary areas. There are a group of social workers who help individuals pursue child support. So they would support clients going through the court system. Then we also have a group of social workers who fall within the same category called liaison social workers. Basically, they support our other staff when they are dealing with clients with complex needs, who particularly would be homeless or have mental health issues and are having difficulty navigating between different departments, whether that might be housing issues or dealing with mental health services. So they play a huge role there.

MS DEMPSTER: Okay, thank you.

Again, can we get a breakdown of where they are located throughout the Province?

The Salary Details document lists fifty-three Clerk Typist III positions in the Province. Can you tell me what their role is?

MS DOOLING: Clerk Typist III's – so when you have storefront offices that we would do, obviously you need staff who deal with reception. They would deal with supporting the staff in the office, whether that is everything from photocopying. They might take in cash as people come in to make deposits on accounts. They process mail, they help with mail outs. Some of them answer the phones. So a whole

variety, they are an integral part of the service delivery.

MS DEMPSTER: Okay. Again, could we possibly get a breakdown of where they are located throughout the Province?

Under Transportation and Communications, what is the \$1.1 million used for?

MS DOOLING: There is \$475,000 used for travel for the various staff. There is about over 480 staff in those offices. Telecommunications is about \$544,000, and then you have postage costs of roughly \$85,000.

MS DEMPSTER: Okay. So none of that would be client travel under that figure?

MS DOOLING: That would be employee travel.

MS DEMPSTER: Okay.

Under Supplies, what typically is covered here – no, I got that. I made a note on that when Lorraine asked; I will skip over. Purchased Services, under spent by \$60,000. Again, that was discretionary?

MR. JACKMAN: Yes, it is.

MS DEMPSTER: Okay.

Moving on, I am wondering, last year the former minister – we were told that Client Services would be divided into two regions, one out of St. John's and one out of Stephenville. Is this still the case, two regions?

MS DOOLING: It is two regions; one in St. John's and one in the Western Region.

MS DEMPSTER: Okay. Can you just tell us how it is working out, now that we are a few months in?

MS DOOLING: Yes, we are still continuing to implement the new organizational model, as Minister Jackman had indicated. So we are trying to consolidate some of the positions now to form the two units, or the two divisions, as opposed to four regions previous. So it seems to be some progress on that.

There are still a number of positions to be filled. As we said, the org model would take two years to implement. We are in the second year now. So we have a goal that we will be fully implemented by the end of March of 2016.

MS DEMPSTER: Okay.

Is Stephenville still serving as the intake call centre for the Income Support?

OFFICIAL: I am sorry?

MS DEMPSTER: Is Stephenville still serving as the intake call centre for Income Support?

MS WHEATON: Stephenville is the place in the Province where all applications for new clients for Income Support are processed, yes.

MS DEMPSTER: Okay. Thank you.

I have to digress for a moment because this is just something I have heard out in my district recently. Some days only about 30 per cent of the calls are being managed, and very, very lengthy wait times for people on Income Support. Can you give us a little update on that?

MS DOOLING: (Inaudible) calls that are answered. We do keep statistics on that.

MS DEMPSTER: Okay.

That would be great.

MS WHEATON: Obviously when you go through a transition – Stephenville, actually, already had been doing applications, but for the West Coast of the Province. We had to gear up over there and so we actually hired additional staff so that they could slowly take on the applications for the rest of the Province. We had to go through a period of training. Like with any change, you are slowly working your way to the ideal that you want to be.

I did some checking today just before I came, and for the past three or four days I know that we are hitting 90 per cent of our calls. We are a pretty busy operation. We take about 800 applications a month. Like any organization that offers a call service, some days you are going to be busier than others, and certain times of the

month are going to be busier than others. As the minister indicated, with the help of our quality assurance unit we are in the process now of basically looking at what should be our future service standard as the unit gets stabilized.

MS DEMPSTER: Okay. Thank you.

Can you, just for my purpose, walk us through the process of when someone first makes their contact with Income Support? I am thinking about one of John Noseworthy's recommendations in that he recommended employment and training assessments be completed when someone presents for Income Support. Is this happening? If so, how is it working out?

MS WHEATON: The first step was to get all of the applications into one unit and to get that working really well. The next step – so in the fall what we will be doing is starting to introduce a pre-screening so that we will actually be able to talk to individuals, especially for certain parts of the Province that, really, we can probably get you a job equally as fast in some parts of the Province as we can get Income Support. Particularly, we want to focus on youth in the first phase.

We have been doing some piloting and testing around our referral process and getting some feedback as to how to make sure that happens on a timely basis. We will be ready for that in the fall.

MS DEMPSTER: Okay. Thank you.

Are there any other assessments that are completed? Are people questioned around barriers like disability, mental health, addictions issues, and debt? Or is that coming as well, as you move on to the next –

MS WHEATON: Typically, even today when you apply for Income Support, obviously we are interested in what brought you to our service. So people come to us because they have health issues, marital breakup, if someone has just lost their job, they are between jobs, they have mental health issues. So we do a bit of a look at that now.

You asked me earlier about our social workers. Depending on what might come up in that initial intake, we might engage our social worker, particularly if there are some homeless issues or victims of violence. So we will do that today. If it is a single parent, we have social workers we would refer individuals to. Our staff also has a lot of information about other services that are available in the community.

Even if, through the application process, someone might not be eligible, we do everything we can to connect people to other services we know they would be eligible for.

MS DEMPSTER: It is so important, because while we might have some lifelong on Income Support, the goal should always be for them to transition out.

I have two more questions on that point. I do not know if I am going to get there. Income Support clients assigned; are they assigned a particular Client Services Officer so that when they call in the next time they speak to the same person that they might have started to establish a rapport with in the beginning? Or is it always somebody different?

MS WHEATON: That is an interesting question. We have 23,000 cases in receipt of Income Support. People might be interested to know that of those 23,000, only 20 per cent of them, once they get their recurring benefits – which is you get your cheque every fifteen days – most people do not need the department contacting them or interacting with them about their basic benefits. About 20 per cent call us regularly for things like transportation and vision care.

There really is not much of a need to do case management, as such, on the Income Support side. Where the case management is really important is on the employment side. We are in the process now, using Labrador as a test case, doing a really thorough examination of every case that we have, looking at their barriers to employment, what are their supports, and are they getting the right benefits.

Those who need to be case managed from an employment services perspective will be case managed with our employment staff. Those

who have very, very complex needs would be either case managed from a social work perspective, or we would do a really strong linkage with our partners in Health and Community Services because that is predominately where a lot of the mental health and services are.

MS DEMPSTER: Okay. Thank you.

CHAIR: Ms Michael.

MS MICHAEL: Thank you very much.

Your last comment there sounds like the weekly report of my constituency assistant. She always does a report every Friday of what she has dealt with during the week. At the end, she has all the usual ones who call almost every day. It is probably about 20 per cent of those as well.

Subhead 4.1.02, I think I finished .01. Yes, I did. I asked my questions. Under Salaries there was a big variance last year of \$355,000. Could we have an explanation?

MR. JACKMAN: It is the same thing. It was a decrease because of new positions that were not filled as we were going through the transition. So you will see that back up again for the coming year.

MS MICHAEL: Okay. So it is part of the transition.

MR. JACKMAN: Yes.

MS MICHAEL: This is different, this year it is \$20,000 less than last year's budget.

MR. JACKMAN: Yes, it is –

MS DOOLING: That would be the general salary increases but it is offset by funding that was taken out of our budget for attrition management.

MS MICHAEL: Okay, thank you.

Employee Benefits, there was a lot more spent last year, \$5,000. Can we get an explanation?

MR. JACKMAN: We had registration fees for conferences, workshops, and some community

group sessions that went on – association meetings. They were higher than we expected.

MS MICHAEL: Okay, thank you.

Under Transportation and Communications, I am assuming that is discretionary spending.

MR. JACKMAN: Yes, it is.

MS MICHAEL: Okay, thank you.

Supplies were approximately \$1,000 more than budgeted. Is there any particular reason?

MR. JACKMAN: No, I think it was just there were more supplies needed than people thought we were going to need.

MS MICHAEL: Okay, but you are leaving it at the \$9,000.

MR. JACKMAN: Yes.

MS MICHAEL: Under Purchased Services, a variance upward of approximately \$11,000.

MR. JACKMAN: We have the JobsNL website. So there is some additional funding required for maintenance of that site.

MS MICHAEL: Okay, great.

You bought something under Property, Furnishings and Equipment that you did not expect too, it looks like.

MR. JACKMAN: A new leather chair for the minister's office.

No, I am just kidding; but there were higher than anticipated costs for office furniture and, in particular, some ergonomics.

MS MICHAEL: I was just going to say, if you had an ergonomic assessment done the chair probably did cost that, right.

MR. JACKMAN: Yes.

MS MICHAEL: Under 4.1.02 – you did talk about the training, et cetera – could we just have a breakdown of the programs that are being delivered?

MR. JACKMAN: Yes.

MS DOOLING: There was a one-time conference, Ms Michael, that we sponsored for the Newfoundland and Labrador Employers' Council. It was an annual conference. That was \$5,000 of it.

MS MICHAEL: Right.

MS DOOLING: We normally would not do that, but it was a one-time expenditure. So that would be the bulk of the money that was spent there.

MS MICHAEL: Right. What other programs do you offer under your division there? Was there anything else? Was that the only thing that you did?

MS DOOLING: Are you referring to the Employee Benefits piece?

MS MICHAEL: Yes.

MS DOOLING: That would just be regular conferences that staff would go to.

MS MICHAEL: I guess I am looking at – the appropriations provide for the development and implementation of a comprehensive suite of employment and training programs.

MR. JACKMAN: Yes. You are talking about Employment Development Supports.

MS MICHAEL: That is right.

MR. JACKMAN: The Labour Market Development Agreement.

MS MICHAEL: Yes.

MR. JACKMAN: A lot of these we are going to go through as we progress through here.

MS MICHAEL: Okay.

MR. JACKMAN: There are six of them.

MS MICHAEL: Right.

MR. JACKMAN: These are all going to come up here.

MS MICHAEL: They are going to come up.

MR. JACKMAN: Yes.

MS MICHAEL: Okay, very good.

Is the Sector Skills Training Program included in this area?

MR. HOGAN: Yes, sector skills is included as one of our funding programs.

MS MICHAEL: Okay. What sectors are covered under that, Dennis?

MR. HOGAN: The initial pilot of the Sector Skills Training Program focussed on three specific areas. One was retail services, food and beverage services, and custodial maintenance.

MS MICHAEL: Right.

MR. HOGAN: We have also done sector skills sessions that were focussed on construction labour activities. We do have the ability to customize those, depending on the target group of individuals that we are accepting into the program.

MS MICHAEL: Right.

Could we have a breakdown of the number of employers and workers?

MR. HOGAN: Oh yes, we can make that available.

MS MICHAEL: Okay, great. Thank you very much.

Now 4.1.03, here we have the Employment Development Programs. Again, I think the variance of \$100,000 under Allowances and Assistance is just all part of that thing of uptake.

MR. JACKMAN: Yes.

MS MICHAEL: Okay.

Under Grants and Subsidies, could we have – first of all, there is a \$700,000 variance there downward from last year.

MR. JACKMAN: Those are savings as a result of the actual expenditures being lower than contracted for employers and community groups. Now, there are a number of them there. I do not know if you want us to speak to them or we can do you up a list, whichever way you want.

MS MICHAEL: Of the grants and subsidies, yes, that would be great.

MR. JACKMAN: Okay.

MS MICHAEL: Thank you very much.

Of course you have federal funding for this program.

MR. JACKMAN: Yes.

MS MICHAEL: Yes, okay.

The programs we will get, and then you will do the list of organizations.

MR. JACKMAN: Yes.

MS MICHAEL: Okay.

Do we have – well, I am sure you do. How many people left Income Support for work?

MR. JACKMAN: Do we have that number now or will we get it?

MS WHEATON: We will have to get it. Lots of people leave and do not tell us they have gone for work because they just do not – they will return their cheque. We can probably get you ones that have participated in programs that we offer like sector skills, but we can get you some information on that.

MS MICHAEL: Okay, thank you.

How many single parent sites are there?

MR. JACKMAN: The number of single parents on?

MS MICHAEL: Yes, how many programs involving single parents? Do you have numbers on that of single parents who are involved?

MS WHEATON: We have one major program that we offer in four locations across the Province called Employment Transitions.

MS MICHAEL: That is what I am talking about.

MS WHEATON: Corner Brook, Grand Falls-Windsor, Marystown, St. John's. There has been a bit of outreach to Carbonear.

The minister referenced earlier an example of a program where there was less expenditure. Marystown is a good example. As a result of working with that community group we have now altered that program. So it is actually focused on single, older women. We are running out of single parents actually.

MS MICHAEL: Right, okay.

There is a need among single, older women?

MS WHEATON: Yes.

MS MICHAEL: Great, okay. Well I will look forward to getting an update on that next year.

Thank you.

All right, now we can go to 4.1.03 – no, I just did that one didn't I? That is what I just did, sorry.

Subhead 4.1.04 Labour Market Development Agreement; of course this is EI eligibility only under this one. I remember that from my WRDC days.

Salaries – a variance upward last year of \$293,800 – could we have an explanation, especially because it comes back down to the same budget line this year as last year?

MR. JACKMAN: There was an increase due to retirement and severance costs.

MS MICHAEL: Okay.

MR. JACKMAN: This is one part of it, and the funding is reallocated with the corporate management agreement, the LMDA programs.

I do not know if you want to speak to it, Dennis, a bit further.

MR. HOGAN: The salaries under this line item, Ms Michael, are for regional operations. So in the delivery of LMDA related programming.

As the minister indicated, there were additional severance costs related to retirements. That is what drove the figure up for that line item.

MS MICHAEL: Okay, great.

Of course that whole transition is complete now with LMDA, provincial, federal. All of that is –

MR. HOGAN: The devolution is, yes.

MS MICHAEL: Okay, great.

Thank you very much.

I think my time is up.

CHAIR: Okay.

At this point, it is 6:55 p.m. We will break for five minutes and come back at 7:00 p.m. so they can get a break downstairs.

Thank you.

Recess

CHAIR: We are back on. Is everybody ready?

MR. JACKMAN: Ready.

CHAIR: The Broadcast Centre asked me to remind everybody of one thing. The minister has identified some people when they go to speak, but if you say your name just before you speak and then your mic comes on, sometimes if you start talking before the mic comes on, they are saying some of the audio is clipped right at the beginning.

MR. JACKMAN: You have to wait for the red light.

CHAIR: Yes. If the minister identifies who he is asking, they usually do not have a problem, but the catch-up of speaking and the light coming on.

The other thing I just wanted to note is that really we have not gotten through half of the line items yet, but there have been quite a few questions here and there of the general nature. So I am hoping that sort of balanced it off, that we are pretty well half way through; but looking at line items, we are probably about one-third of the way through or so, so we are behind on that.

I am feeling that with the discretion of the members and the minister for answering the questions then they will sort of pace themselves for the next hour-and-a-half and we will try to be finished by 8:30 p.m., if we can.

Lisa, are you ready to go?

MS DEMPSTER: All right.

I just have to pop back for a minute.

MR. JACKMAN: There you go.

MS DEMPSTER: Sorry.

CHAIR: That is fine; we will remember that when you divulge into a general question.

MS DEMPSTER: Yes.

Under 2.1.01, Client Services – Roxie alluded to a little bit, but I was wondering: What is the average percent of calls being answered? I know you said in the last week or something 90 per cent, but do you have like a three-month average?

OFFICIAL: (Inaudible).

MS DEMPSTER: Yes.

Maybe in that, too, I am wondering, what is the average wait time? I have had a fair bit of feedback on that in my critic role, so I would love to have clarification from you.

MR. JACKMAN: Roxie.

MS DEMPSTER: Pardon me?

CHAIR: He is just identifying her for the mic.

MS WHEATON: Specifically, your question related to applications or calls overall?

MS DEMPSTER: Overall calls.

MS WHEATON: Overall – just to give you an example: in comparison to, say, April in 2014, we answered 66 per cent of our calls, on average; in April 2015, 87 per cent. That would be overall for the entire Province, and that is pretty consistent. So April, March, February – January was actually pretty good. In January 2015, we answered 93 per cent of our calls; whereas, in 2014, we were answering only 76 per cent of our calls.

MS DEMPSTER: So what would you say is the average wait time now?

MS WHEATON: It depends on what unit you are calling. If you are calling, for example, looking for vision care, medical transportation, the wait time there, you are probably getting through within two minutes. Applications would be longer just because, as you identified earlier, we are still getting that unit up to fully functioning order.

I tried the applications unit yesterday myself – because I do periodically just to check – and I got through probably within three to four minutes. Certain days of the month and certain days of the week – Fridays are easier to get through. Mondays are very busy – Mondays or the day right after a long weekend is a challenging time. So it is kind of up and down.

As we are monitoring the call volume – our goal would be to make sure that we try to get all of the calls answered within two or three minutes.

MS DEMPSTER: Thank you.

I have been hearing three or four hours, so that is quite a variance there.

MS WHEATON: If you are hearing that it is three or four hours, when someone tells me that, obviously, that would be inappropriate. Generally speaking, whenever I have investigated those, it says that there is some technological glitch that someone goes in a phone queue. So if you have one of those, let me know.

MS DEMPSTER: Okay.

Under subhead 3.1.01, federal revenue, where does this come from, specifically?

MR. JACKMAN: That is the Innu –

MS DEMPSTER: Pardon me?

MR. JACKMAN: One part of it, \$619,000, is from the Innu agreement.

MS DEMPSTER: Okay.

Can you tell us why you received \$600,000 more than anticipated last year?

MR. JACKMAN: This money was received in 2014-2015. Somebody may be able to speak to it a bit more than I can, but the notes here says it is reimbursed for Income Support expenditures made in Innu reserve communities.

If you want to speak more to it –

MS DOOLING: It would have been money that was related to the 2013-2014 fiscal year that was not received until early in the 2014-2015 fiscal year. It is just the timing of the revenues.

MS DEMPSTER: Okay.

Provincial revenue –where does that come from specifically? Again, it looks like you received \$700,000 more there than you had anticipated.

MS DOOLING: Those revenues would be from former and current Income Support clients for overpayments that would have been made. The minister gave some examples of that.

MR. JACKMAN: Yes, I gave an example to Lorraine. Sometimes we get someone who receives Income Support and they have applied for Canada Pension, then they get it back. So they have to pay it back to Income Support.

MS DEMPSTER: Okay.

A couple of questions around the status of regional rental rate structures for Income Support clients. In 2013, as you will recall, we put forth a private member's motion calling for a regional rental rate structure for Income Support clients that takes into account the differing rental rates around the Province. As you will

remember, the motion passed unanimously in the House, and that was just a follow-up from a recommendation of John Noseworthy's Business Transformation Report.

What is the status – can you give us an update of implementing a new regional rental rate structure?

MR. JACKMAN: Now –

MS DEMPSTER: You missed the question? Do you want me to ask again?

MR. JACKMAN: Yes.

MS DEMPSTER: What is the status of implementing a new regional rental rate structure?

MR. JACKMAN: I tell you, we have had the OrgCode report that have come back, and we have had a committee that has gotten together – we selected some people from across the Province to go through the recommendations of it, and they have put forward their opinions on it. I have it now and I am going through it. So, really I cannot comment on where this will end up going, but it is certainly going to be a part of that discussion.

MS DEMPSTER: Okay.

What is the maximum right now that a family can currently receive for rent? I know it was \$522 a month when we put forward that private member's motion; that was in the fall of 2013.

MR. JACKMAN: Who has the actual amount?

MS WHEATON: (Inaudible) question specifically related to rent?

MS DEMPSTER: Yes. What is the maximum that a family can receive for rent right now? I know it was \$522 in the fall of 2013 when we did that PMR.

MS WHEATON: Yes, that is exactly the same rate; there has been no change.

MS DEMPSTER: No change, okay.

Income Support caseload – how many Income Support cases are there currently?

MR. JACKMAN: You would have that, Roxie?

MS WHEATON: The numbers that I have here in front of me is for the end of 2014. We actually ended the fiscal year with 22,789, and it is continuing to decline. So it took 22,789 cases.

MS DEMPSTER: Okay.

How many front-line staff in AES are working with Income Support clients?

MR. JACKMAN: Would anybody have that knowledge?

MS WHEATON: I do not have the breakdown and proportion.

MR. JACKMAN: We can get it.

MS DEMPSTER: Perfect.

Also, I am wondering what the client-worker ratio is.

MR. JACKMAN: Yes, okay.

OFFICIAL: We will get that.

MS WHEATON: It goes back to my comment earlier. A client-staff ratio is really not relevant in Income Support because the majority of clients, once you get set up and you get your –

MS DEMPSTER: Back to your 20 per cent figure.

MS WHEATON: What is that?

MS DEMPSTER: Back to your 20 per cent figure.

MS WHEATON: Yes.

MS DEMPSTER: Like up to 23,000 only about 20 per cent are using a service. So I suppose we could figure out a ratio if we said 20 per cent versus how many staff you have working.

MS WHEATON: Sure, yes.

MS DEMPSTER: Okay.

Has the department done any jurisdictional reviews to determine what the ratios might be elsewhere? I know what you just said, I am just wondering about that.

MR. JACKMAN: In terms of the percentage numbers that you have had?

MS DEMPSTER: Of client-worker ratio.

MR. JACKMAN: I have not, no.

MS WHEATON: We do a lot of comparison. We actually communicate regularly with the other jurisdictions. Everybody's model is slightly a bit different.

Newfoundland and Labrador is quite unique in the sense that we actually have both Income Support and all of our employment services under one entity. So it is hard to compare because in other jurisdictions income support is in one department, and if you want some of your other services you have to go somewhere else. It is hard to compare apples to apples.

MS DEMPSTER: Yes, I hear you.

What are the income cut-offs to qualify for Income Support? I am thinking there a single person versus a couple.

MS WHEATON: Sorry, I am trying to figure out how to answer the question. It is not that there are income cut-offs. If you are on Income Support and you leave, and you take a part-time job or a full-time job, as your earnings increase we would deduct – for example, if you are a couple – the first \$150 and then we actually can consider all kinds of earnings exemptions.

Then we have people out there who are working. So it depends on what your transportation costs are and your child care costs. Single parents can earn quite a bit and still be entitled to a supplement from us. That is a difficult question to actually answer because it would vary on what your expenses are for work.

MS DEMPSTER: Individual. Okay.

You have a chart of something you go by for that, I am assuming.

MS WHEATON: What is that?

MS DEMPSTER: You have a chart or something that you go by, I am assuming, for that. It is all those individual variances.

MS WHEATON: Yes, we can get you something that kind of gives you a little bit of a picture of what we use to encourage clients, for example, to consider employment. That would give you a picture.

MS DEMPSTER: Okay.

Subhead 3.1.02, National Child Benefit Reinvestment; can you tell us a little bit about this program and if there is an income cut-off again here? I am looking at Roxie now because (inaudible).

MS WHEATON: (Inaudible) I take my direction from him.

MR. JACKMAN: You go for it.

MS WHEATON: The National Child Benefit is a pot of money that back many, many years ago, when the federal government started introducing changes to the Child Tax Benefit, Newfoundland and Labrador had to demonstrate that we were making investments. One of the investments that Newfoundland and Labrador made was to make available money for private child care for families who wanted to go to work and regular child care was not an option. So that is what that pot of money is set aside for.

As regular child care space increases in the Province, there is less and less demand for private child care. Predominately what you would see it being used for is if someone is working evening shift and those kinds of things. With less parents and less children, it has become less of a demand.

MS DEMPSTER: So what would be the income cut-off there?

MS WHEATON: Again, it is not solely related to working. You could tap into this if you actually were participating in ABE. You could

tap into this if you were attending sector skills. It is available as an expense for individuals so it depends on again what your family size is and things like that.

MS DEMPSTER: How would someone know about that? How is it advertised?

MS WHEATON: It is on our website. Typically, how people would know about it is when a staff person is working with a client and they say I am having difficulty finding child care space. I am about to start a job, what are my options? We would say do not worry about it because we do have some monies available to support you.

CHAIR: Okay.

Lorraine.

MS MICHAEL: Thank you.

Subhead 4.1.04 – and I am not going to ask some of the obvious ones, I am going to use my discretion. So it is discretionary decision making.

Come down to Professional Services. There was a variance downward of \$29,000, so an explanation of that, but also an explanation of what are the professional services that this covers?

MR. JACKMAN: The professional services that are covered are the fees charged by the federal government for access to administration and accounting services. Funding is also provided for an annual audit. Now this year, basically there was a lower requirement than was originally expected.

MS MICHAEL: Okay. By the audit you mean?

MR. JACKMAN: Yes.

MS MICHAEL: Yes, okay.

Thank you very much.

Then Purchased Services, I think the same kind of question. There was a larger variance there, \$236,800. An explanation of the variance, and also what is covered here?

MR. JACKMAN: Here, what is covered again is leasing costs, room rentals, advertising and promotions, and printing in general, purchased services. Funding for this was reallocated for the department, for development of a new case management system and a self-service module.

If you want other information, one of the staff can speak to it.

MS MICHAEL: Okay, please.

MR. JACKMAN: Dennis.

MR. HOGAN: Basically, we reallocated some funding within the overall administration component of the LMDA program to finish two components of our Labour Market system which has to do with case management and accountability reports. You will see in another activity that there will be an increase in money for that area.

MS MICHAEL: Okay. So the money that was not spent under this category is somewhere else.

MR. HOGAN: Yes.

MS MICHAEL: Okay, thank you.

The budget line is going up by \$43,600 this year.

MR. JACKMAN: Which –?

MS MICHAEL: Of the Purchased Services – sorry.

MR. JACKMAN: Yes.

MS MICHAEL: The reason for the increase in the budget?

MR. JACKMAN: I think I might have mentioned that one before; it is the development of a new case management module.

Okay. That is a federal provincial administrative agreement for office leasing costs.

MS MICHAEL: Okay, great.

Thank you.

Coming down to Allowances and Assistance, it was \$8 million more than anticipated and coming back down this year, so an explanation of that \$8 million, please.

MR. HOGAN: In that fiscal year, we had an unanticipated increase in demand for our Skills Development program. So we needed to allocate more funds under the LMDA into Allowances and Assistance to serve individual clients. Demand for that particular year rose by about 20 per cent or 1,400 clients.

MS MICHAEL: Okay.

Is it organizations and individuals who get money under this or just organizations?

MR. HOGAN: Under Allowances and Assistance, it is assistance to individuals. Under Grants and Subsidies, it is assistance to employers and other organizations.

MS MICHAEL: Okay.

Could we have a breakdown of the numbers covered under Allowances and Assistance and the groups that get money under the Grants and Subsidies, please?

MR. HOGAN: We can provide a list, yes.

MS MICHAEL: Okay, great.

Thank you.

With regard to the Grants and Subsidies, there was a variance downwards of \$6 million last year. I noticed you are going back up to approximately \$20,600,000 for this budget. Was it that you did not have the uptake you expected? What would be the reason for the \$6 million variance?

MR. HOGAN: That was part of the amount that we transferred into Allowances and Assistance. We took it from Grants and Subsidies to provide for the increased demand in Skills Development applications.

MS MICHAEL: Okay, thank you.

The federal revenue has a variance downward of \$11,500,000.

MR. HOGAN: That actually was reflected in 2014-2015 as a result of a decision that was made in the prior year related to the closure of EAS offices, Employment Assistance Services offices, throughout the Province –

MS MICHAEL: Yes.

MR. HOGAN: – and the termination of those contracts, which resulted in the surplus amount that has to be reallocated back to the federal government. So because of the timing of the payment to the federal government, it shows up again in this year's Estimates.

MS MICHAEL: Right, okay.

Thank you very much.

Subhead 4.1.05, this is the Canada-Newfoundland and Labrador Job Fund Agreement. The Salaries has a \$302,000 variance; just an explanation of that, please. I think I probably know the answer, but I will not –

MR. JACKMAN: Go ahead, Dennis.

MR. HOGAN: In this case there was a reallocation of administrative costs under the agreement, and because the agreement itself, the renewed agreement, the Canada-Newfoundland and Labrador Job Fund Agreement was not signed until July, there was only a partial allocation.

MS MICHAEL: Right, okay. I figured it had to do with that, yes.

Coming down to the Allowances and Assistance under this one; here, of course, it is “Appropriations provide for a range of employment and training supports to unemployed individuals, low skilled employed individuals, employers and community agencies.” I guess it is the same thing here, the Allowances and Assistance is what goes to individuals?

MR. HOGAN: Yes.

MS MICHAEL: Okay.

The variance, those \$256,000 downwards in that line, I am assuming it is because you cannot be right on again, when you do not know what the uptake is going to be from individuals or what the need –

MR. HOGAN: The uptake does vary from year to year. In this case we reallocated funds under the administrative line item for salaries, and that is provided for under the job fund agreement with the federal government.

MS MICHAEL: Okay.

There is a \$400,000 variance in the budget for this year and from last years.

MR. HOGAN: That relates to a reallocation of funds that we are now using under the job fund agreement from our employment development support program.

MS MICHAEL: Okay. It is all coming out; all this is coming out now.

Then under the Grants and Subsidies, is that reallocation as well, because there is a million dollar variance from last year's budget and this year's budget?

MR. HOGAN: Yes, that is a similar answer in relation to the \$400,000, plus the \$1 million. So \$1.4 million is now being allocated under the federal government source of funds, versus formerly what was provincial funding.

MS MICHAEL: Right, okay.

Under the federal revenue, the money coming in from the federal government, it is a \$1,400,000 variance in this year's budget from last year's budget.

MR. HOGAN: Again, that is the reallocation of funds to this program versus the provincially funded program previously.

MS MICHAEL: Okay, thank you.

What would the \$46,000 revision, I am looking – okay, that is strange. Revenue – Federal has a line, and then Total: Canada-Newfoundland and Labrador Job Fund Agreement, and there is

\$46,000 there. What is that sitting right in the middle by itself?

MR. HOGAN: That would be Province-funded severance costs.

MS MICHAEL: Okay, great.

Thank you.

I will let it go because I only have about thirty seconds left. Just let me check to make sure I do not have some general question there. I am sorry.

Under Grants and Subsidies, the usual thing, could we have a list of who gets money under that?

MR. JACKMAN: Yes.

MS MICHAEL: Okay. Thank you.

CHAIR: Okay, Lisa.

MS DEMPSTER: If it is okay (inaudible) just because I want my colleague to make sure he gets some questions in on post-secondary. He will jump further ahead, and depending on time will come back to me again.

Subhead 3.1.03; I have a couple of questions on the Mother/Baby Nutrition Supplement. Can you tell us how many women received the supplement last year?

MS WHEATON: In 2014-2015, there were 443.

MS DEMPSTER: How was it advertised Roxie?

MS WHEATON: Because this program is not just limited to individuals in receipt of Income Support – it is anybody out there who is low income – we work very closely with Healthy Baby Clubs, the public health nurse, GPs, and posters in pharmacies. Short of going into the case room we try to get information out as much as we can. If there is any kind of information session at the community level, we try to do that as well.

MS DEMPSTER: I know about the Healthy Baby Club because in the case of Labrador – and I know from when I used to sit on the Provincial Wellness Advisory, advertising through case rooms, GPs and stuff; you miss that whole population in Labrador because they do not have these, it is just community clinics. That is great that there is some partnering there with the family resource centres and stuff.

I have to just ask a question of clarification. I was only partially listening when Ms Michael was asking. Did I understand correctly that it was \$12 million in missed federal funds after the EAS offices were closed?

MR. HOGAN: Yes. Approximately \$12 million related to the conclusion of the EAS contracts.

MS DEMPSTER: Was that annual federal money?

MR. HOGAN: Yes, on an annual basis.

If I could just clarify that, it was a one-time, but it had been \$12 million that we had been allocating to the EAS offices. Now those funds are reallocated across other LMDA supports. We are utilizing those funds. In the year that the decision was made, regarding the closure of the EAS offices, that is where the surplus had happened.

MS DEMPSTER: Twelve million dollars, federally, was lost.

MR. HOGAN: For that allocation. It went back to the federal government. Now, going forward, we use the full allocation for different programs and services. So it was a one-time surplus.

MS DEMPSTER: Okay.

Subhead 4.1.01, Workforce Development and Productivity Secretariat; Salaries underspent by \$185,000 last year.

MR. JACKMAN: That is a result of positions not filled because of the new reorganization model of the department.

MS DEMPSTER: Okay.

The Premier had stated – and I have asked a couple of questions on this in the House – the Workforce Development Action Plan was coming. Can you give us an update? I know two or three months ago he said coming soon.

MR. JACKMAN: Yes, well that is about all I can say to you now too. That is about it. We are going to be rolling out a fair number of things over the next number of months. That is about all I can tell you.

MS DEMPSTER: Is this separate from the health human resources plan that the Minister of Health alluded to recently?

MR. JACKMAN: Yes.

MS DEMPSTER: Separate.

Subhead 4.1.02, Salaries were underspent by – okay, I have that answer. I made a note. Sorry.

Purchased Services under this section, Employment and Training Programs; anything different in what you purchased last year and what you will be purchasing this year?

MR. JACKMAN: Are you asking about the variance there?

MS DEMPSTER: No, I moved on because I got that from Ms Michael's question earlier.

MR. JACKMAN: Yes, okay.

MS DEMPSTER: Under Purchased Services, I am just asking what did you purchase last year and what are the plans for this year? Is it all the same generic stuff, nothing noteworthy?

MR. JACKMAN: Yes, it is primarily printing, brochures, and advertising.

MS DEMPSTER: Okay.

MR. JACKMAN: Nothing extraordinary, no.

MS DEMPSTER: Under Employment and Training Programs, are there any planned changes to what is currently being offered?

MR. JACKMAN: No.

MR. HOGAN: Other than continual enhancements that we make to the programs, as a normal course of business.

MS DEMPSTER: Subhead 4.1.03, Allowances and Assistance; can you just explain to us maybe what is covered here?

MR. JACKMAN: Yes, those are savings – oh, you want some of the programs that are covered there.

MS DEMPSTER: Yes.

MR. JACKMAN: Okay, Dennis, yes.

MR. HOGAN: Under Allowances and Assistance, we provide a range of supports for individuals. They could be work supports, short-term training, and pre-employment support, all in an effort to help individuals prepare for some type of employment.

In the case of some individuals, we may provide equipment or certain work-related clothing that they would need in order to start work on a particular job site.

MS DEMPSTER: Okay.

Under Grants and Subsidies, can you explain to us what is covered here? I am thinking if they are no grants and subsidies for individuals, can we get a list?

MR. JACKMAN: Yes, I have some of them here but it probably just as easy if I provide you with the list.

MS DEMPSTER: Why have we under spent last year by \$700,000?

MR. JACKMAN: Again, what we have is that the actual expenditures were lower than what the contracts were with the employers. We have had a number of these programs. We can do you up a list of that one if you want to.

MS DEMPSTER: Okay.

Again, in the budget for this year we see that there is \$150,000 reduction. Are you expecting less uptake?

MS DOOLING: Lisa, that would be based on prior year spending. So we just rightsized the budget for that.

MS DEMPSTER: Sorry, can you repeat that again?

MS DOOLING: Why it is down by \$160,000 from the original budget in 2014-2015?

MS DEMPSTER: Yes, a \$150,000 reduction.

MS DOOLING: That is based on prior spending levels. So what we did was we rightsized the budget and reduced the budget this year, just based on historical uptake in the program.

MS DEMPSTER: Okay.

Under federal revenue, where specifically is that \$1.4 million coming from?

MR. JACKMAN: It is from the Canada – Newfoundland and Labrador Job Fund.

MS DEMPSTER: Okay. I am asking because there was no federal revenue last year, correct?

MR. JACKMAN: Do you want to answer, Dennis?

MR. HOGAN: The \$1.4 million is, as the minister indicated, coming from the Job Fund Agreement. What we are doing this year is allocating that amount toward employment development supports that were previously funded by the Province. So it would not have shown up in last year's Estimates and that is why you would see it here in this.

It is a change of the source of funding for that particular program and all the related supports that come under it.

MS DEMPSTER: Okay, thank you.

Can you give us the status of the Sector Skills Training Program?

MR. JACKMAN: Yes.

MS DEMPSTER: I am wondering what is the annual budget? What has been spent to date since it was created in 2013?

MR. HOGAN: I know that we have served approximately eighty-one in the last fiscal year. We served approximately eighty-one clients in Sector Skills throughout a range of different program options, whether they are retail services, food and beverage services, or building and custodial maintenance, for the most part. I mentioned previously that we have also done a Sector Skills Training Program focussed on construction labourers as well.

I do not have the exact expenditures in front of me but we can provide that to you.

MS DEMPSTER: Okay, thank you.

Dennis, does this area provide training to Income Support clients exclusively?

MR. HOGAN: Under the Job Fund Agreement?

MS DEMPSTER: Under the Sector Skills.

MR. HOGAN: That is one of the primary target groups that we are hoping to work with to provide that transition from Income Support to sustainable employment, with the expectation that there is a job offer at the end of the twelve week program.

It is not exclusively for Income Support but the majority of clients would be in receipt of assistance.

MS DEMPSTER: Okay.

Do we have any idea what percentage of the participants are employed today?

MR. HOGAN: I do not have the figures in front of me, but we have had some reasonably good success in terms of long-term attachment to the labour market. We can provide those details to you.

MS DEMPSTER: Okay. I appreciate it.

CHAIR: Okay. Your time is expired.

Lorraine.

MS MICHAEL: Under 4.1.06, Labour Market Adjustment Programs, Salaries. Obviously, there is just one position here. What would the classification of that job be?

MS DOOLING: The position?

MS MICHAEL: Yes, the position.

MR. JACKMAN: It is a coordinator for the targeted initiative for older workers.

MS MICHAEL: Oh, okay, great.

Coming down to Grants and Subsidies, there was a \$162,700 variance downward.

MR. JACKMAN: Yes. There were six proposals received late from the federal government. So the funds were disbursed in 2014-2015, and that is the 10 per cent hold back.

MS MICHAEL: Right, okay.

Could we have a list of the –

MR. JACKMAN: The proposals?

MS MICHAEL: – proposals under Grants and Subsidies?

MR. JACKMAN: Yes, sure thing.

MS MICHAEL: Thank you very much.

Under the federal revenue, a variance upward of approximately \$548,000.

MR. JACKMAN: This was the result again of receiving 2013-2014 revenues in 2014-2015. It was received in May.

MS MICHAEL: Right. The usual federal government stuff.

MR. JACKMAN: The same thing, yes.

MS MICHAEL: Okay, great. Thank you.

Subhead 4.1.07, Employment Assistance Programs for Persons with Disabilities; again this is for individuals. The Allowances and Assistance is \$525,000 more than was budgeted. Next year we are back down to what was

budgeted last year, so an explanation of that, please.

MR. JACKMAN: Yes, the increase was the net effect of \$685,000 being allocated from Grants and Subsidies to Allowances and Assistance for supported employment job trainers initiatives. The increase was partially offset by \$160,000 in disability support.

MS MICHAEL: Okay.

Could we have an idea of how many people have been assisted under the Allowances and Assistance last year, for example?

MR. JACKMAN: We will see if we can get that for you. Who would have that?

Dennis.

MR. HOGAN: It is approximately 280. I am just going from memory, but we will confirm the figure with you.

MS MICHAEL: Okay. Thank you.

First of all I will ask the question; the variance under Grants and Subsidies is \$1,055,000 last year. Could we have an explanation of that? It is probably federal funding again, is it?

MR. JACKMAN: Yes. Funding of \$685,000 was reallocated from Grants and Subsidies to provide additional individual support to job trainers and allowances. That is the section you are talking about, Grants and Subsidies?

MS MICHAEL: Grants and Subsidies, yes.

MR. JACKMAN: Yes, there were savings in worker-related supports of \$100,000 and there were savings in wage subsidies of \$270,000. It was just not availed of as much that is all.

MS MICHAEL: Okay.

Could we have a list of the programs, et cetera that were covered under the Grants and Subsidies?

MR. JACKMAN: Yes.

MS MICHAEL: Okay. Thank you.

Under Revenue – Federal, I am assuming that is the same explanation as usual, money from the year before.

MR. JACKMAN: Yes.

MS MICHAEL: Okay. Thank you.

Subhead 4.1.08, in Grants and Subsidies there was a \$505,000 variance downward.

MR. JACKMAN: Yes, these are savings that resulted from actual expenditures being lower than contracted with certain employers and community groups. There is a list of those. We can provide it to you, if you want.

MS MICHAEL: You can provide that.

Thank you very much.

Is there any particular reason for this year's budget being \$72,000 lower than last year's?

MR. JACKMAN: This is a one-time budget 2014 decision to use the \$200,000 from this activity for development of a case management system. That was returned to the main budget line for 2015-2016.

MS MICHAEL: Okay.

MR. JACKMAN: I do not know if anybody wants to speak to additional details?

MS DOOLING: We had some extra savings from Graduate Employment Programs that were offset against them, Ms Michael.

MS MICHAEL: Okay.

Up above in 4.1.07, there was a \$200,000 variance downwards in the budget from last year to this year. I think that was the explanation you just gave as well.

MR. JACKMAN: Which section?

MS MICHAEL: The Grants and Subsidies in 4.1.07, the one above. That has the \$200,000 variance downward from last year's budget to this year's budget.

MR. JACKMAN: That was part of the –

MS DOOLING: This was based on prior year spending levels as well. So what we did was we looked at prior year spending levels and we rightsized the budget then for going forward, Ms Michael.

MS MICHAEL: Okay. Thank you.

Back down to 4.1.08. Could we also have an idea of how many youth and students are being assisted under the Allowances and Assistance there?

MR. JACKMAN: Yes, we can. We can provide you with the dollar figures that would break it down, yes.

MS MICHAEL: Okay. Thank you.

Subhead 4.1.09, Skills and Labour Market Research – I just want to see what ones I want to ask about. Professional Services; there is a large jump from this year’s budget of \$150,000 to \$450,000, so a \$300,000 jump.

MR. JACKMAN: Yes.

MS MICHAEL: An explanation, please?

MR. JACKMAN: That is going to be dollars that were going to be used to run our Population Growth Strategy.

MS MICHAEL: Okay, very good.

What else would be covered under the Professional Services there, besides the Population Growth?

MR. JACKMAN: Those are consulting fees, working with economists on labour market information, for example; and the Intergovernmental Conference Secretariat such as the Forum of Labour Market Ministers.

MS MICHAEL: Okay.

Then, Purchased Services, again there is a big variance between last year’s budget and this coming budget.

MR. JACKMAN: Again, that is higher than anticipated expenses due to website supports and maintenance support.

MS MICHAEL: Okay, thank you.

There is a job vacancy report, the Newfoundland and Labrador Job Vacancy Report 2014 – and I do have a copy of that here, I think. What is the purpose of that report?

MR. JACKMAN: That is the job vacancy report we just put out. What it does is a scan across the Province looking at the types of jobs that are available. Then, having this information, it allows individuals and employers to look to the kinds of trends you are seeing and look to where jobs are required. It allows individuals to plan and it allows employers to plan.

MS MICHAEL: Okay.

Subhead 4.1.10, Office of Immigration and Multiculturalism, Salaries – no, I think that is pretty straightforward. Transportation and Communications, not much was spent on that: \$35,000. Was that discretionary?

MR. JACKMAN: Yes, that is part of it.

MS MICHAEL: Right. Then it looks like you rightsized the budget line for this year.

MR. JACKMAN: Yes.

MS MICHAEL: Okay, thank you.

Professional Services, \$60,000 and only \$5,000 spent. You are coming back up to \$40,000. What would be covered under here with regard to Professional Services?

MR. JACKMAN: Professional Services here, again it is consulting fees. Around this one it is promotion and marketing materials that we use when we go to immigration fairs and recruitment fairs.

MS MICHAEL: Right.

This is a question that does concern me. There is a real lack in this Province of – I do not even know if we have one – lawyers with experience in immigration. Is there anybody in the Office of Immigration and Multiculturalism who has some idea around the legal questions around immigration?

MR. JACKMAN: (Inaudible) Dennis.

MR. HOGAN: With respect to the Office of Immigration and Multiculturalism, the staff that are in the office have many years of expertise in dealing with the federal immigration system which is co-managed, to a degree. The federal government has paramountcy, and there is training available through the federal government that many of our staff have taken related to the various pieces of legislation that govern immigration to Canada.

We also have other resources available through the Department of Justice and other departments to provide support to the Office of Immigration itself. The staff have a high degree of expertise that they utilize in helping people navigate the immigration system.

MS MICHAEL: Okay –

CHAIR: I think your time is up, but is there just a supplemental to this that you can –

MS MICHAEL: Yes, a comment I guess. We can, with confidence, if we have people who are experiencing difficulties, send them to the office?

MR. HOGAN: Yes.

MS MICHAEL: You do one-on-one work?

MR. HOGAN: Correct.

MS MICHAEL: Okay, thank you very much.

CHAIR: Scott.

MR. REID: Thank you, Mr. Chair.

This is my first time doing Estimates for this department. As the critic for post-secondary education, I am particularly interested in some of those heads, so I am going to jump ahead a little bit. My colleague may go back to some of the previous ones, so we will be going back and forth a little bit here.

The first heading is 5.1.01, Apprenticeship and Trades Certification, on page 9.16. I guess some of my questions may be a little more general than some of the more experienced colleagues.

MR. JACKMAN: Yes, that is fine.

MR. REID: Could you give me a little more detail of what this expenditure entails?

MR. JACKMAN: Who would speak broadly to that?

CHAIR: Bob Gardiner.

MR. GARDINER: In terms of the Grants and Subsidies – I am sorry; let me jump to Professional Services. Professional Services, a lot of it is money to the federal government because there is a partnership kind of between all provinces and the federal government through employment and skills development Canada.

We pay the federal government approximately \$20,000 for advisory in the exam committees. Apprenticeship Program Accreditation – sorry, that is not the federal government part. Professional Services, the advisory on exam committees is approximately \$20,000; that is people you bring in to advise on exam creation and also advise on the plans of training.

Apprenticeship Program Accreditation honorariums, that is people we bring to institutions to see if the programs are up to speed in terms of accreditations so we can give them an honorarium. ICEMS is the exam management system that does go through the federal government because, as you know, it is a Red Seal Program so the federal government manages that system. The Power Engineering exam fees are approximately \$3,000.

From Purchased Services there is \$65,000 for national apprenticeship standards; again, that is a federal government program. Promotions for underrepresented groups, we spend approximately \$40,000 for that. That is primarily the Office to Advance Women Apprentices, the conference that they do for women every year. Last year it was in Labrador. Room rentals are \$25,000. Printing, advertising, and promotions are about \$6,000.

Grants and Subsidies, we have \$200,000 for Aboriginal people and apprentices; \$200,000 for the Office to Advance Women Apprentices. We pay a fee to the college for distance delivery,

primarily development and ongoing maintenance. The Apprenticeship Wage Subsidy was about \$6.6 million and the government hiring apprenticeships program is about \$1.75 million.

MR. REID: The wage subsidy – how does that work?

MR. GARDINER: The Apprenticeship Wage Subsidy?

MR. REID: Yes.

MR. GARDINER: Basically, an apprentice will apply to the department to get a wage subsidy. It has been on the go now for, I think, three or four years. The primary targets for the wage subsidy were first- and second-year apprentices, recognizing that they were the most difficult ones to attach to the labour market. So, there was a 90 per cent wage subsidy for first-year apprentices, an 80 per cent wage subsidy for the second year, and a 60 per cent wage subsidy for the third and fourth. Again, first- and second-year apprentices made up about 90 per cent of those clientele.

MR. REID: Yes.

I noticed the salary expenditure was overspent this past year. What is the explanation for that?

MR. GARDINER: The explanation would be we had two retirements and severance.

MR. REID: Severance, okay.

MR. GARDINER: A director and an admin person.

MR. REID: Yes.

I am going to skip ahead to the –

MR. JACKMAN: Scott, I would say to you, the number of programs, there are many of them and getting your head around them – so if you are interested at some point in coming over and sitting down to dig in to it further, feel free.

MR. REID: Okay, that might be useful.

Maybe you could provide a list of the grants and subsidies, as a beginner, and then I can come by.

MR. JACKMAN: Yes.

MR. REID: I am going to jump ahead to the university because it is a significant expenditure and I want to spend a bit of time on this.

Just generally, I want to get a sense of – this is a major expenditure and I know in different countries and different places, even different provinces, there are different relationships between governments and the universities. I am just wondering, can you tell me about the nature of the relationship here? I know it is the idea of arm's length, but what sort of discussions do you have with the university about the way it expends the money that is allocated to them?

MR. JACKMAN: Well, Bob can speak to some of the dealings he has with the university. I think there are two things that I would look at from a programming perspective. I know when I was with education we often had many conversations with Kirk Anderson around how we can more closely correlate the programming to things that are happening out in the schools and in the training sector of Memorial for teachers.

Then the other one is the operations. Basically, what happens is Memorial receives a certain budget, and then if there are additional projects that they want to undertake, they come and make their presentation to us as a department and they enter into a budget cycle, just the same as it would any other. They have to have certain base funds that they need to operate, to pay their staff and their operations. So anything in addition to that, then they come in with a special request.

MR. REID: Yes, okay.

The overspending last year by \$8.5 million, why was that?

MR. JACKMAN: That is negotiated wage increases and signing bonuses in accordance with the government template for 2014.

MR. REID: Okay.

In terms of Operations, Grants and Subsidies, can you give us a basic breakdown of some of the grants and subsidies? Maybe it is more – this is a detailed question, I guess. Can we get some details on that?

MR. JACKMAN: I think probably the best thing for us to do with that is probably we develop something and forward it to you?

MR. REID: Yes, okay.

In terms of the Physical Plant and Equipment, again, what are the Grants and Subsidies under that heading?

MR. JACKMAN: Which section? Where are you right now?

MR. REID: Under 5.2.02 Physical Plant and Equipment.

MR. JACKMAN: Yes.

MR. REID: I am just wondering again, this allocation, is it made up of specific capital work? Can we have a breakdown of this expenditure?

MR. JACKMAN: Of the grants and subsidies?

MR. REID: Yes.

MR. JACKMAN: Are you asking why it was revised down or just a general overview of what they are?

MR. REID: Just an overview. If you want to answer them all together, the question about: Why was it underspent last year and why has it decreased so drastically this year?

MR. JACKMAN: One of them was that there were some projects they had which they just could not fully complete in 2014-2015, so what they have requested is that that funding be advanced to 2015-2016.

Then the second thing was, there is approximately a \$10 million decrease from the previous year relates to completion of some projects. There has been completion of projects such as the residence, St. John's residences. There was some deferred maintenance projects,

together with the reduction in infrastructure spending by MUN. There were also some additional reductions in furniture and equipment allocations.

MR. REID: The expenditures for the new Science Building, is that included in the budget here? Where does that show up?

MR. JACKMAN: This is the core science funding, Bob.

MR. REID: Where would that show up in the budget?

MR. GARDINER: There is no reflection of funding for the core science facility in this year's budget. Government is actually contributing \$125 million towards the core science facility from the Hebron Project. That money does not start to flow to MUN until 2017-2018, I think. It is a couple of years out.

In the interim, MUN are actually borrowing money from the Immigrant Investor Fund which is money the federal government has given the Province for those types of infrastructure projects. They will borrow that money at a very low interest rate. Then in a couple of years' time they will use the Hebron money to pay it back.

Other than that, the total cost of the project is \$325 million. They have \$25 million put aside right now and they will borrow \$175 million. Government will borrow on their behalf in 2019-2020 when it is finished and then they will amortize that over approximately thirty years at a \$10 million payment a year.

MR. REID: Okay.

I will come back to that later. I notice my time is –

CHAIR: Lorraine.

MS MICHAEL: Thank you.

Since we are in that area, under 5.1.0 – you do not need to look at the line items. I am just wondering if we could have a breakdown or given the numbers with regard to the number of apprentices who were registered in 2014-2015,

how many people doing journey person training. Could we have a gender breakdown on apprentices and journeypersons? How many journeyperson certificates were issued in 2014-2015? How many apprentices have gotten work; who have been part of the AES program and have work?

MR. JACKMAN: Okay, I think the best thing for us to do that – we would not have all that information, but we will see how much of it –

MS MICHAEL: You would not have all of that; whatever you have.

MR. JACKMAN: Whatever we can gather up.

MS MICHAEL: Okay.

MR. JACKMAN: I imagine we could get the gender –

MS MICHAEL: Yes. So whatever statistics you keep on that that would be helpful.

MR. JACKMAN: Yes.

CHAIR: Bob Gardiner.

MR. GARDINER: Yes, just some general stats off the top of my head, because I never brought it with me. Last year there were approximately 700-and-some-odd journeyperson certificates issued, which was about doubled from 2007. Last year around, or at the end of the year we had about 6,700-6,800 apprentices registered, which was about – and I think it is 94 per cent higher than 2007.

MS MICHAEL: That is great.

MR. GARDINER: Now I do not have any gender breakdown on that, but we can certainly get that gender breakdown.

MS MICHAEL: I am very interested in the gender breakdown.

MR. GARDINER: In terms of apprentices employed, if they are registered as apprentices on our system, then they are under a memorandum of understanding. So we automatically assume they are employed.

MS MICHAEL: Right.

MR. GARDINER: If we find an apprentice is inactive for eighteen months, a couple of years, then we would try and contact the apprentice to find out what the situation is. So we would not know if all those 6,700 are actually working.

MS MICHAEL: Okay, thank you.

Whatever information you have that would be great.

Thank you.

MR. GARDINER: Yes.

MS MICHAEL: All right, I am going to back up; 4.1.11 Case Management System Development. It is basically one question, because \$200,000 was budgeted but \$330,000 was the revision. So just an explanation of that revision.

MR. JACKMAN: There was a project that is completed and funding –

MS MICHAEL: Okay. So the system is now in place, is it?

MR. JACKMAN: Yes.

MS MICHAEL: That is great.

Okay, thank you.

Subhead 5.1.02 under Grants and Subsidies, \$5,012,000 was budgeted and the variance was \$350,000 downwards. Could I just have an explanation of that?

MR. JACKMAN: Yes, that is based on timelines for project starts and approvals. There is going to be about \$350,000 under the foreign qualifications grant funding for this year.

MS MICHAEL: Okay. Thank you.

That will go for the revenue. Yes, the same kind of thing there. You only have \$50,000 from them this year, from the federal government.

MR. JACKMAN: Yes.

MS MICHAEL: Because \$400,000 was budgeted and you got \$50,000.

MS DOOLING: The money would not be lost, Ms Michael. We will get that money from the federal government.

MS MICHAEL: That is what I figured, yes.

They are really slow, aren't they, in giving you the money. I notice that all the time.

MR. JACKMAN: Yes.

MS MICHAEL: A couple of things and these are more general questions. Will there be an adult literacy strategy this year? Can we look forward to seeing that?

MR. JACKMAN: We are still working on that. I do not know if we will have it out this year or not, but I can tell you that the work is continuing on it.

MS MICHAEL: Right.

In April, the department gave \$100,000 in project funding to Literacy NL for adult work or literacy projects. Do the participants in that have to be EI eligible?

MR. JACKMAN: That, I do not know.

MR. HOGAN: Not necessarily. The program funding comes from the Labour Market Partnerships Program. That funding is intended for sectors or communities of interest to develop capacity to help advance labour market issues. In this case, Literacy NL is using that money for specific projects under the parameters of that program, but no, the individuals would not have to be EI eligible for that particular program.

MS MICHAEL: Right. Thank you.

Minister, I am wondering: Has there been any monitoring of the ABE programs in the private colleges? Do we have any assessment of uptake of ABE programs now that we have had them move outside of the College of the North Atlantic?

MR. JACKMAN: Bob?

MR. GARDINER: Last year, from April 2014 to March 2015, there were 1,849 students served in the ABE program in private training colleges. Community-based organizations offered ABE to 161 students.

Since it moved to the private college there has been significant monitoring of students. There is a monthly attendance sheet that comes in to make sure that people are attending, and a monthly progression sheet to make sure that people are making progress in the program.

MS MICHAEL: Has the number changed?

MR. GARDINER: Have the numbers changed. The number, I would suggest to you, would have been lower last year. I do not have the exact comparison. Initially, when the private training institutions moved into the communities that were previously served by CNA, it was a slower uptake, but they are now approximately where CNA would have been.

MS MICHAEL: Okay.

I do not expect you to give this to me now, but could we have the figures for those enrolled in each of the levels? If you have them there, that would be great.

MR. GARDINER: No, I do not have them here. I did not write them down, but yes, we do have those.

MS MICHAEL: Okay.

MR. GARDINER: The biggest uptake, of course, is ABE Level III.

MS MICHAEL: Right.

Could we also have the numbers of graduations?

MR. GARDINER: Yes, I do have that. The numbers that graduated from September 2013 to August, 2014 were 403. The previous year for the same time period was actually 506 so there were 100 less graduates. It was mostly because of the slow uptake at the beginning of the year when the new training institutions were getting established. While they were open, it was new and different, and it took them a while to kind of get traction and get their legs for the program.

MS MICHAEL: So I guess we will have to wait until next year to find out what has happened this year.

MR. GARDINER: Absolutely.

MS MICHAEL: Okay.

Thank you very much.

MR. GARDINER: Not a problem.

MS MICHAEL: Subhead 5.1.03, the Atlantic Veterinary College; I am just curious as to why the Grants and Subsidies is down \$76,000 last year.

MR. JACKMAN: The department entered into a new agreement with the college. The performance-based funding measures in the new agreement will not be fully implemented until 2016 – is it?

MS DOOLING: Yes, this year, 2015-2016.

MR. JACKMAN: This year, yes.

MS MICHAEL: Okay.

Then it comes back up to the same amount that it was?

MR. JACKMAN: Yes.

MS MICHAEL: Okay. Thank you.

Subhead 5.3.01, the Operations at the College of the North Atlantic; I am curious as to why the \$5 million variance last year, budget and revision.

MR. JACKMAN: There were lower anticipated LMDA-sponsored students, which will be fully offset by the loss of federal revenue. I do not know if there is anything I need to say more than that on it.

MS MICHAEL: Well, I guess it is straightforward.

MR. JACKMAN: Yes.

MS MICHAEL: You do anticipate going up to \$88,000 this year. Why are you so optimistic that there will be a greater uptake?

MR. JACKMAN: Bob?

MR. GARDINER: With the changes to LMDA, it is anticipated that there will be more flexibility with respect to eligibility of students and who can actually avail of that funding. We are pretty confident that we will be able to access that full amount.

MS MICHAEL: That sounds good; I look forward to that happening. Thank you.

I will not ask the question about the federal revenue because I am sure it is the same thing.

MR. JACKMAN: Yes.

MS MICHAEL: Okay.

I think my time is up, so I will stop at the moment.

CHAIR: Okay.

So we will go back to Scott or Lisa?

MS DEMPSTER: I will take about two minutes and then I will pass it to my colleague.

CHAIR: Okay.

MS DEMPSTER: I have a question. We are not going to be nearly through, so what happens in that case? Do you go a little longer? Are we able to schedule another time?

CHAIR: I think this is the last scheduled session and we are all supposed to be concluded by tomorrow. I do know how much time –

MS DEMPSTER: It is such a huge department. We have put a fair bit of time into –

MR. JACKMAN: One thing I could suggest: if there are certain specifics that they might have, if you want to write it into a question and forward it to us and we can gather you up some information –

CHAIR: Some things in policy can be done. So if we stick to the line items and we pass the line items tonight, then policies can be communicated back and forth.

MS DEMPSTER: So we are cutting off at 8:30 tonight?

CHAIR: Well, I just look to the minister to see what commitment he has or –

MR. JACKMAN: I would not mind going for another ten or fifteen minutes or something like that and then if you have additional questions, we can take them in writing.

MS DEMPSTER: Okay. I will pick the best ones.

Just a couple of things before I pass it to my colleague – and I am going to be all over the place here. A small mall business owner in my district raised this, and I was not aware of it. Private businesses cannot apply for a program to hire high school students in summer programs. They would have to hire post-secondary.

I am just thinking a Grade 11 and Grade 12 student, is that the case? When you are doing the cash and hotels and waitressing, a seventeen- or eighteen-year-old is very competent in that. So it is a real barrier for rural – I do not know if there is any move to change that or how that came to be.

MR. JACKMAN: My first thought on it is that we have some programs that are available for post-secondary and high school students. I do not know if there are certain guidelines around it. Dennis –

MR. HOGAN: Currently, it is correct that under the high school program, it is intended for not-for-profit organizations, and we fund the entire cost of the salary plus an administration fee for mandatory employment-related costs. However, in the case of private sector employers in a particular region that may not have access to high school students in that forum, there are other wage subsidy programs that we may be able to use and would be willing to work with those employers.

MS DEMPSTER: This is a case of where there was no post-secondary in the community, but a fairly good pool of high school that she would have been pleased to hire. She was told after a bit of back and forth with the department that

she could not. I was surprised, actually. I was not aware.

MR. HOGAN: Without knowing the specifics of that particular case, I do think we have enough flexibility to allow us, in cases like that, where there is not a pool to be drawn from, that we can either use another wage subsidy program or look at some type of accommodation. We would have to look at the merits of that individual case, but we would do that.

MS DEMPSTER: Thank you.

MR. JACKMAN: (Inaudible).

MS DEMPSTER: Okay, I appreciate that. Yes, I will discuss it with you.

In Channel, are there any anticipated staff changes coming?

MR. JACKMAN: The member from Channel has mentioned that to me. I am looking into that.

MS DEMPSTER: Okay, thank you.

Just quickly, as I have been listening this evening, I have been hearing a trend around Grants and Subsidies being under spent, and it is a little bit concerning. I do not know who the question is for. I know you mentioned timelines a couple of times. I guess I am just wondering if it is a matter of late starts, late announcements.

MR. JACKMAN: I think probably the best thing for me to do would be to go to Dennis. There is one thing I have found in the department, they are trying to get dollars out. If there is some reason they are not, there is a logical reason for it. So that is what you are going to hear now.

MR. HOGAN: With respect to Grants and Subsidies, particularly as it relates to employment- and training-related programming, we do contract with a high number of employers or community groups or other not-for-profit organizations. The challenge is sometimes what they may anticipate their needs are and they get approval for, they have trouble either recruiting the individuals, like the case you mentioned earlier about a lack of post-secondary students in

a particular area. Then you have the other issue that by the time they do find someone who may be suitable, they may end up using only half the duration of the wage subsidy, for instance, or the grant. In those cases, the expenditures will be less than anticipated.

It is sometimes a fluid situation where you have all these external variables that are difficult to control, but we do monitor the budgets very aggressively. We work with employers, whether they are not-for-profit or for-profit, to ensure that we are doing what we can to help them meet their labour market needs. There are cases that, unfortunately, it takes a lot of time to recruit the individuals they are looking for and they just do not use the full allocation.

MS DEMPSTER: Okay.

I said to my colleague, I meant to take two minutes.

MR. REID: I have a few more questions on MUN. I am just wondering, what did MUN request from the government in 2015 in terms of operating and capital funding?

MR. JACKMAN: Bob.

MR. GARDINER: Your question was what was the request of MUN for operating for 2015-2016?

MR. REID: Operating and capital as well.

MR. JACKMAN: You are asking for the overall budget?

MR. REID: Yes, the overall request that they put in to government.

MR. JACKMAN: Was it \$300-and –

MR. GARDINER: They basically looked for an increase in their grant-in-aid for approximately \$9 million in salary increases and \$4 million for the tuition freeze. That is the increase that they asked for.

MR. REID: Okay. What about capital?

MR. GARDINER: I do not think that they had any capital requests this year – did they, Dave?

No, they did not have any specific capital requests this year.

MR. REID: Okay.

In terms of international undergraduate and graduate tuition, the figure of \$4.8 million in terms of the additional funds there, any idea what impacts that will have on tuition – for example, is it true that in the Faculty of Medicine tuition will move from \$6,250 to about \$30,000 for international students? Is that correct?

MR. JACKMAN: That one would be directly with Health through the School of Medicine.

MR. REID: Okay.

Do you have any indication of what the tuition increase would be for various programs or anything like that? Has that sort of calculation been done by the university and have you been privy to it or did you have any input into it?

MR. JACKMAN: No, we would not be. They are going to carry that out themselves.

MR. REID: Okay.

In terms of the actual cut to Memorial, the MUN Faculty Association is saying that it spent a \$40 million shortfall and others are saying it is as much as \$50 million. What is the actual figure in terms of the money less?

MR. JACKMAN: What has been thrown out around there are numbers that are related to pension and people have calculated sums from different perspectives, but the overall cut to MUN is \$20.3 million, I believe it is, and then of course there is the other twenty that is being tossed about in regard to the pension.

MR. REID: In terms of the SERT Centre in Stephenville, you mentioned that it is not going to close. The contractual employees there have already received their layoffs, and some of them will be gone as early as June. I am just wondering the implications of this. These are highly skilled people, trainers and firefighters, hard to replace in the instance of an uptake in the – what sort of discussions have you had around the future of the centre?

MR. JACKMAN: I have had discussions with Glenn Blackwood around what is the long-term future. My understanding of it is that the facility is very much dependent and market driven so that when you have the high swing in your oil industry, there are demands from different sectors. There is a fishery sector that they get into, the firefighting sector. What they are indicating to me at this particular point is that because of a downturn, that is the result. Contracts that were put in place and have ended were not extended because of the downswing.

Like I said to you earlier, there is no intention of looking at closing the site, and they will look to see how they can improve upon it. If there are contracts that present themselves, then they will encourage them to come that way.

I have had discussion with the mayor over there as well. I know that he is going to be meeting with Glenn Blackwood to explore what possibilities there are. If the mayor sees there are some things that he thinks can be improved upon, I encourage him to do that. If you think there are some ways that it can be improved upon, pass them my way and I can certainly pass them along to Mr. Blackwood.

MR. REID: Just a quick follow-up.

CHAIR: Yes, a supplemental there.

MR. REID: I think one of the areas that the centre could possibly be moving into is training for volunteer firefighters. I think it is a win-win situation, with co-operation with government. I think that is an area that government should be looking at co-operating with this SERT Centre. One of the major expenditures for volunteer firefighting departments is their training and this centre has a mobile unit that they can take with them. I think there are some possibilities and ways for government to assist the centre through contract training for volunteer fire departments. I encourage you to explore ways of doing it.

MR. JACKMAN: Like I have said to you, all of our facilities, I think the onus is on them to take a look at their operations and see if they are efficient and effective in serving a particular need. If not, you have to take a look at what you are going to do to make it viable.

In this particular case here, I have no doubt that if the Marine Institute see opportunities, they will avail of them.

MR. REID: Yes.

CHAIR: Lorraine.

MS MICHAEL: Thank you.

Subhead 5.4.01, I have just a couple of questions there under Purchased Services. It is not so much the variance because I can understand variances. What would be the services that would be purchased in this area?

MR. JACKMAN: That is funding that is provided to the student aid office. There is a rental for \$83,000. There is an improved accountability for student financial services system; that was \$2,000. There is printing of student aid applications and guides and advertising, and general purchased services for another of \$41,000.

MS MICHAEL: Very good, thank you very much.

Just looking back up to the Salaries, why was there a variance upwards of \$45,000 in last year's budget?

MR. JACKMAN: There was a higher than anticipated staff cost as a result of implementation of new programs together with systems and some policy changes. There was a general salary and step increase, increase in pay scales.

MS MICHAEL: Okay, great. Thank you.

Then back down to Revenue – Federal – I guess that is the usual thing – \$60,000 was not received from the federal government. Is that correct?

MR. JACKMAN: That is what is it, isn't it?

MS DOOLING: It is the federal government, but it is based on the number of applications that were received. So if the applications are lower, then the revenue from the federal government is lower.

MS MICHAEL: Oh, okay. Thank you very much.

MS DOOLING: You are welcome.

MS MICHAEL: The scholarships – is it a fixed number of scholarships or a fixed amount of scholarships?

MR. JACKMAN: Yes, it is. We have a list of them if you want them.

MS MICHAEL: Yes, please.

Subhead 5.5.01, Training Programs, for the cost of in-school training for registered apprentices. The original budget last year was \$7 million. It went up to \$9.5 million. What was that variance about because it does not happen again this year?

MR. JACKMAN: There was additional funding required for more apprentice training demands. You can transfer funds from one area to another. So that was transferred from down in – was it federal revenue?

MS DOOLING: It is transferred from other LMDA programs. So within the LMDA block, there was \$2.5 million that was not used in another set of programs, and we had a higher uptake on these training programs, so we just transferred the money in – and you can do (inaudible).

MS MICHAEL: It is \$2.5 million.

MR. JACKMAN: Yes.

MS DOOLING: Yes.

MS MICHAEL: Okay, great.

Just putting it on the record – I am assuming \$2 million.

With that, I think that is all my line item questions, and I do not think I have any others, unless Susan is there thinking that I do. If there is, we can always put it in writing to you, in the interest of time.

MR. JACKMAN: All right.

MS MICHAEL: Thank you.

CHAIR: Okay.

Lisa.

MS DEMPSTER: I was just wondering, from the minister, because we are out of time and we had a bunch more questions, would you be willing to give us a copy of your briefing notes by the end of the week –

MR. JACKMAN: Yes.

MS DEMPSTER: – and then if there are things, questions we have that are not answered there, then we can follow up in writing.

MR. JACKMAN: Sure thing.

MS DEMPSTER: I appreciate that very much.

I would like to have a list of the JCP applications. We have been asking for that for some time.

MR. JACKMAN: For what?

MS DEMPSTER: JCP.

MR. JACKMAN: For your JCP dollars?

MS DEMPSTER: Last year's list. We have been asking for it for –

MR. JACKMAN: Oh, last year's list.

MS DEMPSTER: Yes.

MR. JACKMAN: Okay, all right.

MS DEMPSTER: That is just one of the things. Anyway, I am going to pass it back to my colleague, but if we can get that, that would be wonderful.

Thank you.

MR. REID: I have a few quick questions about the College of the North Atlantic.

MR. JACKMAN: Yes.

MR. REID: One is related to Qatar. This contract was supposed to be renewed fairly soon. I am just wondering the status of that and how things are going there.

MR. JACKMAN: They are in negotiations right now. My understanding is that negotiations are going pretty well.

MR. REID: So when do you expect it to be signed?

MR. JACKMAN: Now that I cannot – Bob, do you want to speak to that?

MR. GARDINER: Right now they are working under a three-year extension, which ends in September 2016. They are actually going over to the joint oversight board in June; that is the board that oversees the college, the members of CNA and members of the Qatari government. So they would expect to get an update then.

The Qataris have undergone over the past year, year-and-a-half, a little bit of a transition in terms of their education plan. They have a new Emir, so they are looking at a different direction. CNA has not been getting any indication that the contract will not be extended.

MR. JACKMAN: I have actually spoken to the minister there as well. He is commenting that he is pretty much aware that committees are in place and that it is progressing quite well.

MR. REID: Okay, good.

In terms of the college headquarters in Stephenville, there was some talk there would be a new college headquarters in Stephenville. What is the status of that?

Also, I will ask this question, it is a separate question. How much is being spent on building rentals in Stephenville? How much is being spent generally by the college?

MR. JACKMAN: I do not know if we would have that right off hand right now, but we can certainly get what the costs of the rentals are. The college headquarters is there, and there are no intentions at this particular point to move it out of there.

MR. REID: I think it has been a policy statement that you would build a new college headquarters.

MR. JACKMAN: Oh, okay.

MR. REID: So what is the status of that? Is that still on the table or is that off the table?

MR. JACKMAN: Well, right now with the fiscal situation that we are in, there are no plans to move on anything right now, but it is still in the mix.

MR. REID: Okay.

I do not know if you have more, Lisa?

MS DEMPSTER: I have two questions left. Could I squeeze in two?

CHAIR: Go for it.

MR. JACKMAN: Can you what?

CHAIR: Can she squeeze in two.

MS DEMPSTER: I am wondering, are you planning on devoting any Canada Job Funding to literacy this year?

MR. JACKMAN: To the literacy program, or the literacy council?

MS DEMPSTER: Literacy programming, or general, what funding is planned, earmarked to go to support literacy in the department?

MR. JACKMAN: Who wants to speak to that one? Bob?

CHAIR: Bob.

MR. GARDINER: While final decisions have not been made in terms of exactly how much, there are plans to use some of the Canada Job Fund for literacy projects. While we are not moving forward with an adult literacy plan right at the moment, there are some illiteracy initiatives in the Population Growth Strategy as part of the workforce development part.

MS DEMPSTER: Okay, thank you.

My final question, the Targeted Initiative for Older Workers, any changes this year to increase uptake?

MR. HOGAN: For the Targeted Initiative for Older Workers, we have six approved projects for a total of about \$1.1 million. There were sixty-six participants, and those are located throughout the Province. It is a good regional balance. So there has been no change from year to year.

MS DEMPSTER: Okay, thank you.

MR. REID: I just have one quick question.

MR. JACKMAN: (Inaudible).

MR. REID: This one is a quick one. It is about the scholarship programs, 5.4 –

MR. JACKMAN: I am only joking. Don't go saying that in Question Period tomorrow.

MR. REID: I am just wondering if I could have a list of the scholarships.

MR. JACKMAN: Yes. We were going to provide them to Lorraine, so we will provide them to you as well.

MS MICHAEL: Excuse me, Mr. Chair.

CHAIR: Yes.

MS MICHAEL: I am assuming everything that has been asked for, if it is not in the briefing notes, will also still go to everybody on the Committee.

MR. JACKMAN: Yes.

MS MICHAEL: Thank you.

CHAIR: Okay, we will call the items.

CLERK: Subheads 1.1.01 to 5.5.01 inclusive.

CHAIR: Subheads 1.1.01 to 5.5.01 inclusive.

Shall they carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye

CHAIR: Contra-minded.

Carried.

On motion, subheads 1.1.01 through 5.5.01 inclusive carried.

CHAIR: Shall the total carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Contra-minded.

Carried.

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

CHAIR: Shall I report the Estimates of the Department of Advanced Education and Skills carried without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Contra-minded.

Carried.

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

CHAIR: One housekeeping item that Elizabeth reminds me. I accepted a motion from Mr. Reid for the minutes earlier but he is not actually on the committee, he was substituting in. I have to get a motion from Ms Perry to replace that in the motion. Everything else was carried okay. I guess the vote was okay.

Thank you everyone for your time. Thank you to the Minister and his staff. I am sure it was enlightening. Sitting here and not asking any of the questions – it is my first year at the Chair and I found it very informative. I probably paid attention more than I did when I was sitting in the back row in the last three years. So I have

certainly gained a fair bit of knowledge, and that is no easy task.

Thank you to the Committee for their probing questions and their comments.

I will entertain a motion to adjourn.

Ms Perry and Mr. McGrath.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

On motion, the Committee adjourned *sine die*.