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RESOURCE COMMITTEE

Department of Advanced Education, Skills and Labour

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Appearing:

Department of Advanced Education, Skills and Labour

Hon. Bernard Davis, MHA, Minister

Renzi Cej, Director of Immigration & Multiculturalism

Kara Connors, Executive Assistant

Debbie Dunphy, Assistant Deputy Minister, Corporate Services & Policy

Candice Ennis-Williams, Assistant Deputy Minister, Post-Secondary Education

Steve French, Departmental Controller

Fiona Langor, Deputy Minister

Debbie Marnell, Director of Communications

Walt Mavin, Assistant Deputy Minister, Regional Service Delivery

Michelle Snow, Assistant Deputy Minister, Workforce Development, Labour & Immigration

Also Present

James Dinn, MHA

Paul Dinn, MHA

Sherry Gambin-Walsh, MHA

Christopher Mitchelmore, MHA

Darrell Hynes, Senior Research Analyst, Official Opposition Office

Ivan Morgan, Researcher, Third Party Office

Pursuant to Standing Order 68, Paul Dinn, MHA for Topsail - Paradise, substitutes for Kevin Parsons, MHA for Cape St. Francis.

Pursuant to Standing Order 68, Sherry Gambin-Walsh, MHA for Placentia - St. Mary's, substitutes for Pam Parsons, MHA for Harbour Grace - Port de Grave.

Pursuant to Standing Order 68, Christopher Mitchelmore, MHA for St. Barbe - L'Anse aux Meadows, substitutes for Derrick Bragg, MHA for Fogo Island - Cape Freels.

CHAIR (Loveless): Welcome, everyone. My name is Elvis Loveless and I will be Chairing this Resource Committee meeting.

The Resource Committee meeting tonight is for the Estimates of the Advanced Education, Skills and Labour Department. If we would, I guess, at the beginning, we can have the Committee members just introduce themselves.

MR. P. DINN: Paul Dinn, MHA, Topsail - Paradise.

MR. HYNES: Darrell Hynes, Official Opposition Office.

MR. J. DINN: Jim Dinn, St. John's Centre, Observer.

MS. COFFIN: Alison Coffin, MHA, St. John's East - Quidi Vidi.

MR. MORGAN: Ivan Morgan, Researcher, NDP Caucus.

MS. GAMBIN-WALSH: Minister Sherry Gambin-Walsh, Government.

MS. MITCHELMORE: Minister Christopher Mitchelmore.

CHAIR: I'm going to ask the Clerk to call the first subhead before I ask the minister to give his comments.

CLERK (Barnes): Executive and Support Services, 1.1.01 through 1.2.03 inclusive.

CHAIR: At this time I'll let the minister introduce himself, whichever way you want to

deal with your staff, if you want to do it individually. Then you have your opening remarks, Minister.

MR. DAVIS: Perfect. Thank you very much for everyone to come in here.

I'm joined by officials from the Department of Advanced Education, Skills and Labour and I'd like them to introduce themselves if they don't mind.

MS. LANGOR: Fiona Langor, Acting Deputy Minister.

MS. DUNPHY: Debbie Dunphy, Assistant Deputy Minister of Corporate Services and Policy.

MR. FRENCH: Steve French, Departmental Controller.

MR. CEJ: Remzi Cej, Director, Immigration and Multiculturalism.

MS. SNOW: Michelle Snow, Assisting Deputy Minister Acting for Workforce Development, Labour and Immigration.

MS. ENNIS-WILLIAMS: Candice Ennis-Williams, ADM, Post-Secondary Education.

MR. MAVIN: Walt Mavin, ADM, Regional Service Delivery.

MS. MARNELL: Debbie Marnell, Director of Communications.

MS. CONNORS: Kara Connors, the Minister's EA.

MR. DAVIS: Thank you.

First of all, I'd like to say being Public Service Week I have the best staff in all of government. I couldn't have all 650-plus of them here, unfortunately, because they're so skilled at their jobs, but I did have the best executive team in all of government. I'd just like to say a big thank you to the work they've done to prepare for this

day, but not just this day, each and every day when we support the people of our province.

As I've said, the Department Advanced Education, Skills and Labour – I always like to add immigration in there as well – supports Newfoundlanders and Labradorians in a variety of ways. Whether that is through skills training, student financial assistance, labour relations or various social and economic supports, the objective of the department is to help people.

We are guided by the philosophy that we should do everything we possibly can to meet the commitments of *The Way Forward* to enable people to live independent and fulfilling lives. We want to ensure that only the best services and programs are offered to Newfoundlanders and Labradorians to help them achieve employment and independence.

Given the wide breadth across the department, with an expanse of responsibilities of social and economic development resources and shared across divisions, always guided by the goals of being more responsive in the development and delivery of programs and services, I'm going to highlight a few of our things in the budget.

We are committed to supporting accessible and affordable post-secondary education, as reflected by our continued investment in our post-secondary institutions. *Budget 2019* includes \$87.6 million to fund the College of the North Atlantic and its 17 campuses and \$78.2 million to maintain tuition levels for Newfoundland and Labrador students, including an additional \$4 million to Memorial University and \$1.1 million to the College of the North Atlantic. *Budget 2019* also allocates \$12.2 million to province's post-secondary institutions for infrastructure projects. This includes \$1.8 million to complete the \$18.5-million Heavy Equipment Centre of Excellence in Stephenville.

Budget 2019 also provides funding for programs and services to maintain the province's skilled workforce and help them be prepared for careers in these industries. Approximately \$13 million is committed to employment and training programs, \$6.1 million committed to support

youth employment and career-related activities. Approximately \$700,000 is allocated to build capacity and provide more flexible training in the province's apprenticeship system by increasing offerings in an online format. \$161 million is available for investment through the Labour Market Transfer Agreements, which will help people prepare for, find and maintain employment.

I'm pleased to note that the base funding for programs supported by the Labour Market Development Agreement is increasing by more than \$3 million this year. Additional funding under the Labour Market Development Agreement will be used to fund initiatives under the Labour Market Partnerships Program to support government priorities, such as the piloting of new training approaches at the College of the North Atlantic and support the community sector action plan.

Last year, we launched a Student Mentorship Program. It is a program that provides up to 140 students valuable on-the-job experience. In support of this, *Budget 2019* allocates an additional \$339,000 to expand programs to include summer career development opportunities in agriculture, aquaculture, the tech sector, forestry, mining and the community sector, as well as the oil and gas.

Budget 2019, through the Youth and Student Services Program, will provide more than \$6.1 million available for investment. This fund will be used for such things as contributing to organizations to assist youth through a variety of services ranging from career fairs to youth employment initiatives focused on career development and education.

I'm also pleased to note that through the Workforce Development Agreement with the federal government we will invest more than \$13.2 million in 2019-'20 to support skills development, provide apprenticeship wage subsidies and assist persons with disabilities to find and prepare for employment. We would also like to highlight the importance of taking steps to improve workforce readiness to meet future labour market needs in Newfoundland and Labrador. We need to be working closely with the industry to prepare people for new jobs.

The independent review of our province's public post-secondary education system is ongoing. The review will ensure institutions are well positioned to meet the needs of students into the future and address emerging labour market demands and continue to contribute to the province's economic growth.

There is more news to come. \$2 million in provincial funding has been allocated over five years to implement *The Way Forward* on workforce development. We look forward to releasing this plan in the coming weeks. This action plan will include dedicated staff and resources who will work with the K to 12 school system to provide relevant career development supports, including the provision of sector-specific labour market information products to incorporate into the new career education curriculum.

Improving adult literacy is also a key component to building our workforce and driving economic growth across our province. Our government is committed to the Adult Literacy Action Plan and we stand by that commitment. Literacy is more than just reading and writing, as we all know. The development of the plan must consider such things as employability, digital literacy and technology. We continue to work towards a release of the plan in 2019-2020.

I would also like to highlight the success of the provincial government as it relates to community, and its community partners, in achieving through this province's Immigration Action Plan. In fact, we have reached almost 90 per cent of our target of 1,700 newcomers annually by 2022 after less than two years into our plan's implementation. Based on the preliminary numbers for 2018, 1,530 permanent residents made Newfoundland and Labrador their home. Building on the successes we've achieved to date we are now moving forward with the next set of initiatives under the Immigration Action Plan, year three.

Budget 2019 allocates \$2.4 million in funding and \$1.85 million in federal funding to support the implementation of the '19-'20 year-three initiatives. *Budget 2019* also includes a commitment of \$150,000 to support newcomer women through the introduction of an

empowerment-focused employment and self-employment initiative.

We have also amended the income and employment support regulations to exempt payments from child support, the Canadian Pension Plan Disability contributor's benefit and the Canadian Pension Plan survivor's child benefit for the purposes of determining eligibility for income support. These amendments came into effect June 1, 2019, and ensure that the child maintenance payments will not be clawed back from income support, representing an investment in their futures.

Inclusion as a government – we have been required to find efficiencies wherever possible through our programs and services due to the current financial situation that we find ourselves in. We are continuing to find ways to do things better and more efficiently, while still providing the best possible services we can to the residents of Newfoundland and Labrador.

Thank you for allowing me to make these opening remarks. We can move forward with some questions, if you'd like, and I'm sure you will.

CHAIR: Moving ahead, we'll now allow 15 minutes for the Opposition to ask questions.

MR. P. DINN: Thank you.

Just a little preamble to welcome all and it's nice to see the familiar faces across the way. This is a different view of Estimates than I've been used to.

A little bit of a dynamic here, given that I worked for the department up until recently. As we move forward, do not assume that I know the answer. I'm going to go through the questions we have. You may be over there saying well (inaudible) he knows that, but I will have to ask the question.

I'm certainly not looking to put anyone on the spot here. We'll just go down through the Estimates and some of the questions will be pretty miniscule and some will be fairly significant. The questions for getting you on the spot, we'll save them for the House of Assembly when I can put Minister Davis on the spot. Don't

assume I know the answer. If I'm asking a question, I'll probably be asking the question because I do know the answer, but we'll go through the process.

I also want to say I want to agree with the minister on his opening comments. Having worked with the staff across the way, they're exceptional staff, no doubt about it. That's not just Public Service Week, that's every week, every day. I know I've worked with many of you and I know the job you do and you do it well.

You are very lucky.

MR. DAVIS: Absolutely.

MR. P. DINN: You are very lucky to have these people working for you. We're going to get right into the questions.

CHAIR: Go right ahead.

MR. P. DINN: Dealing with section 1.1.01, the Minister's Office, I'm looking at Transportation and Communications. We see in *Budget 2018* it was \$55,000, it went down to \$36,800 and, now, it's of course gone back up. Can we get some information on the drop that occurred?

MR. DAVIS: Thank you for the question. I do agree. I'm the lucky one to have the great staff here as well.

The difference in travel was because the minister that was in the office before was from outside the metro St. John's area and that's why the costs went down. For the same reason as why we kept the budget the same, because we can't control when the minister is going to be in or out of the department and where they live. That's why we put it there. If there are savings to be had, it will be realized at the end of the budget cycle.

MR. P. DINN: Just a clarification: The minister was outside the district and the cost went down?

MR. DAVIS: No, what I'm saying is the minister before I got here was from outside St. John's.

MR. P. DINN: Yes.

MR. DAVIS: The travel costs associated with that minister coming back and forth for ministerial duties would be higher, but there was a change made partway through the year which made those savings happen. Now, rather than have a lower budget for this year's cycle, we figured we'd keep it the same because we don't have any control when there may be a change in ministers and where they may live.

MR. P. DINN: Perfect. Thank you.

Purchased Services; I know we're talking a small amount there. We had a drop similar to Transportation and Communications. We saw it go down and come back up again.

MR. DAVIS: It was lower costs anticipated from printer and copier costs. Then it was zero-based budgeting that brought it down by \$100 again, but a little higher than it was before.

MR. P. DINN: The Property, Furnishings and Equipment there, we don't have anything allocated, but we must have bought a nice La-Z-Boy or something there for \$900, did we?

MR. DAVIS: It was an ergonomic chair for one of the staff members. As you can imagine –

MR. P. DINN: They're not cheap.

MR. DAVIS: That's correct, yes.

We're very frugal in this department for sure.

MR. P. DINN: Thank you.

Moving on to Executive Support, which is 1.2.01.

MR. DAVIS: Yes.

MR. P. DINN: The Salaries, of course, back in budget 2018 it was just under a million. It jumped by over \$135,000, and of course now it's dropped back a little bit. Can you explain the fluctuation there?

MR. DAVIS: Mainly due to severance and leave paid out for a retiring ADM. Then the new ADM was at the lower pay rate. That's why the Salaries were adjusted the way they were.

MR. P. DINN: Which ADM retired?

MR. DAVIS: That's a good question.

MS. LANGOR: Donna O'Brien.

MR. P. DINN: Sorry?

MS. LANGOR: Donna O'Brien.

MR. P. DINN: Right.

Transportation and Communications, again, a similar trend in fluctuation there. It was up, it went down, then back up again.

MR. DAVIS: Well, the downward trend was developed directly because the anticipated travel for the executive related to FPT meetings was down. Due to the departmental zero-based budgeting review on the FPT travel requirements, that's why the Estimates are down a little bit as well from where they were before.

MR. P. DINN: So a question on FPT – because those meetings tend to be scheduled, you tend to have a yearly schedule there – was there an anomaly there that caused it to go down in terms of meetings?

MR. DAVIS: I'm not exactly sure why it would have went down. The meeting never happened, is my interpretation there. Fiona?

MS. LANGOR: We participate in CAALL, which is the forum of labour ministers. It was originally scheduled in September. It didn't happen until January and, when it did happen, we ended up hosting. There are costs associated with the hosting but the travel we didn't have.

MR. P. DINN: Perfect, thank you.

Again, a similar trend there with Purchased Services. Up, down, back up again.

MR. DAVIS: Same as the previous one.

MR. P. DINN: Same, okay.

MR. DAVIS: Lower than anticipated cost for printers and copiers.

MR. P. DINN: Perfect.

Moving along to section 1.2.02, we have a downward trend, of course, in the Salaries there. Can we have an explanation there as well?

MR. DAVIS: There was a partial-year vacancy for an accountant I, which was \$20,000 there. Lower cost for an accounting clerk II, which was another downward almost \$20,000. And savings from vacancies in the division.

And then the reason why it climbed – well, it's still down in relation to that – and that's the attrition management for a fifth year of the strategy.

MR. P. DINN: Employee Benefits, a bit of fluctuation. I'm assuming that's following in direct correlation with the Salaries?

MR. DAVIS: Not necessarily here. This is workers' compensation costs lower than previously budgeted in 2018-2019 fiscal year. And then the Estimates are down again for 2018-19 due to departmental zero-based budgeting with respect to workers' comp.

MR. P. DINN: Supplies, the last year we needed more Supplies than we predicted and now we're down a little bit. How accurate are we with the expectation on Supplies?

MR. DAVIS: We think we're accurate on this. As I've said many times, we've got a very skilled team here and we're very close on the Supplies from the budgeted in 2018-19 to what we actually revised it at. So the zero-based budgeting again is what brought it down to the thousand-dollar difference from where we were in the start of last year to that.

MR. P. DINN: I'm looking at Grants and Subsidies. You have a \$25,000 amount there under Estimates for this year? Can you explain that?

MR. DAVIS: This relates to the department receiving the grant funds and disbursing it from community agency transfers from Children, Seniors and Social Development, the one window we have for grants in the province for the 22 charities or organizations, and we're the lead on the file. So we take the \$25,000 and disburse it for Stella's Circle.

MR. P. DINN: Yeah, I'm curious why it falls under Administrative Support, but can we get a list of those?

MR. DAVIS: Well, in this one there's only one.

MR. P. DINN: Oh, it's only one.

MR. DAVIS: It's only one.

MR. P. DINN: One grant.

MR. DAVIS: It's Stella's Circle.

MR. P. DINN: Okay, got it.

Revenue –

MR. DAVIS: But I can give you a list if you like.

MR. P. DINN: Yeah, it'd be a quick list. No, I'm good on that.

The \$200,000, Revenue - Provincial, where is that originating from?

MR. DAVIS: Just one second here now.

Relates to miscellaneous repayment for the prior year, returned from the prior year's unspent revenue from the community groups' trips, standing travel advances.

MR. P. DINN: Okay.

Subhead 1.2.03, we have fluctuation, downward trend in Salaries.

MR. DAVIS: Just one second, let me get there.

MR. P. DINN: Can I get an explanation on that as well?

MR. DAVIS: Yes.

Savings due to vacancies from the Appeal Board secretary, savings from vacancies in a policy, planning and research analyst, and a new employee hire with a lower step than the previous incumbent for the position that was savings there.

MR. P. DINN: So two out, one in at a lower, is that what it is?

MR. DAVIS: Correct.

MR. P. DINN: Okay.

MR. DAVIS: Correct, yeah.

MR. P. DINN: Transportation and Communications, it's trending upward. Salaries are going down but our Transportation and Communications trending upward.

MR. DAVIS: Yeah, the increase is related to the Appeal Board membership travel and the orientation and hearings, so that's why it was up there, 31. It's estimated to be up because the travel for the Appeal Board expenses, new members appointed from outside the St. John's region. So it depends on where they live for the travel to get where they got to go for the Appeal Board.

MR. P. DINN: Is there opportunity there to do appeals via media?

MR. DAVIS: That's something we can take under advisement for sure. We can bring that back.

MR. P. DINN: I only note that because, in earlier Estimates, they were trending down with theirs because they were doing more of that, but just a question.

Professional Services, we were up to \$65,000 last year and now we're back down to \$26,000. Again, an explanation on the fluctuation.

MR. DAVIS: The upward trend for Professional Services was the actuarial work being done by the department for WorkplaceNL with respect to PTSD – the actual cost that would be associated to government – and the new Income and Employment Support Appeal Board required additional per diem expenses for their orientation. So, that's why that trended up.

MR. P. DINN: So that piece of work was something not originally projected?

MR. DAVIS: Correct.

MR. P. DINN: I'm correct in that?

MR. DAVIS: Correct.

MR. P. DINN: Purchased Services, we are doing well there. We cut it down from \$8,600, so we are confident that that's the amount that's going to work for us.

MR. DAVIS: Yes.

MR. P. DINN: Okay.

Again, the provincial revenue, we started off with looking at \$80,000. It looks like needed almost double that, and we are still projecting double of that. Can you explain that as well?

MR. DAVIS: The increase was due to the revenues for the past two fiscal years '17-'18 and '16-'17 from workers' comp salaries that were received. That was why it was just over \$74,000. Then we updated it from this budget to the contract for WorkplaceNL to reflect the salary cost and staffing provided for WorkplaceNL.

MR. P. DINN: Thank you.

Of course, you've got an amount there for Subsidies and Grants of \$21,000. Can you explain that, and can we get a list?

MR. DAVIS: Yes, that's no problem. I can get you a list of all those grants that were given out.

MR. P. DINN: Okay.

Moving along to – Sandra, are we doing 2.0 or are we stopping on that? I think we're stopping there, right?

CLERK: We are stopping after Executive and Support Services.

MR. P. DINN: Perfect. We're done with that section here.

MR. DAVIS: Okay.

CHAIR: Okay.

We will reset the clock for 10 minutes.

MS. COFFIN: I don't think we're going to need 10 minutes.

CHAIR: Okay.

MR. DAVIS: Okay.

MS. COFFIN: I had very similar questions to one of the Dinns. Is it the bigger brother?

MR. J. DINN: Do I need to clarify, or –?

MS. COFFIN: Two quick questions. Most of the financial stuff we've addressed there. The first one, I guess, is will you be providing us with your binder?

MR. DAVIS: Yes.

MS. COFFIN: Thank you.

The second one, we've heard a couple of different approaches so far on how the attrition models had been addressed in each of the other two departments we've spoken to. How have you gone about addressing attrition in your department and allocating it?

MR. DAVIS: Okay.

I do have the guru on this for sure, but the targets were set in 2015 to identify 45 positions to eliminate over a five-year period with nine of them eliminated each year, which was the plan, to approximately about \$550,000, but for a little bit more detail, I'll throw it over to our assistant deputy minister for Corporate Services.

MS. DUNPHY: So, I guess, the way we've approached attrition management in this department is, again, we were given a fiscal target that we had to achieve. We are a very large department. We have over 600 staff. We have a salary budget of over \$40 million. So what we tried to do was distribute the impact of attrition through dollars over all the various divisions, proportionately. Over time, we adjust that because obviously there are areas where people don't retire, people don't leave, so we can't force attrition. Therefore, every year, we do review our salary budget and how it's allocated. So that does account for some of the ups and downs.

Some of the things we do in the department is every time there is a vacancy, whether it's a retirement or staff turnover, the director, the ADM and DM, we all have a discussion regarding this position and we analyze it. Can this be considered for attrition? Can the workload be redistributed? Is it federally funded, because we do use some of our federal funding under LMDA for staff? Those are the kinds of questions we have, or the kind of discussions we have and then a decision can be made whether or not a position can be abolished.

So what we've done is we've used many of our lean methodologies to create efficiencies wherever we can. We've also gone through some changes where we've been able to use electronic and digital solutions to create some efficiencies. We've also looked at sharing administration. So, as an example, there are four ADMs in this department and there are two admin support, so each two ADMs share an admin. This is how we've been able to achieve our targets.

The other factor is, again, with a department of over 600 employees, there's a vacancy factor, there's staff turnover, there's time to recruit and time to hire, that helps us manage our salary budget.

MS. COFFIN: Okay, great. Thank you. That's what I was looking for.

MR. J. DINN: Mr. Chair, may I have leave to ask a question?

CHAIR: Does the Member have leave? Anyone have problems with –?

AN HON. MEMBER: Leave.

CHAIR: Good?

You have leave, Sir.

MR. J. DINN: Perfect, thank you, Mr. Chair.

If I may, just a question, of course, you know what it's going to be about, that word attrition popped up yet again. I think the minister referred to identifying – I forget the number of positions that could be eliminated, I think a number was identified and about meeting a fiscal target, and

the following content about distributing the impact of attrition through money in the department and about looking at – there was some talk about lean methodologies and so on and so forth.

So here's the question I am interested in – and it's easy to talk about the fiscal target. I am looking for the criteria that's used when you sit down and identify which positions need to go or don't need to be refilled.

I guess from a teaching perspective, I come from the world of rubric where I have to be able to show how did I arrive at the mark that I did, it wasn't just simply pulled out of the air. So I'm looking here as to the criteria. Is it, for example, we no longer provide this service? This service has now been taken over by another agency. If I'm looking at identifying a service at the school that's no longer needed to be there, if we have no special-needs students, then I guess I don't need that many special-needs teachers, along those lines. I'm trying to look at what's the connection, the needs based other than the money based.

It's easy to say we need to get rid of 40 jobs. The question I'm always worried about is: Who suffers in that? I'm trying to get an idea of the criteria, if I may. If there's a criteria used, if we could have access to it or to that rubric or when you do the analysis is really what I'm after, how that decision is made.

MR. DAVIS: I think the assistant deputy minister went through some of the criteria that they use at the executive level to make those decisions. Obviously, we want to not impact front-line services to the people that we serve; that's important. I think that's probably the number one criteria for me as the minister, and I know for our staff, right from myself down, that's always what they care about. We want to make sure we are providing the best possible services to the people that we serve.

If there are ways to do that through use of technology, digital-by-design, finding lean processes to changing the way we do processes within the department to allow us to achieve those efficiencies, that's where we should be as prudent managers of taxpayer money, that's

what we should be doing. I think we put a focus on trying to make sure we do things better.

I don't know if that answers your question. Maybe Debbie can probably do a little bit more justice to some of the – because I guess there's a rubric they use, not necessarily on paper per se. I think they look at it from a standpoint of how it will affect the employees that are currently in the department, in that division, and where it transfers to; how it's going to affect the general public, which will be impacted or, potentially, not impacted by those changes being made. So I think that's where we try to find efficiencies where we can through those methods.

I don't know if there's anything you would like to add, Debbie.

MS. DUNPHY: I guess the only thing I would add is the minister said it well when – I guess, the first question we ask is: What is the impact on the client or the service if this position is to be considered? So while, again, it's not necessarily a rubric or a marking scheme, it is certainly one of the main things that we look at.

Secondly is because we are adopting lean throughout our department in many of our programs – and lean is a continuous improvement methodology, so it's not about finding savings or coming up with enough efficiency to say, okay, I can do it and then eliminate a position. That's not how we use lean. It is about creating efficiency and making things better, and whether that's a service, a wait time, reduced red tape for a client, those are the things that we are considering. Then the idea will be to turn those efficiencies into more time on either front-line service or whatever the particular division needs to focus on.

Again, I think it's always that question of: How will it impact the client? How will it impact the remaining staff? Is there an adjustment that can be made? Can we share any sort of administration? If one division has a very busy time from July to September and another division's busy time is January to March, maybe they can share some resources so that if there is a position eliminated, then it's like, okay, we'll help you in your busy time and you'll help us in our busy time.

I guess every division is different in how they consider what their needs are and how they will be met.

MR. J. DINN: If I may, as a follow-up?

I understand that. I guess what I'm looking at – and I come from, like my colleague to the right, the world of education. Again, in a school if I'm asked to find efficiencies – we have to save \$1,000 or \$100,000, we can get rid of a teacher unit – do you know what we'll do? We'll combine the grades. That will be more efficient. We'll increase the class caps, but now we've met our fiscal target. That's a different approach than what are the needs in our school? What is it that we need, what's the ratio? That's a different thing. Now, what are the efficiencies?

I'm looking at the philosophy as to how you arrive at that. The process becomes a little bit different if you're saying we need to save this much; here is the target, we need to save. Now you're going to look for efficiencies and things to cut and that's what I'm trying to figure out. I'm looking at: How do you determine what it is essentially, if you're looking at 45 positions – or let's say 50 or whatever it was – that a year ago you needed, now you don't.

I'm just trying to figure it out. That's what I'm trying to come to grips with when we talk about the budgeting process. I look at things as to what are the needs in a situation and what is the staff we need as opposed to what can we cut.

MR. DAVIS: It's a very good discussion that you're having here. Operational requirements are paramount.

MR. J. DINN: Right.

MR. DAVIS: We have to make sure we have those operational requirements. Service demands – are they increasing or are they declining? I mean, those are things we look at.

To be more specific on that, that's where we go. Tied to the program – we're always looking at ways we can leverage federal funding to do different things, too. If there's a way to leverage federal funding to alleviate some of those costs provincially, that's what we try to do. Some of the things that will come up, probably later in

the Estimates, is going to be some discussions about that, I'm sure.

I hope that answers your question. Thank you for your question. It's a very good one.

Yours are good too, Paul.

MR. P. DINN: Mine are better.

MR. DAVIS: Sorry, I didn't (inaudible).

MR. J. DINN: We get better.

Good to go?

MR. DAVIS: They can't get much better than that. They were great.

MR. J. DINN: Oh right, sure.

CLERK: If everybody is done now we'll (inaudible).

1.1.01 through 1.2.03.

CHAIR: 1.1.01 to 1.2.03?

Shall they carry?

All those in favour?

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

On motion, subheads 1.1.01 through 1.2.03 carried.

CLERK: Regional services delivery, 2.1.01.

MR. P. DINN: Thank you, Mr. Chair.

As we move forward, if the Members of the Committee agree, allowing the Third Party, either-or, as long as they're using their 10 minutes to move forward with questions. Perfect, are we good with that?

MR. DAVIS: I'm fine with that.

MR. P. DINN: Rather than looking for leave every time, good?

MR. DAVIS: Yeah.

MR. P. DINN: Okay, I'll proceed.

Looking at 2.1.01, Salaries; we see a dip in the Salaries there. Can we have an explanation there?

MR. DAVIS: Yeah, it's a forecast adjustment through the attrition management, as we've talked about previously, of about \$473,000. Funding was re-profiled across the department divisions, without increasing the total department salary budget. Thus, the 2019-'20 salary plan was appropriately funded through the various divisions, so it resulted in an increase of about \$222,000, thereabouts.

MR. P. DINN: Okay, I'm looking at Transportation and Communications –

MR. DAVIS: Or sorry, not an increase, a decrease. That's what I meant to say. You picked up on that, thank you.

MR. P. DINN: I understood what you're saying.

MR. DAVIS: Yeah.

MR. P. DINN: We saw a decrease there and then it jumped up again to almost \$780,000. What are we looking at there?

MR. DAVIS: We receive about 800 applications, I think, on a monthly basis, so the postage cost is what's driving a lot of that there for transportation. Yeah, \$631,000 in postage – that's what our expenditure is in there. Income support is primarily delivered through the mail.

MR. P. DINN: Yeah.

MR. DAVIS: We're always working and looking at solutions on how to do it a little bit better, but that's the best way we've found so far.

MR. P. DINN: Thank you for that. Yeah, I agree, we should be looking at some more efficient ways of doing that.

MR. DAVIS: Absolutely.

MR. P. DINN: It's crazy. Purchased Services; a dip and back up again, a fluctuation there. Please, an explanation.

MR. DAVIS: It's going to sound like a broken record or a broken copier, maybe, but –

MR. P. DINN: Well, that's fine. I have to ask if you have to answer them.

MR. DAVIS: – lower than anticipated costs for copiers and printing. The lower use of video conferencing was part of the reason why it went down. Then the Estimates down by \$1,000 then is based on the zero-based budgeting and the review of expenditure and trends over the last year or more, or over the last couple of years.

MR. P. DINN: It fluctuates with the communications, so the stuff you're copying, you copied less and you mailed less.

MR. DAVIS: That's right.

MR. P. DINN: You copied more, you mailed more. The Property, Furnishings were up and down – new copier?

MR. DAVIS: We wish it was, yeah.

Up by \$30,000 due to public access computer upgrades required across the province for our employment centres, which was an important piece to help people make meaningful connections with the workforce. That's part of that and then estimated up by \$3,000 in '19-'20 was due to the departmental zero-based budgeting review.

MR. P. DINN: Okay.

We're done, Sandra, with the two. That's the two there, right? We're only doing it (inaudible).

CHAIR: Okay, Ms. Coffin.

MS. COFFIN: Excellent, thank you.

I was remiss in my opening. I forgot to thank you all for coming and all the long hours you worked. I can see it's very obvious to tell that you have done a lot of background work on this. Thank you very much. I appreciate it.

I'm not trying to trip you up, but I note that with Motor Vehicle registration you have to have an email address to get your notifications now. Would it be a solution to mailing out cheques and printing cheques to try and accommodate as many or try to encourage as many individuals on income support as possible to get a bank account? I understand the difficulties in some cases but, certainly, I know that some are permanent residents in a number of areas and they are able to get bank accounts and function in a number of different ways. Is there a possibility that we could reduce this cost by using our technological initiatives?

MR. DAVIS: A very good question and one I'll deal with in a couple of different parts and then I'll throw it to Walt Mavin, who is very versed in this as well. My understanding is we have better than 90 per cent access to direct deposit anyway – over 95 per cent, sorry. That's how good they are; they're that quick, so over 95 per cent direct deposit access.

One of the things we've always tried to do is try to find more efficient ways to do things. Part of the process is – I guess mailing them out has two options. If you mail out the cheque stub, you find out if that's their address or not. You find out if they actually live where they say they live and there's some ability to look at that and help with ensuring the integrity of the system.

I'll throw it back to Mr. Mavin here.

MR. MAVIN: Thank you, Minister.

It is something that – and a good question – we have been considering in terms of ways to achieve efficiencies, when you look at the amount of funds that we allocate each year for postage alone. What we know is that less than 20 per cent of our income support recipients actually have an email address on file with us.

So that becomes a challenge from the get-go, to look at ways to increase that as a way for us to reach our clients.

We are required, under income and employment regulations, to keep clients apprised of their entitlements, so we were sending out cheque stubs on a bimonthly basis because we do pay our clients on the first and the 15th of the month.

We've now gone with a monthly distribution of those cheque stubs, but, again, it still is challenging for us when we have less than 20 per cent of our client base with an email address on file.

MS. COFFIN: There must be an easier way, I think. I bet you all of them have a cellphone.

MR. DAVIS: I think we're all on the same page on that. I agree with you fully on that. We're looking at ways we can lower that, whether it's quarterly, we're looking at all of those options.

MS. COFFIN: Semi-annually, yeah.

MR. DAVIS: We got to meet our criteria.

MS. COFFIN: Yeah, you don't get another cheque until you come and we can show you this physically.

MR. DAVIS: Right.

MS. COFFIN: I also used to work in the department.

No, that was my question there. I think you answered the other variations in the numbers just fine. So that was my question there. If that's a big expenditure –

MR. DAVIS: It is.

MS. COFFIN: – perhaps we should try and find a way to tackle that.

Thank you.

MR. DAVIS: Excellent.

MS. COFFIN: Jim?

MR. J. DINN: No further questions.

CLERK: 2.1.01.

CHAIR: Shall 2.1.01 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subhead 2.1.01 carried.

CLERK: Income and Social Development, 3.1.01 through 3.2.06 inclusive.

MR. P. DINN: Thank you.

Starting with 3.1.01, again, Salaries we've seen the – and I'm sure we'll get the same answer, but we're going to have to ask it.

MR. DAVIS: No problem.

MR. P. DINN: It's dropped off again in 2019. Explanation, please.

MR. DAVIS: Yeah, for 2018-19 was additional funding required for a retiring staff member, but the Estimates are down by almost \$40,000 on the forecast adjustment for attrition management, year five of five.

MR. P. DINN: Okay.

I had a question on Transportation, and I think it has – although the figures haven't changed much, it's just a large amount of travel in Transportation. Explanation, please.

MR. DAVIS: The funding had been provided for travel – telecommunications, \$3,700; and funding of \$325,800 has been provided to cover mailing cost of Income Support cheques and direct deposit stubs.

MR. P. DINN: We've really got to work on a better way. Thank you.

Purchased Services, up and down – we're down to \$2,500 from a \$5,300 revised. Again, explanation on the fluctuations.

MR. DAVIS: Where are we, sorry? I missed that.

MR. P. DINN: I'm looking at the Purchased Services.

MR. DAVIS: Okay.

It was higher than anticipated CRA data purchases in 2018-19, and then it is down by

\$800 – the 2018-19 original budget decreased due to departmental zero-based budgeting and a review based on the three-year historical spending.

MR. P. DINN: So this section is dealing with income assistance clients, correct?

MR. DAVIS: Correct.

MR. P. DINN: Allowances and Assistance seems to be a similar budget across there. Am I incorrect in thinking that our recipients have been declining – our caseload?

MR. DAVIS: Caseloads have been slightly declining, yes. Walt can give you a little bit more detail, but there has been more singles and fewer families. The families are declining on that. Just like the general population of the province is that way. But if you look at the caseloads in December of 2018 are about 22,000 versus January in 2018, 22,889. So there is not much fluctuation there.

MR. P. DINN: Yeah.

MR. DAVIS: But it is trending downward. Our goal in the department is to give Income Support clients an opportunity to receive training. Give them opportunities to break down those barriers that would keep them from making meaningful attachments to the labour force, whether that be child care, whether that be the ability to have home and lodging, whether it be health cards. We're working on a few initiatives through cross-departments to try to mitigate some of those problems that we have there but it has remained similar most throughout – Walt, would you like to add anything to that?

MR. MAVIN: Certainly, Minister. Essentially for the past four or five years, in particular, the Income Support case load has fluctuated a hundred variants month by month. Some months it's up less than 50. Other months it's down 70 or 80. Our caseload for May of 2019 was 22,967 cases compared to one year ago where it was 22,981. So, you're down 14 cases year over year but it fluctuates slightly on a monthly basis.

MR. P. DINN: So to follow up, just for explanation to the Committee, the minister mentioned we have more single cases as

opposed to family or vice versa. How does that affect the amount in terms of assistance?

MR. DAVIS: Well, families would receive more than the singles with respect to that, but from a standpoint of that the investment in things that would be for child care would see a reduction. Not a reduction in what we're offering but a reduction in uptake, so there are less people availing of some of those services. We'll see some more that'll come a little bit farther ahead in the Estimates book that you've seen a decline in what we have from an uptake standpoint, not from a funding standpoint.

So we're trying to figure out ways we can increase the ability for uptake on those particular programs, but that would be the biggest change that you would see in those.

MR. P. DINN: Yeah.

I'm not sure if it's published information at all, but can we get a document on the trend in terms of our caseload over the last number of years?

MR. DAVIS: Absolutely.

MR. P. DINN: It may be public; I'm not sure but ...

MR. DAVIS: No, problem.

MR. P. DINN: A question on provincial revenue. There's a \$5-million amount there, \$5.5 million in this year. Can you explain that amount? What generates the revenue there?

MR. DAVIS: It is received from former and current income assistance clients who are making payments on their accounts for accounts receivable. Essentially, they were in overpayment or didn't tell us they were working or whatnot. So they owe the department or the government or the public purse money, and they're paying it off.

MR. P. DINN: That's a nice amount, although it's no different than pulling someone over on the road who got \$30,000 in fines.

MR. DAVIS: Absolutely.

MR. P. DINN: Just curiosity, what's our success in retrieving that?

MR. DAVIS: We can get that information for you I'm sure.

MS. DUNPHY: Yeah.

MR. P. DINN: Okay, that's fine.

MS. DUNPHY: I don't have it at my fingertips.

MR. P. DINN: I suspect it's not high given the client base we're looking at but just curiosity.

MR. DAVIS: Well, there's a clawback component, provided they're on the system.

MR. P. DINN: Provided they're on the system, yes.

MR. DAVIS: Right.

If they have gone off the system and moved out of the province or we can't find them, just like any situation, we would have a devil of a time, as they say, trying to collect that overpayment. But if they're in the system, I would argue pretty close to a hundred per cent if they're on Income Support, correct?

MR. P. DINN: So related to that – and I'm just going to my experience with student loans – of course Student Loans have their own collections. That's amalgamated now over here with the Finance.

MR. DAVIS: Correct.

MR. P. DINN: And with Income Support clients, we can do a clawback, provided that they are current clients. If they are not, does that also go over to Finance here now for collection, or does the department keep it?

MS. DUNPHY: Right now, that is still a function of the department and with the authority under the *Income and Employment Support Act*.

MR. DAVIS: Okay.

MR. P. DINN: Moving on to 3.1.03, Mother/Baby Nutrition Supplement.

MR. DAVIS: Give me a second to get there.

MR. P. DINN: Yeah.

MR. DAVIS: Perfect.

MR. P. DINN: I am going to continue to ask about the Salaries, and you are going to continue to give me the same answer, but I have to ask it. The fluctuation in the Salaries there, I assume that is one position.

MR. DAVIS: Correct, yeah. Salaries were adjusted across the department to better reflect the actual requirements of the job or position.

MR. P. DINN: Okay.

The question on our Allowances and Assistance, can you explain that and what it is for?

MR. DAVIS: The savings in 2018-19 were due to lower-than-anticipated uptake of the program, as we have talked about before, because there are less children and babies being born; but, we kept the Estimates for this year the same because we are going to try to increase the ability for us to reach out to those individuals to make sure they are aware of what options are out there for them.

MR. P. DINN: So, take the revised with the \$130,000, how many clients would we have served with that?

MR. DAVIS: That is a good question.

MR. P. DINN: Mr. Mavin may know that. I think he is itching back there.

MR. DAVIS: You have got a good idea. You can see him better than I can, so I should have a mirror here, but, yes, Mr. Mavin.

MR. MAVIN: So, on average for 2018-19, we served about 140 clients per month with this.

MR. P. DINN: The minister mentioned if they could be identified or reaching out to more – is there clients out there that we know of that could be availing of this that we are not aware of?

MR. MAVIN: We do our best to try to promote this, because it is an important benefit. It is

available to both Income Support, but not only Income Support recipients, it is also available to low-income expecting mothers. So, we do promote that. We promote that online. If you walk into a doctor's office, you should see – in pretty well every doctor's office – the flyer that we have for the Mother/Baby Nutrition Supplement.

We also work very closely with our colleagues at the regional health authorities to encourage them when they are having conversations with expecting mothers to make sure that they are made aware of this benefit that is available to them.

MR. P. DINN: Okay.

MR. DAVIS: Just to add to that. As well, there is also one of the negatives that you have mailing out all the time is that you have to mail out all the time. That gives you an opportunity to also reach out to them on programs such as this, so there is an annual insert that's put in with the cheque stub. So if we're doing it, it's just as well to utilize an opportunity for us to reach out to our clients and we'll do that on a –

MR. P. DINN: Save on postage.

MR. DAVIS: Well, save on postage.

MR. P. DINN: I got you. My time is done.

CHAIR: Okay. The time has expired, are you good?

MR. P. DINN: I will come back to it.

CHAIR: Okay.

Ms. Coffin.

MS. COFFIN: Thank you very much.

Let's start with Transportation and Communications, 3.1.01.

MR. DAVIS: Okay, 3.1 –

MS. COFFIN: Yeah, just right back at the beginning there.

MR. DAVIS: Okay.

MS. COFFIN: When we were talking about 2.1.01 on the Transportations and Communications we mentioned that some of the Income Support cheques were being sent out under there. But it seems to be that they're here under 3.1.01. So something else is being ...?

MR. MAVIN: Yeah, if I may, just to clarify. The postage that's covered under the regional services is for applications that we send out during the application process from our application unit, whereas the postage covered under this section –

MS. COFFIN: Is the cheques.

MR. MAVIN: – is for the cheque stubs and so on.

MS. COFFIN: Right. And the applications are thicker and they're heavier and, therefore, they cost more.

MR. MAVIN: Yes.

MS. COFFIN: Okay. All right, that's good.

Let's see here, let's talk about some general questions under Income Assistance, 3.1.01. You're saying that the caseloads are declining, correct? I have some understanding of this as well. So can you explain how the caseloads are declining? I'm pretty sure that it has a little bit to do with the Poverty Reduction Strategy.

But one of the other things – and I never did get a particularly satisfactory answer about the correlation between the Poverty Reduction Strategy's success and the economic boom that we had. So I'm a little curious to know if we're seeing a greater uptake now that the economy has been a little bit more depressed. I also am curious about the caseloads declining.

I know that a number of clients will age out at about 65 when you start getting you OAS, your GIC or whatever might become available for them at that time, so it'd be interesting to see how the caseloads are declining there. And I guess that kind of ties into a breakdown of caseload. And this is kind of a large question, so you may want to answer it in parts.

In terms of the breakdown of caseload, are cases individuals or families? And I think they're families. So total number on support is very different than total number of cases, yes?

MR. DAVIS: Yes.

MS. COFFIN: Yes. Okay, that's what I thought. So I guess the composition of our caseload would be a bit interesting as well. So if we could get a breakdown of caseload at some point that would be lovely. Like single individuals, kind of loose age groups, are there families, are there children in there, that kind of thing. And with the caseloads declining the composition is kind of an interesting piece as well.

I guess the part that precipitated all of these details would be – are there regular reviews happening? Do we have a lot of people who start on Income Support and remain on Income Support in perpetuity or until they age out? I know there are going to be some individuals who do that because, of course, they're disabled and they're just not able to get a job and there are a whole variety of reasons why people can't integrate back into the workforce, but one of the fundamental reasons for the existence of Income Support is to help people who are down on their luck and who just need some stability to get them back to become more productive, more engaged, working members of society.

Can you give me some understanding of how those reviews happen to ensure that people are not abusing the system and what the rate of leaving is and why people are leaving? Are people leaving because I'm going to go to Alberta because they got better rates of Income Support, or they aged out, or they got a job and everything was successful, or they died?

MR. DAVIS: I'd say there's a combination – very good question, a long one, but a very good one.

MS. COFFIN: Yeah (inaudible).

MR. DAVIS: So I guess we can attack it in a few parts and let me know if I miss anything –

MS. COFFIN: I will.

MR. DAVIS: – so we can try to go back and get it. But we want to get as many Income – and you're right, there is a variety of reasons why the caseload could be coming down. It could be they reached the age of 65. It could be they got gainfully employed. They could have moved. They could have died, unfortunately, but the ones that we're focused on – and we can provide you with a full breakdown of the caseload and composition of the case, no problem –

MS. COFFIN: Wonderful.

MR. DAVIS: That's great.

One of the things that you hit on was very, very good, was ensuring that you're getting what you're supposed to receive. We, as a department, now we're going to be evaluating each case every second year, which is a significant difference from what's been done in the past which was probably once every seven to 10 years.

So we're hoping that that will help alleviate some of the – making sure that we have clients that are in receipt of what they are actually supposed to be in receipt of and those that are in receipt of something they're not supposed to be in receipt of then that will be covered as well.

MS. COFFIN: Right.

MR. DAVIS: So, I think I've answered three of the 16 questions, I'm not sure.

MS. COFFIN: Yeah, you might be close on some of those.

It's nice to hear that there's going to be more client reviews because –

MR. DAVIS: Absolutely.

MS. COFFIN: – certainly there are a number of people in my area that receive Income Support. We know they're in Housing. They're there in perpetuity, but they're pretty capable of coming and cleaning your lawn or doing some snow clearing or bartering with the neighbourhood store for things. It's interesting; you see it when it's around, so it would be really nice to see that.

Certainly one of the things that I had experienced when I was working in Income Support and when I talked to individuals, as well, who receive income support is that they like the idea that they had a worker. They call them their worker because their worker would come in and check on them, like, once a month and just make sure that the house is clean and they're okay and that the program is matching their needs.

It was more of a touchstone for them as well and that, of course, engages people and it doesn't leave them to their own devices. Occasionally, individuals left to their own devices – and I know this from personal experience – they can get up to no good, idle hands and all, right? That's kind of a nice thing, that that touchstone is happening, so it would be really good to see that. You also hear of the boyfriend doesn't live here. The boyfriend lives here but he's actually going back and forth to Alberta, so they're a contributing member of the household. That is refreshing.

Now, the other part, I guess, kind of a follow-up thing to that, you mention that there was lower uptake on some of your programs. One of the things I understand about this is when times were good and we wanted to get people (inaudible) work and we were trying to get people to move from income support into the workforce and all of that, there were people who were unemployable, which was a problem, and people who didn't want to be employed as well. That's a bit of an impediment as well.

MR. DAVIS: That's right.

MS. COFFIN: When we look at the breakdown of cases, perhaps – and when you do your reviews of course – it would probably be an interesting piece to look at what is that mismatch there? There are people who are totally physically disabled who are not going to be able to do it, there are people who have other issues that they can't possibly go to work, but then there are people who are also reluctant to go to work.

MR. DAVIS: You're absolutely correct. That's part of the benefit of the new system that we're putting in place –

MS. COFFIN: Good.

MR. DAVIS: – with respect to reviewing each and every case every two years.

MS. COFFIN: Right.

MR. DAVIS: A case manager is going to be able to look at those files and put adequate supports around the people that need it the most, and the ones that don't can be encouraged to participate in a training session or get involved in going to retrain themselves so they can make a meaningful attachment to the workforce, because that's where we want them all to be. At the end of the day, it is a funder of last resort and for people to say that they would love to stay on income support, for most –

MS. COFFIN: I would love for people to pay for me to stay home. That would be awesome but, no.

MR. DAVIS: It's not all it's cracked up to be either.

MS. COFFIN: Oh, no, I'm very well aware of this.

MR. DAVIS: Obviously you would be.

MS. COFFIN: The single able-bodied individual who gets –

MR. DAVIS: Right.

MS. COFFIN: – \$97 every two weeks – which is an example I use in my class – that's not a whole lot of incentive to stay home.

MR. DAVIS: Right.

MS. COFFIN: You have smoke money for a week, right? That's a bit of a different thing.

MR. DAVIS: No, you're right.

MS. COFFIN: Okay, a general question here. There's not been an increase in income support since 2014, but the cost of living has increased exponentially since then. A single adult receives \$11,000 a little bit, a year, and a childless couple, \$14,000. People are increasingly

struggling on these rates. Is there a planned review of the rates coming any time soon?

MR. DAVIS: We always review each and every – especially now that we’re going to review each individual case every two years. With the financial situation we find ourselves in as a government and as a province, it’s not something that we can do right at this moment. It’s unfortunate; we’d like to be able to do more for the people that absolutely need it and we’ll find ways that we can try to support them in any way we can.

I think the situation we find ourselves in right now, it’s not prudent for us to do that. I understand what you’re saying and I hear those same stories. That’s why we’re getting involved in the cases to a higher degree, so we can bring that level of support down, hopefully, to clients and provide services to them that will allow us to use – whether it be federal resources to train them, or allow them to get involved in the workforce, which, in a lot of cases, are the barriers that they may face, whether it be housing or whether it be health cards and things like that.

We’re in the process of doing a few little things that are pretty interesting in the department regarding those things. That will hopefully bear some fruit. That will eventually bring those caseloads down. In turn, those that absolutely have to be on income support, maybe we’ll be able to have an opportunity to look at increasing when we get to that situation.

MS. COFFIN: Okay, I think that’s my time.

MR. DAVIS: It was a very good question. Thank you.

MS. COFFIN: I have some more.

MR. DAVIS: Good, looking forward to it.

MS. COFFIN: I’ll be back.

MR. DAVIS: This is fun.

MS. COFFIN: Good.

CHAIR: Your time has expired, so we’ll move to Mr. Dinn number one.

MR. DAVIS: Where’d we leave off, Paul? Sorry.

MR. P. DINN: We’re at 3.2.01.

MR. DAVIS: 3.2.01.

MR. P. DINN: Again, the Salaries question –

MR. DAVIS: Oh, good.

MR. P. DINN: – in terms of the Salaries adjustment downward, an explanation for that.

MR. DAVIS: The downward of \$72,300 was based on the adjusted attrition management, fifth year of a five-year plan. It’s also adjustments in Salaries to match the actual requirements again, so similar to the previous area, as we mentioned before.

MR. P. DINN: I’m looking at Purchased Services. What would we be utilizing in Purchased Services for Employment and Training Programs?

MR. DAVIS: One of the things we used to reduce it by \$8,000, we reduced print ads to promote employment programs. Advertising was done in other more cost-effective ways, whether it be on websites, social media. You want to introduce people to things where they actually are. Social media seems to be where it’s going and it’s fairly cost-effective for that stuff as well.

Then, we decreased the total down for the Estimates this year based on the decrease in print and promotion ads for the previous year, so we felt that it was prudent to do so.

MR. P. DINN: Okay, perfect.

Moving to 3.2.02 – and I apologize in advance because I know you’ll be over there saying he should know this stuff. I do but I have to ask them.

MR. DAVIS: You forget some of the stuff over time, too.

MR. P. DINN: We’re moving into Employment Development Programs. We have Allowances and Assistance. Can we get an explanation of why the full amount wasn’t utilized in 2018?

MR. DAVIS: It was revised down by \$300,000 decrease due to savings under Employment Development Supports, Adult Basic Education supports of about \$100,000 and \$200,000 on the previous one I said, due to client demand. There were less clients demanding for it.

MR. P. DINN: Okay, so that's why it was down.

MR. DAVIS: It was driven by client demand for sure.

MR. P. DINN: Right.

MR. DAVIS: We brought it down again by another \$199,000 based on ABE supports and JobsNL Wage Subsidy grants due to the increased demand with respect to those programs as well.

MR. P. DINN: The Grants and Subsidies, can we explain that amount as well?

MR. DAVIS: A similar reason to above, lower than anticipated uptake for the NL works due to projected wage subsidy demands that we have. Then we estimated it down, in this year, by \$36,800 due to funding related to Choices for Youth moved to Children, Seniors and Social Development versus being with us, through that same process we had before, through one window. That was just moved over to where it better fits with respect to them. It's partially offset, as well, this \$36,000, by the Adult Basic Education supports as well that's there.

MR. P. DINN: I know we have data on the uptake and that. Can we get that, in terms of the uptake on the different programs? Again, if it's in an annual report already, direct us that way, but if it's not, then if we can get that.

MR. DAVIS: You can have that.

MR. P. DINN: The federal revenue; what pocket of funding is that from? Is it being all spent again? It did decrease by \$200,000 last time. I assume that has to do with the uptake again.

MR. DAVIS: Yeah, that's the Workforce Development Agreement.

MR. P. DINN: What pocket of funding is this coming from? Is this LMDA, LMA? Where is it coming from?

MR. DAVIS: WDA.

MR. P. DINN: Perfect, okay.

Moving on to Labour Market Development Agreement, I'm not going to ask about Salaries because that's straight out there; it hasn't changed at all, so we'll go there.

Professional Services has been up and down a bit. Can we get an explanation on that as well? That's in 3.2.03, sorry.

MR. DAVIS: There were some system upgrade requirements to support targeted referrals under the recently signed new Labour Market Transfer Agreements. It was originally budgeted in '18-'19, but it will not occur until '19-'20. So that's the change there. That's, I think, down by 300-ish. Yeah, \$300,000.

MR. P. DINN: Purchased Services, we had \$14,000 there that we didn't think about in 2018. How did that originate? We still have it there.

MR. DAVIS: Yeah, it was funding required for the liability insurance for participants of the LMDA projects. We didn't anticipate that in 2018-19, but we did in 2019-20, so that's why we budgeted for it this year.

MR. P. DINN: So is that something new, the liability – with the new transfer agreements?

MR. MAVIN: No, it wouldn't be new – and I'll look to my colleague, Ms. Dunphy as well. It's the liability insurance for participants under our JCP projects and, if I recall, our LMP projects – Debbie – but that's not a new requirement.

MR. P. DINN: Yeah, and I guess my question is back in 2018 it wasn't – there was nothing budgeted at all. So I guess my question is how has it become a requirement now? Is there something changed in the transfer agreements or –?

MS. DUNPHY: I don't have the information here at hand, but, certainly, we can provide it to you, but it was –

MR. P. DINN: Okay, no, perfect.

MS. DUNPHY: Yeah, it was an expenditure that, like I said, it was –

MR. P. DINN: Yeah, because I know we went into a new agreement –

MS. DUNPHY: Yeah.

MR. P. DINN: – the last couple years, so I didn't know if it was something – yeah. Okay, no that's fine, we'll wait on that.

Allowances and Assistance, so we have – that's pretty – well, no, we've seen that drop off in the last year; an explanation on that? That's 09 under there, Allowances and Assistance.

MR. DAVIS: Yeah, so it's up now this year by \$5.4 million; forecasted additional Labour Market Transfers funding from 2018-19, in addition to a \$2 million reallocation from the Industrial Training program.

MR. P. DINN: Right, because Industrial Training was about \$10 million at one point?

MR. DAVIS: Yeah.

MR. P. DINN: Okay, I got you.

Grants and Subsidies, again, an explanation on that one?

MR. DAVIS: In '18-'19, it was revised up by \$6.04 million under the Industrial Training program allocation, as we've said before, to the LMDA projects, in addition to \$2.1 million in extra funding provided to LMDA – too many acronyms in this department I'm sure –

MR. P. DINN: I hear you.

MR. DAVIS: – for part-time steel industry workers during 2018-19.

MR. P. DINN: If I'm correct then, we've had a greater uptake of the LMDA in this area than was needed for industrial training. Am I correct in saying that?

MR. DAVIS: Yes, I think that's correct. Yeah, that's right.

MR. P. DINN: So our federal revenue, I know where it's coming from but I'll ask the question: Can you explain where it's coming from and the increase?

MR. DAVIS: It's a reallocation of savings under the Industrial Training programs in addition to an additional \$2.1 million provided in 2018-19 through the LMDA for the part-time steel workers as well.

MR. P. DINN: Right.

MR. DAVIS: So it appears there for that as well.

MR. P. DINN: Moving right along to 3.2.04. I'll try and get this one done as quickly as possible.

So, we had a big fluctuation in Purchased Services between budget 2018, the revised and now this year.

MR. DAVIS: Yeah, the majority of that was a system upgrade requirement to support the performance measurement strategy. It will occur now in 2019-2020.

MR. P. DINN: A systems upgrade, this is a big upgrade.

MR. DAVIS: Yeah, it's a big one.

MR. P. DINN: Is it really?

MR. DAVIS: Yeah.

MR. P. DINN: So what are we upgrading?

MR. DAVIS: Did you want to – Fiona?

MS. LANGOR: So this is actually a new requirement under the latest LMDA agreements. There's a requirement for us to actually put supports in place to be able to provide data and trending based on how we allocate our funding and to be able to report back to the federal government on a regular basis. So there's actually a performance measurement strategy that we've signed on to and would've agreed to provide those supports. In order to do that, we have to do some significant upgrades to our systems.

MR. P. DINN: So this is upgraded similar to their template or what their system operates on, right?

MS. LANGOR: Correct. We have a set dataset that we have to report (inaudible).

MR. P. DINN: I assume there's some training involved in that Purchased Services?

MS. LANGOR: Yes.

MR. P. DINN: Yeah.

Moving right along, Allowances and Assistance has been fluctuating a little bit. Can we get an explanation on that as well? I think it's about a \$300,000 difference there.

MR. DAVIS: Yeah, it was revised down \$300,000 in '18-'19. The funding was reallocated to Grants due to demand in the transitions to work program. So the money moves around a little bit, as you know, from this area, right?

MR. P. DINN: Yeah.

Grants and Subsidies were up and down a bit there as well.

MR. DAVIS: Yeah, we revised up \$425,000. Funding was reallocated from Purchased Services to Grants and Subsidies due to demand in the NL Job Grant program. In the Estimates, we're putting it up again \$700,000 or so funding reallocation from Allowances and Assistance to Grants and Subsidies due to the demand for the NL Job Grants, \$315,000 we anticipate; increase and carry forward from \$375,000 to \$400,000, and the additional Workforce Development Agreement funding for 2019-20, which is roughly (inaudible).

MR. P. DINN: I'm glad I'm getting a copy of your binder.

Just to finish this section for me, the federal revenue, just an explanation of where it's coming from and why it's gone up.

MR. DAVIS: Yeah, the increase under revenue is additional to the Workforce Development

Agreement funding that was allocated for circulation in 2019-2020.

CHAIR: Okay, Ms. Coffin, the floor is yours.

MS. COFFIN: Thank you.

So I'm going to backtrack just a little bit here. Mother/Baby Nutrition Supplement, 3.1.03. I noticed in your response to the furthest away Mr. Dinn, you don't have a big uptake on the Allowances and Assistance in the Mother/Baby food and your approach was we'll put up more posters.

How about why don't we give the people who are engaged in the program more money or raise the threshold?

MR. DAVIS: It's a great idea. We'll take that under advisement for sure.

MS. COFFIN: Awesome. That's great.

Carrying on. Let me know when you're doing it, I'd love to be able to get at people in my district and I'm sure Mr. Dinn's – the nearer Mr. Dinn's district would enjoy that as well.

MR. DAVIS: Can we use Dinn 1 and Dinn 2?

AN HON. MEMBER: I am Dinn 1. That's Dinn 2.

MS. COFFIN: My Dinn, the other Dinn.

MR. DAVIS: Okay, good.

MS. COFFIN: Okay. These couple of questions, perhaps, will apply to a couple of different sections.

MR. DAVIS: Okay.

MS. COFFIN: Employment Development Programs which are income support clients and non-EI eligible clients. So we've got a couple of things going on here, one of which is, I'm very curious to know how effective these programs are.

So people are trained or they get an employment program, do they keep working? Do they move off EI or is this a: I get the training program, I

become EI eligible, I go on EI, I burn that off and then I fall back into the program again?

Do we have any stats on stuff like that?

MR. DAVIS: I'm not sure if we got the stats. I don't have them here for sure. Walt, would you -?

MR. MAVIN: We have some preliminary stats, but to the deputy's point with respect to the new requirements through the new Labour Market Transfer Agreements and the performance measurement plan, we are going to be in a much better position with the new requirements to be able to report on the success rates of all of our interventions, including those that are funded through the federal programming and provincial funds.

Back to your initial question, we recently did a sample survey of around 1,100 of our clients who participated in Wage Subsidy Programs and we found that at the 12th week, over 60 per cent were still employed.

MS. COFFIN: And they were no longer receiving subsidies?

MR. MAVIN: Correct.

MS. COFFIN: Way to go, that's excellent.

Okay, Labour Market Development Agreement, I'm pretty okay with there. Workforce Development Agreement, the same thing, it's the same answer to the uptake and efficiency questions.

Subhead 3.2.02, Employment Development Programs, can we have the number recipients and the list of the agencies and the amount of the grants, please?

MR. DAVIS: 3.2. -?

MS. COFFIN: 3.2.02.

MR. DAVIS: 3.2.02.

MS. COFFIN: Is that not in the book?

MR. DAVIS: I am trying to find it.

MS. COFFIN: I find something not in the book.

MR. DAVIS: 3.2.02, sorry about that.

MS. COFFIN: That's okay.

MR. DAVIS: The Grants and Subsidies, we can give you a copy of that for sure, no problem.

MS. COFFIN: Yeah, I appreciate it.

MR. DAVIS: But Linkages would be about \$1.368 million; JobsNL is \$660,000; the Employment Development supports, grants to agencies, is \$4.1 million; and the Poverty Reduction Strategy funding is \$751,000.

MS. COFFIN: We are still working on the Poverty Reduction Strategy? I got to read through your departmental material more.

Okay, that leads me to another question. I know that we have a lot programs here that target similar individuals - I guess there's probably a two-part thing to this and this is more of a policy piece. One of which, I guess, is a more tangible question: Do we see clients moving from one program to the next program to the next program? Because there is some overlap and some of the criteria are similar, but I know that they are kind of targeted for specific things.

The first part would be: Is there overlap, or are we seeing people flow through those programs? And that will come from some of your stats, I imagine. Then I guess the other piece is: Has there been any consideration for maybe creating one big pot of money that addresses all of the things as opposed to here and here and here and here? And that may reduce administrative cost, it will reduce branding on each of the programs and it will reduce a lot of duplication that you are going to get in each of these different areas. Has any cost efficiencies been considered in doing something like that?

MR. DAVIS: Absolutely. Many of the programs that we have are either partially funded by the province, to a smaller degree, and a lot of federal funding involved. Some of the requirements that the federal government has for these require to be first targeted to certain groups. So whether it'd be women, whether it'd be people with differently abled disabilities, all

those different categories, new Canadians, there are programs so they have to be funded in that particular way. Where there are efficiencies, we try to get them.

Yes, there would be some step progression through some of the programs. If they're eligible, they would probably try to move through the programs as well, with the end game being making that meaningful attachment to the labour force.

MS. COFFIN: Absolutely, yes.

MR. DAVIS: It's much more cost effective to the taxpayer to move through those programs this way and then, the end game, being out of the system and providing taxes and spending revenue in the economy, as you know. We prefer them to be that way.

MS. COFFIN: Absolutely.

In terms of efficiencies, if an individual is moving from one program to the next program to the next program and has to apply for all of them and wait until their applications are reviewed and then they have to find the appropriate employer and all of that, that becomes, largely, inefficient if an individual went through, say, four or five programs before they got to gainful employment.

It would reduce the stress on an individual. It reduces the work load on the people who are managing each of the programs so that you're not reviewing this much stuff. An individual comes in and you say, oh well, maybe you need some help with your disability or your ability, you need a little bit of training and maybe you need a mentorship on a job. So you come in and you do one application, it's an assessment of all the needs that you might have and then a long-term plan or a continuum of, okay, you walked in the door, this is how you're going to walk out and, with luck, you'll have labour market attachment at that place would be a more efficient program.

So, perhaps, as we go forward, that can be a consideration in reorganizing and finding efficiencies within the department.

MR. DAVIS: Absolutely.

MS. COFFIN: Okay. Let's see, where did I drop off here?

You did the Workforce Development Agreement, I believe, Paul. So I'm going to jump in to Employment Assistance Programs for Persons with Disabilities. The Allowances and Assistance, I'll look at that after, but I think a larger question – and this again is a policy question. During my campaign, I ran into or I had the opportunity to talk to a number of people who are hearing impaired. One fellow in particular is mechanic. He is an apprentice. He is pegged at an apprentice. He's attempted his journeyman. He's got thousands and thousands of hours as an apprentice. He's more than eligible to go get his journeyman's certificate.

However, because he is hearing impaired, he is unable to get a passing grade on the exam because the exam has a hearing component to it. He did tell me that in other provinces they've accommodated that by offering alternative exams. So to help individuals who are very able but have small impediments, this would be such a dramatic improvement in his life, in his income, in his sense of self-worth and accomplishment. Something like that would be a tremendous boon to individuals. If we're seeing caseloads like this, perhaps we can start modifying how we help people make their way through that.

This guy is not getting Income Support, but he is pegged in a place where he can't advance at work, because he can't get this journeyman. And it's just a small, small thing. So this is a way we can improve people's lives in a very significant manner. Has there been any consideration, or is there any work being done on maybe co-operating with the training institutes and the certification – and Walt is nodding. Tell me how we're going to get this guy his journeyman, because he is very capable.

MR. DAVIS: I couldn't agree more. What I would encourage is if there are any individuals like that to reach out to our department for sure.

MS. COFFIN: Yeah, I told him to call me after I get settled in here, so as soon as I get his name, he's coming over to you.

MR. DAVIS: Absolutely, perfect. And we'd like to do that, but I will turn it over to Walt, because it is a bit of cross-jurisdiction here, cross-department.

MR. MAVIN: Yeah, if I may. And it's a great example, the situation that you use. I had the pleasure actually, just probably a month ago, to meet with the Newfoundland Association for the Deaf. They had two clients who appear to have barriers to moving on to that next step. For example in one case it needed interpretive services to an exam. We can help with that.

MS. COFFIN: Good.

MR. MAVIN: So if you're ever in a situation where there are instances like that, then reach out to us. If it's an apprenticeship issue myself and Candice work very closely together to ensure that if there are barriers that are being presented by clients that we find ways to break those barriers down.

MS. COFFIN: Wonderful. This man will be very excited. I might drive up and get my wheels re-torqued since I got my summer tires on, and let him know about that.

Thank you.

CHAIR: Okay. Your time has expired.

MS. COFFIN: Thank you. I'm good.

MR. P. DINN: We left off at Employment Assistance Programs. 3.2.05. So I'm going to consolidate this. I don't know if anyone wants a break but I'm fine with continuing on – big basketball game on, right?

So I'm going to consolidate this one –

MR. DAVIS: Really? I had no idea.

MR. P. DINN: Yeah.

So in this one, with Allowances, Grants and federal revenue, we've seen it budgeted in 2018 and all revised figures jumped a bit in that year. Can we get an explanation on that?

MR. DAVIS: On 09 there?

MR. P. DINN: Yes, 09, 10 and 01, under amount voted, that full amount from federal revenue.

MR. DAVIS: Well, it was revised up by \$50,000, an increased demand for supported employment programs. So that was why it was up. And Estimates down for 2018-19 of \$171,500 was the annualized Government Renewal Initiative.

MR. P. DINN: Sorry?

MR. DAVIS: The annualized Government Renewal Initiative phased in post-secondary training services program. You mentioned you tried to roll them all together here. The Grants and Subsidies were up by \$10,000, higher than previously anticipated due to the payout of severance for some community partner employees.

MR. P. DINN: Do we have data on – not individual data but data on the types of disabilities that they applied for under this program?

MR. DAVIS: We can get that for you. I don't have it here unless, Walt, you may have it.

MR. MAVIN: No, I don't.

MR. P. DINN: It's just to give us a sense of the demographics that are utilizing this program.

MR. DAVIS: No, it's a good question.

MR. P. DINN: I just want to go back to the point that Alison raised with regard to the federal agreements, trying to drop it all into one lovely pot and have one window to come in. I noticed in some of these programs – and I know from practice you have this money, you have to use it here or you lose it.

I think that's something we should be considering to work on because I can guarantee you through experience we've had all these FPT programs and one province to remain nameless seems to always get a little bit of slack on how they apply it. Maybe there's an opportunity for us to get that opportunity to do that as well. That's a good point on that because every

province, every territory is a little bit different in how they're laid out.

Moving forward –

MR. DAVIS: Just on that note there – not to cut you off or anything – we had committed \$135 million in contracts. The only thing we didn't have filled was about \$15,000. That's significantly less than a percentage point. We're not slipping money anymore, we're leveraging as much as we possibly can.

I know there had been slippage in the past. We're trying to rectify that because we want to spend the federal money as much as we possibly can. If we can get away with spending no provincial money on something, that's better for us.

MR. P. DINN: Oh true.

The unfortunate reality of it, as I know and you know, is that when you get near the end of the fiscal year, the last quarter, you're looking at it and you're saying how do we – we have money to spend and sometimes I think we end up, I won't say throwing the requirements out of the window, but become a little bit more lenient in terms of the program approvals.

The point I'm making on this is if we were able to move that money around – and we can certainly use it. I don't think there's a doubt that we can use it, it's just in some particular pockets we may have difficulty using it. That's the point I'm making there.

MR. DAVIS: You're singing to the choir on this one for sure. We want to spend every federal dollar we can. In some funds, we can carry over a percentage, I think 5 per cent. Some other funds you can't, so those are the ones you're really focused on trying to make sure you get the uptake as much as you can and get the projects out the door as quick as you possibly can.

As you notice, we started the JCP job applications significantly before any other time in history in this province. From our standpoint, we want to get that out the door as quick as we can because if we start those contracts, it allows the employees and the employers to get moving

as quick as we can, and then there's less chance of slippage. Now, that does also limit when some good projects come in late in the year to do it –

MR. P. DINN: No, correct.

MR. DAVIS: – but I think it's much more important to get people working, get them employed and get the money out in the communities than it is to try to – maybe something is coming in late in the year, maybe it's not. Let's plan for it like we've done, and we're hoping that it's going to bear some fruit and it has.

In the last couple of years we've really gotten to a point where not having \$15,000 spoken for out of \$135 million is pretty impressive by any standpoint, so kudos to the staff on that. That's not us; it's the hard work of the staff not just at this table but in the regions and in the districts. Thank you to them for the hard work they've done.

MR. P. DINN: No, I totally agree. I've been there. When December rolls around, you're trying to figure out how do we move this money. I know before LMDA was devolved you had regional allocations. I don't know. Do we still do that? Do we still have regional allocations?

MR. MAVIN: No, not per se, in terms of regional allocations.

MR. P. DINN: Okay.

I'm in the same section but I'm talking about something that's not there. I'm glad it's not there because hopefully we won't need to use it. We don't have an allocation there for labour market adjustment funding or is that covered off somewhere else?

MR. DAVIS: I think that's covered off somewhere else, yeah.

MR. P. DINN: Where is it covered off?

MR. DAVIS: Which section would it be in here?

MR. MAVIN: Depending on the situation. If it's a situation where we're looking to support

an organization, then we can use a Labour Market Partnership component under the LMDA. In some cases, it may be that individuals are looking for training assistance; we use the Skills Development. We will use one of the four benefits and three measures that we do have under the LMDA to support –

MR. P. DINN: That goes back to my earlier point on the federal agreement. It's a nice pot where you can pick out what you need.

MR. DAVIS: Yes.

MR. P. DINN: It works.

Moving on to 3.2.06 – are your pages the same as ours? Page 110, would that be it?

MR. DAVIS: Yeah.

MR. P. DINN: Yeah, okay, so I'll go by page numbers from now on.

I'm just looking at this, the federal revenue as an example there. Nothing budgeted for 2018. It was revised to \$50,000; it's gone up to \$300,000, an explanation on that, please.

MR. DAVIS: The revised \$50,000 in '18-'19 was additional funding required for the hundred per cent federal funding Digital Skills for Youth program that was created.

MR. P. DINN: Okay.

MR. DAVIS: That was good there. The increase for \$300,000 is additional federal funding we received for that same program, Digital Skills for Youth program. It's good that way.

MR. P. DINN: How many are involved in that program?

MR. DAVIS: How many were involved?

MR. MAVIN: The funding allows for a placement of 20 participants.

MR. P. DINN: Okay.

Moving on to 1.11 – did I pass one? Oh, sorry, we're done with four.

CHAIR: Okay.

MR. P. DINN: Thank you.

CHAIR: Before Ms. Coffin, in terms of her time allotment, after she's done we'll give a five-minute break for anybody who wants to –

MR. DAVIS: Yes, drank too many glasses of water.

CHAIR: – run down the hall and run back. Are we going to allow Dinn number two to –?

MR. P. DINN: I'll allow.

CHAIR: Okay.

MR. P. DINN: Mom will be mad with me.

MR. J. DINN: And I'll let her know too.

Very quickly, this is going back a bit with regard to the number – like, income support. I'm looking at the discussion earlier – this is not on this – but income support, the various pots of money out there. Has there been any consideration given to a cost-benefit analysis of a guaranteed basic income pilot?

I'm listening to the amount of administration and I think of the number of people who are in housing or on social assistance. Then you're looking at the heat and light subsidy and all of these things that go with it. It must be an overwhelming administrative cost to determine who qualifies for this. At what point do they not qualify, as opposed to, I would assume, with a guaranteed basic income this is it. It simplifies it.

I know Ontario was planning to do that until the Ford government took place, so I'm just trying to get an idea. Has there been any consideration for that as to finding efficiencies within the department and flattening the (inaudible) – flattening the management aspect of it. That would certainly create efficiencies and savings and probably put money into the pockets of people who need it. I'm just curious.

MR. DAVIS: As we've mentioned a few times before, we've used lean processes and that framework to try to improve every system that

we do, whether it be income support or through LMDA or any of those processes, whether it's through immigration applications. We try to find efficiencies where we can.

You make a good point; there may be some opportunity to look at that in the future. I'm not sure if we've looked at the –

OFFICIAL: Not in recent years.

MR. DAVIS: Not in recent years for sure.

MR. J. DINN: Okay.

MR. DAVIS: But it's a point well taken and we'll look at that for sure. There may be some benefit to that.

CHAIR: Ms. Coffin.

MS. COFFIN: A couple of quick questions here – I guess the larger overarching one is can we have a list of all the participants, number of people in all of the programs and that good stuff, for all the ones that we've just listed: Employment Development, Labour Market Development, Workforce Development, all of those.

MR. DAVIS: We can do that, yes.

MS. COFFIN: We can have a list of that?

MR. DAVIS: Yeah.

MS. COFFIN: Awesome, I thought you might.

Okay, a couple of quick questions here then. The labour market outlook – am I getting the right word there? Once upon a time we used to follow up with all students once they graduated and said, hey, did you get a job, how long did it take you to get a job, what was your salary, were you working in the place that you were – and this was like 20 years ago, but that contributed to helping people decide what they wanted to be when they grew up, what their prospects for a job was, what their salary level might be.

I'm assuming, by the looks on many people's faces, is that (inaudible). So that totally dropped off?

MR. DAVIS: I will pass it on to Candice.

MS. ENNIS-WILLIAMS: Alison, you're recalling correctly, it's the career search. It was the graduate follow-up survey.

MS. COFFIN: Right.

MS. ENNIS-WILLIAMS: It would look at all public and private post-secondary institutional graduates 18 months after graduation and follow up with them. It stopped because of response rates.

MS. COFFIN: Yeah.

MS. ENNIS-WILLIAMS: Part of it is the technology piece. This was a number of years ago. I'd think it was probably seven or eight years ago, actually. It's been a long time.

MS. COFFIN: Yeah.

MS. ENNIS-WILLIAMS: But it had to do with the response rate. It was just not worth the investment because we were getting a really poor response rate. This was done through the statistics agency, but kids aren't picking up the phones.

So what we discussed at that time was the opportunity for a mobile app survey, and actually just this week I've been having some discussions with my colleagues in Atlantic Canada because this is not an experience that is just ours. It's being shared across Canada in terms of how you move technology so you can get these surveys done.

We've had some discussions around a new initiative they're pursuing which is the GoSurvey. So we're going to engage with them more fully in Nova Scotia, New Brunswick and PEI and see if there are opportunities there for us to either leverage or learn from.

MS. COFFIN: Wonderful.

These were federal-provincial agreements, weren't they? Didn't the feds fund that a little bit? Did I work with you then?

MS. ENNIS-WILLIAMS: Paul?

MS. COFFIN: In a different capacity.

OFFICIAL: (Inaudible.)

MS. COFFIN: Yeah, there was that one too, so that was kind of handy. I remember getting it, going: Oh yeah, I could've been a blank, and got a blank out of salary. I'm glad I didn't choose to do that. Yeah, that I found was a pretty handy document, so I thought I remember it being federal and provincial. Okay, I guess –

MR. DAVIS: We will keep you posted on anything that did come out of that.

MS. COFFIN: Yeah, do that. I'd like that.

MR. DAVIS: That's a very good initiative. If we can find a technological way of doing it that will get us response rates that will be good information, why wouldn't we share that? It would be excellent.

MS. COFFIN: Send them a text, the kids today will respond to texts.

MR. DAVIS: Absolutely.

MS. COFFIN: I'm way worse than them on texts.

CHAIR: I will interrupt for a second. If you want to ask them questions, you can go ahead too, because both of them work in the department.

MS. COFFIN: Yeah, but my knowledge is about 20 years old on that one.

MR. P. DINN: I would like to add something to that.

We have some talk about the student IDs (inaudible) – and we talked about it around the apprenticeship because it's good to do. Have we revisited that in any way or form? Because that would be ideal for collecting data.

MS. ENNIS-WILLIAMS: We're going way back now, Paul –

MR. P. DINN: Not that far back.

MS. ENNIS-WILLIAMS: – in terms of discussion around ID. But yeah, there was discussion, because there is precedent. Alberta has been doing it for a long, long time. The challenge is around the privacy legislation, and that's the issue that has become problematic in terms of how do you access, and are there better ways to access the questions – you can't just simply follow someone unless you're clear as to what the research question is that you're pursuing to ask that person about.

MR. P. DINN: We could do anything before that privacy stuff came in, remember? My God, it's really holding us back. Anyway, sorry Alison, go ahead.

MS. COFFIN: Oh that's terrible.

I guess the next question I have – and this will be the last one for this section, it kind of bleeds into the next section. I notice on 4.1.01, the Workforce Development and Productivity Secretariat, seems to do a lot of the same things – because it's all under that Workforce Development –

CHAIR: Can I just interrupt? We haven't moved on to that.

MS. COFFIN: I know, this relates back to 3 –

CHAIR: Okay.

MS. COFFIN: – because that's a Workforce Development Secretariat and over in section 3, it says: Employment Development. So this to me, in section 4, that secretariat seems a little bit redundant if we've got Employment Development in section 3 and Workforce Development in section 4. Can you help delineate that and explain to me why that is not a redundant secretariat? Maybe we want to move that or tell me, in relation to section 3, how section 3 does not duplicate the secretariat

MR. DAVIS: Yes, Fiona.

MS. LANGOR: Sure.

So if you look at the Workforce Development Secretariat it focuses primarily on the policy side of Labour Market Development, whereas our Employment and Training branch would focus

more on program and service delivery of primarily our labour market agreements, but also providing –

MS. COFFIN: Can they go together?

MS. LANGOR: Just to elaborate, that branch also provides front-line service delivery and supports out in the regions. All of our regional offices would be incorporated into there as well. That would be our Labour Market Development officers who would provide assistance with career planning, job search, résumé writing and advice on jobs generally.

So they are two distinct but connected functions, and they do work very closely together.

MS. COFFIN: Okay. And that was my question. Look, see, under time.

Can we have that extra time to break?

CHAIR: So you're done?

MS. COFFIN: Yeah, totally.

CHAIR: Okay.

CLERK: So we have 3.1.01 through 3.2.06 inclusive.

CHAIR: Shall 3.1.01 through 3.2.06 carry?

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

On motion, subheads 3.1.01 through 3.2.06 carried.

CHAIR: At this moment I'm proud to grant you leave for a five-minute break.

Recess

CHAIR: Are we ready to proceed?

MR. DAVIS: Back to the activity way? The activity number when you go through it, rather than page number?

MR. P. DINN: Yeah, sure.

MR. DAVIS: Perfect, thanks.

CLERK: Workforce Development, Labour and Immigration, 4.1.01 through 4.1.06 inclusive.

CHAIR: Mr. Dinn.

MR. P. DINN: Thank you.

4.1.01; again, we have a Salary adjustment there. Can I get an explanation on that?

MR. DAVIS: Yeah, the \$7,000 down is based on the vacancy of the senior PMP research analyst, the delay in filling the vacancy for other vacancies and to offset the salaries for severance for the pay of someone retired or moved on. Then, the Estimates are up by \$432,000 based on the new Forum of Labour Market Ministers Secretariat, FLMM, which are four positions that the feds cover.

MR. P. DINN: We inherited that, did we?

MR. DAVIS: Yeah, it's a benefit. It gives four people an opportunity to learn a little bit more and lead the federal –

MR. P. DINN: Yay for us.

MR. DAVIS: Yay for us. April 1 we took that over.

MR. P. DINN: Okay.

Moving on, Transportation and Communications dropped down to \$18,600 but it's up to almost \$60,000.

MR. DAVIS: Yeah, it was less than anticipated travel expenses in '18-'19 for the Atlantic Workforce Partnership. Then in '19-'20, we're estimating it's going to go up by about almost \$16,000 due to the FLMM Secretariat – about \$16,000 there – and then a decrease under taxis and couriers as well of \$300.

MR. P. DINN: Just a curiosity: How many trips do we expect from the FLMM in all?

MR. DAVIS: All the trips are going to be covered. I think all the trips are going to be – I'm looking to Fiona on this one. It's so new.

MS. LANGOR: Just to clarify, are you talking about the FLMM Secretariat or for the department for FLMM travel?

MR. P. DINN: No, for the secretariat.

MS. LANGOR: There's a budget that comes along with the secretariat and I don't know, Debbie, if we have it broken down separately. They would travel to any and all events that are tied to FLMM at the minister's level, at the deputy's level, senior officials.

As you probably know, over the last several years there's been a move towards more teleconferencing and video conferencing, so the numbers have declined. There is a budget, actually, Debbie has pointed out for me here. It's \$16,000.

MR. P. DINN: Okay.

I'm asking questions, I partially know the answer but I guess –

MR. DAVIS: No, that's perfect.

MR. P. DINN: – that's the process we have to do here.

Professional Services; again, we saw a dip and now it's jumped up again. Why that and what's involved in our Professional Services here?

MR. DAVIS: That's the Atlantic Workforce Partnership again, less than anticipated expenses. Then, the cost of the new FLMM Secretariat of \$24,000 is the reason for the Estimates being up in 2018-'19, and increased costs for the AWP, as well, for about \$11,500.

MR. P. DINN: Just for the minutes, can you explain the Atlantic Workforce Partnership?

MR. DAVIS: That's the group that we have of – oh, jeppers.

MS. LANGOR: The Atlantic Workshop Partnership is an arrangement between four Atlantic provinces. What it does is it provides support in the implementation of the Atlantic Growth Strategy primarily, but also works in partnership on all issues related to labour market development for Atlantic Canada.

MR. P. DINN: Thank you.

Purchased Services; I guess this is similar, related to the AWP?

MR. DAVIS: Yeah, same thing, anticipated less expenses than that.

MR. P. DINN: Property, Furnishings jumped up there, so a part of that – I don't want to put words in your mouth. Is that related to the FLMM or ...?

MR. DAVIS: It's the cost for the new FLMM Secretariat.

MR. P. DINN: Just a curiosity, where are we physically located?

MR. DAVIS: In the department.

MR. P. DINN: Okay.

MR. DAVIS: Smack dab in the middle of it all.

MR. P. DINN: Smack dab in the middle.

Grants and Subsidies –

MR. DAVIS: Actually, it is probably in the middle, isn't it?

MR. P. DINN: What's that?

MR. DAVIS: It is actually in the middle of the department.

MR. P. DINN: Yeah.

We had that a number of years ago because this is on a cycle. I don't think it's moved. I think we were still on the same floor at that time many years ago.

Grants and Subsidies; can we have a chat on that because there's been a huge change in that.

MR. DAVIS: In '18-'19 the savings were related to lower than anticipated comprehensive HR plan-related initiatives. The Estimates are up by \$1.8 million for the cost of the new FLMM Secretariat of about \$1.6 million, then the additional funding from the Government of Saskatchewan related to the transfer of the

FLMM Secretariat. They transferred some money to allow us to start a little earlier than April 1.

MR. P. DINN: That's a huge amount.

MR. DAVIS: Yes.

MR. P. DINN: What does it cover? Are there any specifics in terms of what that covers?

MR. DAVIS: I think it covers the positions that are included in the – one second.

MR. P. DINN: Does that provide the salaries?

MS. LANGOR: No, that's the global budget for the FLMM Secretariat, which would also include – there are five sub-secretariats underneath there. All the money tied to that would reside with the province and then we would disburse to the appropriate provinces who are co-leading various secretariats.

MR. P. DINN: I know they change, but what are the five subgroups now?

MS. LANGOR: I'm going to look to Michelle.

MS. SNOW: I'm not sure I can remember them all off the top of my head.

There's mobility qualifications, innovative best practices – there are a number of them. I can get them for you, Paul. I don't have them right off the top of my head.

MR. P. DINN: Okay.

I'm just testing you. I'm just curious because I know some of them have changed over the years.

MS. SNOW: Some of those subcommittees or sub-secretariats are hosted by other provinces and they have small secretariats. So, as Fiona indicated, the revenue comes into us and then we disburse out.

MR. P. DINN: Right, perfect, thank you.

What else am I looking at there? How's the revenue generated there? We have federal and provincial amounts.

MR. DAVIS: Some comes from the feds, obviously, for the workforce, the FLMM and the Labour Market Information Council. The remaining amount there, of \$2.1 million, comes from the provinces. It comes from all the other provinces that contribute just like we do.

MR. P. DINN: Contributing amounts, right.

MR. DAVIS: We contributed an amount as well, based on a per capita basis, I think. Isn't it like \$26,000 or \$30,000 roughly?

MS. LANGOR: Yeah, I think our contribution is around \$25,000.

MR. P. DINN: Sorry, what was that?

MS. LANGOR: Our contribution to the FLMM Secretariat.

MR. P. DINN: Yeah.

MS. LANGOR: Of course all the provinces, territories and the federal government would pay into that and our share on an annual basis is about \$25,000.

MR. P. DINN: I apologize for asking.

MR. DAVIS: No, no, that's a good question.

MR. P. DINN: I know the answer to that one; I just have to ask for the record. Sorry for that.

MR. DAVIS: Yeah, that was perfect.

MR. P. DINN: I'm not trying to get you to make a mistake or anything here.

We're moving on to –

MR. DAVIS: You'd have to get up awful early in the morning to get ahead of this team.

MR. P. DINN: No, I know that.

4.1.02, Office of Immigration and Multiculturalism.

MR. DAVIS: What an office it is.

MR. P. DINN: Oh, it's a fabulous office and I don't say that sarcastically. I know they're doing

a great job. We just have to figure out new recruits from permanent residents. We'll have a chat on that later, Bernie.

MR. DAVIS: Absolutely.

MR. P. DINN: Let's go to salary, a similar question again: What's the fluctuation there?

MR. DAVIS: It was revised down in '18-'19 by about \$125,000 due to savings from a vacant position, a delayed filling of vacancies. There was a new position hired at the bottom of the scale that would have been about \$11,000 there as well. From the savings we were able to hire someone as well, based on that.

MR. P. DINN: Since that division was gutted a number of years ago –

MR. DAVIS: Good word.

MR. P. DINN: – yeah, I got that from someone – how many positions do we have in there now?

MR. DAVIS: I think it is 16 now. Is it 16? Yeah.

MR. P. DINN: Transportation and Communications, \$80,000 down to almost half of that and back up again.

MR. DAVIS: Yeah, there was about a \$35,000 reduction there. The division was unable to access federal funding to cover some of the travel costs and expenses. That was one of those things. It's back up to where we think we will be utilizing it for this fiscal.

MR. P. DINN: Okay and the travel there is for, I'll call it, junkets to different countries in terms of immigration, trying to recruit and that? Is that correct?

MR. DAVIS: Yes, that's correct.

MR. P. DINN: A huge number in the Professional Services there, \$457,000. It jumped about \$400,000 in the revised from 2018 and it's back down again.

MR. DAVIS: Yeah, it is transfers from Grants and Subsidies in this area for a social media

campaign. I think we can get Michelle or Remzi to do detail (inaudible).

MR. P. DINN: So, \$400,000 for media?

MS. SNOW: It was for a social media campaign. You might be familiar with it; it was in the market last year profiling some of our new immigrants to the province. The original allotment for that was in the Grants and Subsidies allocations, so you'll notice that it came off in that area.

MR. P. DINN: Right, so who did we hire to do that?

OFFICIAL: m5.

MR. P. DINN: m5?

OFFICIAL: Yes.

MR. P. DINN: Perfect, thank you.

For Purchased Services, a similar trend, up and then down again?

MR. DAVIS: Yeah, well, that was the campaign we did for that.

MR. P. DINN: That's related to that?

MR. DAVIS: That was related to that. That's why it's back down to where it normally would be, I guess.

MR. P. DINN: Looking – oh, sorry, my time is up. Okay, sorry about that.

CHAIR: Your time has expired.

We'll move on to Ms. Coffin.

MS. COFFIN: Yes, thank you.

You stopped at the Professional Services; I'll pick up at the Grants and Subsidies. I notice that not everything was spent between '18-'19, budget versus revised. There's about a \$400,000 difference. Then I notice in the Estimates we're down by almost \$180,000. Can you explain the differences?

MR. DAVIS: It was transferred to Professional Services from this area for the social media campaign up above.

MS. COFFIN: Yeah, there you go.

MR. DAVIS: Estimates are down \$180,000 based on funding for the foreign qualifications that ended in '18-'19.

MS. COFFIN: Was that also the Immigration Action Plan?

MR. DAVIS: I don't understand what you mean with that.

MS. COFFIN: Was that part of the Immigration Action Plan in the Grants and Subsidies, dollars to organizations? Does that come under there?

MR. DAVIS: No.

MS. COFFIN: No? Okay.

MR. DAVIS: No, I don't think it does.

MS. COFFIN: All right. Here we go – let's see here.

MR. DAVIS: Let me just clarify that. Yes, it does, sorry. You're right.

MS. COFFIN: It was? Okay.

MR. DAVIS: Yeah, funding is provided to grants to qualifying groups as well.

MS. COFFIN: I guess also under that, provincial revenue, is that Provincial Nominee applications?

MR. DAVIS: Yes.

MS. COFFIN: How's that program going?

MR. DAVIS: It's good. The AIP program is overtaking it because it's more conducive to what businesspeople want today. The Nominee Program is still doing well, but I think for more detail on exact numbers, Remzi can give you those, or Michelle.

MS. COFFIN: Lovely.

MR. CEJ: As the minister said, the Provincial Nominee Program is being overtaken by the Atlantic Immigration Pilot program because of some of the features that the Atlantic Immigration Pilot includes, including faster federal processing timelines. Provincially, the timelines are the same in terms of processing in both programs. They both require employers to undergo a similar labour market testing approach and they both have an employer role in supporting the transition of workers from other countries to Newfoundland and Labrador.

MS. COFFIN: Thank you.

Can we have a breakdown of the number of people in the various programs in 2018: The Nominee, the Skilled Workers, International Graduates, Express Entry and any others and also the AIP?

MR. DAVIS: Absolutely.

MS. COFFIN: Great.

MR. DAVIS: We will provide that to you.

MS. COFFIN: Fabulous.

Any new initiatives coming under the AIP?

MR. DAVIS: There are 24 new initiatives. We can get you –

MS. COFFIN: That would be great.

MR. DAVIS: – the full list of those as well.

MS. COFFIN: How is the foreign qualification recognition program going?

MR. DAVIS: We can actually provide you with a full copy of that plan.

MS. COFFIN: Perfect.

MR. DAVIS: What was the next question? Sorry.

MS. COFFIN: Foreign qualification recognition program.

MR. DAVIS: It's going reasonably well, but there are obviously some hiccups with that

because there are so many different bodies that we have to work with to try to get agreements with.

Remzi or Michelle, can you ...?

MS. COFFIN: Excellent.

MR. CEJ: The enhancing foreign qualification recognition program is intended to build capacity among regulatory bodies and professional associations to expedite their processing programs or services. We've had three calls for expressions of interest to date since the program was launched, and there was a fourth one that just closed in mid-April.

Organizations are generally encouraged to apply for funding and if they meet program criteria, receive funding to build their internal capacity to hopefully expedite and/or improve the way in which they recognize foreign qualifications of professionals in different occupations.

MS. COFFIN: Are there any particular professions or industries that you're targeting?

MR. CEJ: We haven't targeted any specific professions; we have required that any proposals that have come forward be partnerships between regulatory bodies and/or community organizations when seeking funding.

MS. COFFIN: Okay, excellent.

Do we know how many people – well maybe let's back up here. I guess, how many people became permanent residents in 2018?

MR. DAVIS: One thousand, five hundred and thirty is the number that we have that's coming through the system right now. Correct?

OFFICIAL: Yes.

MS. COFFIN: Do we have any recent statistics on our retention rate?

MR. DAVIS: The most recent ones we have we can give you, for sure.

MS. COFFIN: Yeah, fabulous, that would be wonderful.

In terms of the breakdown of immigration, why are people coming here? Are they coming here mostly – or can we have a breakdown of that? Are they coming for school, is it work, are they refugees? Are they coming for a different program? Did they marry someone from here?

MR. DAVIS: We can give you the breakdown of everything we have with respect to whether it's family class, economic class or if it's refugees, we can give you a breakdown of all that. No problem.

MS. COFFIN: Fantastic, that'd be great, I would like that.

Labour Relations act, fun times here. I note that under Labour Relations act, it says: "...and for the administration of the Labour Standards Act." That's in the little blurb under 4.1.03.

MR. DAVIS: Yeah.

MS. COFFIN: I'm a little confused by Labour Relations – that's the Labour Relations. Okay, hang on. Conciliation, preventive mediation, and arbitrations, so how is Labour Relations and the Labour Relations Board –?

MR. DAVIS: They're separate. If you go two tabs down I think it is, isn't it?

MS. COFFIN: Right, I see the Labour Relations Board here.

MR. DAVIS: Yeah.

MS. COFFIN: So this is Labour Relations, so this is conciliation associated –

MR. DAVIS: Correct.

MS. COFFIN: – with the *Labour Standards Act*.

MR. DAVIS: No, no. This is conciliation with respect to labour unions and employers, I guess, employer –

MS. COFFIN: It doesn't fall under the Labour Relations Board?

MR. DAVIS: No.

Fiona?

MS. COFFIN: No?

MS. LANGOR: No. So we have two divisions, one is the Labour Relations Division, which is responsible for mediation and conciliation under the *Labour Relations Act*. So that would deal with unionized environments and employees.

MS. COFFIN: Right.

MS. LANGOR: Then we have the Labour Standards Division –

MS. COFFIN: Yes.

MS. LANGOR: – which is responsible for mediation and conciliation for non-unionized.

MS. COFFIN: For non-unionized, yes. No, I realize that difference.

MS. LANGOR: And then there's –

MS. COFFIN: But I see 4.1.05 is Labour Standards, 4.1.06 is Labour Relations Board, 4.1.03 is Labour Relations and it says it's conciliation and mediation under the *Labour Standards Act*.

MS. LANGOR: That is correct, the Labour Relations Board –

MS. COFFIN: So that Labour Relations, they do conciliation for Labour Standards, and Labour Standards is administration of the *Labour Standards Act*.

MS. LANGOR: No, no. So, what it is, the Labour Relations Division provides conciliation and mediation services to employers and to unions –

MS. COFFIN: Under both?

MS. LANGOR: – under the *Labour Relations Act* as well as a number of other acts. There are a number, as you're aware: the *Teachers' Collective Bargaining Act*, the *Public Service Collective Bargaining Act* and the *Fishing Industry Collective Bargaining Act*. So they will provide support services under all of those pieces of legislation.

The Labour Relations Board is a separate entity that would hear, I guess, any sort of complaints or issues arising as a result of collective bargaining. So that would be where employers or unions would go to seek some sort of resolution on ongoing disputes.

MS. COFFIN: So the Labour Relations Board would offer conciliation services?

MS. LANGOR: No.

MS. COFFIN: Okay. So the Labour Relations Board is *Labour Relations Act*, and the Labour Relations, 4.1.03, is Labour Standards?

MS. LANGOR: No. There's –

MS. COFFIN: I'm just reading the headings. I have a pretty good sense of how labour relations work and stuff, but the headings here aren't particularly clear because it says here: "Appropriations provide for conciliation, preventive mediation, and arbitration services under various collective bargaining statutes, and for the administration of the Labour Standards Act." So that also administers the *Labour Standards Act*, yes? But *Labour Standards Act* is 4.1.05.

Do you see why I'm a little confused?

MS. LANGOR: That's a typo. It must be a typo.

MS. COFFIN: Okay.

MS. LANGOR: It is.

MS. COFFIN: Okay, all right. There we go. That's why I'm confused because I kind of knew that ...

MS. LANGOR: So just for clarity, within the department we have two divisions, one is the Labour Relations Division, which does collectible bargaining, mediation and arbitration services.

MS. COFFIN: Yeah, I just came through conciliation.

MS. LANGOR: Right, so that's for unionized environment.

MS. COFFIN: Yeah.

MS. LANGOR: That's in relation to *Labour Relations Act* and all of the other collective bargaining acts that would fall under the purview.

MS. COFFIN: Right.

MS. LANGOR: Then we have the Labour Standards Division, which is responsible for similar types of supports for non-union employers and environments and employees, and they will be responsible for the administration of the *Labour Standards Act* and the *Shops' Closing Act*.

MS. COFFIN: Yes, and that was –

MS. LANGOR: Then we have a Labour Relations Board, which is a separate entity, which is arm's-length, that will hear any sort of appeals or hearings arising from any of the, I guess, results coming out of the work of those two divisions.

MS. COFFIN: Yes. So if someone came in with a duty of fair representation complaint, it will go under the Labour Relations Board, right?

MS. LANGOR: Correct.

MS. COFFIN: Okay. And then if we had a collective bargaining breakdown, it would fall under Labour Relations?

MS. LANGOR: Correct.

MS. COFFIN: That was my understanding of it. When I was reading it, I was a little confused. Okay, that's fine.

Let's –

CHAIR: Excuse me. Your time is expired.

MS. COFFIN: Okay, sorry.

CHAIR: Okay, we'll move to Mr. Dinn.

MR. P. DINN: Thank you.

I think this approach of following along is going to get us out of here quicker. I don't know what time, now.

I have to commend you, Fiona, on handling those Labour Relations questions because way back I used to be a labour standards officer and a labour relations officer, so well done there.

I'm just going to jump ahead to 4.1.06, Labour Relations Board. I'm not asking about what it does, but I'm looking at Salaries there. I see the upward trend in the Salaries. Can I get an explanation on that?

MR. DAVIS: They were adjusted to match the actual requirements of the job, so that's where we – it's been up \$8,000. Is it \$8,000 there?

OFFICIAL: Yeah, (inaudible).

MR. DAVIS: Yeah, \$8,800.

MR. P. DINN: Okay, and that's from the original budget as opposed to the revised?

MR. DAVIS: Correct. Yeah.

MR. P. DINN: I'll just jump back to the Labour Standards one there. Similar question on the Salaries because Labour Relations went up; Labour Standards, 4.1.05, went down.

MR. DAVIS: Okay, just one second.

MR. P. DINN: Yeah.

MR. DAVIS: Yeah. So, it initially went up slightly in '18-'19 over what we originally did. Estimates for of about \$10,000 for severance and leave cost of a retiring labour standards officer, and then the Estimates are down by \$67,000 for this fiscal, based on the attrition management for the same reasons we had before, for year five or a five-year strategy.

MR. P. DINN: How many labour standards officers do we have now, currently?

MR. DAVIS: I think there are nine. There are nine in the division.

MS. SNOW: No, currently five positions for labour standards officers.

MR. P. DINN: Five positions, and they are all filled?

MS. SNOW: Not at the moment. We have a couple of vacancies.

MR. P. DINN: Sorry, so out of the five, how many are filled?

MS. SNOW: We have two vacancies right now.

MR. P. DINN: Okay.

MS. SNOW: And we are in the process of filling.

MR. P. DINN: So there is a need to fill them. We haven't – right, okay, perfect.

In the Post-Secondary Education, 5.1.01, Apprenticeship and Trades –

MR. DAVIS: Are we going –

MR. P. DINN: Did I skip something?

CHAIR: (Inaudible.)

MR. P. DINN: Sorry, (inaudible). We're moving really well.

CHAIR: You're anxious.

Okay, we'll move to Ms. Coffin.

MS. COFFIN: Okay, let's go back to Labour Standards. When will Labour Standards undergo a statutory review?

MR. DAVIS: There's nothing planned for this year right now, but we can let you know as soon as there would be one.

Fiona, would you like –?

MS. LANGOR: I can actually elaborate on that. As you're probably aware government-wide, there's a legislative review process that's underway. So the *Labour Standards Act* would be looked at as part of that process to determine if and when a review would be undertaken and required.

We have done significant amendments to the act, as you're probably aware, over the last several years and it's certainly one that we would look at as requiring significant changes over time. The timing of that is yet to be determined.

MS. COFFIN: Okay.

So would the same apply for the *Labour Relations Act*?

MS. LANGOR: All legislation across government is being looked at with that lens and that's being done actually through the Executive Council (inaudible).

MS. COFFIN: I'll save that question for them on Monday.

The other thing that I have learned along the way is that labour standards, it's often very difficult for individuals to get a timely resolution to any of their questions and any remediation as a result of that. I've heard this in numerous cases. Is there anything being done about that? Do we know what the time lag is from the time someone comes in and first contacts Labour Standards and identifies what their complaint is, to what their resolution is and what the end result of that is?

Say, someone worked overtime, they didn't get paid for their OT, they go to Labour Standards and say I've got a problem and three weeks from now or 18 months from now someone says, you should have been paid OT, let's go write a note to your employer and the employer goes that person wasn't working here now because they left the job because we weren't paying OT – do we have any sense of what the timelines are?

MS. LANGOR: I don't have the timing here, but we do have some of that data that we can provide for you.

MS. COFFIN: That would be fantastic.

MS. LANGOR: I also have some data around the number of requests, how many were resolved through what we call our early-resolution process.

MS. COFFIN: Excellent.

MS. LANGOR: So there were 11,162 requests for service last year; 380 were workplace disputes that were actually registered. So not all requests for service are actually a dispute that needs to be resolved, sometimes it's a referral to another entity. And 243 of those were done by early resolution and 87 by a formal investigation.

MS. COFFIN: Okay. Do we have any sense of how long these things take?

MS. LANGOR: I don't have it in front of me, but we do have some of that data.

MS. COFFIN: You do have that?

MS. LANGOR: Yes.

MS. COFFIN: Oh fabulous, I would love to have a look at that. It's very important because a lot of people fall under Labour Standards are often vulnerable individuals, so it's really important to ensure that their rights are being appropriately addressed.

MR. DAVIS: Absolutely, and it really depends on the complexity of each of the cases.

MS. COFFIN: Absolutely.

MR. DAVIS: So, as you know, if something as simple as maybe an OT wasn't paid, well that may be a quicker resolution than it would be if it was something more complex that they may have to go through. We can get you some of that information that we do have.

MS. COFFIN: That would be great.

MR. DAVIS: It really depends on the complexity, just like most things I guess.

MS. COFFIN: Sure. That would be wonderful. Thank you.

Are you still planning consultations with unions and employers regarding the issue of prolonged strikes and lockouts?

MR. DAVIS: Based on the private Member's resolution that came forward in the last sitting?

MS. COFFIN: It's not predicated on anything. I suspect it was probably predicated on the prolonged strikes and lockouts that have occurred in the province.

MR. DAVIS: Yeah, there's no plan to do anything with respect to that as of now.

MS. COFFIN: Okay.

MR. DAVIS: I mean, 97 per cent of businesses that are involved in this with respect to employers negotiated a contract, so there's a very small amount that would have a prolonged strike.

MS. COFFIN: Still, that's a big issue though.

MR. DAVIS: There still are some.

MS. COFFIN: Yeah.

I think those are all of my questions in this section.

Thank you very much.

CLERK: Subheads 4.1.01 through 4.1.06 inclusive.

CHAIR: Shall 4.1.01 to 4.1.06 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

On motion, subheads 4.1.01 through 4.1.06 carried.

CLERK: Subheads 5.1.01 through 5.5.01.

CHAIR: Mr. Dinn.

MR. P. DINN: Thank you.

In 5.1.01, we see some fluctuation in Salaries. Can I have an explanation on that, please?

MR. DAVIS: They revised up in '18-'19 was based on severance and leave costs for a retiring departmental program coordinator. There was some step adjustments in there as well, as well

as funding required for a departmental program coordinator to be filled for a portion of the fiscal year, not the full year. So there are some savings based on that. In '19-'20 the Estimates are down by \$46,700 based on what we've talked about multiple times before, which was the attrition management five-year plan and then there was some related funding decreases in the AAHP of about \$60,000 as well.

MR. P. DINN: Just so everyone else knows, do you want to tell us acronym for AAHP?

MR. DAVIS: Yes, sorry, the Atlantic Apprenticeship Harmonization Project. These acronyms are hard to say for sure.

MR. P. DINN: Well, some won't know what they are.

Transportation and Communications, I assume it has to do with the Atlantic harmonization, but there is a big fluctuation in Transportation and Communications over the two years.

MR. DAVIS: It was down by \$260,000 based on the allotment for the advisory committee travel under the AAHP. It was not required because we could bill it directly, so we didn't have to put it in a line item there. It was unknown at the time when we did the budget at that point. So that's why we are there and the Estimates are down by \$206,000 for the exact same reason because we know we can bill directly.

MR. P. DINN: Perfect.

Supplies, I'm going to assume the same thing, but I'll ask the question on the fluctuation of Supplies as well.

MR. DAVIS: The exact same thing. You assumed right.

MR. P. DINN: Okay.

Professional Services, there's a fair amount there. What does that entail for the apprenticeship division?

MR. DAVIS: Funding for the national apprenticeship standards, fees for inter-computerized exam management system and red

seal exams of about \$57,000; fees for the advisory of the exam committee members as well, a stipend for that \$200 per day for a total of \$26,000; the apprenticeship program accreditation cost for travel is about \$25,200 there; and interprovincial computerized exam management system fees is an additional \$5,000.

MR. P. DINN: Perfect.

MR. DAVIS: But I can give you that detail as well.

MR. P. DINN: Please, yes.

MR. DAVIS: Yeah, no problem.

MR. P. DINN: Purchased Services, I'm assuming the same thing with the Atlantic Apprenticeship Harmonization Project, the fluctuation there?

MR. DAVIS: It's a decrease in demand for the code books for the fiscal year and decrease in the cost for shredding those same books. Then why the Estimates are down for this fiscal will be based on the same reason – actually, no, for consolidating of copier costs in Admin Support. We're really doing good with the copiers in Admin Support; we are really pulling it together there.

MR. P. DINN: Do we have the books you sign off on as you get your apprenticeship? Log books, have we computerized those?

MR. DAVIS: Candice.

MS. ENNIS-WILLIAMS: Yeah, so the log books are not currently available electronically. We're actually working with the three Atlantic Provinces, along with Manitoba and Saskatchewan, around an IT system.

MR. P. DINN: Okay.

MS. ENNIS-WILLIAMS: So that's going to have a dramatic impact on how the apprenticeship system works in terms of services available to clients and to employers, which will have consideration in terms of the pocket cards that clients carry, the log books. So we're working through that, but that's to come, Paul.

MR. P. DINN: Okay, thank you. I just wanted to see where we were on it. Thank you.

Grants and Subsidies, where's that amount coming from? How are we getting it? What does it involve?

MR. DAVIS: Well, the revise down of \$105,000 in '18-'19 was based on a reduction related to the funding for youth apprenticeship supports. The project wasn't required, that same amount and – sorry.

MS. ENNIS-WILLIAMS: So what it is, is we've been really paying strict attention to what we can now move over to federal dollars where possible. So the services for youth apprenticeships supports and others is Skills Canada. We're trying to now avail and leverage federal funding where possible, which, historically, we would've paid through provincial dollars.

MR. P. DINN: Yeah.

Just speaking of Skills Canada, I know in the past, one of the great proponents within our department – or, sorry, your department now, I guess –

MR. DAVIS: It's still our department.

MR. P. DINN: Yeah, it's still ours.

MR. DAVIS: It's still ours, collectively.

MR. P. DINN: – used to advocate for the Skills Canada competition to be held in the province. Have we even considered that of late or not?

MS. ENNIS-WILLIAMS: Absolutely. In fact, the director of Apprenticeship and Trades Certification was actually at the Skills Canada event in Halifax within the last three weeks. So we are doing very well in Skills Canada, not just on Atlantic but on national in terms of the amount of awards that both our college, private and public – our students are getting.

MR. P. DINN: Sorry, I probably didn't say it proper, I guess my question is have we looked at hosting it? I know we're probably one of the few provinces that have not hosted it.

MR. DAVIS: We haven't since my tenure here, I don't think, but it's something we can consider for sure. I think it's a great idea. It's a great program.

MR. P. DINN: Yeah, because it was on the radar a while back, but I don't think we've gone, and I think we are one of the few, right?

Okay, so on to federal revenue and provincial revenue, what's generating that revenue and the fluctuations?

MR. DAVIS: Well, the fluctuations – the revised down in '18-'19 was based on the Atlantic Apprenticeship Harmonization Project, so that was why it was pushed down a bit. Estimates are down again for this exact same reason, because we can build them directly so we don't have to – we budget it to get the money from them in advance, but we don't need it because we can bill them directly.

MR. P. DINN: Perfect.

Literacy, 5.1.02, I've got to ask the question again on Salaries. It's probably the same answer, but the fluctuation in Salaries for the current year?

MR. DAVIS: Yeah, down \$60,500 based on attrition management for about \$20,000 and then the salary budget rightsizing of about \$42,000.

MR. P. DINN: Perfect.

MR. DAVIS: So that's where we got the \$60,000-plus down.

MR. P. DINN: Okay.

I'm going to go right to Grants and Subsidies. Again, a big fluctuation there.

MR. DAVIS: The funding for Grants and Subsidies, we provide funding for adult literacy grants of about \$4.3 million and the Council of Ministers of Education, CMEC, literacy, of about \$18.2 million, so that's where that goes.

The reason why it's down by \$1.3 million is there's less provincial funding required, mainly due to the fact that the ABE students are funded through the federal LMMA, compared to –

MR. P. DINN: Sorry, that is provincial revenue. They're funded under the LMDA?

MR. DAVIS: Yeah.

MR. P. DINN: That's good.

MR. DAVIS: I'm serious, anywhere we can get federal funding; we're trying to do it. If it's eligible we're going to do it.

MR. P. DINN: No, perfect.

So how many individuals would've been funded under those Grants and Subsidies?

MR. DAVIS: That's a good question. I don't think I have that there. We can get that for you.

MR. P. DINN: Okay, perfect.

I can keep going, I'm still there.

MS. ENNIS-WILLIAMS: (Inaudible.)

MR. DAVIS: Yeah, sorry.

MS. ENNIS-WILLIAMS: Yeah, so for LMDA, PTIs only, meaning private training institutions, we have 869 clients.

MR. P. DINN: Wow, good.

5.1.03, near and dear to my heart, Atlantic Veterinary College.

MR. DAVIS: God love them. I'm a dog lover myself.

MR. P. DINN: My daughter's down in St. Kitts doing vet because she couldn't get into PEI. Accepted to two top schools in Australia, couldn't get into PEI. Anyway, we need to do something here.

I'm looking at it, and I know it's an agreement and we get three seats per sitting. We didn't spend as much last year or we weren't billed for as much last year. Why is that?

MR. DAVIS: The annual increase for our component is based on between a 1 per cent and a 2.5 per cent.

MR. P. DINN: Yeah.

MR. DAVIS: They were on the 1 per cent.

MR. P. DINN: So it didn't kick in.

MR. DAVIS: So it was a little bit better for us that way.

MR. P. DINN: Right, okay.

MR. DAVIS: I hear what you're saying. If there was something we could look at to expand that, we would definitely be (inaudible.)

MR. P. DINN: Yeah, I know we took it from two to three, we were hoping to take it to four.

MR. DAVIS: Yeah.

MR. P. DINN: I know if you look on the government website, there were a couple of vet positions that were looking to be filled for years there.

MR. DAVIS: Yeah.

MR. P. DINN: So it's just something we should be looking at.

I'll get this quick one in now.

MR. DAVIS: About 50 per cent of the veterinarians here in this province come through that program.

MR. P. DINN: Yeah.

MR. DAVIS: It is pretty good for retention – sorry for cutting your time.

MR. P. DINN: I'll make this comment before I stop. We probably could be looking at something of funding – if they can't get to PEI, funding students to go away with a return-to-work agreement, much like we do with doctors, right?

MR. DAVIS: We can look at that, that's something (inaudible).

MR. P. DINN: Anyway, my time's up. I'll pass it along.

MS. COFFIN: Appreciate that. Thank you.

CHAIR: Ms. Coffin.

MS. COFFIN: Okay, going back to Apprenticeship and Trades Certification. Can we have the 2018 stats with a gender breakdown on apprentices, number of apprentices doing journeyman training, journeymen certified and number of women served by the Office to Advance Women Apprentices?

MR. DAVIS: Absolutely, with pleasure.

MS. COFFIN: Thank you. Excellent.

MR. P. DINN: If I can just interrupt. (Inaudible) people's headphones, right?

MR. DAVIS: No, no.

MR. P. DINN: Alison, I'm just covering us here.

MR. DAVIS: We'll send it to both.

MS. COFFIN: (Inaudible) talk to Dinn 1.

When will we see the adult literacy plan?

MR. DAVIS: It's imminent. Stay tuned.

MS. COFFIN: Tomorrow?

MR. DAVIS: Well, I didn't say tomorrow, but –

MS. COFFIN: Not that imminent.

MR. DAVIS: It's not that imminent, but soon.

MS. COFFIN: Soon. Okay, good to hear.

A breakdown of students enrolled in ABE 2018-19 broken down by public versus private colleges, please?

MR. DAVIS: No problem, we can get that for you.

MS. COFFIN: I'm just wondering about –

MR. DAVIS: We have that stat right here if you'd like to have it.

MS. COFFIN: Wonderful.

MS. ENNIS-WILLIAMS: So for 2018-19, Alison, there were 1,855 students enrolled in private training institutions and community-based organizations, and 67 students registered in one-to-one tutoring.

MS. COFFIN: Cool, excellent. So how's that done for employment? Has that gone up or down – enrolment – up or down?

MS. ENNIS-WILLIAMS: Enrolment, actually, is about 2,000 on average but it's slightly down from 2017-18, which was 1,971.

MS. COFFIN: Okay. Do we know how many graduates we had in 2018-19?

MS. ENNIS-WILLIAMS: We do, 363.

MS. COFFIN: Okay, 363. How long do these programs usually take for someone to make their way through that, on average?

MS. ENNIS-WILLIAMS: Well, it depends on where the person is. These are individually –

MS. COFFIN: Absolutely, I understand that.

MS. ENNIS-WILLIAMS: So if they're coming in ABE level 1 is K to six, ABE level 2 is seven to nine in terms of equivalency –

MS. COFFIN: Yeah.

MS. ENNIS-WILLIAMS: – and typically ABE level 3 is 10 to 12.

MS. COFFIN: Right.

MS. ENNIS-WILLIAMS: So depending on where a person's literacy level is and their ability to commit to a program, it can typify three to four years. But for others it might be that, if they're coming in at an ABE level 3 where they only need a couple of high school credits, it could be a year or less.

MS. COFFIN: Do we have any, like, an average on something like that?

MS. ENNIS-WILLIAMS: I can certainly look into it.

MS. COFFIN: Wonderful.

MS. ENNIS-WILLIAMS: It is something that, again, is not – because it’s individually based, even the trends from year to year are going to differ –

MS. COFFIN: Right.

MS. ENNIS-WILLIAMS: – because it might take someone else a different – they may have a different experience, even though they may come in very similar to somebody else in terms of their literacy needs.

MS. COFFIN: Absolutely, and I mean, it depends on how prepared you are and what your life situation is at the time. If you have three children but an ABE III, you’re probably going to take a little longer or that might make you even more motivated. If I had three children at home I would be more motivated to not be home. That’s just me, though I’m well past that at this point.

Moving on to Memorial University, Memorial University didn’t spend \$107,200 in the last budget, which I’m kind of amazed at because I know that it could have done with a couple of internal repairs, more than a lick of paint or some of those plastic things that they’re hanging to catch all the water in the tunnels. Any reason why that was unspent?

MR. DAVIS: It was a decrease due to the lower than anticipated costs incurred by the Marine Institute for training under the LMDA.

MS. COFFIN: Okay.

MR. DAVIS: That’s the federal program that trains –

MS. COFFIN: That’s the federal program going in there.

\$5.6 million less for MUN now.

MR. DAVIS: Correct.

MS. COFFIN: Ow. So –

MR. DAVIS: Was that a how or was that ow?

MS. COFFIN: Ow.

MR. DAVIS: Oh, ow. Okay.

MS. COFFIN: That’s going to sting for the university. What is precipitating the drop of \$5.6 million?

MR. DAVIS: For two reasons; the annualized GRI reductions in budget ’16-’17 of \$2.6 million –

MS. COFFIN: GRI?

MR. DAVIS: Government Renewal Initiative.

MS. COFFIN: There you go.

MR. DAVIS: Sorry about that.

MS. COFFIN: That’s okay. I’ve been away from government for a while; I’m still catching up on the acronyms.

MR. DAVIS: Then the other one was the annualized MUN savings ABC reduction measures of \$3 million.

MS. COFFIN: \$3 million, okay. Then, the tuition offset grant is \$4 million.

MR. DAVIS: \$4 million.

MS. COFFIN: Yeah, the extra \$4 million is anticipated to cover off how many students or any ballpark on that? What was the rationale for we’ll give them \$4 million?

MR. DAVIS: The \$4 million was to cover the tuition freeze for NL students.

MS. COFFIN: Tuition freeze for ...?

MR. DAVIS: For Newfoundland and Labrador students.

MS. COFFIN: Okay, yeah, that’s good.

Physical Plant and Equipment; in spite of the fact that MUN is crumbling, they’re getting \$5 million less.

MR. DAVIS: Yeah, that's due to cash flow requirements for the Core Science building. That's just the way the money flows.

MS. COFFIN: Right and then Grants and –

MR. DAVIS: It's a timing issue.

MS. COFFIN: Okay, and Grants and Subsidies?

MR. DAVIS: Yeah, Grants and Subsidies would be \$6.7 million down due to the delay in the SIF project funding for the Animal Resource Centre.

MS. COFFIN: Okay.

MR. DAVIS: So it's not gone, it's going to come back in the future. It sounds funny to say it that way.

MS. COFFIN: Yeah, that's kind of interesting. The \$6.9 million is for the Animal Resource building, but now we're seeing the drop-off in the Grants and Subsidies by \$29 million as well. Where is that 6.9 captured? Is it gone for next year and then the Animal building is – what is that called, the Animal Resource –

MR. DAVIS: Animal Resource Centre.

MS. COFFIN: Has that been delayed substantially? Did that 6.9 go, and is that now captured in the 2019-2020 budget?

MR. DAVIS: Correct.

MS. COFFIN: Okay. The drop of almost \$30 million there is because of the Core Science building?

MR. DAVIS: No, it's related to the animal – just one second, Candice can speak to that.

MS. ENNIS-WILLIAMS: Alison, \$6.9 is related to the MUN Animal Resource Centre, but we also had the Battery campus completed.

MS. COFFIN: Yeah.

MS. ENNIS-WILLIAMS: That's why there's a decrease in '19-'20 because it's not the same requirements.

MS. COFFIN: I thought the Battery campus was going to be a mortgage?

MS. ENNIS-WILLIAMS: There's cash flow – so there was money that came to the Battery and it basically flowed through the province, but it's from the federal government. There is a mortgage part; in fact, the Battery purchase price was \$9.5 million, it was \$16.2 for renovations and they used \$8.5 for the endorsement fund. So you're right, there's a mortgage piece to it.

But, again, in '19-'20, the requirement for Memorial, in terms of provincial allocation, is less because of the completion of the Battery. The other small change, I guess, just cash flow adjustments which occur with natural projects.

MS. COFFIN: The revenue federal that dropped from the \$11 million down to the \$4 million from last year's budget to revised is also that money flowing through (inaudible) through federal.

MS. ENNIS-WILLIAMS: It's the SIF federal cash flow adjustments.

MS. COFFIN: And the reduction is also because of that.

Okay, a bigger question associated with Memorial University and government operations overall; one of the key things that the province has been doing recently is attempting to get debt off its books. In doing so, it has arranged joint sponsorships of both the Teachers' Pension Plan, and the Public Sector Pension Plan. Two years ago and three ministers ago, Memorial University was also told to come up with a jointly sponsored pension plan arrangement to also get rid of that.

In order to do that, there was an expectation that the plan be made whole, and I think that had a smaller number associated with it than what I suspect what is happening right now. Is there any plan to move to that joint sponsorship model?

MR. DAVIS: We're moving in that direction. I've had a couple of meetings on that now, both myself and the Minister of Finance with the administration at Memorial, so –

MS. COFFIN: Recently?

MR. DAVIS: Yes, recently, as in the last couple of months, prior to the election. So we'll be meeting again now soon on this issue as well.

MS. COFFIN: Okay.

College of the North Atlantic, Grants and Subsidies are down there.

MR. DAVIS: You're a quick page turner.

MS. COFFIN: I already had it there.

MR. DAVIS: Yes, so their Estimates are down by \$1.6 million, based on the forecast adjustment from the attrition management for the grants and subsidies of about \$1.9 million and then it's offset by about \$252,000 in new programming.

MS. COFFIN: Okay.

I did have another question under the university, under Memorial.

MR. DAVIS: Okay.

MS. COFFIN: This law school, are you in favour of the law school? Is there any will on the part of government to support the law school? Will they accommodate the use of the law school? Where do they sit on the proposed law school?

MR. DAVIS: It hasn't come to us at all. It's in the purview of the university at this point. They haven't reached out to us on any matter associated with the law school. The decision sits directly with the Board of Regents. It's not to do with us at this point. They haven't asked for any funding increase, they haven't come to anything.

MS. COFFIN: They haven't come to you on the law school?

MR. DAVIS: Nothing.

MS. COFFIN: Good. Okay.

All right, back to the College of the North Atlantic.

CHAIR: And with that –

MS. COFFIN: Sorry. I got excited. There we go.

CHAIR: – we've granted leave for you to continue on for one more.

MS. COFFIN: Thank you.

I was just with the College of the North Atlantic there picking up on the tuition offset grant. Did you answer the tuition offset grant question or did I go back to the university?

MR. DAVIS: No, you jumped back to the university beforehand.

MS. COFFIN: Yeah, sorry, that one.

MR. DAVIS: No, that's okay.

MS. COFFIN: Thank you.

MR. DAVIS: It's up by \$1.1 million to offset the tuition increase to keep the tuition freeze in place.

MS. COFFIN: Tuition freeze in place, okay. Is that still a tiered system where if you are a resident of the province or you're originally from the province, you get fixed tuition? If you come in from another province you have to be here for X number of years before you're eligible to actually get that frozen tuition. If you're coming in from another country you've been getting the higher rates.

MR. DAVIS: The tuition freeze is for NL students that we fund both for the university and for CNA. It's for NL students only.

MS. COFFIN: Yeah, so they have to be residents –

MR. DAVIS: From our standpoint.

MS. COFFIN: – of the province in perpetuity, or you were born here or you moved here or ...?

MR. DAVIS: We can check into that unless Candice has it.

MS. ENNIS-WILLIAMS: Alison, are you speaking of the tuition as it relates to the university or the college?

MS. COFFIN: Either.

MS. ENNIS-WILLIAMS: The college has one standard university tuition level.

MS. COFFIN: Yeah.

MS. ENNIS-WILLIAMS: In terms of the university, as you'd be aware, there was a decision by the board that took place in 2018 for a 30 per cent increase in terms of non-Newfoundlanders and international students. Any student who was registered was grandfathered in 2018 but that grandfathering –

MS. COFFIN: People are no longer eligible, yeah.

MS. ENNIS-WILLIAMS: – expires as of 2021.

MS. COFFIN: Right.

MS. ENNIS-WILLIAMS: So again that is the decision –

MS. COFFIN: That's all administered through the university; you had nothing to do with that?

MS. ENNIS-WILLIAMS: In terms of what specifically?

MS. COFFIN: Just establishing the criteria for which you would be eligible for that frozen tuition.

MS. ENNIS-WILLIAMS: The authority to set tuition falls under the *Memorial University Act*.

MS. COFFIN: Right, okay.

College of the North Atlantic, Grants and Subsidies there –

MR. P. DINN: (Inaudible) I will take over there.

MS. COFFIN: Okay, fair enough. High five on that.

MR. P. DINN: I gave her one question, my God – but you are asking questions I would have asked.

CHAIR: All right. The floor is Mr. Dinn's.

MR. P. DINN: Yeah, I won't be long.

I just want to go back to 5.2.02, Physical Plant and Equipment, under University. Just a clarification on Loans, Advances and Investments. I think that money you indicated was for Core Science. Is it only for that or ...?

MR. DAVIS: Yes.

MR. P. DINN: Really? So it doesn't leave the university anything else for renovations or equipment acquisitions or anything like that?

MR. DAVIS: No, just Core Science there.

MR. P. DINN: Okay, just wanted to confirm.

MR. DAVIS: The reduction there is the Core Science building. That's a timing issue for the Core Science building. The funding didn't flow in that year; it's going to flow in a subsequent year.

MR. P. DINN: Okay.

I'm going to jump where Alison left off, College of the North Atlantic. I'm looking at 5.3.02

MR. DAVIS: Okay, 5.3.02, the Physical Plant is it?

MR. P. DINN: Right.

I'm looking at in Grants and Subsidies again a fairly large fluctuation there.

MR. DAVIS: It's up by \$404,000 based on cash flow requirements were higher during the current year and the adjusted construction schedule for the SIF project – that would be the Heavy Equipment Centre in Stephenville. Then the Estimates are down then by almost \$14 million based on the Strategic Infrastructure Fund down from \$12.19 million and a carry forward of \$1.8 million related to the Heavy Equipment Centre as well.

Most of this is all a cash flow timing issue with respect to the federal government and funding that we receive under those different programs.

MR. P. DINN: So is that to similar –?

MR. DAVIS: Sorry?

MR. P. DINN: I'm just looking at the federal revenue, the fluctuation there, is that related in any way? No?

MR. DAVIS: Yes.

MR. P. DINN: It is?

MR. DAVIS: Yes.

MS. ENNIS-WILLIAMS: Paul, in terms of the Grants and Subsidies and why the Estimates are down, we have two projects that are actually completed. So we have the CNA Centre for Energy and Thermal Systems and the campus upgrades and then we have Renewal and Modernization. So the cash flow requirement is no longer there because those projects are now done and the remaining project is the Heavy Equipment Centre of Excellence.

MR. P. DINN: Okay, I've got you. I appreciate that.

Subhead 5.4.01, Student Financial Services, I'm going to ask the salary question again.

MR. DAVIS: Yes, that's no problem. Estimates are up by almost \$178,000. Two positions were added from the NL Student Loan Corporation at about \$105,000 there. And then the funding was re-profiled from other areas without increasing the total departmental salary budget to ensure that we could appropriately fund it across the various departments of another \$72,000.

MR. P. DINN: So, I just got to back up, you said the funding was taken from where?

MR. DAVIS: Re-profiled from other areas within the department.

MR. P. DINN: Within that –

MR. DAVIS: Within that division, sorry.

MR. P. DINN: – that division. Okay.

A big fluctuation in Purchased Services.

MR. DAVIS: That's refined down by \$1,000 due to the lower anticipated Equifax cheques and CRA audits. But we're estimating that it's going to go up by almost \$400,000, \$399,100, due to administration fees for the National Student Loan Centre as it results to the Student Loan Corporations transfer.

MR. P. DINN: That much, really?

MR. DAVIS: Yeah.

MR. P. DINN: I'm assuming it relates to 5.4.02, the Loans, Advances and Investments and the Grants and Subsidies there. We see that jumping in there where it wasn't there before.

MR. DAVIS: Did you jump just down to –?

MR. P. DINN: No.

MR. DAVIS: You're still on the same page? Sorry.

MR. P. DINN: I'm still on the same section but I'm thinking that it's going to be related to the other section there.

MR. DAVIS: It definitely is.

MR. P. DINN: Anyway, the explanation there on the 5.4.01 in terms of Loans, Advances and Investments and Grants and Subsidies.

MR. DAVIS: It's up by \$6.699 million based as a result of the Student Loan Corporation transfer.

MR. P. DINN: Right. Okay.

MR. DAVIS: Which, you are right, it's going to be picked up in the next tab as well.

MR. P. DINN: So the next tab – and I'm just trying to compare dollars to dollars. So the Grants and Subsidies – I'm just doing the math here. So it's pretty close I guess on Grants.

MR. DAVIS: The Grants and Subsidies, as you've mentioned, is a direct relation to the Student Loan Corporation transfer as well.

MR. P. DINN: Right. So we had \$5,683,000 in last year's budget. Follow me here.

MR. DAVIS: Which page are you at – \$5,683,000?

MR. P. DINN: It's the Student Loans Program, which is just under it.

MR. DAVIS: Okay.

MR. P. DINN: I'm just trying to keep the continuum there. So it moved from \$5 million to \$1,202,000 to \$6,699,000. Am I correct?

MR. DAVIS: Correct.

MS. DUNPHY: Not totally correct.

MR. P. DINN: Well, that's what I'm trying to clarify.

MR. DAVIS: Somewhat correct.

MR. P. DINN: Yeah, something like that.

MS. DUNPHY: Okay, so as you're aware, there is an initiative in play right now to dissolve the Student Loan Corporation. In the '18-'19 Estimates, there was a grant of \$5.683 million to the corporation. We only used \$1.2 million of that this year, because we actually used the cash reserves in the student loan account so we could spend less federal money.

What you see reflected under 5.4.01, which is the Student Aid division, that will now actually show the disbursements of loans, advances and grants to students, which wasn't clearly shown under the Student Loan Corporation because it was only a grant to the corporation.

MR. P. DINN: Right.

MS. DUNPHY: You had to look at the corporation's books to actually see the salary costs, the expenses, the grants, the loans that were paid out. So by transferring the collection's functions to Finance and the administration functions to the Student Aid division, or Student

Financial Services, there will be savings over time and, hopefully, better collection efforts with the consolidation of Finance.

MR. P. DINN: Right, so no Student Loan Corp?

MS. DUNPHY: Correct.

MR. P. DINN: Right, okay.

MS. DUNPHY: And no layoffs resulting.

MR. P. DINN: No, right.

MS. DUNPHY: We did abolish two positions that were vacant, but no layoffs.

MR. P. DINN: Because most of the student loan would have went to Finance.

MS. DUNPHY: To collections, correct.

MR. P. DINN: Okay.

MR. DAVIS: There was a seamless transition (inaudible).

MR. P. DINN: Nothing is seamless now, come on.

MR. DAVIS: This was seamless.

MR. P. DINN: Okay, moving right along, Industrial Training, 5.5.01. This relates to a comment I made earlier. So this is the LMDA funding that we put in there for industrial apprenticeship programs. We allocated \$10 million, we utilized just under \$6.5 million and we're at \$8 million. I know it probably has to do with uptake. Do we perceive any trend here in the uptake in terms of industrial training?

MR. DAVIS: It was revised down by \$3.5 million. That was lower, as you said, uptake for the apprentice blocks training. Funding transferred to the LMDA program is used for eligible LMDA projects. In '19-'20, the Estimates are down by \$2 million based on funding moved from the Labour Market Development program.

MR. P. DINN: In 1920?

MR. DAVIS: Sorry –

MR. P. DINN: You're going way back. I know, I'm only joking.

MR. DAVIS: In 2019-'20, it's down \$2 million based on the funding is going to be moved over to the Labour Market Development program, which we talked about earlier.

MR. P. DINN: Right.

MR. DAVIS: There are less major projects there, so there's less opportunity to utilize it. That's why we're making those changes.

Candice, would you like to add to that?

MS. ENNIS-WILLIAMS: Yes, certainly.

There are a couple of pieces. First of all, from 2013 to 2016 we would see on average in the province about \$8.5 billion in major project activity. It's estimated we'll be returning to about \$5 billion. That's actually normal. We've had some real upswings, and, of course, our apprentices and journeypersons have a benefit from that.

The other thing, this is the third, I think, consecutive year for Canada where there's been a decline in construction starts. That impacts our trades directly. Naturally, in a circumstance where the labour market is impacted, employers are less likely to release their students to go back to block training and apprentices, in turn, are less likely to want to go to school because they want to retain their jobs.

What we're trying to do is really mitigate that by our online training, putting some focus on that and working with the employers and the industry around how we can be more flexible in terms of delivery.

MR. P. DINN: Just one quick follow-up and you partially answered it. If we're seeing a decline in trying to get individuals through their apprenticeship program – for good reasons that you've mentioned – I was going to ask the next question. You mentioned something about online. What are we doing to ensure that they're not left stagnant as a first-year or second-year apprentice? What are we doing?

OFFICIAL: (Inaudible.)

MR. P. DINN: What's happening there? Just a little bit more detail.

MS. ENNIS-WILLIAMS: I'm just going to go back to my notes on the apprenticeship piece, Paul.

MR. P. DINN: We must have piloted or targeted some areas, right?

MS. ENNIS-WILLIAMS: What's that?

MR. P. DINN: We must have targeted some occupations or trades, or are we doing all of them online?

MS. ENNIS-WILLIAMS: No, actually, we have targeted.

To date, through Budget 2017 and 2018, we've spent \$1.7 million committed to transfer the curriculum for five high-volume trades. What we've done is we've actually looked at where are the high-volume trades where it would have the greatest impact in terms of investment, and that's plumber, construction electrician, welder, carpenter and automotive service technician. To date, we've had 39 apprentices participate in an online training pilot with great success.

MR. P. DINN: Okay, that's what I wanted. Perfect.

CHAIR: Okay, we'll proceed to Ms. Coffin.

MS. COFFIN: I have one follow-up question. Can I have the number and per cent of student loans in default and dollar value?

MR. DAVIS: No problem. I don't think we have that here.

MS. COFFIN: Yeah, sure.

MR. DAVIS: That would be pretty impressive if we do.

MS. COFFIN: No, that's great. I think that's all I have there.

MR. DAVIS: Perfect. Well, thank you.

MS. COFFIN: Yeah, not bad.

CHAIR: Okay, we're good?

CLERK: 5.1.01 through 5.5.01 inclusive.

CHAIR: Shall 5.1.01 through 5.5.01 carry?

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

On motion, subheads 5.1.01 through 5.5.01 carried.

CLERK: The total.

CHAIR: Shall the totals carry?

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

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

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

SOME HON. MEMBERS: Aye.

CHAIR: Carried.

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

CLERK: I have one housekeeping item before we finish, Members of the Committee.

MR. P. DINN: Am I able to ask some final questions? Just not related to ...?

CLERK: Yeah, that's fine.

MR. DAVIS: Did you have to do yours first or ...?

CHAIR: Do we have the (inaudible) on the floor of the general questions?

MR. DAVIS: That's fine.

CLERK: A general question, that's all.

MR. P. DINN: Yeah, just a couple of general ones.

CLERK: It doesn't affect the (inaudible).

MR. P. DINN: I won't keep you long; it just has to do with the department. How many employees do we have employed currently?

MS. DUNPHY: Six hundred and eight.

MR. P. DINN: And retirements; how many did we have occur last year?

MS. DUNPHY: That I do not know.

MR. P. DINN: Okay.

MS. DUNPHY: I can certainly get it for you.

MR. P. DINN: That's fine. I'll go through this and if you want to send it to me later, that's fine.

MS. DUNPHY: The 608 was at the end of March.

MR. P. DINN: Perfect. How many vacancies? I'll just ask and you send it to me, okay?

MS. DUNPHY: Yeah, you can ask them and we can certainly provide.

MR. P. DINN: Vacancies and how many positions eliminated. Have there been any layoffs and then new hires that took place, your general HR numbers.

I just want to have two quick questions with relation to salaries in terms of the individuals hired. Under Executive Support, I'm looking at a contractual position.

MR. DAVIS: Just one second now.

MR. P. DINN: Yeah, you go right ahead.

There's a contractual position there for \$101,000?

MS. DUNPHY: We currently have an employee that is on a contract – well, is in a contractual position under the department; however, this employee is actually working with ACOA. We are reimbursed 100 per cent for that salary cost.

MR. P. DINN: Can I ask what the position is in terms of title and what they do?

MS. DUNPHY: Like I said, for the department it's just listed as contractual, because the work that the individual is performing is with ACOA. It is an analyst-type position, an HL level.

MR. P. DINN: Okay.

MS. DUNPHY: There is a contract with the department and an agreement for salary reimbursement and for the individual to maintain the benefits of the province.

MR. P. DINN: Okay and one last question, this goes back to Alison talking about the Labour Relations Board. I may already know the answer but I'll ask if there's a contractual position there as well for \$130,000?

MS. DUNPHY: That is for the chair of the –

MR. P. DINN: Chair of the board.

MS. DUNPHY: – Labour Relations Board.

MR. P. DINN: Okay, perfect.

MS. DUNPHY: That's a five-year appointment.

MR. P. DINN: Right. Okay.

I'm good, thank you.

CHAIR: We afforded you the opportunity. Ms. Coffin, do you have any further? You're good?

MS. COFFIN: Yes, thank you.

CHAIR: Okay.

CLERK: I didn't realize this was the first meeting of the Resource Committee, so we needed to nominate a Chair. I'm going to do that now.

MS. COFFIN: Does this mean what we just went through is no longer?

CLERK: No, it's fine. The Committee voted on it.

MR. DAVIS: Let's hope not.

CLERK: Because the Chair is not MHA Loveless, by the way.

Could I call for nominations for the Chair?

MS. COFFIN: I nominate Scott Reid.

CLERK: Okay, any other?

All in favour?

SOME HON. MEMBERS: Aye.

MR. DAVIS: Oh, I can't say anything. It's not for me.

CLERK: No, you can't.

MR. DAVIS: Sorry, I apologize.

CLERK: Now I need a nomination for Vice-Chair.

MR. P. DINN: I'll nominate Kevin Parsons.

CLERK: You'll tell him that, won't you?

MR. P. DINN: I will tell him that, yes.

MR. DAVIS: He's not here to defend himself.

MR. P. DINN: I'll try to pass that along to him.

CLERK: Any other nominations?

All in favour?

SOME HON. MEMBERS: Aye.

CLERK: Carried.

CHAIR: At this point I will conclude with asking for the motion to adjourn.

MR. P. DINN: So moved.

MS. COFFIN: I will second that.

CLERK: Mr. Paul Dinn at 9:20.

CHAIR: Mr. Paul Dinn, 9:20.

MR. DAVIS: I just want to say thank you very much, guys, and thank you to my staff for the

great work they did. Thank you very much for that.

CHAIR: This Estimates Committee is now adjourned.

On motion, the Committee adjourned.