

Government of Alberta

Business Plan

1998 - 2001

*A vibrant and prosperous province where Albertans enjoy
a superior quality of life and are confident about the future
for themselves and their children.*

Budget '98

Agenda for Opportunity

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Agenda for Opportunity

Government of Alberta Business Plan 1998-2001

Starting from a strong foundation

Premier Klein compares the past five years in Alberta to a “home renovation project.”

We had a clear idea of what was needed to “renovate the province” and prepare for the future ... balancing the budget, paying down debts from the past, restructuring priority areas like health and education, reducing administration and red tape, changing the way government does business, getting out of the business of business, and building on the Alberta Advantage to create a strong economic climate and thousands of new jobs for Albertans.

Albertans worked hard. We stuck to the careful plan we set. And it worked. The proof is clear across the province. New jobs and an economy that’s leading the rest of Canada ... unemployment down to the lowest level in many years ... new investment in the province ... reduced debt ... reinvestment in priority areas like health and education ... and perhaps most important, a renewed confidence that the future belongs to Alberta.

Today, Alberta is starting from a strong foundation.

As we look ahead to a new millennium, we know there is work left to be done. But we also know that with a strong foundation in place and the energy and ideas of Albertans, there’s nothing stopping Alberta from becoming the best place in the world to live, work, invest, do business and raise our families.

That optimism for the future is reflected in this government’s business and budget plans. *Agenda for Opportunity* reflects the strong belief that Alberta is a province of opportunity, a place where people can enjoy an outstanding quality of life, reach their full potential, take advantage of a wide range of opportunities, and build a rewarding future for themselves and their families.

This business plan also provides continuity with the past. Many of the goals and strategies set out in last year’s business plan have been retained, because they are critical to the province’s future, because they reflect Albertans’ priorities, and because more work is needed before the goals are achieved.

As in previous years, government will continue to focus not only on goals and strategies — what we hope to achieve — but also on performance — the results we actually achieve. This business plan will guide government actions over the coming years and we'll continue to report to Albertans on how successful we've been in achieving the goals we set.

Agenda for Opportunity

Alberta is poised for continuing strong growth. And with growth comes opportunity for Albertans — opportunities for jobs and new business ventures, opportunities to build a secure future for their families, and opportunities to search for better ways to deliver essential services to Albertans. Growth also means challenges — challenges to manage and sustain growth, address stresses and strains on infrastructure and services, manage the impact on Alberta's environment, and ensure that we don't forget the lessons from the past.

A plan based on simple rules

Agenda for Opportunity builds on five simple rules Albertans have told us to follow:

1. Remain fiscally responsible. Don't ever run a deficit again and don't raise taxes.
2. Be unwavering in your commitment to pay off the debt.
3. Keep looking for new, better and more efficient ways of doing things.
4. When we have the money, reinvest in Albertans' priorities — education, health care and infrastructure.
5. Be accountable. Be honest. Listen to Albertans and let us know what you're doing.

Maintaining fiscal responsibility and paying down debt

Albertans expect their government to stick with a responsible financial course. That means spending only what we can afford and targeting those dollars to achieve the best results. And it means a careful and deliberate plan to keep paying down Alberta's debt.

Details of Alberta's revenue, spending and debt repayment plans are included in the *1998-2001 Fiscal Plan* chapter of this business and budget plan.

Reinvesting wisely in Albertans' priorities

Albertans also expect their government to achieve results in priority areas. Their advice to government has consistently been to spend wisely. That does not mean throwing money at problems. It means carefully targeting resources to

areas where they can make the most difference for Albertans, for our quality of life, and most importantly, for our children.

That's the purpose of reinvestment.

Within the scope of this business plan, Albertans will see continued reinvestment in Albertans top two priorities: education and health. There will be initiatives to address the pressures on services and infrastructure that result from strong growth in Alberta's economy. We'll keep working to promote safer communities and sustain Alberta's environment. And we'll work with the business community and all Albertans to keep building on the Alberta Advantage.

Putting children and young people first

Over the next three years, Albertans will see reinvestment in a number of important areas. But the core of the reinvestment plan is our young people. We are putting children and young people first.

Consistent with the advice received at the Growth Summit, people development will be the first priority for government. That means a strong focus on education. New initiatives targeted at children will help make sure they can read and have a good beginning to their education. Actions will be taken to make sure young people have the skills they need to enter the workforce or continue post-secondary learning. Expanded opportunities will be available for young people in apprenticeship and training programs and in post-secondary programs in universities, colleges and technical institutes. And we'll continue our focus on providing programs for children at risk in our communities.

Healthy Albertans in a healthy Alberta

The past few years have seen dramatic changes in Alberta's health system. A new health system has emerged, one that is better equipped to care for Albertans when they are sick, deal with changing health needs, manage costs, and find better ways of helping Albertans stay healthy and well.

We will continue to encourage reform in health and take actions where we can to improve the delivery of health services to Albertans. However, the priority now is to stabilize and fine-tune the system and to ensure that:

- ◆ Albertans who are sick have access to quality health care services.
- ◆ Individual health and the health of all Albertans is actively promoted and protected.
- ◆ Healthy social, economic and physical environments exist and contribute to improved health.

Maintaining a clear vision and mission for government

For the past three years, government's vision has been:

A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.

There is no reason to change that vision for Alberta's future. It reflects what Albertans want for their province — prosperity, a superior quality of life, and a confident future, especially for their children.

As Premier Klein puts it, “*Our ultimate goal must always be to preserve the quality of life that we cherish for our children and our grandchildren, as well as all the advantages we have over other parts of the world.*”

Within that context, the provincial government is committed to the following mission:

An open and accountable government that leads the province in achieving its vision and ensures Albertans have access to quality programs and services at an affordable cost.

Alberta has once again become a place of opportunity. A place where potential is unlimited. A place where people can achieve their hopes and dreams, build a rewarding future, and look forward with confidence and hope for themselves and their children.

The purpose of this business plan is to set a direction that ensures government's actions build on those opportunities, improve Alberta's quality of life, and put the right combination of goals, strategies and actions in place so that Alberta continues to be a place of opportunity. The next section outlines the goals we've set and some of the strategies we'll use to achieve them.

Over the next three years, we will build on this *Agenda for Opportunity*, maintaining our commitments to Albertans, and most important, putting Alberta's children first.

Goals and Strategies

Government's actions are focused on three core businesses: People, Prosperity and Preservation. Goals have been set for each of the core businesses. The following section sets out those goals and the key strategies that will be used. More information about strategies and action plans is included in the business plans of individual ministries.

PEOPLE . . .

helping people to be self-reliant, capable and caring through:

- ◆ a healthy society and accessible health care
- ◆ basic support and protection for those in need
- ◆ lifelong learning
- ◆ excellent schools, colleges, universities and training institutes
- ◆ supportive families and compassionate communities

Goal 1 Albertans will be healthy.

- | | |
|---|------------------------------|
| ◆ ensure Albertans who are sick get the care they need by ensuring access to quality health services | Health |
| ◆ prepare for future health needs through ongoing innovation, integration and coordination in health service delivery | Health |
| ◆ improve accountability and results in the health care system through clear expectations and better information | Health |
| ◆ provide more services in communities and in people's homes where they need them | Health |
| ◆ focus on long-term health gains through increased emphasis on programs to prevent illness and injury, and protect and promote good health | CD, FSS, Health, Labour, PAO |

Abbreviations:

AECD	Advanced Education and Career Development	MA	Municipal Affairs
AEDA	Alberta Economic Development Authority	NADC	Northern Alberta Development Council
AFRD	Agriculture, Food and Rural Development	PAB	Public Affairs Bureau
CD	Community Development	PAO	Personnel Administration Office
ED	Economic Development	PWSS	Public Works, Supply and Services
Educ	Education	SRIT	Science, Research and Information Technology
Env Prot	Environmental Protection	T&U	Transportation and Utilities
IAA	Intergovernmental and Aboriginal Affairs	Treas	Treasury
FSS	Family and Social Services		

Goal 2 Our children will be well cared for and safe.

- ◆ support communities in developing integrated or collaborative approaches to meeting the needs of children, including an emphasis on Aboriginal children CD, Educ, FSS, Health, IAA, Justice
- ◆ introduce a Child Health Benefit that will help low-income families purchase the prescription drugs, dental, optical, and ambulance services that their children require FSS
- ◆ introduce health strategies to address priority health issues, including low birth weight babies Health
- ◆ continue and evaluate the health promotion project *You're Amazing* aimed at young parents Health

Goal 3 Alberta students will excel.

- ◆ set high standards to ensure that young people learn and acquire essential skills Educ
- ◆ establish intensive early skills programs for students needing extra help with reading in kindergarten to grade 2 Educ
- ◆ establish a teacher aide program for grades 1 to 6 to increase classroom supports and to enhance opportunities for students Educ
- ◆ work with school authorities to improve mathematics achievement of students in grades 7 to 12 Educ
- ◆ expand teachers' ability to integrate technology into instruction Educ
- ◆ expand opportunities for youth to develop career preparation and employability skills AECD, Educ
- ◆ expand English as a second language programs to include Canadian-born students whose first language is other than English Educ
- ◆ ensure Albertans have access to affordable adult learning opportunities AECD
- ◆ increase the range of learning opportunities and delivery mechanisms for adult learners AECD
- ◆ report regularly to Albertans on student achievement and other results of Alberta's education system AECD, Educ

Goal 4 Albertans will be independent.

- ◆ continue efforts to get social assistance clients into the workforce by improving training programs and providing appropriate financial and health benefits AECD, FSS
- ◆ implement and report on a new human resource strategy designed to help Albertans reach their full potential AECD
- ◆ ensure up-to-date information on labour market needs, career preparation and opportunities for further learning is available to young people AECD, Educ
- ◆ improve transitions for youth among school, work and further learning AECD, Educ

Goal 5 Albertans not expected to support themselves fully will receive help.

- ◆ redesign benefits to better assist those Albertans who are not expected to work and must have ongoing financial assistance FSS
- ◆ transfer responsibility for services for adults with developmental disabilities to community management boards so they get the services they need in their own communities FSS
- ◆ ensure that lower income seniors get the financial assistance they need through ongoing refinements to the Alberta Seniors Benefit CD
- ◆ work with housing organizations to coordinate housing services and ensure that resources are targeted to Albertans most in need of basic shelter MA

PROSPERITY . . .

promoting prosperity for Alberta through:

- ◆ a dynamic environment for growth in business, industry and jobs
- ◆ a highly skilled and productive workforce
- ◆ open markets in Canada and internationally for trade and investment
- ◆ new ideas, innovation and research
- ◆ an open and accountable government that lives within its means
- ◆ an efficient system of roads, highways, utilities and public spaces

Goal 6 Alberta will have a prosperous economy.

- | | |
|--|-------------------------------|
| ◆ continue to promote the Alberta Advantage | all ministries |
| ◆ maintain a globally competitive tax regime to encourage investment and economic activity | AEDA, ED, SRIT, Treas |
| ◆ actively work with industry to attract domestic and international investment | AEDA, AFRD, ED, IAA, SRIT |
| ◆ support the expansion of Alberta's tourism industry and promotion of Alberta as a world-renowned tourism destination | AEDA, ED |
| ◆ encourage communities to create and implement viable local and regional economic development plans with key partners | AEDA, AFRD, ED, IAA, MA, NADC |
| ◆ improve the ability of start-up and early stage companies to access the capital they need to get their businesses up and running | AEDA, AFRD, ED, SRIT |
| ◆ facilitate the growth of value-added industries, especially in agri-food and energy sectors | AFRD, ED, Energy, IAA, NADC |
| ◆ remove barriers to national and international trade and investment so Alberta businesses can expand and compete in new markets | AFRD, ED, IAA |

Goal 7 Our workforce will be skilled and productive.

- | | |
|---|--------------------------------|
| ◆ improve Albertans' ability to enter the workforce and keep pace with changing skills | AECD, AEDA, AFRD, ED, PAO |
| ◆ remove barriers that prevent people from moving easily from job to job or place to place in order to work | AECD, AEDA, ED, IAA, NADC, PAO |

- ◆ expand opportunities for youth through apprenticeship and industry training AECD
- ◆ strengthen connections between school and workplace learning AECD, Educ
- ◆ integrate technology outcomes throughout the curriculum Educ

Goal 8 Our businesses will capitalize on research.

- ◆ use technology in targeted sectors to expand Alberta's value-added industries AEDA, AFRD, ED, SRIT
- ◆ expand Alberta's focus on basic research and technology AECD, AFRD, ED, Energy, SRIT
- ◆ define and take action on key science and technology priorities to expand Alberta's economy AFRD, ED, Energy, SRIT
- ◆ expand the number of research and technology activities that result in viable commercial products, processes and services AEDA, AFRD, ED, SRIT
- ◆ encourage the development of private sector laboratories in the area of food production and processing AFRD, SRIT
- ◆ integrate technology into schools and post secondary education AECD, Educ

Goal 9 Alberta will have effective and efficient infrastructure.

- ◆ promote cooperative initiatives among business and industry, government and municipalities to address the needs for infrastructure development AEDA, ED, MA, NADC, PWSS, T&U
- ◆ make strategic improvements to key highway routes to improve trade, including the North-South Trade Corridor T&U
- ◆ work with local governments to strengthen rural and urban transportation partnerships and ensure that Alberta has a safe and efficient system of roads MA, T&U
- ◆ set standards and monitor safety of highways, motor carriers and natural gas distribution systems T&U

- ◆ restructure Alberta's electric industry to further the development of a competitive deregulated market Energy
- ◆ protect Alberta's multi-billion dollar investment in physical infrastructure for educational institutions, health care, seniors' housing, water management and other government programs through appropriate maintenance and upgrading AECD, AFRD, CD, ED, Env Prot, FSS, Health, MA, PWSS, T&U
- ◆ develop and implement advanced telecommunications and information management systems for improved communications, service delivery and efficient government administration AECD, CD, Health, PWSS, Treas

Goal 10 Alberta will have a financially stable, open and accountable government.

- ◆ continue Alberta's solid fiscal plan including balanced budgets, orderly paydown of Alberta's debt, targeted spending and demonstrated results Treas
- ◆ ensure all regulation is necessary and eliminate the ones which are not all ministries
- ◆ provide regular reports to Albertans on goals, financial results and performance measures all ministries
- ◆ provide efficient management of government resources and communications PAB, PAO, PWSS, Treas

Goal 11 Alberta will have a fair and safe work environment.

- ◆ promote high standards in the workplace in terms of labour relations framework and dispute resolution, and workplace health and safety Labour, PAO
- ◆ provide education, information and consultation services to eliminate discrimination and barriers to full participation for all Albertans CD

Goal 12 Alberta businesses will increase exports.

- ◆ expand national and international market opportunities for Alberta's value-added industries and services AEDA, AFRD, ED, IAA
- ◆ improve Alberta's ability to compete and do business in global markets by expanding people's understanding of world languages and cultures AECD, AEDA, ED, IAA

- ◆ assist Alberta firms in identifying and pursuing international projects, market and contracts AFRD, ED
- ◆ provide market intelligence and information about export opportunities ED
- ◆ coordinate Alberta's participation in strategic international relationships and agreements with key trading partners, states and provinces AFRD, ED, IAA
- ◆ work with industry to encourage increased pipeline capacity out of the province Energy

PRESERVATION . . .

preserving the Alberta tradition of:

- ◆ a safe society where justice prevails
- ◆ a clean environment
- ◆ strong values and culture
- ◆ pride in Alberta and strength within Canada
- ◆ strong communities

Goal 13 Alberta will be a safe place to live and raise families.

- ◆ protect human rights for all Albertans CD
- ◆ encourage police services to expand community policing Justice
- ◆ focus resources on preventing crimes that pose the greatest risk to public safety Justice
- ◆ take action on changes in administration of the Young Offenders Act Justice
- ◆ improve the efficiency of the regulatory process through implementing the *Fair Trading Act* MA
- ◆ take action to improve traffic safety through driver education, road safety awareness and enforcement T&U
- ◆ assist municipalities in preparing for emergencies and responding to major disasters Env Prot, T&U

Goal 14 Alberta’s natural resources will be sustained.

- ◆ provide clear, effective direction and guidelines for the use, management, regulation and development of Alberta’s renewable and non-renewable resources AFRD, Energy, Env Prot
- ◆ reduce the impact of natural hazards such as fire, drought, flood and pests on people, property and resources Env Prot
- ◆ implement the long-term Environmentally Sustainable Agriculture Program AFRD

Goal 15 The high quality of Alberta’s environment will be maintained.

- ◆ ensure standards are acceptable and take action to maintain the quality of air, land, water and ecosystems Env Prot
- ◆ ensure clear responsibility and accountability for environmental management, including the respective roles of government (federal and provincial) and industry AEDA, Env Prot, IAA
- ◆ provide predictable, consistent, and streamlined regulations for land use and resource management AEDA, AFRD, Env Prot
- ◆ maintain public safety, conservation of resources, and protection of the environment through effective monitoring and enforcement programs AFRD, Energy, Env Prot

Goal 16 Albertans will have the opportunity to enjoy the province’s natural, historical and cultural resources.

- ◆ support and encourage the development of arts and culture as fundamental assets in Alberta’s quality of life CD
- ◆ coordinate and support a province-wide library system CD
- ◆ preserve and protect Alberta’s history and culture through programs, exhibits, historic sites and museums CD
- ◆ protect and manage Alberta’s parks and natural reserves Env Prot
- ◆ improve understanding of Alberta’s environment Env Prot

- ◆ provide Albertans with opportunities to contribute to environmental protection and natural resource management Env Prot

Goal 17 Alberta will work with other governments and maintain its strong position in Canada.

- ◆ improve fiscal arrangements to ensure that federal revenues are shared fairly among the provinces IAA, Treas
- ◆ ensure that Alberta's interests are represented and protected in key federal programs and initiatives, and interprovincial and international negotiations IAA
- ◆ participate fully in discussions across Canada on Aboriginal self-government IAA
- ◆ work in partnership with local governments to promote healthy and sustainable communities throughout Alberta MA
- ◆ continue to promote a strong and united Canada all ministries

1998-2001 GOVERNMENT BUSINESS PLAN

Goals , Performance Measures, and Targets

Goals	Measures	Targets
People		
1. Albertans will be healthy.	<ul style="list-style-type: none"> • Life Expectancy at Birth • Health Status 	<ul style="list-style-type: none"> • 77.0 years for males and 83.0 years for females. • Reduce the percentage of Albertans who rate their health as only fair or poor.
2. Our children will be well cared for and safe.	<ul style="list-style-type: none"> • Births to Mothers under age 18 	<ul style="list-style-type: none"> • Reduce the rate of births to mothers under 18 to the national average by 2005.
3. Alberta students will excel.	<ul style="list-style-type: none"> • Educational Attainment 	<ul style="list-style-type: none"> • Increase to 75 percent the number of students entering Grade 9 who complete high school within 6 years.
4. Albertans will be independent.	<ul style="list-style-type: none"> • Literacy and Numeracy Levels • Family Income Distribution 	<ul style="list-style-type: none"> • 85 percent of Grade 9s meet the acceptable standards in math and language arts. • Reduce the percentage of families with income under \$20,000 to 10 percent by 2000.
5. Albertans not expected to support themselves fully will receive help.	<ul style="list-style-type: none"> • Albertans Needing Help 	<ul style="list-style-type: none"> • To be developed.
Prosperity		
6. Alberta will have a prosperous economy.	<ul style="list-style-type: none"> • Gross Domestic Product • Job Growth 	<ul style="list-style-type: none"> • Long-term GDP growth rate of 4 to 6 percent. • 155,000 new jobs from December 1996 to December 2000.
7. Our workforce will be skilled and productive.	<ul style="list-style-type: none"> • Skill Development 	<ul style="list-style-type: none"> • Increase productivity of the labour force.
8. Our businesses will capitalize on research.	<ul style="list-style-type: none"> • Adoption of New Technologies 	<ul style="list-style-type: none"> • Alberta business R&D spending as a percentage of total Canadian business R&D spending to equal Alberta's share of national GDP.
9. Alberta will have effective and efficient infrastructure.	<ul style="list-style-type: none"> • Infrastructure Capacity • Cost of Government 	<ul style="list-style-type: none"> • To be developed. • Remain 5 percent below the average of the other nine provinces.
10. Alberta will have a financially stable, open and accountable government.	<ul style="list-style-type: none"> • Taxation Load • Provincial Credit Rating • Net Debt 	<ul style="list-style-type: none"> • Maintain the lowest tax load on persons and the lowest provincial income tax rate in Canada. • Achieve the highest credit rating among the provinces. • Eliminate net debt by 2009-10.
11. Alberta will have a favourable workplace climate.	<ul style="list-style-type: none"> • Workplace Climate 	<ul style="list-style-type: none"> • Minimize the amount of time lost owing to workplace disputes and injuries.
12. Alberta businesses will increase exports.	<ul style="list-style-type: none"> • Export Trade 	<ul style="list-style-type: none"> • Increase exports to \$39.6 billion by 2000.
Preservation		
13. Alberta will be a safe place to live and raise families.	<ul style="list-style-type: none"> • Crime Rate 	<ul style="list-style-type: none"> • Reduce Alberta's crime rates below the national average by 2000.
14. The level of Alberta's renewable resources will be sustained.	<ul style="list-style-type: none"> • Resource Sustainability 	<ul style="list-style-type: none"> • Prolong the reserve life of oil and gas; keep timber harvest below the annual allowable cut; increase crop yields to 0.98 tonnes per acre by 2000.
15. The high quality of Alberta's environment will be maintained.	<ul style="list-style-type: none"> • Air Quality • Water Quality • Land Quality 	<ul style="list-style-type: none"> • Maintain air quality levels that are considered good or fair at all times. • Maintain river quality downstream of developed areas in line with upstream conditions. • Increase crop yields to 0.98 tonnes per acre by the year 2000.
16. Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources.	<ul style="list-style-type: none"> • Heritage Appreciation 	<ul style="list-style-type: none"> • 1.1 million visitors per annum to historic sites and museums. Targets to be developed for parks visitation and libraries, arts and recreation activities.
17. Alberta will work with other governments to maintain its strong position in Canada.	<ul style="list-style-type: none"> • Intergovernmental Relations. 	<ul style="list-style-type: none"> • Maintain Alberta Government's public approval rating in federal-provincial relations equivalent to the average approval rating of four nearest provinces.

Ministry

Business Plans

Budget '98

Agenda for Opportunity

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Executive Council

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Labour

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Expense

(millions of dollars)

	1996-97 Actual	1997-98 Forecast	1998-99 Estimate	1999-2000 Target	2000-01 Target
Program					
Legislative Assembly	38	37	39	40	40
Advanced Education and Career Development	1,096	1,195	1,311	1,352	1,374
Agriculture, Food and Rural Development	430	374	465	459	460
Community Development	293	310	366	368	369
Economic Development	182	171	222	224	225
Education	2,720	2,860	3,030	3,129	3,205
Energy	117	122	129	130	129
Environmental Protection	342	326	292	294	299
Executive Council	14	13	12	12	13
Family and Social Services	1,333	1,353	1,375	1,398	1,433
Health	3,835	4,054	4,206	4,368	4,484
Intergovernmental and Aboriginal Affairs	47	47	34	34	34
Justice	361	368	384	390	397
Labour	29	28	28	29	29
Municipal Affairs	244	251	245	245	246
Public Works, Supply and Services	449	471	468	471	470
Science, Research and Information Technology	49	54	68	61	64
Transportation and Utilities	619	584	546	593	593
Treasury	833	942	800	763	736
Consolidation adjustments	(101)	(103)	(158)	(159)	(158)
Consolidated Program Expense	<u>12,930</u>	<u>13,457</u>	<u>13,862</u>	<u>14,201</u>	<u>14,442</u>
One-time Infrastructure Grants					
Advanced Education and Career Development	—	20	—	—	—
Education	—	100	—	—	—
Health	—	40	—	—	—
Transportation and Utilities	—	100	—	—	—
One-time Infrastructure Grants	<u>—</u>	<u>260</u>	<u>—</u>	<u>—</u>	<u>—</u>
Debt Servicing Costs					
Gross debt servicing costs	1,506	1,323	1,224	1,149	1,134
Consolidation adjustments	(178)	(155)	(131)	(110)	(106)
Consolidated Debt Servicing Costs	<u>1,328</u>	<u>1,168</u>	<u>1,093</u>	<u>1,039</u>	<u>1,028</u>
Total Consolidated Expense	<u>14,258</u>	<u>14,885</u>	<u>14,955</u>	<u>15,240</u>	<u>15,470</u>

Capital Investment

(millions of dollars)

	1996-97 Actual	1997-98 Forecast	1998-99 Estimate	1999-2000 Target	2000-01 Target
Legislative Assembly	—	—	—	—	—
Advanced Education and Career Development	1	1	3	3	1
Agriculture, Food and Rural Development	3	4	3	2	2
Community Development	1	1	1	1	1
Economic Development	—	—	1	1	1
Education	1	1	1	1	1
Energy	16	3	3	3	3
Environmental Protection	10	7	8	8	7
Executive Council	—	—	—	—	—
Family and Social Services	5	1	9	9	—
Health	1	1	1	1	1
Intergovernmental and Aboriginal Affairs	—	—	—	—	—
Justice	—	2	2	1	—
Labour	—	—	—	—	—
Municipal Affairs	4	5	3	3	3
Public Works, Supply and Services	33	69	62	53	53
Science, Research and Information Technology	4	2	2	2	3
Transportation and Utilities	114	138	174	139	139
Treasury	3	2	6	6	3
Total Capital Investment	<u>196</u>	<u>237</u>	<u>279</u>	<u>233</u>	<u>218</u>

Advanced Education and Career Development

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Clint Dunford
Minister of Advanced Education and Career Development
January 21, 1998

Introduction

Advanced Education and Career Development is dedicated to building a strong Alberta by helping people become self-reliant, capable and caring through lifelong learning. The Ministry promotes prosperity for Alberta and its people by ensuring that adults have access to high quality, affordable adult learning opportunities that are responsive to changing demands. This will allow Albertans to develop and apply their knowledge, skills and talents to their full potential, resulting in competent, confident, self-renewing people who contribute to and share in Alberta's economic prosperity.

The 1998-2001 business plan continues the work of the previous four business plans by maintaining the strategic direction to attain the goals of accessibility, responsiveness, affordability, research excellence and effectiveness. Public consultations on key issues such as research excellence, performance-based funding, key performance indicators for publicly funded post-secondary institutions, learning enhancement, adult development reform, and a new vision for apprenticeship and industry training in conjunction with feedback at the Minister's Forum on Adult Learning and business plan surveys have alerted the Ministry to emerging issues and concerns. This business plan has integrated these issues and concerns into the strategies outlined.

Vision

Albertans have a vision for the future of adult learning in our province:

Albertans are recognized globally for the excellence of their knowledge, skills, attitudes and experiences that enable them:

- ◆ *to take responsibility for shaping their futures,*
- ◆ *to participate in a changing economy and workforce,*
- ◆ *to create new knowledge, and*
- ◆ *to enrich the quality of life in their communities.*

Mission

All individuals and groups who provide or benefit from opportunities to learn, share the responsibility for realizing the vision for adult learning in Alberta. The Ministry has a key role to play.

Advanced Education and Career Development will lead and work with other partners to set new directions and to provide quality adult learning and research excellence. We will be accountable for results.

Through consultation, Albertans have helped to establish principles to guide the Ministry on this mission:

- ◆ *The adult learning system exists to serve the social, economic and cultural needs of the learner and the community.*
- ◆ *The adult learning system should achieve the goals and expectations established for it in consultation with Albertans.*
- ◆ *The adult learning system should establish standards and measure its performance.*
- ◆ *The adult learning system should be accountable to learners and other Albertans for results achieved.*
- ◆ *The adult learning system should provide information that assists Albertans in making timely and informed decisions about learning and career opportunities.*

Goals

There are five goals that are necessary to realize the mission of the Ministry and the vision of the adult learning system:

- ◆ Accessibility
- ◆ Responsiveness
- ◆ Affordability
- ◆ Research Excellence
- ◆ Effectiveness

Core Businesses

The Ministry's core business is to provide leadership to the adult learning system to achieve:

- ◆ the creation of new knowledge essential to the development and future prosperity and preservation of Alberta and its people.
- ◆ the sharing of knowledge and skills essential to the personal, social, cultural and economic well-being of individual Albertans and to the prosperity of the province.

by:

Supporting quality adult learning opportunities and research excellence through the provision of:

- ◆ policy development and consultation
- ◆ program standard development and monitoring
- ◆ funding support
- ◆ information

Supporting adult learners in achieving their economic, social and cultural goals through the provision of:

- ◆ information and consultation to access learning and work
- ◆ financial support

Linkages to Government Core Businesses

Alberta Government	
Core Businesses	Goal Statements
<p>People ... helping people to be self-reliant, capable and caring through:</p> <ul style="list-style-type: none"> ◆ lifelong learning. ◆ excellent schools, colleges, universities and training institutes. <p>Prosperity ... promoting prosperity for Alberta through:</p> <ul style="list-style-type: none"> ◆ a dynamic environment for growth in business, industry and jobs. ◆ a highly skilled and productive workforce. ◆ an effective government that lives within its means. ◆ new ideas, innovation and research. <p>Preservation ... preserving the Alberta tradition of:</p> <ul style="list-style-type: none"> ◆ strong communities. ◆ pride in Alberta and strength within Canada. ◆ strong values and culture. 	<p>→</p> <ul style="list-style-type: none"> ◆ Alberta students will excel. ◆ Albertans will be independent. ◆ Albertans not expected to support themselves fully will receive help. ◆ Alberta will have a prosperous economy. ◆ Our workforce will be skilled and productive. ◆ Our businesses will capitalize on research. ◆ Alberta will have effective and efficient infrastructure.



Alberta Advanced Education & Career Development	
Core Businesses	Goals
<p>The Ministry's core business is to provide leadership to the adult learning system to achieve:</p> <ul style="list-style-type: none"> ◆ creation of new knowledge essential to the development and future prosperity and preservation of Alberta and its people. ◆ sharing of knowledge and skills essential to the personal, social, cultural and economic well-being of individual Albertans and to the prosperity of the province. <p>by:</p> <p>Supporting quality adult learning opportunities and research excellence through the provision of:</p> <ul style="list-style-type: none"> ◆ policy development and consultation. ◆ program standard development and monitoring. ◆ funding support. ◆ information. <p>Supporting adult learners in achieving their economic, social and cultural goals through the provision of:</p> <ul style="list-style-type: none"> ◆ information and consultation to access learning and work. ◆ financial support. 	<p>→</p> <p>Accessibility The system will encourage and support more accessible lifelong learning.</p> <p>Responsiveness The system will increase its responsiveness to the needs of the individual learner and to the social, economic and cultural needs of the province.</p> <p>Affordability The system will provide quality learning opportunities to the greatest number of Albertans at a reasonable cost to learner and taxpayer.</p> <p>Research Excellence The system, through its universities, will pursue research excellence to increase access to and development of new knowledge.</p> <p>Effectiveness The department will improve its effectiveness.</p>

Business Plan Goals, Objectives, Strategies and Performance Measures

Goal: Accessibility *The system will encourage and support more accessible lifelong learning.*

Objective	Business Plan Strategies
<p>Increase the range of learning opportunities and delivery mechanisms for adult learners.</p>	<ul style="list-style-type: none"> ◆ Respond to short and long term enrollment pressures such as apprenticeship training and increases in the high school graduate population through the Access Fund. ◆ Facilitate and support system-wide change that integrates technology and learning through the Learning Enhancement Envelope. ◆ Further develop flexible mechanisms, such as individualized learning modules, mobile, distance and weekly training, to assist Albertans pursuing apprenticeship and industry training. ◆ Work with Alberta Education to coordinate strategies between schools and the post-secondary system for the integration of technologies into teaching and learning. ◆ Expand opportunities for rural adults without basic literary skills to access learning opportunities in their communities.
<p>Ensure that Albertans have access to information and career consulting that allows them to make better decisions in relation to learning and work.</p>	<ul style="list-style-type: none"> ◆ Continue to improve career information and consulting services on work trends and opportunities, knowledge and skill requirements, learning alternatives and career development. ◆ Expand the Alberta Learning Information Service (ALIS), a comprehensive and integrated electronic information service for learners through the Internet, which will ultimately deliver a wide array of information services.

Measure: Adult Participation Indicator

This indicator reflects the extent of adult participation in all types of programs and/or courses. It covers all learning activities in Alberta, credit and non-credit, and gives the most global perspective on the degree to which Albertans take advantage of diverse learning opportunities. Comparing the provincial to the national average indicates Albertans have a high level of commitment to learning. The indicator measures the rate of adults age 17 and older who reported participating in programs and/or courses in Alberta.

	1991	1993	Target
Alberta	38.6%	40.1%	Maintain ranking
Canada	32.6%	34.8%	
Alberta's Ranking	1 st	1 st	

Additional supplemental indicators for accessibility include Credit Enrollment, Applications to Post-Secondary Institutions, and High School Graduates Who Continue into Post-Secondary Education.

Goal: Responsiveness *The system will increase its responsiveness to the needs of the individual learner and to the social, economic and cultural needs of the province.*

Objective	Business Plan Strategies
<p>Improve the knowledge and skills of Albertans, particularly as they relate to employability.</p>	<ul style="list-style-type: none"> ◆ Continue to implement Youth Connections, as identified in People and Prosperity, which will prepare disadvantaged young adults for a changing world of work with knowledge, workplace skills and attitudes, and provide information about careers that require skill development, though not necessarily degrees or diplomas. ◆ Continue the implementation of programming and delivery structures to ensure effective client service delivery under the Labour Market Development Agreement. ◆ The Ministry, in consultation with Family and Social Services, will redesign, as appropriate, the provincial labour market and income support programs and delivery systems to improve their efficiency and responsiveness to Albertans seeking Supports For Independence. ◆ Work with Alberta Education and others to achieve the common goal of facilitating successful transitions for young people from school to work, school to school and work to school. ◆ Evaluate the applied degree pilot project established to respond to the knowledge and skill requirements of Alberta's changing economy.
<p>Improve the effectiveness of adult learning providers in meeting the goals established for the adult learning system.</p>	<ul style="list-style-type: none"> ◆ Allocate funding to reward and encourage progress towards system-wide goals for universities, colleges, technical institutes, and government funded private colleges with accredited programs through the Performance Envelope. Review and make necessary changes to implement the Performance Envelope as a permanent feature of funding beginning in 1999/2000. ◆ Encourage the development of centres of program specialization in public post-secondary institutions to ensure quality, cost-effectiveness and efficiency.
<p>Improve the accountability of adult learning providers in meeting the goals established for the adult learning system.</p>	<ul style="list-style-type: none"> ◆ Complete the implementation of Key Performance Indicator data collection and reporting to advise Albertans of the results achieved in publicly funded learning opportunities.
<p>Ensure transferability of credentials and mobility of Albertans.</p>	<ul style="list-style-type: none"> ◆ Promote the development of program articulation and transfer agreements to improve learners opportunities for credential completion and mobility within the adult learning system. ◆ Promote the development of policies to assess and recognize individuals' prior learning accomplishments. ◆ Lead changes to provide interprovincial mobility of workers as committed in the Labour Mobility Chapter of the Agreement on Internal Trade. ◆ Work with other partners, through the Council of Ministers of Education, Canada to implement a national agenda to support continued improvement of quality adult learning and mobility of Canadians.
<p>Align adult learning system policies to anticipate and respond to a changing environment.</p>	<ul style="list-style-type: none"> ◆ Implement reforms to adult development programming that focus on learner and employer needs, and are career focused, outcome based, articulated and cost-effective. ◆ Continue consultation with stakeholders to ensure that adult learning is responsive to the needs of Albertans (e.g. Minister's Forum on Adult Learning). ◆ Develop partnerships with business and industry to identify high demand knowledge and skills to ensure the adult learning system is responsive to those requirements. ◆ Implement recommendations from the consultation on apprenticeship and industry training and make necessary revisions to the Apprenticeship and Industry Training Act and regulations. ◆ In conjunction with the Alberta Apprenticeship and Industry Training Board, support alternate routes to certification through recognition of technical training, prior learning assessment, more flexible certification and increased delivery options. ◆ Reform the department's program coordination policy. ◆ Implement an accreditation process for private institutions wishing to grant degrees. ◆ Support the expansion of international education such as the sale of educational programs and services, international projects, and incorporation of international activities and perspectives into program curriculum.
<p>Maximize the economic benefits of immigration.</p>	<ul style="list-style-type: none"> ◆ Continue negotiation of a new Canada/Alberta Immigration Agreement with Citizenship and Immigration Canada, focusing on a sub-agreement on settlement and integration with predictable, adequate, and equitable federal financing arrangements.

Measure: Public Satisfaction Indicator

This indicator reflects the percentage of all adult Albertans who indicated they were very or somewhat satisfied with the Alberta adult learning system. The survey question was: *How satisfied are you that adults taking education or training are getting an appropriate combination of skills and knowledge to prepare them for the workforce?*

1994/95	1995/96	1996/97	Target
64%	73%	72%	Improve to over 80%

Measure: Learner Satisfaction Indicator

This indicator represents the opinions of Albertans who had taken education or training in the last 12 months. The survey question was: *As an adult who has taken part in education or training in the past 12 months, how satisfied were you with it?*

1994/95	1995/96	1996/97	Target
94%	93%	93%	Maintain over 90%

Measure: Employability Indicator - Employment Rate of All Graduates

A primary goal for many adult learners is to obtain employment after completing a program. Therefore, if the adult learning system is responsive to learner needs, it will provide the range and type of programs that will lead to more graduates finding jobs in fields related to their training. This measure shows the percentage of all 1994/95 graduates from public post-secondary institutions who were employed at the time of the survey and the percentage of all graduates who indicated their employment was related to their program of study. Graduates from colleges, technical institutes and Alberta vocational colleges were followed-up within one year after graduation and survey data reflects employment in 1995. Graduates from universities were followed-up two years after graduation and the data reflects employment in 1996.

Sector	Percentage of 1994/95 Graduates Employed	Percentage in Job Related to Training	Target
Universities	85%	72%	Improve or maintain
Public Colleges	75%	59%	
Technical Institutes	73%	64%	
Alberta Vocational Colleges	72%	64%	

Additional supplemental indicators for responsiveness include: Employment Rate of Graduates in the Labour Force, Apprentices Satisfaction, Participation Rate and Unemployment Rate of the Labour Force by Educational Attainment, and Employment Rates - Short-term Employment Preparation Programs. To further measure responsiveness, in 1997/98, an employer satisfaction survey will be conducted.

Goal: Affordability

The system will provide quality learning opportunities to the greatest number of Albertans at a reasonable cost to learner and taxpayer.

Objective	Business Plan Strategies
Realign the responsibility of learners, providers, business, and government for the cost of adult learning.	<ul style="list-style-type: none"> ◆ Maintain existing tuition fee policy for public post-secondary learners. ◆ Help public post-secondary institutions renew facilities including the development of knowledge networks and update equipment through the Infrastructure Renewal Envelope. ◆ Work with partners to find solutions for learner access to personal computing.
Ensure affordability for learners.	<ul style="list-style-type: none"> ◆ Increase financial assistance to accommodate rising costs including tuition. This includes adjusting minimum financial contributions expected from low income learners receiving grant support to attend Basic Foundation Skills training. ◆ Implement an Alberta Opportunities Bursary, jointly funded by post-secondary institutions, the private sector and government, for high-needs adult learners. ◆ Continue to press the federal government to match the Province's initiative to control debt. ◆ Continue the development and implementation of a comprehensive strategy for ensuring debt levels are manageable for learners and their families. This includes increasing the maximum interest relief provisions on provincial student loans from 18 months to 30 months. ◆ Increase funding limit from the Alberta Heritage Scholarship Fund to respond to the increasing number of learners qualifying for the Rutherford Scholarship Award due to stronger student performance, changing demographics and to make apprentices eligible.

Measure: Tuition Fee Revenues as a Percentage of Net Operating Expenditure

This indicator shows that tuition fee revenues as a percentage of net operating expenditures by sector have increased since 1994/95. Alberta's Tuition Fee Policy controls the pace of change and provides an upper limit for learner's share of costs. Costs associated with non-credit programs, sponsored research, apprenticeship programs and ancillary services are not included in net operating expenditures.

Sector	1994/95	1995/96	Target
Universities	17.6%	20.1%	Not to exceed 30% before the year 2000
Public Colleges	13.7%	16.3%	
Technical Institutes	14.8%	19.8%	

Supplemental indicators for affordability include: Annual Institutional Revenues per Full-Load Equivalent Learner, Funding for Credit Programs, Total Institutional Revenues by Source, Learner Support and Average Net Loan Debt for Learners Receiving Government Assistance.

Goal: Research Excellence *The system, through its universities, will pursue research excellence to increase access to and development of new knowledge.*

Objective	Business Plan Strategies
Maintain and enhance research excellence at universities.	<ul style="list-style-type: none"> ◆ Continue implementation of the action plan based on <i>fostering excellence - A Policy Framework for Alberta's University Research System</i>. ◆ Invest in research infrastructure. <ul style="list-style-type: none"> ◆ Make awards from the Intellectual Infrastructure Partnership Program to invest in modernizing the research infrastructure and help attract high quality researchers. ◆ Support university efforts to attract talented researchers and graduate students in areas of identified strengths through the Research Excellence Envelope.

Measure: Research Excellence Indicator

Research excellence can be demonstrated by comparing Alberta to the national average in terms of the level of sponsored research funding from the three federal research granting councils per full-time faculty member. Grants from the federal research granting councils are based on a rigorous peer review of the research record of the submitting faculty member(s), as well as the strength and quality of the proposal. In terms of granting council funding per faculty member, Alberta improved its ranking from third to second from 1993/94 to 1994/95 when compared to other Canadian universities.

	1992/93	1993/94	1994/95	Target
Alberta	\$19,650	\$19,500	\$22,350	Improve or maintain
Canadian Average	\$17,460	\$18,180	\$19,070	
Alberta's Ranking	3 rd	3 rd	2 nd	

Supplemental indicators for research excellence include: Research Sponsored by Industry and Non-Profit Organizations and Funders of Sponsored Research.

Goal: Effectiveness *The department will improve its effectiveness.*

Objective	Business Plan Strategies
Align departmental business and structure to support government direction and department priorities.	<ul style="list-style-type: none"> ◆ Measure Ministry performance and publish results. ◆ Review regulations to eliminate those that are unnecessary and improve the quality of those that remain. ◆ Participate with other government ministries to create a coherent information technology strategy across government. ◆ Implement a strategy for information management that supports and enables the Ministry to work with stakeholders to address the needs of the adult learning system. ◆ Support the development of a learning organization. ◆ Ensure continuous improvement of department processes.

Measure: Total Departmental Administration Reduction

This indicator shows that the Ministry will meet the 1998/99 administration budget target which called for a 20% reduction over a three year period.

Indicator	1995/96-1998/99	Target
Administrative Expenditure Reduction	20.3%	Achieve 20% reduction in Administrative Budget over the three year period.
Total Department Administrative Staff Reduction	28.8%	

To further measure effectiveness, a stakeholder survey will be conducted to assess how well the Ministry is performing its duties.

Personnel Administration Office Business Plan

Government's Preferred Future of the Alberta Public Service

The Alberta Public Service is respected for its attitudes, knowledge and skills, its effective management of public policy and its dedication to achieving quality, affordable services for Albertans.

Vision

As the Alberta government's central human resources arm, the vision of the Personnel Administration Office (PAO) is to be the model for corporate public service human resource practises in Canada.

Mission

Our mission is to develop corporate human resource strategies and policy frameworks that enable departments to fulfil their business plans and achieve government's preferred future of the Alberta Public Service. Our mission support all three of government's core businesses of people, prosperity and preservation.

Core Businesses

Our core businesses are to develop corporate human resource strategies and policy frameworks for:

- ◆ benefits;
- ◆ classification and compensation;
- ◆ labour relations;
- ◆ occupational health and safety;
- ◆ workforce development and performance management; and
- ◆ staffing and workforce adjustment.

And to provide:

- ◆ executive recruitment;
- ◆ collective bargaining;
- ◆ an employee assistance program; and
- ◆ leadership in human resource information management.

Goals and Key Actions

PAO's Goals and Key Actions support government's overall goals and strategies to:

- ◆ Provide efficient management of government resources.
- ◆ Improve Albertans ability to enter the workforce and keep pace with changing skills.
- ◆ Remove barriers that prevent people from moving easily from job to job or place to place in order to work.
- ◆ Promote high standards in the workplace in terms of organization, operation, safety systems, and health and safety.
- ◆ Provide more emphasis on education, prevention of illness and injury and promotion of healthy, active lifestyles.
- ◆ Work with employers and educators to create more opportunities for young people in the workplace.
- ◆ Reduce the number of regulations and eliminate unnecessary regulations.
- ◆ Provide regular reports to Albertans on goals, financial resources and performance measures.

Goal 1: Develop corporate human resource strategies and policies that ensure the Alberta public service is a strong component of the Alberta Advantage

Key Actions	
1998/99	1999-2001
<p>Implement the Management Reward Strategy.</p> <p>Implement leadership development initiatives such as the Executive Development strategy and the redesign of the Senior Executive Development program.</p> <p>Continue to develop a comprehensive workforce renewal strategy addressing changing demographics, the entrance of new employees into the workplace and options for supporting a flexible and productive workforce.</p> <p>Determine support for, and if appropriate, redesign the non-management classification plan.</p> <p>Work with Alberta Treasury to effect options regarding pension portability, participation and benefits.</p> <p>Review management and non-union benefits plans experience, and funding. Implement negotiated changes to the bargaining unit benefits plans. Continue to implement strategies such as the Early Support and Recovery Assistance program to support early return to work from disability leave.</p> <p>Continue implementation of the Partnerships in Safety program to support health and safety in the workplace.</p>	<p>Assess strategy and adjust as necessary.</p> <p>Assess strategies and adjust as needed.</p> <p>Implement key components of the strategy.</p> <p>Implement revised non management classification plan.</p> <p>Continue to work with Alberta Treasury to review status of the pension plans as part of overall compensation.</p> <p>Monitor plans and implement plan design changes. Establish joint stewardship committee for bargaining unit plan to address plan performance .</p> <p>Continue to support cross-government health and safety programs.</p>
<p>Outcomes:</p> <ul style="list-style-type: none"> ◆ Attract, motivate and retain a capable, skilled and versatile workforce. ◆ Provide for employee choice and cost containment of benefits. ◆ Maintain a safe and healthy workforce, improve productivity and contain costs. 	

Goal 2: Support our clients in human resource management by providing expert consulting, selected direct services and by fostering effective working relationships.

Key Actions	
1998/99	1999-2001
Provide direct services in: <ul style="list-style-type: none"> ◆ Preparation for the next round of collective bargaining; ◆ Recruitment and selection of senior executives; ◆ An employee assistance program for Public Service Employees; ◆ Expert consulting to departments on core business areas; and ◆ Co-ordinate the Corporate Human Resource Development Fund. 	Conduct next round of collective bargaining. On-going On-going On-going On-going
Outcomes <ul style="list-style-type: none"> ◆ A collective agreement acceptable to government is reached and clients are satisfied with the collective bargaining process. ◆ A capable, skilled and versatile executive group. ◆ Maintain a healthy workforce, improve productivity and contain costs. ◆ Effective management of human resources across government. 	

Goal 3: Facilitate effective human resource information management initiatives and practices.

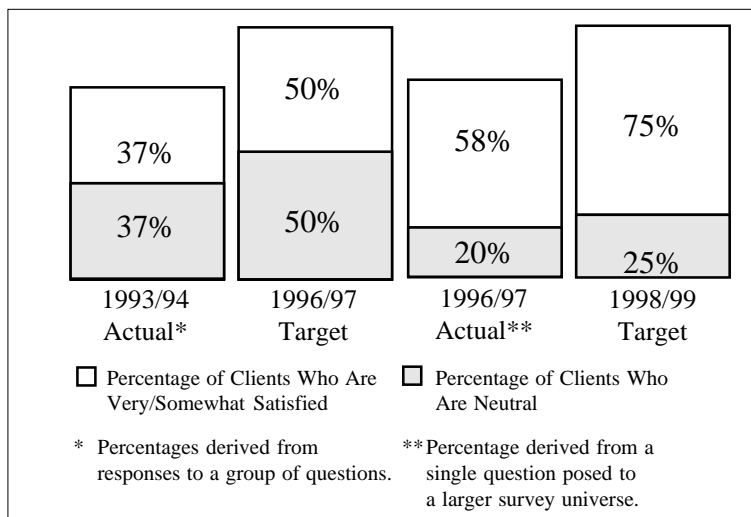
Key Actions	
1998/99	1999-2001
Support the cross-government IMAGIS human resource project. Facilitate sharing of cross-government human resource information. Co-ordinate a corporate survey of public satisfaction with the services provided by Alberta Public Service employees and of Alberta Public Service employee satisfaction.	Continue to support corporate human resource information needs. On-going Assess the need for further co-ordination.
Outcomes <ul style="list-style-type: none"> ◆ The quality, quantity, access to and timeliness of human resource information supports PAO and department decision making. 	

Core Strategies

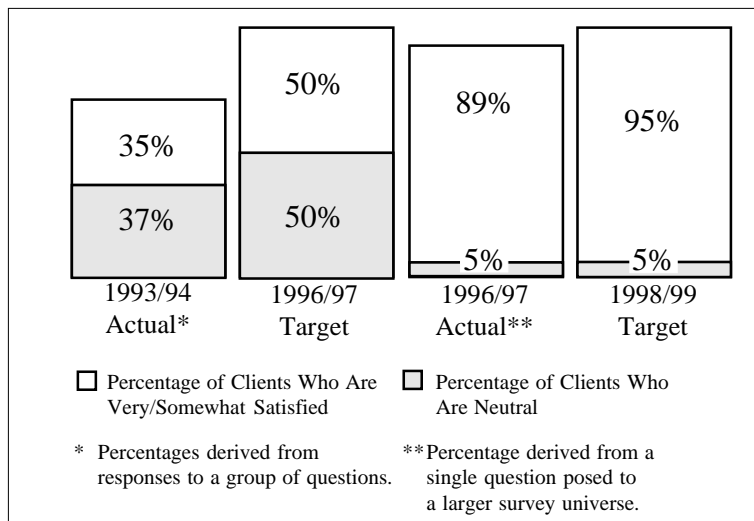
- ◆ Working closely with the Government of Alberta and our clients in developing and positioning human resource strategies and policies that enable departments to fulfil their business plans and achieve the preferred future of the Alberta Public Service.
- ◆ Identifying innovative human resource trends and practises; sharing this information with our clients, applying leading edge expertise and practising and promoting the effective use of human resource information.
- ◆ Achieving client satisfaction by understanding our clients' needs through on-going assessment and feedback, responding to priority needs, and building effective working relationships.
- ◆ Maintaining an effective PAO by ensuring employees' opportunities to learn, share knowledge and enhance their capacities for change and by effectively managing PAO's financial and information resources.

Performance Measures

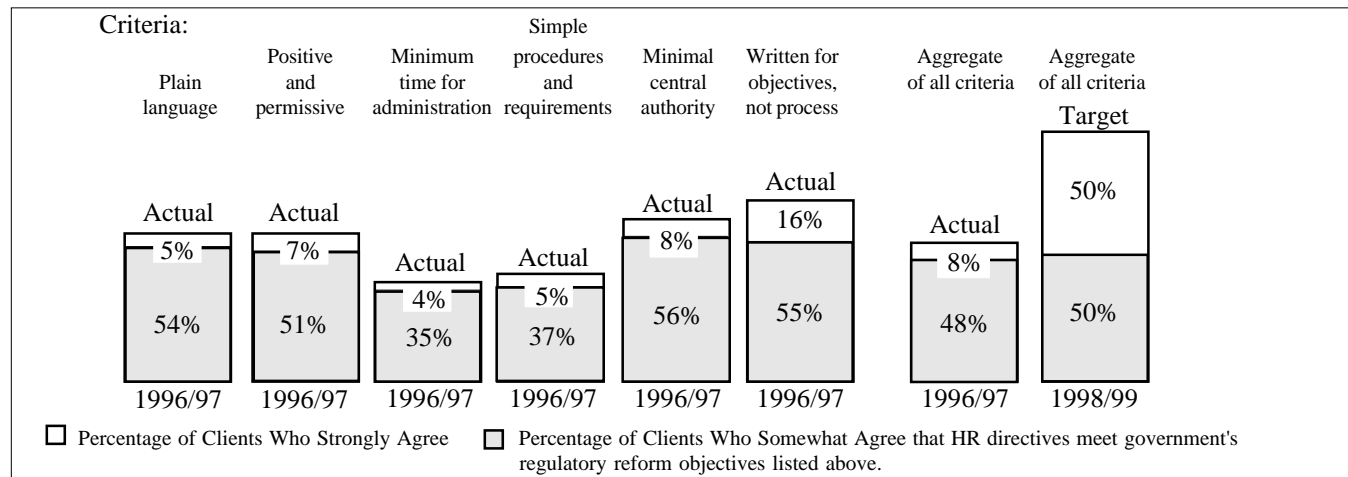
Client Satisfaction with Human Resource Policy Frameworks



Client Satisfaction with Working Relationships with PAO



Client Satisfaction with Regulatory Reform



Advanced Education and Career Development Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	12,081	12,712	12,712	13,000	14,000	14,500
Transfers from Government of Canada	190,844	266,028	166,943	274,310	285,379	286,678
Premiums, Fees and Licences	6,184	1,630	1,303	1,901	1,948	1,948
Other Revenue	7,266	12,658	8,436	2,205	2,205	2,205
Consolidated Revenue	216,375	293,028	189,394	291,416	303,532	305,331
EXPENSE						
Program						
Funding Envelopes for Learning Institutions	45,895	103,362	119,709	118,542	148,552	166,552
Assistance to Learning Institutions	788,367	788,761	792,541	787,634	787,595	788,345
Apprenticeship Infrastructure	10,921	8,980	9,635	12,726	10,846	9,970
Financial Assistance to Learners	175,778	190,500	174,000	178,838	185,603	191,004
Labour Market Assistance	30,483	142,358	47,797	152,904	157,080	154,674
Alberta Opportunities Bursary	-	-	-	15,000	15,000	15,000
Alberta Heritage Scholarships	12,081	12,712	12,712	13,000	14,000	14,500
Program Delivery Infrastructure	13,356	13,572	13,352	13,544	13,934	14,053
Administration Infrastructure	11,810	11,338	13,763	12,141	12,374	12,706
Personnel Administration Office	6,921	7,417	31,317	7,053	7,142	7,232
Consolidated Expense	1,095,612	1,279,000	1,214,826	1,311,382	1,352,126	1,374,036
Gain (Loss) on Disposal of Capital Assets	(1)	(864)	(494)	(2,056)	(64,597)	-
NET OPERATING RESULT	(879,238)	(986,836)	(1,025,926)	(1,022,022)	(1,113,191)	(1,068,705)

Agriculture, Food and Rural Development

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Ed Stelmach
Minister of Agriculture, Food and Rural Development
January 21, 1998

Additional copies of the Ministry's Three Year Business Plan can be obtained by contacting the department's Administration Division at (403) 427-2151. Also, copies of the Ministry's Research Plan can be obtained by contacting Research Division at (403) 427-1956, and copies of the Ministry's Regulatory Reform Workplan can be obtained by contacting the Policy Secretariat at (403) 422-2070.

Introduction

- ◆ The agri-food sector continues to be a key contributor to Alberta's economic prosperity:
 - ◆ Farm production is Alberta's largest renewable resource-based industry. In 1996, the primary sector generated a record \$6.4 billion in farm cash receipts, representing 22.6 percent of Canada's primary agricultural output. Alberta farmers continue to increase their farm cash receipts relative to other provinces. Alberta averaged 20.1 percent of Canada's primary output between 1989 and 1993.
 - ◆ Secondary processing, including food and beverage processing industries, is Alberta's largest manufacturing sector. Shipments also set a new record for output in 1996 at \$6.6 billion in sales. Alberta shipments now represent 12.1 percent of Canadian food and beverage shipments, up from the average 10.9 percent over the period 1989 to 1993.
 - ◆ Primary agriculture and the food and beverage manufacturing industry together were the third largest employer in the province in 1996. Employment in agriculture and food averaged 116,200 people during 1996.
- ◆ The agri-food sector offers significant potential for expansion in the years ahead:
 - ◆ The industry and the Ministry believe there is a global market opportunity for Alberta's industry to grow to \$20 billion in value-added shipments and \$10 billion in farm cash receipts by 2005.
 - ◆ Achieving these growth levels would result in a sizable increase in direct employment in primary production and in the food and beverage sector, as well as contributing to the further development of rural Alberta.
- ◆ The Ministry (which includes the department and nine agencies¹) is committed to working with others to help the industry realize its potential.
- ◆ The Ministry contributes to rural development by encouraging technology adoption, leadership and skill development, economic growth, environmental stewardship, risk management, physical infrastructure and regulations that are aligned with the goals and opportunities of self-reliant communities and industries.
- ◆ This document is the Ministry's fifth, three-year business plan. It outlines further refinements to AFRD's programs, policies and procedures to respond to client needs, while dealing with fiscal realities.
- ◆ AFRD contributes to the government's three core businesses — *People, Prosperity and Preservation*. Our primary focus is on the second core business — working with others to promote prosperity for Alberta through a strong, market-driven agriculture and food industry. **"Agriculture is Growing More Than Food . . . It's Growing Alberta"**.

¹ The nine agencies reporting to the Minister are Agriculture Financial Services Corporation (AFSC); Alberta Agricultural Research Institute (AARI); the Alberta Dairy Control Board (ADCB); Farmers' Advocate; Irrigation Council; Surface Rights Board; Land Compensation Board; Agricultural Products Marketing Council; and Alberta Grain Commission.

Business Plan Foundation

Shared Industry/Government Vision

- ◆ AFRD's strategic direction continues to be based on the shared industry/government vision developed through the 1992/93 *Creating Tomorrow* public consultation process and the 1997 renewed public consultation led by the Agriculture and Food Council, which resulted in the following updated vision and goals.

Growing Alberta: Accelerating global competitiveness in food, agriculture and agri-business.

- Goal 1: To increase Alberta's share of world food, agriculture and agri-business markets.
- Goal 2: To improve sustainable resource and environmental management.
- Goal 3: To expand the vision, competency and quality of life of people in the industry.

- ◆ The Agriculture and Food Council was formed as a result of the *Creating Tomorrow* consultation process and includes a broad representation of leaders from industry, government and the educational community. Since 1992/93, Council has been active in working with Alberta's agriculture and food industry and government to realize the vision.

Ministry Vision, Mission and Goals

- ◆ Vision: **We are a Ministry of competent and valued staff working together and in partnership with others to achieve a world class industry.**
- ◆ Mission: **We will enable the growth of a globally competitive, sustainable agriculture and food industry through essential policy, legislation, information and services.**
- ◆ Goals:
 1. Improved access to domestic and world market opportunities.
 2. Improved competitiveness of industry commodities, products and services.
 3. Improved amount of value added to industry commodities, products and services.
 4. Increased diversity of industry commodities, products and services.
 5. Increased responsibility of industry to manage risk.
 6. Improved environmental stewardship.
 7. Improved management of the Ministry's resources.
- ◆ In addition to the above, a number of AFRD's agencies have developed their own mission and goals which are compatible with the Ministry's direction.

Primary Clients

- ◆ AFRD will continue to direct most of its efforts towards its primary clients — defined as: **those people and organizations who are interested in and capable of contributing to a competitive and sustainable agriculture and food industry.**

Measurable Results

- ◆ The Ministry contributes to 15 of the government's 23 core performance measures as identified in the 1996/97 *Measuring Up* document. (*Measuring Up: Third Annual Report on the Performance of the Government of Alberta*).
- ◆ In addition, the Ministry's seven overall performance measures reflect change at the macro level. These macro measures with related benchmarks, forecasts and targets are included on pages 8 and 9.
- ◆ Forecasts for 1996 measures, as set out in last year's business plan, were exceeded in the following instances:
 - ◆ value of out-of-province shipments for 1996 above by 3.1 percent,
 - ◆ value of shipments of the food and beverage industry above by 3.1 percent,
 - ◆ farm cash receipts above by 10.3 percent,
 - ◆ land productivity above by 0.2 percent, and
 - ◆ employment in agriculture and food above by 5.6 percent.
- ◆ Government program payments to Alberta farmers were forecast to be \$255 million in 1996. Actual payments were just \$150 million as a result of lower payments under the Crop Insurance and Farm Income Disaster Programs.
- ◆ The contribution by the agriculture and food industry to the 1996 provincial gross domestic product was 5.16 per cent compared to the forecast of 5.45 per cent. Even though the agri-food industry had an excellent year, the contribution by the energy sector to provincial gross domestic product was substantially higher than anyone had projected. The resulting increase to the total provincial gross domestic product caused a reduction in the agriculture and food industry's share.
- ◆ AFRD's department and agencies have also developed specific key results, performance measures and indicators particular to their operations. These are included in their respective business plans.
- ◆ All of these measures are being monitored in an effort to identify opportunities and concerns to guide future action.

Core Business and Strategies

- ◆ The mission statement describes the Ministry's core business of enabling industry growth. Key Strategies for application in 1998/1999 to 2000/2001 include:
 - ◆ Develop and administer essential policy and legislation.
 - ◆ Develop new information and technology through research and development.
 - ◆ Package and transfer information and technology.
 - ◆ Provide opportunities for people in industry and the Ministry to increase essential knowledge, skills and abilities.
 - ◆ Develop and implement opportunities for cost sharing, cost recovery and privatization.
 - ◆ Provide essential financial support and offer unique financial services to help customers fulfil their business goals.
 - ◆ Manage public lands for agricultural, industrial and public benefit.
 - ◆ Facilitate regional development to maximize geographic comparative advantages.
 - ◆ Encourage stronger strategic business alliances in the industry.
- ◆ Further specific strategies and actions for 1998/99 to 2000/01 are included in the department and agency business plans.

Key Directions

- ◆ The Ministry remains committed to facilitating the growth and development of the industry, while looking for new and innovative ways to improve its products and services and reduce net spending.
- ◆ Research and value-added development continue to be areas of increased emphasis.
- ◆ The Ministry will seek to continue its provincial agencies. Under the sunset clause of the Financial Administration Act, all provincial agencies are discontinued on January 1, 1999 unless they are specifically continued by the Legislature.
- ◆ Significant actions to be implemented over the next three years include:

Goal	Significant Actions for 1998/1999 - 2000/2001
<p>Goal 1: Improved Market Access</p>	<ul style="list-style-type: none"> ◆ Increase marketing choices for Alberta's farmers by: <ul style="list-style-type: none"> ◆ Introducing diversity in marketing alternatives. ◆ Providing choices in the marketing of grain. ◆ Building on and supporting the new open marketing system for hogs. ◆ Support improved quality and safety of Alberta's food products to increase consumer acceptance. ◆ Advocate trade liberalization for agriculture and food commodities. ◆ Continue to enhance ministry capabilities in economic and market research, opportunity identification, and competitive intelligence. ◆ Facilitate feeder cattle movement between the U.S. and Canada. ◆ Focus on Alberta/Canada beef achieving preferred Chinese market penetration.
<p>Goal 2: Improved Competitiveness of Industry Commodities, Products and Service</p>	<ul style="list-style-type: none"> ◆ Advocate changes to marketing, handling and transportation operations to achieve cost reductions to farmers, accountability and efficiency. ◆ Investigate crop insurance alternatives like: <ul style="list-style-type: none"> ◆ premium based whole farm insurance; ◆ water based coverage; ◆ non-subsidized private sector price insurance; and, ◆ private sector reinsurance initiatives. ◆ Strengthen supply chain development through initiatives such as the Pork Quality Assurance Program and the Pork Alta Fund. ◆ Expand the delivery of the Ministry's extension and business management information on the Internet. ◆ In response to client needs, as expressed in the results of the highly positive 1997 survey of district offices' services, continue to provide unbiased, integrated extension services to the agricultural industry through a network of front-line specialists. ◆ Assist industry bridge the gap between research and industry adoption. ◆ Foster the implementation of quality assurance programs from production to retailing. ◆ Encourage the further development of private sector capability for laboratory testing and quality assurance. ◆ Encourage and conduct research that will improve crop and livestock production while sustaining and improving resources. ◆ Encourage private industry to increase its delivery of information services. ◆ Continue to implement the Ministry's Regulatory Reform Work plan by: <ul style="list-style-type: none"> ◆ reviewing all remaining Ministry regulations, including the Marketing Plans and Regulations of all 16 Boards and Commissions, by 1998/99. ◆ updating operating procedures to reduce the costs of regulatory compliance by Albertans, and to improve internal operating efficiency; and ◆ reviewing the Irrigation Act and all Ministry Acts to update penalties for offences.

Goal	Significant Actions for 1998/1999 - 2000/2001
<p>Goal 3: Increased Value Added</p>	<ul style="list-style-type: none"> ◆ Continue to work with the management of AVAC Ltd. to encourage the long-term growth and development of the agri-food and fibre sector. ◆ Increase industry's ability to attract equity capital by promoting investment opportunities and identifying sources of capital in new markets. ◆ Work with investors to provide expanding value added businesses with investment capital. ◆ Assist new entrepreneurs and existing processors to pursue business opportunities. ◆ Through the Agriculture Value-Added Engineering Centre and the Food Processing Development Centre, partner with industry to conduct research, produce information, and encourage the adoption of new or better value added processes.
<p>Goal 4: Increased Diversity of Industry Commodities, Products and Services</p>	<ul style="list-style-type: none"> ◆ Identify and support opportunities for the development of new ways to use agricultural products. ◆ Conduct industry-driven analytical research to identify nutraceutical opportunities for potential Alberta products. ◆ Facilitate the development and commercialization of plant biotechnology in Alberta. ◆ Conduct and fund research and development into diversified crops, livestock and food products. ◆ Continue to develop unique, specialized financial products and services for the commercialization of new value added businesses. ◆ Develop crop insurance for new and emerging crops. ◆ Continue applied research on the potential for grass carp production in the province. ◆ In conjunction with Alberta's Irrigation Districts, develop a comprehensive set of maintenance guidelines to ensure investment in irrigation infrastructure is protected for the long term.
<p>Goal 5: Increased Responsibility of Industry to Manage Risk</p>	<ul style="list-style-type: none"> ◆ Conduct an evaluation of the Farm Income Disaster Program pilot project. ◆ Use the Beginning Farmer Program to assist more new farmers to enter the industry, become viable and increase primary production in Alberta. ◆ Develop and evaluate crop insurance coverage concepts to allow customers to customize insurance protection to their business needs. ◆ Develop and implement a new set of Canada-Alberta safety net agreements. ◆ In partnership with others, implement provincial and national farm safety programs. ◆ Modify the provincial rural business management program to respond to the federal downloading of farm management training programs. ◆ Examine alternative means of delivering the Farm Fuel Distribution Allowance in 1998/99, including a review of potential misuse of the program.
<p>Goal 6: Improved Environmental Stewardship</p>	<ul style="list-style-type: none"> ◆ Work with the Alberta Environmentally Sustainable Agriculture (AESAs) Council to promote improved stewardship in the industry. ◆ Participate in the implementation of government policy resulting from the Agricultural Lease Review Committee's recommendations. ◆ Develop and implement a Livestock Expansion and Development (LEAD) team to assist the livestock industry to expand in an environmentally responsible manner. ◆ In partnership with Environmental Protection and industry, develop and implement an efficient, self directed Wellsite Reclamation Program. ◆ Identify and recommend changes to proposed federal and provincial environmental legislation (e.g., Environmental Protection Act and endangered species legislation) where the legislation has the potential to adversely affect agricultural production and the property rights of Alberta farmers.

Goal	Significant Actions for 1998/1999 - 2000/2001
<p>Goal 6: Improved Environmental Stewardship (continued)</p>	<ul style="list-style-type: none"> ◆ Develop a Peer Review Board to help resolve nuisance and environmental disputes arising from intensive livestock operations under the Agriculture Operations Practices Act (Alberta's right to farm legislation). ◆ Develop options, in consultation with stakeholders, for a new regulatory approach to intensive livestock operations. ◆ Continue to work with Patrons' Associations to convert all Provincial Grazing Reserves to grazing management agreements by December 31, 1998. ◆ Work with partners, customers and the public to deliver the Special Places Program.
<p>Goal 7: Improved Management of the Ministry's Resources</p>	<ul style="list-style-type: none"> ◆ Continue to work with the Agriculture and Food Council and the Alberta Economic Development Authority Agriculture Committee to integrate strategic plans and policies within the industry's vision and goals. ◆ Subject to successful negotiations with federal and municipal government, transfer the responsibility for provincial food inspection to a Federal/Provincial Corporation. ◆ Explore with industry, ways to privatize brand inspection. ◆ Implement an integrated electronic information management system which increases the quality of public land use decision-making and improves client service. ◆ Privatize the direct delivery of fee-for-service programs for irrigation management, on-farm irrigation systems evaluation, and water licensing application support and drainage. ◆ Encourage farmers to make use of Environment Canada's weather forecasting services as a replacement for the Ministry's Farm Weather Line Service, which is to be discontinued in March 1998. ◆ Evaluate the privatized insurance adjusting services pilot project in Central Alberta. ◆ Maintain the lowest administrative delivery costs for crop insurance of any jurisdiction in North America, as it has been for the past seven consecutive years. ◆ Replace or enhance AFSC's computer system to improve customer service and address year 2000 issues. ◆ Develop and implement a more formalized process to obtain customer feedback on Ministry performance. ◆ Develop a Ministry leadership and succession planning system. ◆ Continue to amalgamate Public Lands, Regional Advisory Services, and AFSC Lending and Insurance offices. ◆ Implement new financial and human resource systems to improve management information and reduce costs. ◆ Initiate a pilot project in knowledge management to strengthen the Ministry's efficiency and capability in harvesting, storing, managing and sharing information with the objective of providing better customer service.

Ministry Macro Performance Measures

Note: Unless otherwise stated, the 1989/1993 Benchmarks for all measures are five-year averages for 1989 to 1993. Sources for data are Statistics Canada and Alberta Agriculture, Food and Rural Development.

1. Percentage of Canadian Farm Cash Receipts Alberta farmers and ranchers account for.

Alberta Farm Cash Receipts

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
Total Receipts (\$000)	4,604,076	5,890,913	6,401,492	6,400,000	6,600,000	6,700,000	6,800,000
Alberta as a % of Canada	20.1	21.8	22.6	24.0	24.0	24.0	24.0

2. Government program payments to Alberta farmers and ranchers.

Direct Program Payments

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
Total Payments (\$000)	556,781	177,378	149,889	240,000	240,000	240,000	240,000
Payments as a % of Farm Cash Receipts	12.1	3.0	2.3	3.8	3.6	3.6	3.5

(**Note:** Direct program payments represent dollars paid directly to Alberta farmers and ranchers from provincial and federal programs. Program payments presented here are not net of producer premiums.)

3. Percentage contributed by Alberta's food and beverage industry to Canada's total value of shipments.

Alberta Food and Beverage Industries' Value of Shipments

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
Total Value of Shipments (\$000)	4,866,687	6,334,620	6,604,554	7,200,000	7,760,000	8,300,000	11,000,000
Alberta as a % of Canada	10.9	11.6	12.1	12.9	13.3	14.1	15.5

4. Value of shipments of agriculture and food products from Alberta to other provinces and countries.

Value of Out-of-Province Shipments of Agriculture and Food Products

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
Total Value (\$000)	4,141,224	6,479,612	6,700,000	6,700,000	7,000,000	7,400,000	8,500,000

5. Importance of Alberta agriculture, food and beverage industries relative to Alberta's gross domestic product.

Contribution to Alberta's Gross Domestic Product

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
% of total GDP	4.80	4.97	5.16	5.11	5.20	5.20	5.40

6. Employment in agriculture and food.

Employment (thousands of people)

	1989-1993 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Forecast	1999 Forecast	2001 Target
Primary Agriculture	88.0	96.0	96.0	97.0	100.0	105.0	120.0
Food and Beverage	<u>17.3</u>	<u>17.4</u>	<u>20.2</u>	<u>21.5</u>	<u>23.0</u>	<u>25.0</u>	<u>30.0</u>
Total	105.3	113.4	116.2	118.5	123.0	130.0	150.0

7. Alberta land productivity indicator.

Output (tonnes/acre)

	1971-1980 Benchmark	1995 Actual	1996 Estimate	1997 Forecast	1998 Target	1999 Target	2001 Target
Indicator	0.783	0.962	0.952	0.962	0.969	0.970	0.973

(Note: This indicator is the best available proxy for long-term land productivity. Crop production per acre for the various crops grown in the province was converted to a standard base — tonnes per acre of wheat. This conversion allows for differences in yields of the various crops. Although soil degradation is still a concern on some lands, most producers use land management practices which will ensure long-term sustainability of agriculture in Alberta.)

**Agriculture, Food and Rural Development
Ministry Consolidated Income Statement**
(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	180,599	172,851	163,111	177,342	177,722	181,963
Transfers from Government of Canada	46,479	119,968	98,625	78,946	87,606	87,122
Investment Income	105,617	82,590	81,048	63,339	61,630	59,835
Premiums, Fees and Licences	105,119	103,798	93,818	99,014	98,321	96,872
Other Revenue	13,676	4,283	10,343	4,979	5,105	5,054
<i>Consolidation Adjustments</i>	<i>(180,599)</i>	<i>(172,851)</i>	<i>(163,111)</i>	<i>(177,342)</i>	<i>(177,722)</i>	<i>(181,963)</i>
Consolidated Revenue	270,891	310,639	283,834	246,278	252,662	248,883
EXPENSE						
Program						
Farm Income Support	119,705	99,962	91,315	103,220	104,938	106,696
Lending	18,423	20,051	19,613	15,524	15,976	16,370
Insurance	117,916	211,293	123,701	202,871	199,187	199,010
Departmental Support Services	15,229	16,057	16,581	19,538	20,408	20,547
Planning and Development	18,493	17,208	16,628	18,339	18,415	18,426
Production, Processing and Marketing	70,342	35,132	39,869	36,077	33,532	33,587
Field Services	25,251	25,268	27,269	27,805	27,880	26,812
Public Lands	10,211	9,376	10,286	10,389	8,892	8,095
Agricultural Research Assistance	10,403	10,659	11,202	12,254	10,365	10,120
Irrigation Rehabilitation Infrastructure	21,392	14,700	14,702	17,200	17,200	17,200
Valuation Adjustments	2,867	2,307	2,427	1,850	2,230	3,110
Transfers to Own Funds and Agencies	167,778	172,851	163,111	177,342	177,722	181,963
<i>Consolidation Adjustments</i>	<i>(167,778)</i>	<i>(172,851)</i>	<i>(163,111)</i>	<i>(177,342)</i>	<i>(177,722)</i>	<i>(181,963)</i>
Consolidated Program Expense	430,232	462,013	373,593	465,067	459,023	459,973
Debt Servicing Costs						
Agriculture Financial Services Corporation	73,662	67,997	60,211	60,075	52,948	53,949
Consolidated Expense	503,894	530,010	433,804	525,142	511,971	513,922
Gain (Loss) on Disposal of Capital Assets	(3)	-	-	-	-	-
NET OPERATING RESULT	(233,006)	(219,371)	(149,970)	(278,864)	(259,309)	(265,039)

Community Development

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Shirley McClellan
Minister of Community Development
January 21, 1998

Introduction

Vision

A strong province with a high quality of life and fair opportunity for all Albertans through the support of community goals and aspirations.

Mission

To support community development, and through leadership, protection and partnership, help all Albertans participate fully in the social, cultural and economic life of the province.

Alberta Community Development helps to build a high quality of life for all Albertans through its five core businesses:

1. promoting community development;
2. supporting the independence and well-being of seniors;
3. protecting human rights and promoting fairness and access;
4. preserving, protecting and presenting Alberta's unique cultural and natural history; and
5. preventing and treating addictions.

Previous business plans have emphasized the need for restructuring, fiscal restraint and innovation. In this, the ministry's fifth business plan, the focus is changing from how the ministry intends to operate next year to how it might operate three to five years into the future. The department, commissions, foundations and funds that make up the ministry will reinforce, and in some cases establish, their capacity for long-term planning. The following planned actions highlight our revised perspective:

- ◆ renewing legislation governing agencies, boards and commissions for the next five years;
- ◆ improving services delivering information, benefits and protection to seniors in a multi-stakeholder environment;
- ◆ benchmarking performance;
- ◆ coordinating maintenance and replacement plans for capital assets; and
- ◆ partnering with community-based organizations to strengthen service networks.

In addition to these initiatives, the ministry will continue improving its business practices in the areas of information technology, regulatory reform and human resource planning.

The Government of Alberta has clearly set a path for each ministry's business plan to follow. Government-wide accountability initiatives continue to challenge staff to demonstrate that the ministry delivers programs that meet the needs of Albertans. Staff will be called upon to maintain needed programs while responding to new initiatives. Long-term planning will enable staff to continue developing innovative ways to support our core businesses. The following goals, desired outcomes, performance measures and planned actions highlight our commitment to serve Albertans.

Ministry Core Businesses

1. Promoting Community Development

Promoting the development of Alberta's communities and increasing the capacity of community organizations for self-reliance are key goals of the ministry. The ministry provides on-site community development assistance through its regional office system and supports Alberta's quality of life through technical and financial support to the arts, recreation, sport, library and volunteer sectors of the province.

GOAL: To work in partnership with geographic communities and communities of interest to build and maintain a high quality of life in Alberta.

This goal will be met by:

- ◆ Helping communities help themselves through the provision of organizational assistance and facilitation services.
- ◆ Increasing community self-reliance and self-sufficiency through financial support and consultative services on the development of local resources and effective use of volunteers.
- ◆ Supporting the development of arts and culture as fundamental assets of Alberta's quality of life by providing financial assistance and consultative services.
- ◆ Coordinating and supporting a province-wide library system with financial assistance and consultative services.
- ◆ Assisting Albertans in making informed choices through the classification of films.
- ◆ Encouraging, through financial support and education programs, participation in healthy physical activity and recreation that leads to wellness.

- ◆ Contributing to the athletic achievement of Albertans through financial and consultative support to the provincial sport system.
- ◆ Providing consultation services and policy advice to the Minister and to other government ministries.

This goal is intended to achieve the following desired outcomes:

- ◆ Partnerships with communities that increase self-reliance and maintain a high quality of life in Alberta.
- ◆ Strong contribution by Alberta volunteers to all aspects of community life.
- ◆ Broad participation by Albertans in arts, recreation, sport and library activities.
- ◆ Significant contribution to the economy of the province by the arts and cultural industries.
- ◆ A well-informed public through cost-effective classification of films.

Achievement of the desired outcomes will be measured by:

- ◆ **Client satisfaction with community development assistance provided.** Since 1994/95 the ministry has achieved an average satisfaction rating of 97%. The ministry's target is to maintain this high level of client satisfaction.
- ◆ **Level of community volunteerism.** The first ministry survey was conducted in 1995/96 and showed 54% of Albertans volunteered. This is an increase from the national survey conducted by the Secretary of State in 1988 that showed 40% of Albertans volunteered. The ministry's target is to increase the number of Alberta's volunteers to 60% of the population.
- ◆ **Percentage of population participating in sport, recreation and physical activity.** The 1988 General Recreation Survey showed that 85% of Albertans participated in some form of physical activity. In 1992, the figure was 83%. Results of the survey conducted in 1996 were also 83%. The ministry's target is to increase participation in these activities to 90%.
- ◆ **Percentage of funding to arts and cultural groups provided by the private sector.** A survey of ministry clients showed that arts organizations raised 73% of their revenues from the private sector during 1995/96 and 74% during 1996/97. The ministry's target is 75%.
- ◆ **Level of economic activity in the arts and cultural industries.** Statistics Canada data, available every four years, will be used. In 1992/93 the economic impact of the sector in Alberta was determined to be \$2 billion. The ministry's target is \$2.25 billion.

The following actions are planned:

- ◆ Create a Community Lottery Program Secretariat.
- ◆ Initiate required legislative review of the boards and agencies within the ministry.
- ◆ Continue to integrate financial administration and technical support for the Alberta Foundation for the Arts, Alberta Historical Resources Foundation, Alberta Sport, Recreation, Parks and Wildlife Foundation and Wild Rose Foundation.
- ◆ Implement the new Community Lottery Board Grant Program utilizing video lottery revenue.
- ◆ Continue to build partnerships to enhance community-based sport and recreational opportunities.
- ◆ Respond to recommendations of the *Task Force on an Active Living Strategy* in conjunction with other government departments.
- ◆ Propose amendments to the *Libraries Act* after consultation with the community.
- ◆ Implement new initiatives to complete the regional library system.
- ◆ Continue to develop an electronic library network with funds from the Alberta Foundation for the Arts.
- ◆ Continue to encourage private sector partners to complement the intergovernmental initiative to stabilize arts organizations.

- ◆ Undertake new initiatives in support of youth-at-risk programs in concert with Alberta Justice and Children's Services.
- ◆ Host the International Association of Volunteer Efforts 1998 Conference in Edmonton.
- ◆ Continue to help community organizations to increase their governance, resource utilization and financial management capacity in order to build self-reliance.

2. Supporting the Independence and Well-Being of Seniors

The provincial government provides a variety of programs and services for seniors. Alberta Community Development supports the independence and well-being of seniors by ensuring that seniors' issues that impact these programs and services are coordinated across provincial government departments. Seniors' independence and well-being is also enhanced through consultation with seniors and seniors' organizations and the provision of information about programs and services for seniors. The Alberta Seniors Benefit and Special Needs Assistance programs support the independence and well-being of seniors by ensuring that financial assistance is available to lower-income seniors. The Alberta Seniors Benefit also assists seniors through health care insurance premium subsidies.

GOAL: To ensure seniors have access to the supports they need to live in a secure and dignified way as independent and contributing members of society.

This goal will be met by:

- ◆ Coordinating seniors' issues across government.
- ◆ Ensuring government's ongoing communication with seniors.
- ◆ Administering seniors' income support programs.

This goal is intended to achieve the following desired outcomes:

- ◆ Government policies effectively anticipate and address the needs of seniors.
- ◆ Seniors have access to the information they need to support their independence and well-being.
- ◆ Seniors receive the benefits for which they are eligible.

Achievement of the desired outcomes will be measured by:

- ◆ **Satisfaction of departments and agencies with the quality of information, analysis and advice received.** Data collection strategies that are being considered for this measure include annual surveys of departments and agencies that request information.
- ◆ **Satisfaction of seniors with information and other services provided.** Data collection strategies that are being considered for this measure include random surveys of seniors who access regional service centres and the 1-800 information line. Responses to the questionnaire in the *Programs for Seniors* will also be included.
- ◆ **Percentage of eligible seniors receiving the Alberta Seniors Benefit.** This measure indicates how well the ministry is reaching and providing seniors with the benefits they are entitled to under the program. The ministry's target is 100% of eligible seniors. The data for this measure are currently being improved by developing methods for identifying the total number of seniors in Alberta who meet the program's eligibility criteria rather than reporting the number of seniors in Alberta who applied and have been found eligible for assistance.
- ◆ **Appropriateness of income support provided to seniors.** Studies similar to the *Review of Cumulative Impact of Program and Service Changes on Seniors* will provide data for this measure.

The following actions are planned for coordinating seniors' issues:

- ◆ Develop a government-wide response to deal with the effects of an aging population on provincial programs and services.
- ◆ Work with other provincial government departments to implement legislation that impacts seniors, including taking a lead role in the *Protection for Persons in Care Act* and assisting with the *Personal Directives Act*.
- ◆ Continue to participate in implementing the process to ensure seniors living in residential care options have safe homes that provide quality services.
- ◆ Continue to study elder abuse issues in cooperation with community stakeholders with a goal of developing an effective plan of action.
- ◆ Plan for seniors' current and future needs by monitoring the impact of program and service changes on seniors and coordinating the Government of Alberta Strategic Business Plan for Seniors.
- ◆ Provide information and advice to other provincial government departments in areas affecting seniors' programs and services.
- ◆ Participate in federal/provincial/territorial activities including developing a National Framework on Aging and planning for the International Year of Older Persons in 1999.

The following actions are planned for ensuring communication with seniors:

- ◆ Respond to seniors' needs for information by ensuring that staff in regional service centres and staff operating the 1-800 information line can provide timely and accurate information. Revise and distribute the *Programs for Seniors* booklet and examine options for posting it on the internet.
- ◆ Continue examining options for coordinating information services with the federal government.
- ◆ Consult with representatives of seniors' organizations to analyze changes to programs and services for seniors in Alberta.
- ◆ The Seniors Advisory Council for Alberta will continue to provide an independent, citizen perspective by listening, gathering, analyzing and presenting the views and concerns of seniors.

The following actions are planned for administering seniors' income support programs:

- ◆ Improve the long range planning by using data from Statistics Canada to analyze seniors' future incomes.
- ◆ Review Special Needs Assistance grants to identify common areas of financial hardships for seniors.
- ◆ Improve the eligibility criteria for the Alberta Seniors Benefit based on findings from monitoring the impact of programs and services; analyzing seniors' future incomes and reviewing Special Needs Assistance grants.
- ◆ Improve the calculation of seniors' health care premium subsidies by working with Alberta Health to enhance the billing system. Continue to provide grants to lower-income seniors who can demonstrate that they are unable to meet their basic needs and/or face a financial emergency that threatens their health or safety.
- ◆ Continue to provide monthly financial assistance to lower-income seniors through the Alberta Seniors Benefit and enhance the delivery of the program by improving the process for updating seniors' information at regional seniors service centres.

3. Protecting Human Rights and Promoting Fairness and Access

The protection of human rights and promotion of fairness and access are achieved by working to reduce discrimination and foster equality so that all Albertans have the opportunity to participate fully in

the social, economic and cultural life of the province. Protecting human rights helps people to build their capacity, seize economic and social opportunities for development and growth, and maximize their potential. Promoting fairness and access for Albertans helps them contribute to their own prosperity and that of their families and communities. Protecting and promoting rights, responsibilities and fairness, leads to citizenship development, helps to preserve the values of Albertans, and safeguards the orderly development of communities to the general benefit of all.

GOAL: To reduce discrimination and foster equality so all Albertans can have the opportunity to participate fully in the social, economic and cultural life of the province.

This goal will be met by:

- ◆ Protecting human rights for all Albertans through the resolution of complaints made under the *Human Rights, Citizenship and Multiculturalism Act*.
- ◆ Providing public education programs, information and consultation services to eliminate discrimination and barriers to full participation in society for all Albertans.
- ◆ Providing financial assistance through the Human Rights, Citizenship and Multiculturalism Education Fund.
- ◆ Providing consultation services and policy advice to the Minister and to other government departments.

This goal is intended to achieve the following desired outcomes:

- ◆ Increased understanding and awareness of diversity leading to fairness and access, allowing all Albertans to contribute to their own prosperity, and that of their families and communities.
- ◆ Reduced racism and discrimination in Alberta.
- ◆ Increased understanding of the rights and responsibilities of Albertans under the *Human Rights, Citizenship and Multiculturalism Act*.
- ◆ Protection of the rights of Albertans under the *Act*.

Achievement of the desired outcomes will be measured by:

- ◆ **Percentage of Albertans who believe human rights are fairly well or very well protected in Alberta.** In the 1995 and 1996 surveys, the ministry achieved results of 80% and 81% in this area. The target will remain at 80%, however, consideration will be given to providing a new measure to focus on client satisfaction with related educational services.
- ◆ **Percentage of Albertans who are aware of the Human Rights and Citizenship Commission.** In the 1995 and 1996 surveys, the ministry achieved results of 79% and 77% in this area. The target is 80%.
- ◆ **Percentage of Albertans who believe the Commission plays an important role in the protection of human rights.** In the 1995 and 1996 surveys, the ministry achieved results of 85% and 89% in this area. The target is 90%.

The following actions are planned:

- ◆ Continue to implement improvement strategies in the consolidated operation of the Human Rights and Citizenship Commission.
- ◆ Complete benchmarking with other provinces.
- ◆ Support community organizations to undertake diversity information and awareness initiatives through the Human Rights, Citizenship and Multiculturalism Education Fund.

4. Preserving, Protecting and Presenting Alberta's Unique Cultural and Natural History

Appreciation of Alberta's unique cultural and natural history is essential to understanding the present and changing the future for the better. To that end, the ministry preserves, protects and presents public programs on historical resources of provincial, national and international significance. These activities provide significant educational, scientific and tourism/economic benefits for Albertans.

GOAL: To improve the quality of life for Albertans through the preservation and promotion of appreciation for Alberta's diverse natural, historical and cultural resources.

This goal will be met by:

- ◆ Operating 18 provincial historic sites and museums and the Provincial Archives.
- ◆ Providing opportunities for Albertans to experience cultural performances of local, national and international stature at the Jubilee Auditoria.
- ◆ Acquiring and caring for historical resources of significance to Albertans, and delivering programs and exhibits on those historical resources.
- ◆ Acquiring, preserving and making available for research private and public records of provincial significance.
- ◆ Regulating land-based development activity to preserve significant historical resources.
- ◆ Providing professional and technical advice to parties involved in heritage preservation.

This goal is intended to achieve the following desired outcomes:

- ◆ Artifacts and archival records of provincial, national and international significance are preserved and protected.
- ◆ Significant historical resources are identified and preserved through the regulation of land-based development within the province.
- ◆ Heritage preservation initiatives receive required professional and technical advice.
- ◆ Preservation and presentation of Alberta's natural, historical and cultural resources.
- ◆ Knowledge about, access to and appreciation for the province's rich natural and cultural heritage by the people of Alberta and visitors to the province.
- ◆ Improvement of the quality of life of Albertans.

Achievement of the desired outcomes will be measured by:

- ◆ **Success ratio of historical resources preservation initiatives.** This measure indicates the volume and significance of resources protected by documenting the number of resources protected/mitigated relative to any incidence of loss of significant resources.
- ◆ **Number of community-based heritage preservation projects assisted.** In 1995/96, 450 projects were assisted; in 1996/97, 410 projects were assisted. The target is to assist 450 projects per year.
- ◆ **Economic impact of historical resources and facilities operated by the province.** In 1995/96, \$52 million was generated in direct and indirect value-added economic impact from facilities operated by the province, of which \$11 million was returned to various levels of government as tax

revenues. In addition, the Alberta Historical Resources Foundation leveraged \$10 million in value-added economic impact through its various community-based preservation programs.

- ♦ **Visitation at provincial historic sites and museums.** Visitation was 1 million persons during 1996/97. The target for visitation will continue at 1.1 million persons.
- ♦ **Customer satisfaction with their experience at provincial historic sites and museums.** During 1996/97, 88.8% of visitors reported an excellent or above-average experience. The target is to raise the satisfaction rating to 95%.
- ♦ **Knowledge gained by visitors to provincial historic sites and museums.** During 1996/97, 85.9% of visitors reported excellent or above-average learning experiences. The target is a rating of 95%.

The following actions are planned:

- ♦ Visitor services and programs will be maintained and marketed to all potential visitors. A series of marketing initiatives will be undertaken, including surveying of non-visitors, more research into potential markets, greater experimentation in exploiting those potential markets, and stronger external partnering.
- ♦ Care for provincial collections will be maintained by: preserving the material culture and natural history of the province within museums and archives; protecting and recognizing significant historical resources across the province; and encouraging other levels of government, the community and the private sector to preserve and develop heritage resources.
- ♦ Regulatory functions to protect historical resources will be streamlined and amended to encourage self-monitoring by industry.
- ♦ The ministry will continue to work with communities to preserve their significant historical resources by providing financial, professional and technical support.
- ♦ Undertake a multi-year evaluation to identify outstanding preservation needs, risks and priorities, including which exhibits have been most successful with visitors, and recommend corrective actions.

5. Preventing and Treating Addictions

The Alberta Alcohol and Drug Abuse Commission (AADAC) is mandated to prevent and treat substance abuse and gambling addiction. AADAC continues to provide a range of community, detoxification, residential and information services across the province. Services have been enhanced to provide more services for youth and gambling problems .

GOAL: To assist Albertans in achieving freedom from the abuse of alcohol, other drugs and gambling.

This goal will be met by maintaining client-relevant services in the following areas:

- ♦ Community outpatient and prevention services, including education services, outpatient counseling, day treatment programs and training services.
- ♦ Crisis services include detoxification, provision for safe withdrawal from the extreme effects of alcohol and other drugs, referral and counseling on an emergency basis.
- ♦ Residential treatment services to assist severely dependent clients in their recovery from addictions.
- ♦ Research, information and monitoring services providing accurate and current information on issues, trends and research in the addictions.

This goal is intended to achieve the following desired outcomes:

- ◆ Individuals, families and communities are assisted in preventing problems related to alcohol, other drugs and gambling.
- ◆ Individuals are assisted, through treatment, to recover from the abuse of alcohol, other drugs and gambling.
- ◆ Service access, efficiency and effectiveness and community involvement and partnerships are improved.

Achievement of the desired outcomes will be measured by:

- ◆ **Service Access.** 94% of outpatient clients and 92% of residential clients reported no difficulty in gaining access to service in 1996/97. The target for the Commission is to maintain outpatient and residential treatment service access levels at or above 90%.
- ◆ **Client Satisfaction.** Client satisfaction with services, as determined by the percentage who stated they were “very satisfied”, decreased 2% in outpatient (from 81% in 1995/96 to 79% in 1996/97) and increased by 1% in residential services (from 82% in 1995/96 to 83% in 1996/97). The target for the Commission is to maintain client satisfaction levels at or above 80%.
- ◆ **Service Effectiveness.** Over the past year, 94% of clients in residential treatment and 92% of clients in outpatient treatment reported being abstinent or improved three months following treatment. These rates match or exceed those of comparable programs reported in the literature. The target for the Commission is to maintain service effectiveness at or above 90%.
- ◆ **Service Efficiency.** Overall treatment admissions increased 7% over 1995/96 and 14% since 1992/93. The 1996/97 cost per client was \$339 for outpatient treatment and \$1,746 for residential treatment. The target is to maintain cost and volume of services in balance with requirements for access and effectiveness.
- ◆ **Cost-effectiveness.** Expenditures per capita were \$10.42 in Alberta in 1996/97, compared to \$11.18 in Manitoba. With similar levels of need for service, Alberta had 1,277 admissions per 100,000 in 1996/97, compared to Manitoba admissions of 1,270. AADAC achieved similar rates of access to service at less cost than Manitoba. Economic evaluation studies indicate that investment in treatment programs is usually recouped between one and three years through reduced demands in health care, social services and the criminal justice system.

The following actions to increase access, effectiveness and efficiency are planned:

- ◆ Implement the recommendations of the MLA Mandate Review Report and maintain the existing network of community programs including the development of an electronic communication capacity across programs and agencies for information sharing and client communication.
- ◆ Expand services to deal with problems related to gambling and integrate them with alcohol and drug services.
- ◆ Collaborate with regional authorities and agencies in maintaining a priority for youth, with emphasis on prevention, including the planning and delivery of an International Youth Conference in Calgary with funding from the United Nations Drug Control Program (UNDCP).

**Community Development
Ministry Consolidated Income Statement**
(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	72,984	73,499	74,411	124,895	125,741	126,491
Transfers from Government of Canada	2,077	350	710	350	350	350
Investment Income	1,666	1,822	1,467	1,738	1,720	1,720
Premiums, Fees and Licences	421	350	350	350	350	350
Other Revenue	10,539	6,691	7,303	8,791	9,033	9,094
<i>Consolidation Adjustments</i>	<i>(26,549)</i>	<i>(26,641)</i>	<i>(26,603)</i>	<i>(28,858)</i>	<i>(29,357)</i>	<i>(29,861)</i>
Consolidated Revenue	61,138	56,071	57,638	107,266	107,837	108,144
EXPENSE						
Program						
Promoting Community Development	65,689	62,997	64,634	117,300	117,043	117,182
Supporting the Independence and Well-being of Seniors	164,179	184,098	183,143	186,073	187,264	187,306
Protecting Human Rights and Promoting Fairness and Access	3,857	3,878	3,878	3,367	3,403	3,439
Preserving, Protecting and Presenting Alberta's Unique Cultural and Natural History	27,286	22,557	22,657	22,762	22,990	23,220
Preventing and Treating Addictions	28,297	30,184	31,170	32,171	32,824	33,639
Internal Departmental Assistance to the Alberta Alcohol and Drug Abuse Commission	25,920	26,453	26,453	27,133	27,632	28,136
Ministry Support Services	4,137	4,382	4,559	5,448	5,555	5,612
Department Statutory-Valuation Adjustments	(51)	346	346	346	346	346
<i>Consolidation Adjustments</i>	<i>(26,674)</i>	<i>(26,641)</i>	<i>(26,603)</i>	<i>(28,858)</i>	<i>(29,357)</i>	<i>(29,861)</i>
Consolidated Expense	292,640	308,254	310,237	365,742	367,700	369,019
Gain (Loss) on Disposal of Capital Assets	(6)	-	-	-	-	-
NET OPERATING RESULT	(231,508)	(252,183)	(252,599)	(258,476)	(259,863)	(260,875)

Economic Development

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Patricia L. Black
Minister of Economic Development
January 28, 1998

Introduction

Alberta Economic Development focuses on the government's *Prosperity* core business of strengthening economic growth, supporting job creation by the private sector, and helping Albertans build a future for themselves and their children.

Through the Alberta Advantage, Alberta has shown the world how it is a competitive place to invest and do business. Alberta's competitive business environment, world class infrastructure and skilled workforce have attracted new industry and allowed business to flourish. However, challenges remain as other jurisdictions strive to lower their business costs, attract investment and keep their industries competitive with new technologies.

The Alberta Advantage includes:

- ◆ competitive taxation and regulatory environment;
- ◆ an abundance of natural resources;
- ◆ a skilled, highly educated, workforce;
- ◆ debt reduction legislation;
- ◆ first class infrastructure;
- ◆ an economic climate conducive to investment wealth generation and job creation; and
- ◆ an entrepreneurial and competitive business community.

Currently, more than \$34 billion in major capital projects are under construction or in the planning stages. This investment will place demands on the province's infrastructure, education, health, housing and social services. The province will face increasing demands from communities to manage the impacts of this growth.

These opportunities and challenges of growth in Alberta will be managed through expanded partnerships with business leaders through organizations like Alberta Economic Development Authority, community groups, municipalities and other government departments. Co-operation with the federal and municipal governments will be strengthened where it will result in more effective, streamlined services. The number of stakeholders in economic development has expanded significantly. This creates challenges for co-ordinating the ideas and activities of stakeholders to achieve meaningful results.

The Ministry includes the Department of Economic Development, the Alberta Opportunity Company, the Alberta Gaming and Liquor Commission, and the Alberta Lottery Fund.

Department of Economic Development

Mission

By creating a unique framework in which alliances can flourish with the private sector, the Alberta Economic Development Authority and government departments involved in the Council of Economic Development Ministers, our mission is:

To enhance and promote the Alberta Advantage, building a strong and prosperous economy for all Albertans.

Vision

The Minister and staff of the Department of Economic Development are committed to serving the citizens of Alberta and working hard to secure economic prosperity in our province. The Department's activities are guided by the vision put forward in Alberta's economic strategy, *Building on the Alberta Advantage*, to create a province where "Alberta is recognized world-wide as a place where people enjoy success, economic independence and an unmatched quality of life. . . the region of choice to live, learn, work, play, visit, do business and raise a family."

The Department envisages a province where there is significant and sustainable growth in quality business practices and competitiveness in foreign markets, supported by cooperative and integrated government policies and services.

Mandate

The Department has a responsibility for ensuring coordinated and responsible management of economic growth in Alberta, providing leadership in interdepartmental economic planning, providing quality information and intelligence, and supporting business in their pursuit of excellence and expanded trade, production and services.

Core Businesses

The Department will achieve its mandate through the following three core businesses:

- ◆ ***Strategic Information and External Relations.*** In partnership with other government departments and the Alberta Economic Development Authority (AEDA):
 - ◆ Promote the Alberta Advantage and endeavour to ensure that the Alberta Advantage remains competitive
 - ◆ Support the work of the Council of Economic Development Ministers (CEDM)
 - ◆ Provide secretariat services to AEDA and support the activities of interdepartmental, cross-functional teams
 - ◆ Provide strategic market and economic intelligence and business information to Alberta businesses and other government departments
 - ◆ Promote information sharing and cooperative working relationships to support policy development

- ◆ ***Industry Development and Investment Attraction.*** In partnership with AEDA, other government departments and industry:
 - ◆ Identify and pursue strategies to assist Alberta business to grow and expand
 - ◆ Develop and implement strategies to encourage national and international companies to locate or expand in Alberta
 - ◆ Strengthen the ability of target sectors to compete in a global marketplace
 - ◆ Facilitate improved access to capital
 - ◆ Facilitate improved access to cost-effective modes of transportation

- ◆ ***Trade and International Market Development.*** In partnership with AEDA, other government departments, local development authorities and industry:
 - ◆ Identify and pursue strategies to increase Alberta exports
 - ◆ Support activities to enhance Alberta's national and international reputation as a reliable source of high-quality, competitive goods and services
 - ◆ Direct Alberta government's trade offices abroad
 - ◆ Develop and pursue strategies to support economic prosperity and the sound management of economic growth throughout the province

Goals, Strategies and Internal Performance Measures

Working with partners in the private sector and government, the Department will strive to achieve the following goals:

GOAL: The Alberta Advantage - Be an advocate for the Alberta Advantage, monitor and assess the elements of Alberta's business climate, recommend adjustments to keep Alberta competitive, and promote the Alberta Advantage

Strategies:

- ◆ Work with AEDA, Treasury and other stakeholders to ensure the competitiveness of Alberta's tax and regulatory climate
- ◆ Work with AEDA, Alberta Science and Research Authority, Alberta Transportation, Alberta Municipal Affairs and Alberta Agriculture, Food and Rural Development (AAFRD) on infrastructure issues directly impacting economic growth
- ◆ Identify impediments to Alberta manufacturers in accessing cost effective transportation modes
- ◆ Work with Alberta Energy, Alberta Environment and AAFRD to support sustainable and responsible resource management
- ◆ Work with AEDA, Advanced Education and Career Development and other stakeholders on work force training to ensure Alberta maintains its skilled productive work force
- ◆ Work with Intergovernmental and Aboriginal Affairs and other stakeholders on trade policies to remove barriers to trade and improve market access
- ◆ Achieve awareness and support for the Alberta Advantage through worldwide promotion

Internal Performance Measures:

- ◆ Annual report card on the relative competitiveness of the Alberta Advantage. Target is to be top amongst our competitors.

GOAL: An Economic Planning Framework - Ensure that the government's economic planning framework operates effectively and achieves identified priorities and desired results. Encourage forward thinking about the long-term future of the Alberta economy and the elements needed to maintain competitiveness and quality of life into the next century

Strategies:

- ◆ Support the Council of Economic Development Ministers (CEDM) by monitoring its progress and assisting in implementing its directives
- ◆ Provide secretariat support to AEDA and its task groups
- ◆ Develop a process to establish sector and market priorities reflecting AEDA and CEDM decisions
- ◆ Encourage forward thinking about the long-term future of the Alberta economy and the elements needed to maintain competitiveness and quality of life
- ◆ Support intergovernmental economic planning, development and coordination initiatives
- ◆ Support intergovernmental international trade planning and development initiatives

Internal Performance Measures:

- ◆ Client satisfaction (AEDA, CEDM) with quality and timeliness of information and analysis. Target is 100% client satisfaction

GOAL: Informed Decision-making - Ensure that decisions affecting economic development are supported by timely, relevant, accurate information and advice that is made available across government and to AEDA and the Department's private sector, association, community and non-profit clients

Strategies:

- ◆ Undertake economic and business research and collect data to support analysis of economic and business issues
- ◆ Identify and track issues, complete analysis and prepare reports on policy alternatives
- ◆ Consult with and provide advice to Alberta businesses and other stakeholders
- ◆ Disseminate information across government, to industry, to individual clients and to investors using electronic and print media
- ◆ Build collaborative networks between economic stakeholders in Alberta

Internal Performance Measures:

- ◆ Client satisfaction (business, other provincial government departments, federal and municipal governments) with timeliness, accuracy and relevance of economic development information and services. Target is 85% client satisfaction.
- ◆ Utilization of department's research information systems, products and services. Target is to increase utilization.

GOAL: Business and Market Development - Support the continued growth and competitiveness of Alberta businesses and ensure that economic growth is managed responsibly and in a manner that benefits all Albertans

Strategies:

- ◆ Attract investment by increasing awareness of the business opportunities and the attractiveness of Alberta as a place to do business
- ◆ Identify best business practices and processes for target sectors and aggressively communicate and promote them to Alberta industry
- ◆ Promote and facilitate technological innovation, application and commercialization of new technologies to enhance competitiveness of Alberta businesses
- ◆ Assist local economic development authorities in their efforts to promote growth
- ◆ Identify international trade opportunities for export ready Alberta businesses
- ◆ Promote capabilities, products and services of export ready Alberta businesses in international markets
- ◆ Utilize Alberta-based activities and events to promote Alberta's international trade capabilities and assist export ready Alberta businesses

Internal Performance Measures:

- ◆ Percentage of Alberta content in key industrial projects.
- ◆ Post appraisal of trade shows and missions relative to pre-established objectives (number of participants, number of contacts made, value of sales/contracts).
- ◆ Survey of local economic development authorities on value and relevancy of service. Target is 85% satisfaction.

GOAL: Organizational Effectiveness - Ensure that the Department is administered effectively and in a way that provides a positive work environment for all employees, with a strong commitment to professional development

Strategies:

- ◆ Implement a human resources plan with a view to raising competencies of all employees to be equal to the best in Canada
- ◆ Review and revise the Department's approach to program evaluation and performance measurement to better facilitate continuous improvement and business planning
- ◆ Maintain and enhance financial systems to support increased accountability

Internal Performance Measures

- ◆ Comparison of employee's competency gaps (competencies individuals do not possess that are required for their jobs) before and after implementation of training plan. Target is to achieve no gaps in an employee's competencies.

Alberta External Economic Growth Indicators

The department works in partnership with many government and private sector stakeholders to support the economic growth of Alberta. Following are a number of macro-economic indicators that demonstrate the performance of the Alberta economy, with targets to 2001:

Job Growth - (thousands) - The increase in annual average adjusted employment

Business Plan	1996	Estimate 1997	Target 1998	Target 1999	Target 2000	Target 2001
Increase	39.5	44	39	41	40	35
% Change	2.9	3.1	2.6	2.7	2.5	2.2

Manufacturing and Service Industry Investment - (\$billions) - Annual value of investment. The indicator provides information on the annual capital investment by manufacturing and service industries.

Business Plan	1996	Estimate 1997	Target 1998	Target 1999	Target 2000	Target 2001
Investment	6.3	8.4	9.0	9.5	9.3	9.5
% Change	3.9	33.3	7.1	5.6	-2.1	2.2

Total public and private investment for all sectors was estimated at \$24.3 billion for 1997.

Manufacturing and Service Exports - (\$ billions) - Sales of value-added products by Alberta companies outside of Canada.

Business Plan	1996	Estimate 1997	Target 1998	Target 1999	Target 2000	Target 2001
Exports	13.0	13.7	14.3	15.2	16.1	16.9
% Change	16.1	5.4	4.4	6.3	5.9	5.0

Total exports for all sectors was forecast at \$36.1 billion for 1997, including goods and services.

Manufacturing Shipments - (\$ billions) - Annual value of all manufacturing shipments in Alberta

Business Plan	1996	Estimate 1997	Target 1998	Target 1999	Target 2000	Target 2001
Shipments	30.8	34.2	35.9	37.7	39.6	41.4
% Change	6.5	11.0	5.0	5.0	5.0	4.5

Alberta Opportunity Company

Mission

The mission of Alberta Opportunity Company is to advance the economic development of Alberta by providing loans to Alberta businesses that have viable business proposals, when such support is not available from conventional lenders. Priority is given to smaller businesses in rural communities, and to those which create or preserve jobs. Priority is also given to businesses with export or tourism potential, or which introduce improvements in technology, or engage in manufacturing. AOC does not provide financing to businesses engaged in primary agriculture, residential housing, or oil and gas exploration.

Applicants are required to show, in business terms, a reasonable expectation of commercial success and the ability to repay all loans including interest.

Goals

- ◆ Facilitate the creation of new businesses and expansion of existing businesses by ensuring growth is not stifled by a lack of commercial financing from private-sector lenders
- ◆ Encourage job creation and secure existing jobs by providing financing to viable small businesses unable to obtain business financing in the private sector
- ◆ Ensure the existing loan portfolio continues to be managed to maximize repayment of funds advanced and economic benefit to the small business community

Strategies

- ◆ Identifying and serving those entrepreneurs who have viable business ideas, but are unable to find the financing they need with conventional commercial financial institutions. This strategy is achieved in collaboration with private sector institutions and without competing for business
- ◆ Maintaining prudent lending practices that balance the opportunity and risk associated with the most promising entrepreneurial ventures
- ◆ Maintaining accountability to stakeholders through timely measurement and reporting of performance to ensure achievement of goals
- ◆ Providing services in an efficient, effective and economic manner

Performance Measures

- ◆ Approve loans of \$35 million in 1998-99, \$37 million in 1999-2000 and \$39 million in 2000-01 thereby increasing the loan portfolio by 28 percent by the year 2001 at no extra cost to government.
- ◆ Reduction of operating grant in 1998-99 by a further 19 percent to \$5.4 million per year.
- ◆ In 1998-99 make loans to approximately 350 small businesses which will facilitate the creation or preservation of an additional 2,400 jobs in Alberta.
- ◆ Provide export financial assistance of \$3.5 million to support the development of new exporters and the growth of existing exports out of the province.

Alberta Gaming and Liquor Commission

Mission

To maintain the integrity of gaming and liquor activities in Alberta and collect revenues for the Province.

Mandate

The Alberta Gaming and Liquor Commission's mandate, in accordance with the Gaming and Liquor Act, the Criminal Code (Canada) and within the policy framework established by government, includes the following:

- ◆ License, regulate and monitor gaming and liquor activities in Alberta
- ◆ Ensure integrity and social responsibility in the operation of gaming and liquor activities
- ◆ Collect gaming and liquor revenue
- ◆ Ensure business and program operations are run efficiently and effectively
- ◆ Define operating policies and procedures for gaming and liquor activities
- ◆ Disperse provincial lottery revenues
- ◆ Support industry and government initiatives to address problem gambling and responsible alcohol consumption
- ◆ Communicate to gaming and liquor stakeholders accurate and timely information

Goals and Strategies

- ◆ Ensure compliance with the Gaming and Liquor Act, Tobacco Tax Act, Criminal Code and Commission policies with respect to gaming and liquor activities
- ◆ Ensure full accountability for all revenues and expenses
- ◆ Meet operating expense targets
- ◆ Improve the return to the charities for charitable gaming activities
- ◆ Manage and administer the Lottery Fund
- ◆ Facilitate development of native gaming in keeping with the Government's Native Gaming policy

Performance Measures

Administrative Productivity

Productivity is defined as meeting operating expenditure targets.

1996-97 Budget \$ (thousands)	1996-97 Actual \$ (thousands)	1997-98 Target \$ (thousands)	1998-99 Target \$ (thousands)	1999-2000 Target \$ (thousands)	2000-2001 Target \$ (thousands)
75,633	66,503	71,733	70,233	70,233	70,233

Return to Charities

Return is defined as the total revenue earned by charities before expenses from casinos, bingos, raffles and pull tickets as a percentage of gross revenue generated by the charitable gaming venues.

	1996-97 Target %	1997-98 Target %	1998-99 Target %	1999-2000 Target %	2000-2001 Target %
Casino-Urban	42	50	50	50	50
Casino- Rural	22	25	25	25	25
Bingo	50	50	50	50	50
Raffle*	65	65	65	65	65
Pull Ticket	82	82	82	82	82

* Raffles exceeding \$10,000.

Economic Development

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	14,277	6,673	6,673	5,407	5,447	5,482
Transfers from Government of Canada	24	-	-	-	-	-
Investment Income	12,558	9,328	10,112	9,952	10,374	10,946
Net Income from Commercial Operations	879,025	860,114	860,114	852,114	852,114	852,114
Other Revenue	1,083,269	1,249,958	1,250,541	1,141,938	1,141,965	1,141,968
<i>Consolidation Adjustments</i>	(975,992)	(1,099,606)	(1,099,606)	(981,840)	(981,880)	(981,915)
Consolidated Revenue	1,013,161	1,026,467	1,027,834	1,027,571	1,028,020	1,028,595
EXPENSE						
Program						
Ministry Support Services	4,814	3,773	3,419	4,314	4,539	4,557
International Markets and Regional Development	11,068	10,492	9,760	12,617	13,375	13,444
Industry Development	11,916	7,704	6,869	7,714	8,370	8,438
Strategic Resources	7,412	5,407	5,250	6,452	7,093	7,143
Financial Assistance to:						
Alberta Opportunity Company	7,427	6,673	6,673	5,407	5,447	5,482
Racing, Gaming and Liquor Commissions	81,705	71,733	71,733	70,233	70,233	70,233
Alberta Motion Picture Development Corporation	50	-	-	-	-	-
Western Economic Partnership Agreements	86	-	-	-	-	-
Business Finance	966	-	-	-	-	-
Technology Partnership Agreements	8,020	4,425	4,025	-	-	-
Tourism Programs	8,800	8,812	8,790	7,800	7,800	7,800
Department - Statutory (Valuation Adjustments)	(158)	-	-	-	-	-
Sub-total	142,106	119,019	116,519	114,537	116,857	117,097
Lottery Fund	106,695	123,300	123,300	173,300	173,300	173,300
Alberta Motion Picture Development Corporation	1,105	-	65	-	-	-
Alberta Opportunity Company	6,089	10,302	9,729	9,414	9,761	10,058
Alberta Racing Commission	6,312	-	-	-	-	-
<i>Consolidation Adjustments</i>	(80,780)	(78,406)	(78,406)	(75,640)	(75,680)	(75,715)
Consolidated Program Expense	181,527	174,215	171,207	221,611	224,238	224,740
Debt Servicing Costs						
Alberta Opportunity Company	4,300	4,084	4,000	4,433	4,575	4,888
Consolidated Expense	185,827	178,299	175,207	226,044	228,813	229,628
Gain (Loss) on Disposal of Capital Assets	2	-	(2)	-	-	-
NET OPERATING RESULT	827,336	848,168	852,625	801,527	799,207	798,967

Education

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Gary G. Mar, Q.C.
Minister of Education
January 22, 1998

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The three-year plan for education in Alberta is available on the Internet at Alberta Education's home page (<http://ednet.edc.gov.ab.ca>). Click on Education System.

Introduction

People are government's most important business and Alberta's most important resource. A well-educated population is needed to sustain growth, to maintain the Alberta Advantage and to ensure our communities remain vibrant.

The Alberta government is putting children and young people first by identifying education as its top priority and investing in new initiatives to ensure students have a solid foundation for success. Government recognizes that an excellent education system – one that provides the best education for all Alberta students – is an essential investment in our future. Our education system needs to be maintained and improved if our youth are to receive the education they need and deserve.

Vision for Education

Alberta's young people are the best educated in the country, able to achieve their individual potential, create a positive future for themselves, their families and their communities, and contribute to Alberta's prosperity and superior quality of life.

Mission

To ensure that all Alberta students have the opportunity to acquire the knowledge, skills and attitudes needed to be self-reliant, responsible, caring and contributing members of society.

Core Business of Alberta Education

The provincial government has constitutional responsibility for education and has established an education system where that responsibility is shared among government, school authorities, teachers, parents and students. Within this system of shared responsibility, Alberta Education, under the direction of the Minister:

- ◆ ensures that high standards are established and communicated, focusing on what students need to learn;
- ◆ provides funding to school authorities on a fair, equitable and appropriate basis and controls the cost of education;
- ◆ develops and implements legislation, policies and long-range plans for the education system, and
- ◆ assesses and reports to government and the public on student achievement, cost and other results of the education system.

Priority Areas for Improvement

Priority areas for improving Alberta's education system have been identified from information on provincial and local performance measures, implementation of the provincial three-year plan for education and the review of school board three-year education plans. The following priority

improvement areas are addressed in this plan and in school authority three-year plans, 1998/1999 to 2000/2001:

- ◆ Improving co-ordination of services for children,
- ◆ Increasing high school completion rates,
- ◆ Improving secondary student achievement in mathematics,
- ◆ Improving access to information technology, and
- ◆ Improving public satisfaction with education.

New Investment in Education, 1998/1999 to 2000/2001

The bold new investment program totalling about \$380 million over three years lays the foundation for maintaining and improving education into the next millennium. This is an increase of about 13 per cent over Budget '97. A further spending increase of about \$60 million to support education in public and separate schools will be offset by reductions in debenture interest and Ministry operations. Funding for education is directed to the classroom in critical areas and provides appropriate resources for the education of Alberta students and for the infrastructure that supports their learning.

Focus on the Early Years of Schooling - New Program Funding

- ◆ Literacy skills programs, ECS to grade 2
- ◆ English as a Second Language for Canadian-born students
- ◆ Teacher aides, grades 1 to 6

Focus on Instruction - Enhanced Funding

- ◆ Basic instruction
- ◆ Instructional technology
- ◆ Enrolment growth of 2% annually
- ◆ Equity
- ◆ Students with special needs

Support for Education Infrastructure - Enhanced Funding

- ◆ Student transportation
- ◆ School construction and renovation

With the addition of new initiative funding, total education spending will reach almost \$3.2 billion in 1998/1999, of which 96.4 per cent or nearly \$3.1 billion is used for public and separate schools. The balance supports private school programs, including private ECS, and Ministry operations. Accountability is a key feature of provincial investment in education. The provincial government and school authorities report annually on the use of education funding and the results achieved.

Total Education Spending, 1998/1999 to 2000/2001

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
Consolidated Ministry Expense	2,719,545	2,822,316	2,959,793	3,029,832	3,129,292	3,205,260
Property Tax Support to Opted Out Separate School Boards	161,934	167,646	155,046	158,614	161,444	163,376
TOTAL EDUCATION SPENDING	2,881,479	2,989,962	3,114,839	3,188,446	3,290,736	3,368,636

Education Goals, Results, Strategies and Measures

Goal 1: Education is focused on what students need to learn and students achieve high standards.

Results

- ◆ Alberta's education system has high learning standards.
- ◆ Students learn what they need to know.
- ◆ Students achieve provincial and national learning standards, and perform well in international comparisons.

Selected Department Strategies

- 1.1 Establish intensive early literacy skills programs for students needing extra help with reading in ECS to grade 2.
- 1.2 Establish a teacher aide program for grades 1 to 6 to increase classroom supports and to enhance opportunities for students to achieve learning expectations.
- 1.3 Expand English as a second language programs to include Canadian-born students whose first language is other than English.
- 1.4 Work with other provinces and territories to develop common standards and resources for social studies and for distance learning exchanges.
- 1.5 Begin revising secondary science programs.
- 1.6 Revise curriculum to emphasize business awareness, employability skills and career education.
- 1.7 Update health and physical education programs to emphasize active and healthy life skills.
- 1.8 Work with partners to create more opportunities to communicate the accomplishments of students.

Key Measures

- ◆ Percentage of students in grades 3, 6 and 9 who met or exceeded the acceptable standard on provincial achievement tests.

Subject	1991-1994*	1995	1996	1997	Standard
Grade 3 Language Arts	76%	83%	86%	87%	85%
Grade 3 Mathematics	87%	91%	91%	93%	85%
Grade 6 Language Arts	70%	81%	84%	84%	85%
Grade 6 Mathematics	73%	82%	85%	88%	85%
Grade 6 Science	85%	82%	80%	77%**	85%
Grade 6 Social Studies	76%	79%	78%	78%	85%
Grade 9 Language Arts (literacy)***	81%	84%	88%	87%	85%
Grade 9 Mathematics (numeracy)***	61%	66%	69%	66%**	85%
Grade 9 Science	73%	78%	81%	78%	85%
Grade 9 Social Studies	75%	77%	79%	81%	85%

Note: Achievement standards are set by members of the public and educators in relation to expected learning outcomes in the prescribed curriculum. 85% of students are expected to meet or exceed the standard.

* Prior to 1995, achievement tests were given in one core subject each year, with each subject covered in a four-year cycle.

** New curricula were introduced in grade 6 science and grade 9 mathematics in 1996/1997.

*** Student results on the grade 9 achievement tests in language arts and mathematics are reported annually by the provincial government as indicators of literacy and numeracy.

- ◆ Percentage of students writing grade 12 diploma examinations who met or exceeded the acceptable standard.

	1991/1992	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	Standard
English 30	89%	88%	87%	87%	91%	88%	85%
English 33	87%	86%	85%	86%	86%	86%	85%
Social Studies 30	81%	80%	84%	84%	84%	84%	85%
Social Studies 33	–	–	–	–	83%	81%	85%
Mathematics 30	73%	75%	75%	74%	74%	75%	85%
Mathematics 33	–	–	–	–	79%	81%	85%
Biology 30	76%	82%	81%	81%	77%	82%	85%
Chemistry 30	83%	82%	80%	84%	82%	79%	85%
Physics 30	81%	82%	85%	84%	80%	80%	85%
Science 30	–	–	–	–	79%	81%	85%

Key Measures

- ◆ Percentage of students who receive a high school diploma or certificate or enter post-secondary studies within six years of entering grade 9.

1991/1992	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	Target 2001
68%	69%	70%	69%	69%	69%	75%

- ◆ Percentage of high school students and parents (of K-12 students) who are satisfied overall with the quality of education.*

	1995	1996	1997	Target 2001
Satisfaction of students with the quality of their education	94%	95%	97%	95%
Parents' overall satisfaction with child's education	89%	88%	89%	90%

* Public satisfaction with the quality of education to be collected and reported starting in 1998.

- ◆ Percentage of parents, high school students and the public satisfied that high school graduates have the knowledge and skills to get a job or are prepared for post-secondary studies.

	Skills to get a job			Prepared for post-secondary			
	1996	1997	Target 2001	1995	1996	1997	Target 2001
Parents	46%	38%	75%	65%	70%	53%	75%
High school students	83%	85%	90%	88%	92%	88%	90%
Public	38%	38%	75%	60%	68%	52%	75%

Goal 2: Education in Alberta is responsive to students, parents and communities.

Results

- ◆ Parents, business and the community have meaningful roles in education.
- ◆ Parents and students can choose schools and programs within the public education system.
- ◆ Schools provide a safe and caring environment for students.

Selected Department Strategies

- 2.9 Work with government departments, business and educators to:
- ◆ help youth explore a broad range of career options by providing up-to-date information on labour market needs, career preparation and opportunities for further learning;
 - ◆ improve transitions for youth from school to work and further learning;
 - ◆ strengthen connections between school and workplace learning;
 - ◆ expand opportunities for youth to develop career preparation and employability skills.

Key Measure

- ◆ Percentage of parents and the public satisfied with their opportunities for involvement in decisions affecting education in their local schools.

	1995	1996	Target 2001
Parents	78%	75%	90%
Public	62%	68%	75%

Goal 3: Students have access to the support services they require.

Results

- ◆ Services for children are co-ordinated at the provincial and local levels.

Selected Department Strategies

- 3.10 Work with Alberta Health, Family and Social Services, other government departments, regional and school authorities, and community partners to better meet the health and related needs of children in schools.
- 3.11 Work with other government departments and post-secondary institutions to develop service co-ordination skills of post-secondary students preparing for careers in education, health, justice and social services.
- 3.12 Work with school jurisdictions, Alberta Family and Social Services, Child and Family Services regional authorities and Aboriginal communities to better meet the needs of Aboriginal children in schools.

Key Measure

- ◆ Percentage of parents of students with severe special needs who are satisfied with services for their child.

	1995	1996	1997	Target 2001
Parent satisfaction with services for child with severe special needs	84%	75%	79%	85%

Goal 4: Teaching in Alberta consistently is of high quality.

Results

- ◆ Teacher preparation and professional growth focus on the knowledge, skills and attributes needed to help students learn.
- ◆ Teachers know the Alberta curriculum and have the skills and knowledge needed to provide students with the best possible opportunity to learn.
- ◆ Teachers evaluate student needs and progress, and use the results to improve student learning.
- ◆ Teachers help students achieve provincial learning expectations and high standards.

Selected Department Strategies

- 4.13 Implement the new Teacher Growth, Supervision and Evaluation Policy.
- 4.14 Work with education partners to develop materials that help principals and administrators enhance their leadership skills.
- 4.15 Establish internships for recent education graduates as part of implementing intensive early literacy programs.

Key Measures

- ◆ Percentage of parents who agree their child’s teacher communicates and helps students achieve learning expectations and high standards.

	1996	1997	Target 2001
Teachers clearly communicate learning expectations for students	79%	81%	90%
Teachers help students achieve learning expectations	-	82%	90%
Teachers help students achieve high standards	-	79%	90%

- ◆ Percentage of high school students who agree teachers use a variety of methods to meet their needs and percentage of parents who are satisfied teachers use methods that help students learn.

	1995	1996	1997	Target 2001
High school students	82%	87%	88%	90%
Parents (K-12)	-	82%	86%	90%

Goal 5: Information technology is integrated into education to enhance student learning, and increase efficiency and flexibility of delivery.

Results

Selected Department Strategies

- ◆ Students have information technology knowledge, skills, and attitudes needed for K-12 learning and post-secondary studies and the workplace.
 - ◆ Information technology expands choice and flexibility in what, when, where and how students learn.
 - ◆ Teachers integrate information technology into instruction and management of student learning.
- 5.16 Integrate technology outcomes throughout the curriculum.
 - 5.17 Work with partners to develop courseware and delivery alternatives for Career and Technology Studies (CTS).
 - 5.18 Expand teachers' ability to integrate technology into instruction by supporting professional development opportunities in concert with education, business and instructional partners.

Key Measure

- ◆ Percentage of high school students who report that school helps them improve their computer skills.*

	1995	1996	1997	Target 2001
School improves students' computer skills	62%	65%	62%	80%

* Views of parents to be collected and reported starting in 1998.

Goal 6: The education funding system is fair, equitable and appropriate.

Results

Selected Department Strategies

- ◆ All school boards and schools are funded equitably and appropriately.
 - ◆ Albertans pay comparable education taxes on properties of equal value.
 - ◆ The province, school authorities and schools are efficient in their use of available resources.
- 6.19 Implement a new capital plan to address school maintenance, renovation and construction needs.
 - 6.20 Increase and restructure funding for students with special needs.
 - 6.21 Eliminate the requirement for school boards to match provincial instructional technology funding.
 - 6.22 Increase and restructure funding for student transportation.

Key Measures

- ◆ Percentage of parents and the public who are satisfied with the value received from public funds spent in their local school.

	1995	1996	1997	Target 2001
Parents	73%	78%	71%	80%
Public	51%	52%	56%	75%

- ◆ Difference in annual provincial equalized residential property tax rates for education (Alberta School Foundation Fund - Basic Levy).

	1995	1996	1997	1998	Target 2001
Highest mill rate	10.23	8.54	7.02		
Lowest mill rate	2.80	3.07	3.85		
Provincial mill rate	7.29	7.12	7.02	6.95	at or below 6.95

Goal 7: The education system is open and accountable for the achievement of results and use of resources.

Results

- ◆ Albertans have timely and meaningful information about education, including student achievement and cost, from the department, school authorities and schools.

Selected Department Strategies

- 7.23 Monitor school board implementation of school three-year education plans and results reports.
- 7.24 Assist school authorities in the September 1998 implementation of Freedom of Information and Protection of Privacy (FOIPP) legislation.
- 7.25 Report regularly to government and the public on improvement in results supported by new investment in education.

Key Measure

- ◆ Percentage of parents satisfied with the information from their school on their child's educational progress and achievement.

	1995	1996	1997	Target 2001
Satisfied with access to information	90%	87%	90%	90%
Satisfied with the information itself	88%	86%	88%	90%

Goal 8: Alberta Education is managed effectively and efficiently to achieve government goals.

Results

- ◆ Department service is of high quality, affordable and focused on the needs of education partners.

Selected Department Strategies

- 8.26 Privatize or eliminate department functions that are not suitable or essential for government.
- 8.27 Simplify and reduce regulatory requirements and provide this information to the public.
- 8.28 Enhance the ability of department staff to communicate directions and objectives for education and the accomplishments of students.

Key Measure

- ◆ Cost of department administrative services per public school student.

1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	Target 2001
\$115	\$102	\$99	\$101	\$90	\$87 (E)	\$77

Education Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Provincial Education Property Taxes	1,176,303	1,169,454	1,182,100	1,099,400	1,120,600	1,144,600
Sales of Learning Resources	23,888	22,157	22,754	22,620	-	-
Other Revenue	9,269	4,007	4,357	3,811	3,811	3,796
<i>Consolidation Adjustments</i>	(12,591)	(5,943)	(5,943)	(5,818)	-	-
Consolidated Revenue	1,196,869	1,189,675	1,203,268	1,120,013	1,124,411	1,148,396
EXPENSE						
Program						
Operating Support to Public and Separate Schools						
- Basic Instructional Grants	1,750,876	1,783,343	1,807,762	1,899,399	1,976,595	2,034,742
- Severe Special Needs	53,771	60,610	69,296	83,171	91,665	96,465
- Early Literacy	-	-	-	12,250	20,250	20,550
- Other Instructional Grants	84,728	90,731	85,693	96,592	103,523	105,326
Support Grants (Administration, Transportation, and Operations and Maintenance)	489,504	492,876	495,331	525,368	543,400	554,450
<i>Less:</i>						
Property Tax Support to Opted Out Separate School Boards	(161,934)	(167,646)	(155,046)	(158,614)	(161,444)	(163,376)
Sub-total	2,216,945	2,259,914	2,303,036	2,458,166	2,573,989	2,648,157
Early Childhood Services	77,846	93,940	93,940	96,640	99,690	107,690
Private School Support	29,091	30,980	31,280	32,710	33,200	33,700
School Construction and Renewal	110,030	122,030	222,030	140,030	140,030	140,030
Teachers' Pensions - Current Service Payments	98,146	98,890	100,732	105,700	112,100	114,000
Other Financial Assistance to Schools	127,478	158,568	150,859	137,625	128,167	119,467
Learning Resources Distributing Centre	23,194	22,177	22,384	22,620	-	-
Ministry Operations	39,913	41,210	40,925	41,766	41,566	41,666
Interest on Advances from General Revenue Fund	665	550	550	550	550	550
<i>Consolidation Adjustments</i>	(3,763)	(5,943)	(5,943)	(5,975)	-	-
Consolidated Expense	2,719,545	2,822,316	2,959,793	3,029,832	3,129,292	3,205,260
Gain (Loss) on Disposal of Capital Assets	-	-	-	(695)	-	-
NET OPERATING RESULT	(1,522,676)	(1,632,641)	(1,756,525)	(1,910,514)	(2,004,881)	(2,056,864)

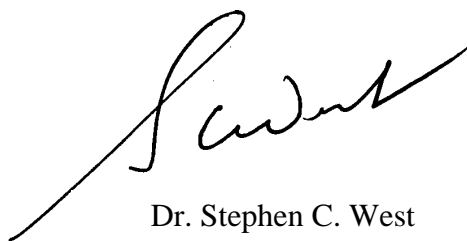
Energy

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Dr. Stephen C. West
Minister of Energy
January 21, 1998

Vision

The Ministry ensures development of Alberta's energy and mineral resources, and operation of energy utilities, occurs within a policy, administrative and regulatory framework that benefits both present and future Albertans.

Mission

To optimize the sustained contribution from Alberta's resources in the interests of Albertans.

Core Businesses

The Ministry is responsible for Alberta's oil, gas, oil sands, coal, and mineral resources, and energy utilities. It is composed of two organizations, the Department of Energy and the Alberta Energy and Utilities Board.

The Department's core businesses are Industry Development, Resource Stewardship and Revenue Management. The key responsibilities are to:

- ◆ Foster development, investment, trade and research in Alberta's energy and mineral resources.
- ◆ Manage the disposition of mineral rights.
- ◆ Forecast and collect revenue.

The Alberta Energy and Utilities Board's (EUB) core businesses are Adjudication and Regulation, Applications, Surveillance and Enforcement, and Information and Knowledge. The key responsibilities are to:

- ◆ Adjudicate and decide on matters relating to the development and transportation of energy resources, and utility rates.
- ◆ Ensure energy resource development is in the public interest.
- ◆ Ensure public safety and environmental protection through regulatory requirements, surveillance and enforcement.
- ◆ Ensure the availability of energy resource information to support responsible development.

Goals, Strategies and Performance Measures

1. Increase the overall efficiency of the electricity industry, maintaining the Alberta Advantage of low electricity prices.

- ◆ Introduce legislation and regulatory reforms which further the development of a competitive, deregulated market for electricity generation and streamline regulation of transmission and distribution.
- ◆ Prevent discriminatory practices in system access.
- ◆ Ensure that increased efficiencies in the electricity industry are reflected in the rates that Alberta customers pay for power.
- ◆ Phase-in the opportunity for customers to make their own pricing arrangements for their power purchases.

Performance Measures

- ◆ **Number of Power Pool Participants** - Target of 40% increase by 2001.

The growth in the number of power pool participants (generators, importers/exporters, and distributors) will indicate the success of implementing open, non-discriminatory access to Alberta's transmission grid for all electricity generators. There are currently 37 participants in the power pool.

- ◆ **Consumer and Stakeholder Satisfaction** - Target of 80% satisfied process is fair and effective.

An 80% satisfaction rate will provide an indication that consumers (industrial, commercial and residential) and utilities consider the deregulation process to be fair and effective. Surveys of consumer associations and utilities will be performed, after key implementation dates, and then periodically to monitor satisfaction on an ongoing basis.

2. Improve Ministry efficiency and effectiveness.

- ◆ Identify and implement opportunities to reduce costly overlap and duplication between the Department and Board, and to improve services to industry.
- ◆ Ensure that the Board's primary focus and priority is on hearings, due process and timely decision making.
- ◆ Evaluate alternative service delivery methods to improve efficiency.
- ◆ Accelerate a more structured and focused Ministry-wide regulatory review process.

Performance Measures

- ◆ **Service Commitments Met** - Target is 95%
- ◆ **Client Satisfaction** - Targets will be set after a base line is developed.

Reliability, responsiveness and consistency of key Department services are an important consideration to industry when formulating their development and capital investment plans. Monitoring

Department service levels and client satisfaction enables the Department to ensure services keep pace with changing requirements in the energy sector. This is an important dimension of maintaining an attractive investment environment for development of Alberta's resources. The key Department services are mineral rights posting requests, identification of restrictions, applications and agreements processing, and assessment of information filed. [See also EUB goals 6 to 9.]

3. Enhance Alberta's pipeline industry to provide access to the best markets.

- ◆ Resolve outstanding pipeline tolling issues, being sensitive to regional economic development in the gas sector, particularly in northern Alberta.
- ◆ Work with industry to encourage increased pipeline capacity out of the province.
- ◆ Promote joint ventures among competing interests to avoid infrastructure overbuild.
- ◆ Address pipeline jurisdiction issues to support orderly development of pipeline infrastructure.

Performance Measures

- ◆ **Pipeline Capacity Use and Basis Differential (Discount off US Market Prices)** - The target is to reduce the average discount to equal the value of transportation costs.

Recently the discount on Alberta gas prices relative to competing markets has significantly exceeded the cost of transportation to those markets. This is indicative of insufficient pipeline "take-away" capacity. Increased pipeline capacity would release trapped gas and increase the value of the natural gas resource, which extends to the value of royalties collected by the province. Ideally the average basis differential should equal the cost of transportation, indicating perfect market conditions. Monitoring capacity use and the basis differential allows the Ministry to assess improvements in the pipeline industry.

With respect to oil, the Ministry will also monitor the levels of apportionment. The application of new technologies and record levels of activity have resulted in increased oil production out of the Western Canadian Sedimentary Basin. Despite two major pipeline expansions in 1997 (Express and IPL SEP II) this increased production is outstripping our crude oil pipeline take-away capacity. The latter results in apportionment and decreased western producer and Crown netbacks. If unaddressed, it will eventually result in shut-in, scaled back exploration and development plans, and reduced Crown resource revenues.

- ◆ **Average Per Unit Cost of Gas Transportation** - The target is to maintain low transportation costs while expanding pipeline capacity.

As movement to a market-driven pipeline industry evolves and pipeline capacity is expanded, it is important to monitor the impact on average transportation costs. Transportation costs are shared by the Crown and producers, therefore it is in our best interests to minimize costs while ensuring adequate access.

4. Sustain growth opportunities in the energy and resource sector through the development of responses to environmental concerns.

- ◆ Provide proactive leadership on climate change at intergovernmental and intra-provincial levels.
- ◆ Participate in provincial and national environmental consensus seeking processes.
- ◆ Consolidate and disseminate information on the environmental performance of the energy sector to ensure that stakeholders and decision-makers are better informed.

Performance Measure

- ◆ **Voluntary Challenge Participation** - Target of 70% emissions covered by action plans by 2001

The Voluntary Challenge and Registry Program has been the central element of Canada's greenhouse gas reduction strategy. The Ministry actively encourages Alberta organizations to participate in the program. Although participation is not under the Ministry's control, this is important information for stakeholders and an indicator of the success of Ministry efforts.

5. Reduce the costs of developing Alberta's energy and mineral resources and strengthen the competitiveness of the energy sector through streamlined, effective government.

- ◆ Simplify royalty and tenure administration, and industry production reporting requirements.
- ◆ Stimulate research and development of new technologies that ensure resource development is economically and environmentally viable.
- ◆ Expedite development of more efficient government approval processes for access to the non-renewable resources.
- ◆ Secure Albertans' full and appropriate share from the development of their resources.

Performance Measures

- ◆ **Rate of Return Relative to Cost of Capital**

The rate of return for exploration and development of conventional oil and gas plays is an indicator of development costs and whether an appropriate share of bonus bids and royalties have been paid to Albertans for the resources. An excessive rate of return to industry means Albertans are not receiving their full share, whereas a low rate of return to industry will make investment in Alberta unattractive. The present fiscal regime allows returns to increase or decrease depending on market prices and the costs of production. A specific target would be arbitrary and meaningless, but monitoring and reporting of this will enable Albertans to assess the effectiveness of the Department's fiscal framework.

- ◆ **Ratio of Industry to Ministry Research Spending** - Target of 3:1 by 1998/99

The Ministry does not engage in research. As the steward of Albertans' resources, however, it is important that the Ministry support and encourage industry to undertake research that improves resource development. For projects where Ministry funds are provided, the ratio of industry to Ministry spending indicates the Ministry's effectiveness in promoting research.

EUB Goals, Strategies and Performance Measures

6. Provide fair, objective and efficient adjudication and regulation that encourages industry to conduct responsible resource and facility development, and that yields fair and reasonable utility rates.

- ◆ Ensure that regulatory requirements are necessary and effective.
- ◆ Focus regulatory processes on enhanced industry accountability for understanding and meeting or exceeding requirements.
- ◆ Develop alternatives to traditional forms of utility rate regulation.
- ◆ Address energy resource conservation issues to ensure optimum resource development.

Performance Measures

- ◆ **Stakeholder Confidence Index** - Target Under Development

Stakeholder confidence is an indicator of the EUB's effectiveness as a regulator. A survey of the EUB's public and industry stakeholders will measure levels of satisfaction with service and quality in a number of areas. The benchmark survey and development of indices is currently underway. Results will be available in the spring of 1998.

7. Ensure an effective and efficient application process.

- ◆ Streamline application processes and reduce information requirements where appropriate, and develop electronic application systems.
- ◆ Eliminate the need for applications where appropriate.
- ◆ Ensure that applicants fully understand and comply with requirements.

Performance Measures

- ◆ **Rate of Deficient Applications** - Target of 4% data deficiency for routine facility applications

The rate of deficient applications submitted to the EUB indicates the extent to which the EUB has clearly communicated its application information requirements to industry, and industry's level of understanding.

- ◆ **Application Turn-around Time** - Average of 2.5 calendar days for routine facility applications

Application turn-around time is an indicator of the EUB's efficiency of handling the application workload.

8. Maintain public safety, conservation of resources, and protection of the environment through effective surveillance and enforcement programs.

- ◆ Focus surveillance on high-risk operations, problem areas and companies with poor performance records.
- ◆ Articulate clear performance expectations and consequences of non-compliance with regulatory requirements.
- ◆ Enforce requirements firmly, fairly and consistently to improve company performance, where necessary, and to achieve lasting solutions.
- ◆ Develop audit programs which effectively assess compliance with regulatory requirements.

Performance Measures

- ◆ **Improvement Among Poorest Operators** - Target of over 60%.

Measures the effectiveness of surveillance and enforcement practices in achieving lasting improvements by operators with poor inspection records.

- ◆ **Percentage of Solution Gas Production Conserved** - Target of over 90%

Measures the effectiveness of regulatory requirements and industry practices in achieving an appropriate degree of conservation and environmental protection with respect to the flaring of solution gas.

9. Ensure useful and timely information is available to support the effective, efficient and sustainable development of energy resources.

- ◆ Ensure that information requirements meet regulatory and stakeholder needs.
- ◆ Obtain accurate and timely data submissions through electronic information exchange.
- ◆ Increase reliance on the private sector to market energy data.
- ◆ Evaluate resource and market appraisal activities and streamline where appropriate.

Performance Measures

- ◆ **Non-compliance in Submission of Required Data** - Target of under 5%

Non-compliance in submission of required data is an indicator of the effectiveness of surveillance and enforcement in the data collection areas, industry's awareness of the data required, and of the overall quality of the collective data base.

- ◆ **Regulatory data transacted electronically** - Target of over 65%

Indicates the efficiency of interaction with stakeholders in the EUB's data collection and dissemination function.

Financial Highlights

- ◆ Non-renewable resource revenues in 1998-99 (excluding the \$256 million revenue cushion) are estimated to be \$1.37 billion below forecast 1997-98 levels. This decrease is because oil and gas prices are expected to fall below the 1997-98 levels and rights sales are expected to return closer to historical averages from the record highs of 1997-98.
- ◆ Compared to the targets published in Budget '97, research spending will increase by \$7.2 million in 1998-99, \$7.0 million in 1999-2000, and \$4.5 million in 2000-01 to support increased activity in energy related research. The funds for the increased spending will be drawn from the Alberta Oil Sands Technology and Research Authority Trust Fund's surplus.
- ◆ Beginning in 1998-99, the EUB will eliminate most application fees to reduce the administrative burden on the energy industry and to streamline internal processes. Administration fees (levy), collected annually, will be redesigned to include payment for most EUB services. The relative proportions of the EUB's revenue requirement are expected to remain at the current split with approximately 80 per cent paid by industry and 20 per cent paid by government.

Energy

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	26,330	21,740	21,740	21,965	21,794	21,986
Other Taxes	116,544	106,000	118,000	101,000	111,000	113,000
Non-Renewable Resource Revenue	4,274,002	2,626,000	3,907,000	2,534,300	2,771,700	2,830,700
Premiums, Fees and Licences	42,829	40,199	45,772	43,081	42,942	43,530
Net Income from Commercial Operations	1,452	-	-	-	-	-
Other Revenue	28,882	14,360	13,030	9,055	9,055	8,555
<i>Consolidation Adjustments</i>	(27,782)	(21,740)	(21,740)	(21,965)	(21,794)	(21,986)
Consolidated Revenue	4,462,257	2,786,559	4,083,802	2,687,436	2,934,697	2,995,785
EXPENSE						
Program						
Departmental Support Services	15,797	14,989	16,344	14,919	15,721	16,127
Mineral Operations	16,121	21,072	19,409	21,378	21,378	21,378
Planning and Development	20,614	17,142	16,432	17,467	17,467	17,467
Energy and Utilities Regulation	12,830	13,540	13,540	13,765	13,594	13,786
Departmental Amortization	5,381	4,313	4,313	4,408	4,466	4,588
Approvals	11,611	11,600	11,590	12,655	12,715	12,873
Operations Compliance	12,693	14,600	14,221	15,186	15,381	15,678
Regulation Development	2,487	2,400	2,338	2,632	2,564	2,596
Regulatory Information Management	16,668	16,100	15,974	17,717	17,330	17,339
Energy and Utilities Board Support Services	8,367	8,300	8,571	9,314	9,434	9,448
Resource Appraisal and Demand Forecasting	4,914	4,914	5,065	5,467	5,537	5,607
Research	15,868	19,017	16,221	16,390	16,240	13,740
<i>Consolidation Adjustments</i>	(26,330)	(21,740)	(21,740)	(21,965)	(21,794)	(21,986)
Consolidated Expense	117,021	126,247	122,278	129,333	130,033	128,641
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
Write Down of Capital Assets	(17,303)	-	-	-	-	-
NET OPERATING RESULT	4,327,933	2,660,312	3,961,524	2,558,103	2,804,664	2,867,144

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Environmental Protection

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Ty Lund
Minister of Environmental Protection
January 26, 1998

Introduction

The Ministry of Environmental Protection includes the Department of Environmental Protection, the Environmental Appeal Board, and the Natural Resources Conservation Board. Together, the Ministry contributes to a healthy environment, healthy Albertans and the Alberta Advantage. We directly support the Government's core businesses — People, Prosperity and Preservation, and contribute to Government priorities.

Vision

Alberta's environment, in all its majesty and beauty, ensures our high quality of life now and in the future.

Our Mission

As proud stewards of Alberta's renewable natural resources, we will protect, enhance and ensure the wise use of our environment. We are a dedicated and committed team, responsible for managing these resources with Albertans. We are guided by a shared commitment to the environment and are accountable to our partners, the people of Alberta.

The Ministry of Environmental Protection is committed to managing the environment in a way that protects and maintains the landscape and its diversity for the benefit of present and future generations. Future economic prosperity is supported by managing natural resources in a sustainable manner.

Business Drivers

A number of factors shape the Ministry's business plan:

- ◆ ***The Growth Summit:*** The Ministry will address many of the needs and issues identified during the September 1997 Growth Summit: a new model for sustainable development and growth will be addressed through integrated resource management; regulatory reform will be accomplished through the regulatory action plan; clarification of roles and responsibilities of various orders of government will be assured through federal/provincial/territorial harmonization discussions; increased environmental information for the public will be addressed through the internet, public reports, information centres and call-in numbers; and staff development will be strengthened through the Ministry's Human Resources Plan in consultation with the Personnel Administration Office.
- ◆ ***Balanced Budget:*** The Ministry will continue to support the Government's commitment to balancing the budget and reducing debt.
- ◆ ***Natural Events:*** The Ministry recognizes that natural events such as floods and forest fires will occur from time to time. To protect lives, property and resources, the Ministry will respond to these events when they occur.
- ◆ ***Accidental Releases:*** The Ministry is committed to protecting the environment from pollution. We believe that the best way to protect the health of people and the integrity of the environment is to prevent the creation and release of contaminants to the environment. When releases do happen, we will ensure that polluters are responsible for paying for the environmental consequences of their actions.
- ◆ ***Community Level Service:*** The Ministry is committed to providing Albertans with one-window access to information, and knowledgeable and helpful staff within the regions in which they live and work. We believe that resource and environmental decisions should be made closer to those most affected.
- ◆ ***Scientific Information:*** The Ministry relies on science and its application. We will focus on acquiring and helping to develop the research and science needed to accomplish our mission.

Operating Principles

In conducting our business, we are guided by our belief in:

- ◆ **Resource Sustainability:** We promote the wise use of our renewable resources within ecosystems so that future generations may continue to benefit from them.
- ◆ **Informed Decision-Making:** We use leading-edge information in making decisions that affect the management and protection of the environment.
- ◆ **Shared Responsibility:** We share the responsibility for managing and protecting the environment with all Albertans and with other levels of government.
- ◆ **Public Involvement:** We provide Albertans with the opportunity to contribute to decisions that affect the environment.
- ◆ **Customer Service:** We are dedicated to service excellence in all regions of Alberta.

Core Business

Our two core businesses focus on our mission and are reflected in our strategies and activities.

Core Business 1: Resource Management

- ◆ The Ministry of Environmental Protection strives to ensure the sustainable use of Alberta's renewable natural resources through the development and implementation of legislation, policies, plans and programs, standard setting, compliance monitoring, ambient monitoring, renewable resource inventories, environmental impact assessments, and the issuance of approvals.
- ◆ The Ministry of Environmental Protection strives to ensure the environmentally responsible development of non-renewable natural resources in close collaboration with other ministries having a related mandate.

Core Business 2: Environmental Hazard Management

- ◆ The Ministry of Environmental Protection reduces the risks of environmental hazards to people, property and the sustainability of our renewable natural resources through fire fighting, flood control and problem wildlife control.

Goals, Strategies and Key Activities

- ◆ Three Ministry goals reflect how our core businesses will be delivered. These goals contribute to the achievement of the government's core businesses: People, Prosperity, Preservation.
- ◆ Performance measures related to the goals are also shown following each goal.
- ◆ A number of strategies contribute to the achievement of the Ministry's goals. Some of these strategies support more than one goal, but are included below only once.

- ◆ Some activities that contribute to the achievement of goals and strategies, and that reflect the Ministry's response to issues raised during the September 1997 Growth Summit are detailed below.
- ◆ Within the Ministry, program components contribute to the achievement of one or more of the Ministry's strategies. The linkage between the Ministry's goals and strategies, and the Ministry's program components is illustrated in the table following the strategies and key activities.

Goal 1 To protect and maintain Alberta's high quality air, land and water for the health and enjoyment of Albertans.

Ministry Performance Measures

- ◆ Air quality index
- ◆ Surface water quality index
- ◆ Reduction of municipal solid waste to landfills

Strategy 1.1 Establish acceptable standards for air, land and water quality.

- develop guidelines to protect Alberta's air, land and ground water quality
- contribute to the ongoing development of national guidelines and standards (in particular, ground-level ozone, benzene, mercury, dioxins and furans, particulates, total petroleum hydrocarbons).

Strategy 1.2 Monitor, assess and take action to maintain the quality of Alberta's air, land and water.

- monitor air, soil, water and ground water quality
- issue clear and enforceable resource use approvals for over 120 existing industrial activities approved under the *Environmental Protection and Enhancement Act*, and 13 new industrial activities representing over \$3 billion of investment in Alberta
- implement a comprehensive compliance assurance and enforcement program
- designate and decommission contaminated sites
- establish the McKenzie River Basin Board to implement recommendations of the Northern River Basins Study as approved by government.

Strategy 1.3 Actively promote understanding and improve knowledge of Alberta's environment.

- publish state of the environment reports on air quality, terrestrial ecosystems, and a comprehensive report on the state of the environment
- provide industry and the public with information on the environment, resources, environmental protection, recreation and protected areas and Ministry programs through publications, the internet and information centres
- develop and deliver "bias-balanced" educational information (that is, present all sides of an environmental issue) on topics such as climate change, forest management and biodiversity as outlined in the environmental education strategy
- undertake air emission studies and sustainable forest management studies.

Strategy 1.4 Provide Albertans with opportunities to contribute to environmental protection and natural resource management.

- obtain the input of Albertans through stakeholders represented on the Advisory Committee on Environmental Protection, the Special Places Coordinating Committee, the Alberta Forest Management Science Council; through the Natural Resources Conservation Board, the Environmental Appeal Board; and through other consultation mechanisms
- maintain telephone “hotlines” so that the public can report wildfires, poaching, hazardous spills and environmental contamination.

Goal 2 To manage Alberta’s renewable resources for the continued prosperity and benefit of Albertans.

Ministry Performance Measures

- ◆ Timber sustainability
- ◆ Pulp production versus amount of biochemical oxygen demand discharged

Strategy 2.1 Provide clear, effective direction and guidance for the use, management and development of Alberta’s renewable natural resources.

- develop a comprehensive statement recognizing the interdependence of natural resources, respecting that the use of one resource can affect other resources and their use, and considering the new model for growth identified through the Growth Summit
- develop and maintain guidelines for the use, conservation and management of public land and natural resources (such as guidelines for incorporating biodiversity objectives to forest management plans)
- establish a framework for water management planning in Alberta
- establish a strategy for the protection of the aquatic environment as part of the framework for water management planning
- implement elements of the Fish Conservation Strategy
- provide resource-based recreational opportunities
- support and promote sustainable resource-based activities.

Strategy 2.2 Streamline regulatory processes and legislative requirements.

- implement the regulatory reform action plan¹, reviewing legislation such as the *Forests Act*, *Land Agents Licensing Act*, and *Surveys Act*
- complete a review of integrated resource management policies, remove overlap and duplication among these policies, and fill policy gaps to ensure consistent, clear and integrated resource management policy direction
- work to harmonize the environment management roles and responsibilities among various orders of government.

Strategy 2.3 Reduce impact of natural hazards (fire, drought, flood, pests) on people, property and resources.

- maintain forest fire detection and suppression infrastructure in addition to fighting wildfires as required
- monitor and control major forest pests and disease
- provide flood protection by monitoring water flows, making the public aware of flood risk areas, and providing flood warnings
- maintain the safety of dams, dikes and other water impoundment structures.

¹ The Ministry’s Regulatory Reform Action Plan and the 1997 regulatory review schedule is available to the public.

Goal 3 To protect and manage Alberta's natural resources and ecosystems for present and future generations.

Ministry Performance Measures

- ◆ Species at risk
- ◆ Area of parks and natural reserves in Alberta
- ◆ Parks visitation

Strategy 3.1 Establish acceptable levels of protection for natural resources and ecosystems.

- complete the review of nominated and candidate sites for the Special Places program; initiate management plans for sites designated as special places
- develop and introduce the *Natural Heritage Act* which consolidates three existing Acts into one.

Strategy 3.2 Monitor, assess and take action to protect natural resources and ecosystems.

- maintain and enhance electronic infrastructure and databases for natural resource and land related data, including basic mapping information, the Alberta Vegetation Inventory and ecological data
- manage the Environmental Impact Assessment process for eight major new projects in 1998 worth approximately \$10.5 billion, and more projects expected in future years
- continue to manage and resolve appeals of decisions which have increased over 230 percent between 1995 and 1996
- ensure reclamation of disturbed land.

Ministry Program Components Link to Strategies:	Ministry Strategies									
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	3.1	3.2	
Business Support for Ministry Programs	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Environmental Service	✓	✓	✓	✓	✓	✓		✓	✓	
Fish and Wildlife Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Recreation and Protected Areas Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Water Resources Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Land and Forest Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Forest Protection and Fire Suppression		✓	✓	✓	✓		✓	✓	✓	
Environmental Appeal Board		✓	✓	✓	✓	✓	✓	✓	✓	
Natural Resources Conservation Board	✓		✓	✓	✓	✓		✓	✓	
Environmental Protection and Enhancement Fund		✓					✓			

Performance Measures

Eight key performance measures are used in this business plan to indicate our success in accomplishing our goals. One new performance measure, Parks Visitation, has been added since the 1997/98 to 1999/2000 business plan. A description of each of the eight performance measures follows. In addition to these eight measures, the Ministry also contributes to seven government measures reported in *Measuring Up*. These measures include: Resource Wealth, Resource Sustainability, Air Quality, Water Quality, Land Quality, Heritage Appreciation and Infrastructure. Improvements to Ministry performance measures will be reflected in future business plans.

Air Quality Index

The air quality index provides an indication of the quality of air in Alberta throughout the year at selected locations in the province, including Edmonton, Calgary, Fort Saskatchewan, Fort McKay, Vegreville, and Fort McMurray. The measure illustrates the percentage of days in the year during which air is rated good, fair, poor or very poor using the guidelines established by Alberta's *Environmental Protection and Enhancement Act*. The target is to maintain air quality levels which are considered good or fair at all times.

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Good	96%	97%	98%	97%	96%	99%	98%	96%	98%	98%
Fair	4%	3%	2%	3%	4%	1%	2%	4%	2%	2%
Poor	0	0	0	0	0	0	0	0	0	0
Very Poor	0	0	0	0	0	0	0	0	0	0




Reduction of Municipal Solid Waste to Landfills

This measure provides an indication of Alberta's progress towards meeting a municipal solid waste reduction target of 50% of 1988 levels by the year 2000.

1988	1989	1990	1991	1992	1993	1994	1995
100%	97.2%	95.9%	96.9%	87.5%	85.8%	77.2%	71.2%

Surface Water Quality Index

The Surface Water Quality Index provides an indication of river water quality for recreation, aquatic life, and agriculture uses upstream and downstream of major Alberta centres. The target is to bring river water quality downstream of developed areas in line with upstream conditions.

Location	 Recreation	 Aquatic Life	 Agriculture	Issues - Concerns
SMOKY/PEACE RIVER				
at Watino	○	⊗	○	pulp mill & municipal effluents
at Ft. Vermilion	○	⊗	⊗	
ATHABASCA RIVER				
at Athabasca	⊗	○	○	pulp mill & municipal effluents
at Old Fort	⊗	○	○	
NORTH SASKATCHEWAN RIVER				
upstream of Edmonton	○	○	○	municipal, industrial and non-point pollution sources
downstream of Edmonton	●	⊗	○	
RED DEER RIVER				
upstream of Red Deer	○	○	○	municipal, industrial and non-point pollution sources
downstream of Red Deer	○	⊗	○	
BOW RIVER				
upstream of Calgary	○	○	○	municipal & non-point pollution sources; reduced flow due to water withdrawal
downstream of Calgary	●	⊗	⊗	
OLDMAN RIVER				
upstream of Lethbridge	○	⊗	○	municipal & non-point pollution sources
downstream of Lethbridge	●	⊗	○	
Based on percentage of compliant tests in 1995				
○	water quality is good:	very few tests not meeting guidelines	(100 - 96% compliance)	
⊗	water quality is fair:	guidelines not met occasionally.	(95 - 86% compliance)	
○	water quality is poor:	guidelines often not met.	(85 - 71% compliance)	
●	water quality is not acceptable	guidelines frequently not met.	(70% compliance and lower)	

Timber Sustainability

The Timber Sustainability measure compares the actual annual timber harvest with the approved annual allowable cut (AAC) as set by the province. The AAC is the amount of timber that can be harvested on a sustainable basis within a defined planning area. The target is for Alberta's annual timber harvest to be no greater than the AAC, ensuring a timber supply for the future.

Million m ³	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
AAC	25.6	25.6	25.6	25.6	25.6	24.5	24.5	24.5	22.1	22.1
Harvest	8.2	8.3	9.6	8.8	11.6	11.9	13.7	13.1	15.1	16.9

Pulp Production Versus Amount of Biochemical Oxygen Demand Discharged

Oxygen is required in the breakdown of pulp mill waste water. Disposal of waste water into surface waters may decrease the amount of oxygen available to aquatic organisms. Keeping the levels of biochemical oxygen demand (BOD) down, means that more oxygen is available for aquatic ecosystems.

	1990	1991	1992	1993	1994	1995	1996
BOD kg/tonne	3.17	2.22	1.67	1.22	0.99	0.84	0.90
Number of mills	5	6	6	7	7	7	7

Species at Risk

The Species at Risk measure shows the health of Alberta's fish and wildlife populations as assessed by the proportions of species that are at serious risk, vulnerable/sensitive, healthy or of undetermined status. The 538 species reviewed include 370 birds, 90 mammals, 60 fish, 10 amphibians, and 8 reptiles. The target is to keep the percentage of species at serious risk below 5%.

	Healthy	Vulnerable/Sensitive	Undetermined	Serious Risk
1996	85%	9%	4%	2%
1991	55%	20%	20%	5%

Area of Parks and Natural Reserves in Alberta

This measure describes the total area parks, natural reserves and related sites (including national parks) in Alberta. The target is to have 81,000 square kilometres of Alberta designated as parks, natural reserves or related sites by the year 2000.

1950	1960	1970	1980	1990	1995	1996
50 000 km ²	55 000 km ²	56 000 km ²	57 000 km ²	60 000 km ²	62 207 km ²	63 972 km ²

Parks Visitation

The Parks Visitation measure reflects parks use by Albertans and visitors to the province, and opportunities for enjoyment provided by the recreation and protected areas system. The measure is defined as the total number of daily entries of persons onto recreation and protected area sites. The target is to maintain parks visitation rates at 8 million.

	1991	1992	1993	1994	1995	1996
Millions of visitors	8.6	8.7	8.4	9.0	8.9	8.5

Environmental Protection Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	1,246	1,379	1,161	1,230	1,246	1,262
Transfers from Government of Canada	1,582	1,217	888	790	790	790
Investment Income	4,957	4,018	5,869	5,847	6,605	7,894
Premiums, Fees and Licences	175,876	93,485	139,476	101,244	102,094	117,094
Other Revenue	15,328	8,155	9,906	6,751	6,751	6,752
<i>Consolidation Adjustments</i>	1,254	(1,379)	(1,161)	(1,230)	(1,246)	(1,262)
Consolidated Revenue	200,243	106,875	156,139	114,632	116,240	132,530
EXPENSE						
Program						
Business Sustaining Services	9,778	8,800	8,800	7,739	7,880	8,002
Environmental Service	48,786	49,950	49,995	49,726	48,440	49,039
Fish and Wildlife Management	28,216	28,317	28,789	27,980	28,506	28,887
Recreation and Protected Areas Management	32,313	30,864	30,746	26,097	26,437	26,784
Water Resource Management	35,770	31,969	31,634	28,575	28,958	29,350
Land/Forest Management	41,315	36,542	39,701	37,121	37,850	38,440
Forest Protection/Fire Suppression	59,557	62,459	62,471	61,856	62,461	63,001
Assistance to Funds and Agencies	17,920	1,850	1,744	1,739	1,760	1,781
Environmental Protection and Enhancement Fund	17,403	32,586	48,635	26,119	26,116	26,116
Natural Resources Conservation Board	777	1,397	1,135	1,249	1,265	1,281
Ministry Amortization	24,522	24,774	24,819	24,832	26,044	26,044
Valuation Adjustment	(3,191)	(237)	(1,581)	(84)	(10)	1,189
<i>Consolidation Adjustments</i>	29,189	(1,379)	(1,161)	(1,230)	(1,246)	(1,262)
Consolidated Expense	342,355	307,892	325,727	291,719	294,461	298,652
Gain (Loss) on Disposal of Capital Assets	571	(968)	(968)	(248)	-	-
Write Down of Inventory held for Resale	(14)	-	(1,961)	-	-	-
NET OPERATING RESULT	(141,555)	(201,985)	(172,517)	(177,335)	(178,221)	(166,122)

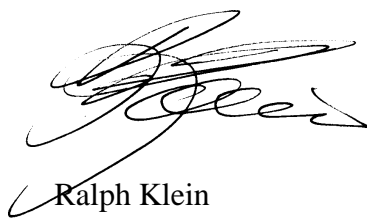
Executive Council

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Ralph Klein
Premier
January 26, 1998

Introduction

Programs within Executive Council that report to the Premier include Office of the Premier/General Administration, Northern Development and Public Affairs.

Office of the Premier/General Administration

The Office of the Premier/General Administration will continue to provide responsive support to the Office of the Premier, while maintaining open communication between the Office and Albertans. Administrative services to the Executive Council, its Members and Committees will be provided with a focus on cost and service effectiveness. Administrative, secretarial and clerical services will be provided for the Lieutenant Governor.

Northern Alberta Development Council Business Plan

Mission

Our mission is to advance northern development through regional initiatives in partnership with the private sector and community-based organizations.

The mandate of the Northern Alberta Development Council (NADC) as outlined in the Act of Legislature is to “investigate, monitor, evaluate, plan and promote practical measures to foster and advance general development in northern Alberta”. For the next three years we will focus on the economic development portion of our mandate.

Northern Alberta includes 60% of Alberta’s land mass and has 10% of the province’s population. It is resource rich, with 90% of Alberta’s forests, all of Canada’s oil sands development, one third of Alberta’s conventional oil and gas activity, and 20% of Alberta’s agricultural land.

The NADC reports to cabinet through Premier Klein. It is chaired by Mike Cardinal, MLA for Athabasca-Wabasca. The eight Council members live and work in northern Alberta. Professional support is provided by a 12-member staff based in Peace River.

Vision

Northern Alberta has tremendous potential for economic growth, based on a strong agriculture sector and driven by energy, forestry and tourism sector expansion. Our vision is to build on these opportunities to achieve a strong economy through new resource development and adding value to commodities. By training northerners for these opportunities we can capture employment and business benefits for our communities and contribute to the long-term strength of the provincial economy.

Core Businesses

The NADC supports government’s goal of enhancing prosperity by facilitating the development of a thriving and progressive northern economy.

Our goals are to:

- ◆ promote emerging development opportunities
- ◆ address barriers to economic growth in northern Alberta
- ◆ increase northern skill levels to take advantage of economic opportunities.

The NADC’s activities are primarily project based. We partner with the private sector, community-based organizations and government agencies to develop and implement strategies and projects that advance regional economic development. Our program delivery function is limited to offering northern post-secondary student bursaries in conjunction with Alberta Advanced Education and Career Development.

The NADC meets with representatives of key northern organizations to determine their development priorities. Together with these groups, we conduct research and sponsor events. We act as a catalyst to raise awareness of northern issues and opportunities. We act as a facilitator to identify and implement solutions to northern constraints. Northerners are kept informed of our activities through meetings, a regular newsletter, event advertising, and updates on our web page.

Goals, Objectives, and Strategies

Our objectives are dynamic. They are continually strengthened and refined through the consultation and discussion process. We only pursue objectives that are supported by northern organizations. The NADC is positioned to address emerging opportunities and issues on an ongoing basis, and to add objectives when necessary.

Goal 1: To promote emerging development opportunities in northern Alberta

Objectives	Strategies
Identify emerging economic development issues and opportunities.	<ul style="list-style-type: none"> ◆ Consult with key northern economic leaders, government departments and the Alberta Economic Development Authority. ◆ Research opportunities in key economic sectors. ◆ Compile and disseminate northern economic information and opportunity reports.
Encourage expansion of value-added agriculture in the north.	<ul style="list-style-type: none"> ◆ Work with Alberta Agriculture and the industry to develop and implement strategies to promote value-added agriculture in the north. <ul style="list-style-type: none"> - encourage the development of a regional processing facility in northeastern Alberta. - increase awareness of and promote northern value-added agriculture and food processing opportunities.
Encourage greater local business participation in spin-offs from industry.	<ul style="list-style-type: none"> ◆ Support the development of the Lakeland Aboriginal Business Association. ◆ Identify and pursue strategies, particularly in aboriginal communities, to increase local economic and business benefits from resource development.
Encourage tourism product development in the north.	<ul style="list-style-type: none"> ◆ Partner with the Alberta North Tourism Destination Region to promote product development and marketing opportunities.

Goal 2: To address barriers to economic growth in northern Alberta

Objectives	Strategies
Lead and coordinate efforts in the Peace Region to improve transportation to markets.	<ul style="list-style-type: none"> ◆ Work with producers, shippers, carriers, government and port officials to: <ul style="list-style-type: none"> - Highlight the region’s transportation issues and opportunities. - Identify and promote ways to improve the movement of products to west coast ports.
Improve community access to and use of telecommunication technology.	<ul style="list-style-type: none"> ◆ Promote northern telecommunication needs to carriers and government.
<p>Improve the viability of Alberta’s commercial fishing industry.</p> <p>Support implementation of the Western Premiers’ Economic Action Plan.</p> <p>Support the development of entrepreneurship.</p>	<ul style="list-style-type: none"> ◆ Review the commercial fishing licensing system and identify solutions to key issues. ◆ Coordinate, track and report on Alberta’s implementation of the Northern Economic Trade Forum’s work plan. ◆ Research needs and mechanisms to foster entrepreneurship in the north, particularly among young people.

Goal 3: To increase northern skill levels to take advantage of economic opportunities

Objectives	Strategies
Increase the capability of northern students to access employment opportunities.	<ul style="list-style-type: none"> ◆ Oversee the new Northern Alberta Student Supplemental Assistance Program to provide financial and counselling support to first and second year post-secondary northern high need students. ◆ Continue student bursaries through the current Northern Alberta Development Council Bursary Program and Bursary Partnership Program in occupations where there is a northern shortage. ◆ Continue to assess northern employers occupation requirements; monitor and adjust bursary program focus to align with northern occupation shortages. ◆ Identify and facilitate the development of stay in school strategies for northern Alberta.
Assist northern advanced education institutions to develop training programs that match employment needs.	<ul style="list-style-type: none"> ◆ Co-sponsor an information clearinghouse with northern colleges that provides timely information on northern economic and employment trends.

Performance Measures

We survey our project partners and clients, as well as other key northerners, to determine their satisfaction with our contribution to northern economic development. In 1997, 88% of respondents said they were satisfied with our contribution to Goal 1 of our business plan. Respondents indicated 77% satisfaction with our contribution to Goal 2. We continue to strive to reach our target of 100%.

Our performance under Goal 3 is measured at the program level. We track the number of students who receive bursary assistance and their rates of return service in the north. Students contract to work in the north in their area of training, in exchange for bursary assistance. The rate of return service shows the percentage of students who fulfil this obligation. The return service rate in 1996/97 was 72%. Our target for 1997/98 is 74%.

We also measure our performance in leveraging funding from community and industry organizations for our Bursary Partnership Program. These partners committed \$134,000 in 1996/97. Our target for 1997/98 is \$130,000.

How are we doing?

Measures	1995/96 Actual	1996/97 Actual	1997/98 Target	1998/99 Target	1999/2000 Target	2000/2001 Target
% satisfied, Goal 1: NADC promotion of emerging development opportunities	81%	88%	100%	100%	100%	100%
% satisfied, Goal 2: NADC contribution to addressing economic barriers	70%	77%	100%	100%	100%	100%
Return service rate of NADC bursary recipients	72%	72%	74%	75%	75%	75%
Leveraged funding for Bursary Program	\$93,000	\$134,000	\$130,000	\$150,000	\$160,000	\$160,000

Public Affairs Bureau Business Plan

Mission / Vision

The Public Affairs Bureau helps the government in its ongoing dialogue with Albertans by providing quality, coordinated and cost-effective communications and consulting services. We strive to be the best government communications operation in Canada.

We do our job by investing in, and effectively using, our people's skills; by finding new ways to use technology to help government communicate with Albertans; and listening to clients, while adapting our services to meet their changing needs. We measure our performance by surveying our clients and suppliers each year.

Core Businesses

- ◆ Supplying professionals to government departments to develop and implement communications programs;
- ◆ Providing communications planning and consulting support to government;
- ◆ Coordinating government communications to and from Albertans on government initiatives, and during public emergencies;
- ◆ Providing specialized writing and editing services to government;
- ◆ Managing the Regional Information Telephone Enquiries (RITE) system, to give Albertans toll-free access to government;
- ◆ Publishing and selling Alberta laws and other government materials, and operating the Queen's Printer Bookstores in Edmonton and Calgary;
- ◆ Delivering information, including managing the government's use of information technology at the corporate level (e.g., the government's home page on the Internet, and the province-wide distribution of news releases) and technical support for major government news conferences and announcements; and
- ◆ Helping government departments purchase communications support services, including advertising, printing and graphic design.

Because of the important role of communications in the government's agenda, our work helps deliver services encompassing each of the government's core businesses (people, prosperity and preservation), and all 17 goals established in the government business plan.

Our new directions

We're continuing to move from a reactive provider of government services to a strategic organization by:

- ◆ Broadening our focus of communicating the government's fiscal agenda to raising awareness of government programs and services, and of opportunities created by Alberta's thriving economy;
- ◆ Making customer service our top priority;
- ◆ Training our staff as consultants;

- ◆ Recognizing needs and responding quickly and flexibly by allocating communications staff to priority projects;
- ◆ Using new technology creatively to find faster and less costly ways to communicate with Albertans; and
- ◆ Working with departments to help implement Growth Summit recommendations related to communications.

Goals and strategies

Goal 1 **Make government information more accessible to Albertans**

Get useful, timely and clear information to the public.

- ◆ Work with government, the private sector and other partners to develop broad marketing messages to raise awareness of government programs and services, and of opportunities created by Alberta's thriving economy; and
- ◆ Improve access to Alberta's laws and news releases on the Internet.

Goal 2 **Provide better coordinated communications across government**

Improve services to our clients; expand the consulting skills of our staff; and be flexible in allocating resources to specific projects as needed.

- ◆ Broaden our staff's skills through a communications certification program and a "learning account";
- ◆ Improve the quality of speechwriting services through further coaching, training and background resources for speechwriters; and
- ◆ Continue to work with the Personnel Administration Office to improve the government's internal communications with its employees.

Goal 3 **Improve the efficiency of communications across government**

Improve links between Albertans and their government and among government employees, and reduce costs.

- ◆ Help departments to save money by promoting their use of RITE as an alternative to some departmental toll-free numbers where feasible, and RITE's conference-calling service; and
- ◆ Audit administrative/process procedures at the Bureau; stop using those which do not add value to the organization and its ability to serve clients; and improve the ones that do.

Goal 4 **Sustain revenue by developing new products and services**

Provide quality products which improve Albertans' access to legislation and other government information.

- ◆ Produce, market and distribute printed and electronic versions of the *Alberta Rules of Court*; and
- ◆ Publish electronic versions of the *Statutes of Alberta Annual Volume* and continue to produce Alberta statutes and regulations on CD-ROM.

Performance Measures

The Public Affairs Bureau works with four distinct groups: Albertans wanting information from government; public customers of the Queen's Printer Bookstore and the RITE telephone system; government clients using the Bureau's services; and private sector suppliers of print and graphic design services. We evaluate our work by measuring the satisfaction rate within each group — that is, the percentage of respondents indicating that they are either "generally" or "very" satisfied.

Key Performance Measures

Public Satisfaction with Government Information

This measure reflects the satisfaction of Albertans with the information they receive from government.

1994-95 Actual	1995-96 Actual	1996-97 Actual	1997-98 Target	1998-99 Target
65%	69%	66%	75%	75%

Public Customer Satisfaction

This measure provides information on customer satisfaction with the services they receive from the RITE Telephone System and the Queen's Printer Bookstores.

1994-95 Actual	1995-96 Actual	1996-97 Actual	1997-98 Target	1998-99 Target
95%	97%	96%	98%	98%

Government Client Satisfaction

This measure reflects the satisfaction of the Bureau's government clients with the communications support, consultation and services they receive.

1994-95 Actual	1995-96 Actual	1996-97 Actual	1997-98 Target	1998-99 Target
86%	86%	85%	90%	90%

Private Sector Supplier Satisfaction

This measure provides information on private sector print and graphic design supplier satisfaction in their business dealings with the Bureau.

1994-95 Actual	1995-96 Actual	1996-97 Actual	1997-98 Target	1998-99 Target
88%	91%	95%	95%	95%

Executive Council Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Transfers from Government of Canada	393	187	95	-	-	-
Other Revenue	1,700	1,570	1,592	1,570	1,570	1,570
Consolidated Revenue	2,093	1,757	1,687	1,570	1,570	1,570
EXPENSE						
Program						
Premier's Office/General Administration	2,928	2,870	2,870	2,987	3,043	3,102
Northern Alberta Development Council	1,857	1,399	1,199	969	973	977
Public Affairs Bureau	8,862	8,745	8,745	8,151	8,291	8,438
Total Voted and Statutory Expense	13,647	13,014	12,814	12,107	12,307	12,517
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(11,554)	(11,257)	(11,127)	(10,537)	(10,737)	(10,947)

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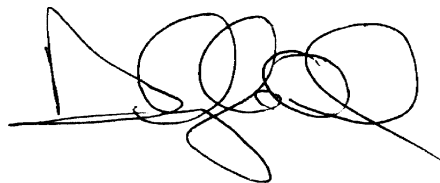
Family and Social Services

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Dr. Lyle Oberg
Minister of Family and Social Services
January 21, 1998

Mission

Family and Social Services

Help families to be responsible and accountable, help adults to be independent, and keep children safe.

Vision

Albertans achieve their individual potential through the support of caring families, supportive communities, and effective social services.

The Ministry will fulfil its mission by:

- ◆ Continually striving to improve the quality of services and the results experienced by clients, while reducing the overall costs of operation.
- ◆ Working with the community using planned collaborative processes to govern, design, manage and/or deliver services.

The Ministry of the future will consist of four components:

- ◆ A delivery system for income and employment programs that is fully coordinated with complementary provincial and federal programs and systems.
- ◆ An integrated, community-based delivery system for services to children and families.
- ◆ A responsive and coordinated community-based delivery system for services to developmentally disabled adults, such that people with disabilities have the opportunity to participate as fully productive members of society.
- ◆ Service centres that provide administrative support for all three systems. A small centralized team will provide governance and ensure the accountability of these delivery systems.

Core Businesses and Goals

Help individuals be independent

- ◆ Provide a basic level of income support to those people unable to provide for their own basic needs.
- ◆ Help welfare clients to regain independence.
- ◆ Ensure appropriate surrogate decision-making mechanisms, supports and safeguards are available to assist adult Albertans who are, or who wish to prepare for a time when they may be, unable to make personal decisions independently.
- ◆ Enable adults with developmental disabilities, with the support of their families and friends, to live, work and participate as valued citizens in the communities of their choice.
- ◆ Encourage and support preventive social programming in communities.

Keep children safe

- ◆ Intervene on behalf of children in need of protection.
- ◆ Provide stable and nurturing home environments for children in care.
- ◆ Provide services to victims of family violence.
- ◆ Regulate and monitor day care providers to assure an acceptable standard of care.
- ◆ Help parents of children with disabilities access the resources they need to care for their children.
- ◆ Make day care affordable to low-income families.

Strategies

The Ministry will reposition itself in relation to the human services in Alberta by redesigning its key management structures and processes. The Ministry will continue pursuing its major strategy of giving communities greater input into programs and services. In order to remain focused on its core responsibilities, the Ministry will work closely with other ministries to clarify mandates, roles and responsibilities in all program areas.

Income and Employment Programs

The Ministry will continue to work with Advanced Education and Career Development (AECD) and Human Resources Development Canada (HRDC) to rationalize the design and provision of labour market and income support programs provided to Albertans. The Ministry will:

- ◆ Coordinate and clarify roles and responsibilities of AECD, HRDC and Family and Social Services for the provision of labour market and income support programs and services for Albertans.
- ◆ Introduce a Child Health Benefit as part of the National Child Benefit Program. This will help low income families purchase the prescription drugs, dental, optical and ambulance services that their children require.
- ◆ Harmonize and improve government income support programs and services for disabled Albertans within the context of federal/provincial and territorial ministerial commitments.
- ◆ Redesign income support and employment related services for adult Albertans in need (including the disabled). Programs and services will be redesigned to support entry or re-entry into employment.
- ◆ Develop options with Alberta Health and AECD for the provision of medically related benefits and services to Albertans in need.
- ◆ Test and implement new technologies and ways of doing business to improve service quality, program effectiveness and operational efficiency.

Services to Persons with Disabilities

Reforms to Services to Persons with Disabilities transferred the management of services for adults with developmental disabilities to community boards. This initiative gives communities more opportunities to plan and deliver services that meet local and regional needs. The majority of the services will continue to be provided by community agencies.

- ◆ The community board structure, established under the *Persons with Developmental Disabilities Governance Act*, will be fully implemented. One provincial board, six community boards and a facility board will be responsible for managing the delivery of all services to adults with developmental disabilities.
- ◆ In collaboration with the Ministry, the community boards will develop a business plan that will describe the future direction of services to adults with developmental disabilities.
- ◆ The Ministry will continue to be responsible for setting program direction, establishing standards, monitoring outcomes, and allocating funding.
- ◆ The ministries of Family and Social Services, Health and Advanced Education and Career Development are jointly reviewing their mandates and exploring a possible shift in roles and responsibilities related to the provision of social supports. Social supports encompass a broad range of residential, employment and training, and community participation supports. The targeted population is adults aged 18 to 64 years, with various disabilities and requiring long-term social supports. The ministries will identify issues, opportunities, costs and implications related to any potential change.

Office of the Public Guardian

The focus of the Office of the Public Guardian (OPG) will be to continue to ensure provision of court ordered adult guardianship, while implementing surrogate decision-making strategies reflected in new and amended legislation. These include:

- ◆ The efficiency amendments to the *Dependent Adults Act*, proclaimed November 1997.
- ◆ The *Personal Directives Act*, proclaimed December 1997.
- ◆ The amendments to the Mental Health Act designating the Public Guardian as decision maker of last resort for involuntary incompetent mental health patients.

In addition to the ongoing responsibility of providing surrogate decision making for Albertans whose guardian or agent is the Public Guardian, over the next three years, the OPG will:

- ◆ Prepare and provide information that will help the public and service providers complete the requirements for having a surrogate decision maker appointed.
- ◆ Work with Justice to develop and implement the mechanisms for preparing and applying for a legally appointed guardian or trustee using the amended legislation.
- ◆ Work with Justice, Health and Community Development to monitor the effects of the *Personal Directives Act*.
- ◆ Work with Health and the 13 designated facilities under the *Mental Health Act* to develop and implement a referral and investigation process for the Public Guardian's role as decision maker of last resort.

Services to Children and Families

The focus of the next three years will be on implementing a new delivery system of services for children and families across the province. Based on plans developed in eighteen planning regions, this new system will be community-based, more preventive in nature, provide effective and culturally sensitive services to Aboriginal children and families, and will be characterized by better integration of services.

- ◆ All 18 regions are expected to have submitted their final service plans by April 1, 1998.
- ◆ Following government's approval of a region's final Service Plan, a Child and Family Services Authority will be established for that region.
- ◆ Once established, the Authority will prepare a business plan based on the approved Service Plan, and will enter into agreements with the Ministry for the gradual transfer of responsibility for the delivery of services. The first Authority will be operational by the summer of 1998.
- ◆ An Executive Manager of Services Transition will lead and coordinate all tasks associated with the transfer of service delivery responsibilities and resources from this Ministry to the future Authorities.
- ◆ A Government Transition Team Leader will work closely with the other partnering ministries on transitional matters. Discussions will also occur between ministries to clarify mandates, roles and responsibilities in various program areas.
- ◆ The Ministry will continue to support communities in the planning process and will transfer responsibilities only as communities become ready to take them on. Province-wide standards will ensure that the quality of service is maintained, and a funding formula will ensure equitable distribution of available funds between regions.
- ◆ A protocol framework will address the delivery of services to children and their families between regions and jurisdictions.
- ◆ The Ministry will maintain its overall accountability for services to children and families, and will continue to set province-wide policies and legislation, provide funding, and monitor and evaluate services.
- ◆ Using a variety of strategies, the Ministry will increase its emphasis on restoring or developing permanent family relationships for children in care.
- ◆ The Ministry will lead a coordinated effort to address the issue of juvenile prostitution, including the introduction of new legislation.
- ◆ The Ministry will work with other stakeholders to develop a major initiative dealing with drinking during pregnancy and Fetal Alcohol Syndrome.

Family and Community Support Services

Family and Community Support Services provides funding for municipally-based preventive social services programs. It is cost shared between the Ministry (80%) and participating municipalities (20%). The Ministry and municipalities have established a strong partnership to improve the effectiveness of the program continually while minimizing administrative demands.

Supporting Government Goals

The Ministry strategies support the following government goals:

- ◆ Albertans will be independent.
- ◆ Albertans not expected to support themselves fully will receive help.
- ◆ Our children will be well cared for and safe.

Regulatory Reform

The Ministry's Regulatory Reform Work Plan sets out the schedule for the review and revision of approximately 16 regulations, and is filed with the Regulatory Reform Task Force. With only a couple of exceptions, most of the Ministry's regulations do not regulate businesses and will not require extensive public consultation. Many regulations will be reviewed in the context of a larger program redesign. This review will be undertaken to ensure that regulations are necessary, relevant and written in a clear and concise manner.

Performance Measures

As the Ministry establishes new community-based delivery structures, a new emphasis on performance measurement is emerging. The Ministry is committed to developing meaningful measures in all program areas. For both children's services and services to persons with disabilities this will be done in conjunction with community boards. Many of the measures included in this plan may change in the near future.

Percentage of children who stay free from abuse or neglect while receiving child protection services.

- ◆ This measures the success of the Ministry in meeting the safety and security needs of children while they are receiving Child Protection Services.
- ◆ Relates to keeping children safe.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
97.0%	97.1%	98.4%	98.5%	100.0%	100.0%	100.0%	100.0%

Percentage of day care centres meeting critical government standards

- ◆ This performance measure is defined as the percentage of day care centres meeting government standards for staff/child ratios, supervision, staff qualifications, discipline and developmental needs.
- ◆ Critical standards refer to those standards where non-compliance is most likely to place children at risk. Compliance to critical standards is used as a measure due to its relationship to the health, safety and well being of children. Non-compliances must be rectified within a certain time period or further action is taken.
- ◆ Relates to regulating and monitoring day care providers to assure an acceptable standard of care.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
64.0%	76.0%	83.0%	80.0%	90.0%	95.0%	100.0%	100.0%

Expected to Work Clients per 1,000 working age population

- ◆ This performance measure is defined as the number of clients per 1,000 working age population who are expected to work and are receiving benefits.
- ◆ Provides a standardized measure of the extent of dependency on welfare by working age Albertans.
- ◆ Relates to helping welfare clients to regain independence.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
33	22	19	16	16	16	15	15

Proportion of Employment Initiative Graduates not receiving welfare benefits 12 months after graduation or placement

- ◆ This performance measure is defined as the percentage of graduates who are not receiving welfare benefits 12 months after completing a placement in a work experience, training or employment program.
- ◆ Since success is measured 12 months after the fiscal year end, the 1996/97 measure is shown as an estimate.
- ◆ The intent of employment initiatives is to assist the client's entry/re-entry into the competitive labour market. This measure provides an indication of success.
- ◆ Relates to helping welfare clients to regain independence.

1993-94	1994-95	1995-96	Estimate 1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
70.9%	66.0%	69.0%	70.0%	70.0%*	70.0%*	70.0%*	70.0%*

* Targets are constant due to the Ministry now having a higher proportion of clients who are not job ready.

Duration of welfare for Clients Expected to Work

- ◆ This performance measure is defined as the average length of time Expected to Work clients receive assistance.
- ◆ Welfare is intended as a temporary source of income for clients who are expected to work. The average duration is an indication of how long it takes these clients to become independent.
- ◆ Relates to helping welfare clients to become independent.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
10.4 months	8.7 months	7.5 months	8.1 months	8.0* months	8.0* months	8.0* months	8.0* months

* Targets are constant due to the Ministry now having a higher proportion of clients who are not job ready.

Proportion of welfare cases remaining closed after 12 months

- ◆ This performance measure is defined as the percentage of cases that closed and received no assistance one year later.
- ◆ The measure reflects the extent of client independence and provides an indication of the duration of ex-clients' self-sufficiency.
- ◆ Relates to helping welfare clients to regain independence.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
58.4%	61.8%	58.0%	60.0%	60.0%**	60.0%**	60.0%**	60.0%**

** Targets are constant due to the rapidly changing nature of the labour market and increasing proportion of clients without appropriate job skills.

Proportion of Single-Parent Welfare cases with Child Support Orders or Agreements

- ◆ This performance measure is defined as the percentage of single-parent welfare recipients for whom support is received from the non-custodial parent.
- ◆ This measures the client's access to alternative sources of financial support and the commitment of non-custodial parents to pay support for their children.
- ◆ Targets will be further refined when the new family maintenance information system is implemented in the Fall of 1998.
- ◆ Relates to helping welfare clients to regain independence.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
49.0%	54.8%	57.6%	56.0%	60.0%	62.0%	65.0%	65.0%

Percentage of service providers serving persons with developmental disabilities with policies that meet Ministry Core Standards

- ◆ This performance measure reflects the annual self-assessment by service providers on the existence of policies which comply with the basic standards for physical safety, service planning and program monitoring set by Ministry Core Standards.
- ◆ All service providers receiving contract funding through the Services to Persons with Disabilities program are expected to complete this annual self-assessment. Follow-up by the Ministry occurs through on-site reviews (see next measure).
- ◆ Relates to enabling adults with developmental disabilities to live, work and participate in their communities as valued citizens.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
not available	94.0%	97.0%	98.0%	99.0%	100.0%	100.0%	100.0%

Percentage of service providers serving persons with developmental disabilities who are in practice compliance with Ministry Core Standards

- ◆ This performance measure indicates the percentage of service providers who have been evaluated as meeting 70% or more of the basic standards for physical safety, service planning and program monitoring set by Ministry Core Standards.
- ◆ Recognizing that there can be variations between policy documentation and actual practice, the Ministry in partnership with the Alberta Association of Rehabilitation Centres, conducts on-site reviews of service providers.
- ◆ Relates to enabling adults with developmental disabilities to live, work and participate in their communities as valued citizens.

1993-94	1994-95	1995-96	1996-97	Target 1997-98	Target 1998-99	Target 1999-2000	Target 2000-01
not available	not available	77.0%	80.0%	80.0%	85.0%	85.0%	90.0%

Family and Social Services Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	-	270	270	2,439	2,581	2,949
Transfers from Government of Canada	464,946	378,609	371,585	389,300	402,830	413,770
Investment Income	17	1	1	1	1	1
Premiums, Fees and Licences	1,229	1,400	1,000	1,000	1,000	1,000
Other Revenue	19,220	9,700	10,770	10,700	11,700	12,700
<i>Consolidation Adjustments</i>	-	(270)	(270)	(2,439)	(2,581)	(2,949)
Consolidated Revenue	485,412	389,710	383,356	401,001	415,531	427,471
EXPENSE						
Program						
Ministry Support Services	41,256	35,947	35,103	35,258	35,334	35,695
Income Support to Individuals and Families	698,899	699,000	671,464	670,049	682,859	692,634
Services for Children and Families	329,716	340,837	363,009	361,884	367,215	378,452
Services to Persons with Developmental Disabilities	233,949	245,554	250,748	264,922	269,278	282,789
Advocacy and Guardianship	4,326	4,171	4,587	4,653	4,622	4,693
Family and Community Support Services	31,109	31,284	31,257	36,319	36,319	36,319
Persons with Developmental Disabilities Foundation	-	270	270	195	195	195
Persons with Developmental Disabilities						
Provincial Board	-	-	-	1,440	1,440	1,440
Northwest Region Persons with Developmental						
Disabilities Community Board	-	-	-	135	135	135
Northeast Region Persons with Developmental						
Disabilities Community Board	-	-	-	106	106	106
Edmonton Region Persons with Developmental						
Disabilities Community Board	-	-	-	61	61	61
Central Region Persons with Developmental						
Disabilities Community Board	-	-	-	82	82	82
Calgary Region Persons with Developmental						
Disabilities Community Board	-	-	-	68	68	68
South Region Persons with Developmental						
Disabilities Community Board	-	-	-	102	102	102
Michener Centre Persons with Developmental						
Disabilities Facility Board	-	-	-	100	100	100
Calgary Rockyview Child and Family Services Authority	-	-	-	150	292	660
Valuation Adjustments	(6,279)	2,230	(3,202)	2,146	2,154	2,200
<i>Consolidation Adjustments</i>	-	(270)	(270)	(2,439)	(2,581)	(2,949)
Consolidated Expense	1,332,976	1,359,023	1,352,966	1,375,231	1,397,781	1,432,782
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(847,564)	(969,313)	(969,610)	(974,230)	(982,250)	(1,005,311)

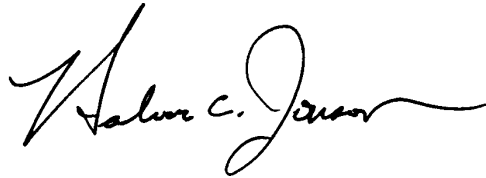
Health

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Halvar C. Jonson
Minister of Health
January 26, 1998

For additional copies of this Business Plan, or further information about the Ministry of Health, contact:

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Vision

Our vision is *healthy Albertans in a healthy Alberta*. This vision statement relates directly to one of the Core Businesses of the Government of Alberta Business Plan, *PEOPLE*, a component of which is: “*A healthy society and accessible health care*”.

The vision encompasses three characteristics:

- ◆ Albertans who are sick have access to quality health care services.
- ◆ Individual health and the health of all Albertans is actively promoted and protected.
- ◆ Healthy social, economic and physical environments exist and contribute to improved health.

The Alberta health system is a publicly administered system with most services (acute care, home care, residential long term care, public health, mental health and community health programs) delivered through seventeen regional health authorities and two provincial health boards — the Alberta Cancer Board and the Provincial Mental Health Advisory Board. Funding for medical services and allied health services is provided on a fee-for-service basis through the Alberta Health Care Insurance Plan operated by the Ministry of Health. The Ministry funds a provincial air ambulance program and the Alberta Aids to Daily Living Program. It also contracts with Alberta Blue Cross to provide a drug plan and other benefits for seniors and subsidized premiums for individuals who do not have access to group drug plans.

Key Characteristics of the Health System of the Future

System characteristics

- ◆ Alberta will continue to be part of a publicly administered health system that guarantees universal access to medically necessary hospital and medical services without user fees or extra billing.
- ◆ The Alberta health system will continue to provide benefits in excess of *Canada Health Act* requirements.

Accountability

- ◆ A common base of health services that meet provincial standards will be available in all regions of the province. Services will be provided, when appropriate, in homes and communities, not just in hospitals.
- ◆ All components of the health system will have clear responsibilities and be accountable for the results they achieve.
- ◆ Standards will be in place province-wide and Albertans will receive regular information on whether those standards are being met.

Health Authorities

- ◆ Regional health authorities will plan and deliver most health services based on evidence of needs, with input from residents and community health councils and directions from the Minister of Health.
- ◆ Health services will be integrated with better linkages between hospital care, home care, community programs, mental health programs, long term care, rehabilitation services and public health programs.
- ◆ Regional health authorities will work with other organizations in their communities to address social, economic and environmental issues which affect health.

Funding

- ◆ Funding will be provided in a way that is predictable, equitable and affordable.

Health Workforce

- ◆ Leadership will be provided to make the best use of the collective skills and expertise of the health workforce.
- ◆ New options for paying health providers will be tested and put in place.
- ◆ The supply of health professionals, especially in rural areas, will continue to be addressed to meet communities' needs.
- ◆ New technology in communications will bring more specialized skills to rural communities through Telehealth programs.
- ◆ Incremental introduction of better approaches to health care will occur as evidence demonstrates their outcomes.

Better Information for Better Health

- ◆ There will be regular and understandable information available to Albertans about the health of Albertans and the performance of the health system.
- ◆ Better information and an ongoing evaluation of programs and services will lead to ongoing improvements in health.
- ◆ Research, technology and telecommunications will be used to improve information and develop new prevention programs and treatments.

Promoting and Protecting Health

- ◆ There will be an emphasis on monitoring health status, promoting and protecting health, controlling disease and preventing injury.

Key Directions and Challenges

The Ministry of Health's key directions address major challenges identified by stakeholders through consultations over the last year.

Direction 1: Ensure Albertans who are sick get the care they need

- Challenges:**
- ◆ Increasing public confidence in the health care system
 - ◆ Addressing issues arising from the shift to community based services
 - ◆ Addressing concerns of the health workforce

Direction 2: Prepare for the future

- Challenges:**
- ◆ Creating a predictable and equitable funding system
 - ◆ Preparing the system for the impact of an aging population
 - ◆ Ensuring ongoing innovation and integration of new knowledge

Direction 3: Improve accountability and results

- Challenges:**
- ◆ Determining and communicating clear expectations
 - ◆ Ensuring community input into decision making
 - ◆ Aligning physician incentives with patient and health system needs
 - ◆ Having and using better information

Direction 4: Focus on long term health gains

- Challenges:**
- ◆ Addressing major economic, social and environmental factors that influence health
 - ◆ Addressing major health problems that are preventable

The Ministry of Health's Mission and Core Businesses

One of the goals of the Alberta government is that “Albertans will be healthy”. The mission of the Ministry of Health is to: *“improve the health of Albertans and the quality of the health system”*. We work to achieve that mission by concentrating on **four core businesses**:

- Core Business 1: Set Direction, Policy and Provincial Standards**
- Core Business 2: Allocate Resources**
- Core Business 3: Ensure Delivery of Quality Health Services**
- Core Business 4: Measure and Report on Performance Across the Health System**

Goals and Strategies

The goals and strategies for each of the four core businesses are outlined in the tables that follow.

Core Business 1: Set Direction, Policies and Provincial Standards

Albertans expect high standards for Alberta’s health system. Through its overall leadership role, the Ministry of Health is responsible for developing policy and standards that contribute to improving health and health care for Albertans. Strategic direction is provided to health authorities by setting requirements for health authority business plans.

Goals	Strategies
<p>1.1 Clear directions, policies and measurable expectations are in place for all components of the health system.</p> <div data-bbox="110 1119 745 1356" style="border: 1px solid black; padding: 5px;"> <p><i>What Albertans can Expect</i></p> <ul style="list-style-type: none"> ◆ <i>Access to quality health services</i> ◆ <i>Consistent high standards for health services</i> ◆ <i>A clear understanding of who is responsible and for what</i> </div>	<p>1.1.1 Finalize an accountability framework which clearly identifies responsibilities and mechanisms for reporting results in the health system</p> <p>1.1.2 Develop health and health system expectations and measures, including standards and targets</p> <p>1.1.3 Continue review of long term care</p> <p>1.1.4 Develop strategies for necessary supports, including drugs and medical/surgical supplies, for people discharged earlier from hospital</p> <p>1.1.5 Continue to develop <i>Health Information Protection Act</i></p> <p>1.1.6 Work with Alberta Labour to implement the new <i>Health Professions Act</i></p> <p>1.1.7 Study and evaluate different approaches to primary health care</p>
<p>1.2 Provincial strategies are in place to improve the health and well-being of Albertans.</p> <div data-bbox="110 1665 745 1864" style="border: 1px solid black; padding: 5px;"> <p><i>What Albertans can Expect</i></p> <ul style="list-style-type: none"> ◆ <i>Actions to protect and promote good health</i> ◆ <i>Support for the Alberta Centre for Injury Control and Research</i> </div>	<p>1.2.1 Take a leadership role with other ministries and organizations to improve the health of Albertans, especially children, seniors and populations with high health needs</p> <p>1.2.2 Participate in government-wide assessment of the impact of aging.</p>

Core Business 2: Allocate Resources

A key role of the Ministry of Health is to determine the scope of financial, capital and human resources required to support the health system and address Albertans' health needs on an ongoing and sustainable basis. The Ministry of Health also is responsible for setting priorities and allocating resources in a manner that is fair, equitable and reflects health needs in different parts of the province.

Goals	Strategies
<p>2.1 The health system has a stable base of adequate, predictable needs-based funding that is allocated fairly and promotes efficiency and effectiveness.</p> <div data-bbox="207 562 841 856" style="border: 1px solid black; padding: 5px;"> <p><i>What Albertans can Expect</i></p> <ul style="list-style-type: none"> ◆ <i>Better decisions about funding programs and preparing for future needs</i> ◆ <i>Consistent and predictable funding for health services</i> ◆ <i>Ongoing support for complex, highly specialized services</i> ◆ <i>Pilot projects on different ways of delivering and paying for medical services</i> </div>	<p>2.1.1 Develop a process for forecasting health needs and economic trends as a means of projecting future resource requirements</p> <p>2.1.2 Further develop the province-wide services funding system for highly specialized and complex services</p> <p>2.1.3 Refine the population-based funding formula for health authorities</p> <p>2.1.4 Develop and implement methodologies for consistent costing of regional health authority services</p> <p>2.1.5 Work with the Alberta Medical Association to implement a new master agreement which promotes effective care and provides for predictable and equitable funding</p> <p>2.1.6 Refine system for funding academic medicine</p> <p>2.1.7 Review existing drug benefit programs</p> <p>2.1.8 Develop options for paying health professionals that encourage ongoing improvements in health and the performance of the health system</p>
<p>2.2 The health system makes optimal use of the workforce.</p> <div data-bbox="207 1192 841 1297" style="border: 1px solid black; padding: 5px;"> <p><i>What Albertans can Expect</i></p> <ul style="list-style-type: none"> ◆ <i>Appropriate supply and distribution of a well-trained workforce</i> </div>	<p>2.2.1 Work with health authorities, health professions and academic institutions to develop plans for appropriate supply, distribution and management of the health workforce</p> <p>2.2.2 Focus Alberta Health's resources on the department's core businesses and strategic directions</p>

Core Business 3: Ensure Delivery of Quality Health Services

The responsibility for service delivery rests primarily with health authorities and individual practitioners. The Ministry works with health authorities to ensure appropriate investment and management of provincial resources through review and approval of business plans and capital plans. Through systematic monitoring and action, it ensures that services meet high standards, achieve positive health outcomes, and address the needs of Albertans. It registers Albertans for health care insurance and operates the payment system for fee-for-service practitioners and suppliers of equipment, ambulance and other services. It also addresses ongoing issues of concern raised by the public or stakeholder organizations.

Goals	Strategies
<p>3.1 Health services are accessible, appropriate and well-managed to achieve the best value.</p> <div data-bbox="115 594 748 947" style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>A well-managed health system that reflects best practices from around the world</i> ◆ <i>More emphasis on programs preventing illness and injury, protecting and promoting good health</i> ◆ <i>More programs and services provided in community settings, where appropriate</i> ◆ <i>A strong and responsive public health system</i> ◆ <i>Clear and simple processes for expressing concerns and appealing decisions</i> </div>	<p>Work with health authorities and health providers to:</p> <p>3.1.1 Enhance supports to palliative care clients at home</p> <p>3.1.2 Enhance initiatives to attract and keep physicians in rural Alberta</p> <p>3.1.3 Establish simpler processes for Albertans to express concerns and appeal decisions</p> <p>3.1.4 Incorporate best practices in governance and management</p> <p>3.1.5 Enhance mental health services in communities</p> <p>3.1.6 Work with other jurisdictions and stakeholders to develop a new national blood agency</p> <p>3.1.7 Introduce health strategies to address priority health issues, including low birth weight babies, injuries, and cervical and breast cancer</p> <p>3.1.8 Assist in implementing <i>Protection for Persons in Care Act</i></p> <p>3.1.9 Develop and implement a methodology for management of capital infrastructure</p>
<p>3.2 Albertans are well-informed and able to make decisions about their health and health services.</p> <div data-bbox="115 1220 748 1383" style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>Increased participation in personal care decisions</i> ◆ <i>More and better information available on programs and services</i> </div>	<p>Work with health authorities and health providers to:</p> <p>3.2.1 Implement, complete and evaluate health promotion projects</p> <p>3.2.2 Ensure Albertans are aware of services available</p> <p>3.2.3 Assist in implementing <i>Personal Directives Act</i></p>
<p>3.3 Community members have opportunities to participate in improving the health system in their community.</p> <div data-bbox="115 1499 748 1671" style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>More opportunities to be involved in improving the health system in their communities</i> ◆ <i>Active community health councils providing input to regional health authority boards</i> </div>	<p>Work with health authorities and health providers to:</p> <p>3.3.1 Review the implementation and impact of community health needs assessments</p> <p>3.3.2 Implement recommendations of Governance Report to improve public input and participation in decision-making</p>
<p>3.4 Ongoing innovation occurs in the health system.</p> <div data-bbox="115 1713 748 1822" style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>New and innovative pilot projects in service delivery</i> </div>	<p>Work with health authorities and health providers to:</p> <p>3.4.1 Continue to encourage innovation in service delivery</p> <p>3.4.2 Initiate Telehealth project and expand Telepsychiatry</p>

Core Business 4: Measure and Report on Performance Across the Health System

The measurement of results requires development of measures, collection and analysis of information and reporting of results. Regular public reports are produced by the Ministry of Health and Health Authorities. Analysis of the information collected and sharing of that analysis across the system is important to ensure that continuous learning and improvement takes place.

Goals	Strategies
<p>4.1 Timely, comparable and comprehensive information is available for patient care, management and research</p> <div style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>A province-wide health information network linking health providers, hospitals, pharmacies, clinics, health organizations and Alberta Health</i> ◆ <i>Pharmacy network as a basis for better patient care and management of pharmaceutical utilization and costs</i> </div>	<p>4.1.1 Design and proceed to implement alberta wellnet, a province-wide information network linking health providers, hospitals, pharmacies, clinics and other health organizations and the Ministry of Health</p> <p>4.1.2 Use technology to improve the Ministry of Health’s capacity to carry out its core businesses</p> <p>4.1.3 Implement Ministry of Health Research Business Plan</p>
<p>4.2 The performance of the health system and indicators of the health of Albertans are measured, evaluated and reported regularly to Albertans.</p> <div style="border: 1px solid black; padding: 5px;"> <p>What Albertans can Expect</p> <ul style="list-style-type: none"> ◆ <i>Regular reports on the performance of Alberta’s health system and the health of Albertans</i> ◆ <i>Ongoing evaluation of services and practices in the Alberta health system</i> </div>	<p>4.2.1 Define, collect, analyze and share information about trends in selected diseases, injuries, disabilities and utilization of the health system</p> <p>4.2.2 Collect information related to performance measures and benchmarks</p> <p>4.2.3 Provide comprehensive reports on the health of Albertans and the performance of the health system to support continuous improvement</p>

Measuring Performance

Key Performance Measures

The key performance measures which follow were selected from a wider range of measures and indicators tracked by Alberta Health about the health system and the health of Albertans.

Health System Quality — Is the Health System Providing Quality Services to Albertans?

- | | |
|---|---|
| <p>1. Albertans’ ratings of the quality of care they received</p> | <p>Albertans’ views about the quality of care they received are an important measure of the overall quality of Alberta’s health system.
 Target (1998): 90% rate the care they received as excellent or good
 Current (1997): 86%</p> |
| <p>2. Albertans’ ratings of the effect of care on their health</p> | <p>Albertans’ view about the effects of health care services on their health is an important measure of health service outcomes.
 Target (1999): 85% rating excellent or good
 Current (1997): 83%</p> |
| <p>3. Breast cancer screening rates</p> | <p>Mammograms are recommended for women over the age of 50.
 Target (1999): 75% of women over 50 receive mammograms every two years
 Current (1994-95): 62%</p> |

- | | |
|--|---|
| 4. Percent change in expenditure on community and home services | Moving more programs and services to communities and to people's own homes is an important direction for Alberta's health system. By measuring the percent change in expenditure on these services, we can track whether community and home care programs and services are increasing as planned.
Target (1999): increasing trend
Current (1996-97): 6.3% |
| 5. Trends in fee-for-service expenditures for doctors as a percentage of total spending on physicians' services | This measure will track the extent to which alternative methods to fee-for-service are being used.
Target (2000-01): increase percentage of expenditures through alternative approaches to fee-for-service
Current (1996-97): 1% |

Health Access — Are Services Available When People Need Them?

- | | |
|---|--|
| 6. Albertans' ratings of access to health services | This measure reflects Albertans' views about how easy or difficult it is to get the health services they need when they need them.
Target (1998): 80% rate access as easy or very easy
Current (1997): 74% |
| 7. Albertans' self-rated knowledge of the health system | Knowledge of which health services are available is an important factor in ensuring that Albertans can get access to appropriate care when they need it.
Target (1999): 75% rating own knowledge excellent or good
Current (1997): 70% |
| 8. Percentage of Albertans reporting failure to receive needed care | Through public surveys, Albertans are asked, "Over the past twelve months, were you ever unable to obtain health care services when you needed them?"
Target (1998): 3% reporting failure to receive needed care
Current (1997): 7% |
| 9. Percent of general practitioner services obtained within Albertans' home region | This measure shows the extent to which Albertans obtain primary health services from a general practitioner in the region where they live.
Target (2000): 95% for Capital and Calgary regions; 85% for all other regions
Current (1995-96): 95%; 81% |

Health Outcomes — How Healthy Are We?

- | | |
|---|--|
| 10. Life expectancy at birth (in years) | Life expectancy at birth is an internationally recognized indicator of the general health of the population. Among Canadian provinces, Alberta ranks third in life expectancy, behind Saskatchewan and British Columbia.
Target (2000): 77 years for males and 83 years for females
Current (1995): 75.8 years for males; 81.5 years for females |
| 11. Percent of Albertans rating their own health "excellent" or "very good" by age group | This measure reports how Albertans describe their own health. It is a general indicator of the health of the population.
Target (1998): 75% (ages 18 to 64) and 50% (age 65 and older)
Current (1997): 65% (ages 18 to 64); and 45% (age 65 and older) |
| 12. Percent of low birth weight newborn babies | Low birth weight is often associated with life long health problems. A low percentage of low birth weight newborns indicates good prenatal care provided by the health system and expectant mothers and their families. Overall, Alberta's rate is poor compared with other provinces.
Target (1998): maximum 5.5% of babies weighing under 2500 gm
Current (1996): 6.1% |

- | | |
|---|---|
| 13. Provincial rate of injury deaths including suicide | This measure tracks the death rates for injuries and suicide. These are major causes of premature deaths in Alberta, particularly among younger Albertans. Alberta has high rates for these causes of death compared to other provinces.
Target (1999): injury rate: 45 per 100,000 population
suicide rate: 13 per 100,000 population
Current (1994): injury rate 54; suicide rate 16 |
| 14. Rates for selected communicable diseases | Low incidence rates for these diseases measure our success in communicable disease control.
Targets (1999): E. Coli Colitis: 4.0 per 100,000 population
Pertussis: 18.0 per 100,000 population
Tuberculosis: 4.5 per 100,000 population
Current (1996): E. Coli Colitis 5.8; Pertussis 41.2; Tuberculosis 5.1 |
| 15. Childhood immunization coverage | This measure reports the percentage of two year olds who have been immunized to prevent several serious childhood diseases.
Target (1998): 95% of two year olds appropriately immunized
Current (1996): 89% |
| 16. Cervical cancer screening rates | The PAP test is an excellent screening test for pre-cancerous conditions. Higher use of the PAP test could help to eliminate cervical cancer deaths.
Target (1999): 90% of women have a PAP test every 3 years
Current (1994-95): 79% |
| 17. Number of deaths due to cervical cancer | Deaths from cervical cancer can potentially be eliminated through effective use of PAP tests every three years for all Alberta women over the age of 15.
Target (2000): 0 deaths
Current (1996): 37 deaths |
| 18. Percent of Albertans who do not smoke | Smoking is known to affect health. It is estimated that tobacco use contributes to the death of several thousand Albertans each year. This measure shows the proportion of Albertans making a choice which has a direct impact on their health.
Target (1998): 75% of Albertans age 12 and over do not smoke
Current (1994-95): 72% |

Key Indicators

Key indicators are measures of important areas of health system activity which are critical to monitor, assess, and report on, but which do not have targets. Key indicators will be reported along with performance measures in the Ministry Annual Report.

- | | |
|--|--|
| 1. Volume and rates for cardiac surgery related to population | This indicator will show whether Alberta's volumes and rates of cardiac surgery are high, low or about the same compared with other provinces and countries. This indicator will help us evaluate our cardiac surgery needs and the appropriateness of services provided in Alberta. |
| 2. Cardiac surgery waiting list | This indicator reports on waiting lists for cardiac surgery, comparing the number of persons waiting with the number of surgeries performed. This indicator will show whether referrals are exceeding system capacity. |
| 3. Utilization rates for selected surgeries and procedures | This indicator compares the rates for selected types of surgeries and procedures with rates in other provinces. The information will be used to identify potential areas of over-service and under-service. |
| 4. Acute care hospital separations per 1,000 population | This indicator will show the general level of acute care hospital utilization in Alberta. |
| 5. Short-term home care clients per 1,000 population | This indicator will show the level of health service delivery provided to Albertans in their homes for short-term health needs. |
| 6. Hospitalization for ambulatory care-sensitive conditions | This indicator reports the extent to which care for certain long term health conditions, such as asthma, diabetes and depression is successfully managed in the community without the need for hospitalization. |

Health

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Transfers from Government of Canada	528,800	471,753	443,882	451,396	470,789	486,708
Premiums, Fees and Licences	648,082	657,225	661,626	661,226	668,335	674,401
Other Revenue	45,515	56,389	59,511	40,764	43,274	46,774
Consolidated Revenue	1,222,397	1,185,367	1,165,019	1,153,386	1,182,398	1,207,883
EXPENSE						
Program						
Regional Health Authorities and Health Boards	2,322,341	2,407,352	2,407,352	2,494,252	2,572,252	2,636,352
Province-Wide Services	184,501	177,634	182,659	206,734	230,834	235,934
Medical Services and Alternative Payments	736,700	746,700	770,700	818,550	842,850	861,350
Rural Physician Action Plan	2,417	2,800	3,500	5,800	5,800	5,800
Drug Program	179,000	197,389	197,389	216,474	236,474	246,474
Other Programs	247,877	281,364	275,527	297,292	310,072	326,772
Extended Health Benefits	17,620	17,000	17,400	17,518	18,044	18,586
Allied Health Services	44,367	45,553	45,900	46,035	47,409	48,867
Premier's Council on the Status of Persons with Disabilities	631	562	612	612	612	612
Ministry Support Services	71,984	81,108	81,923	78,533	78,533	78,533
One-Time Infrastructure Support	-	-	40,000	-	-	-
Inherited Deficit Assistance	-	-	38,981	-	-	-
Health Care Insurance Premiums Revenue Write-Offs	27,904	28,476	30,877	24,440	24,684	24,931
Valuation Adjustments	(694)	26	787	26	26	26
Consolidated Expense	3,834,648	3,985,964	4,093,607	4,206,266	4,367,590	4,484,237
Gain (Loss) on Disposal of Capital Assets	(28)	-	-	-	-	-
NET OPERATING RESULT	(2,612,279)	(2,800,597)	(2,928,588)	(3,052,880)	(3,185,192)	(3,276,354)

Premier's Council on the Status of Persons with Disabilities

The mission of the Premier's Council on the Status of Persons with Disabilities is to enhance and promote the opportunity for full and equal participation of persons with disabilities in the life of the province. The Council's role is to ensure the needs of Albertans with disabilities are understood so they can be addressed. The Council consults with provincial and local agencies, businesses and organizations and advises government on matters relating to the status of persons with disabilities. The original establishment of the Council contained a sunset clause of July 1, 1998. Following a review of its mandate, the term of the Council has been extended.

Intergovernmental and Aboriginal Affairs

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



David Hancock
Minister of Intergovernmental and Aboriginal Affairs
January 21, 1998

Vision

“A strong Alberta, open to the world, in a prosperous, united Canada, where the rights and aspirations of all Albertans are respected.”

Mission

To lead the development of government-wide policies and strategies for Alberta’s relations with other Canadian governments (federal, provincial and Aboriginal), the Aboriginal community, and international governments and organizations.

Core Business

Strong government-to-government relationships are a key component in achieving Alberta’s future well-being. The core business of the Ministry is to provide leadership in the management of Alberta’s intergovernmental relations.

To fulfil this leadership role, a coordinated Alberta strategy for intergovernmental relations is essential. The Ministry acts in close cooperation with other ministries and through strategic partnerships with public, private and Aboriginal organizations and Aboriginal communities. Depending on the issue, the Ministry takes the lead, coordinates the activities of the participants, or provides policy analysis and strategic advice.

Goals

The Ministry contributes to the three overarching priorities of the Government of Alberta: *people, prosperity and preservation*. The Ministry’s three key goals are:

- 1. To secure benefits for Alberta as an equal partner in a revitalized, united federation.**
- 2. To enhance Alberta’s relationship with Aboriginal people.**
- 3. To secure benefits for Alberta from strengthened international relations.**

Goals/Strategies

Goal 1: To secure benefits for Alberta as an equal partner in a revitalized, united federation.

Outcome	Strategies
<p>1.1 Effective management of Alberta's role in the federation.</p>	<p>Advance Alberta's intergovernmental interests and ensure that Alberta priorities are reflected at intergovernmental meetings of Ministers and officials, and in intergovernmental agreements, (e.g., question of climate change implementation).</p> <p>Develop policy analysis and strategy for Alberta's participation in high level intergovernmental meetings (e.g., First Ministers' meetings, Premiers' Conferences, Ministerial meetings), as well as coordinating input from other Alberta ministries.</p> <p>Ensure a fair deal for Albertans in intergovernmental agreements.</p>
<p>1.2 A restructured federal system that better serves Albertans' needs.</p>	<p>Develop framework agreements for a partnership approach to manage Canada's social union to promote more effective, efficient, accountable and sustainable social programs.</p> <p>Promote both interprovincial and federal-provincial solutions to restructure the federation in priority areas (e.g., environmental management, federal spending power, internal trade barriers, fiscal arrangements, federal tax policy).</p> <p>Consult with Albertans on renewal of the federation.</p>
<p>1.3 Proposals for national renewal.</p>	<p>Support Alberta's leadership role in national unity issues by developing policy recommendations and strategies on emerging issues.</p> <p>Develop Alberta's approach to Aboriginal self-government in the context of constitutional renewal.</p> <p>Consult with Albertans on the renewal of the federation.</p>
<p>1.4 Internal trade policies which achieve Alberta's goals and priorities.</p>	<p>Reduce barriers to trade, investment and labour mobility through negotiation with the federal government and provinces.</p> <p>Manage government-wide implementation of the Agreement on Internal Trade (AIT).</p> <p>Manage complaints and defend Alberta's interests in disputes under the AIT.</p> <p>Work with private and public sector organizations to pursue the benefits of freer trade.</p>

Goal 2: To enhance Alberta’s relationship with Aboriginal people.

Outcome	Strategies
<p>2.1 Increased self-reliance of Aboriginal communities.</p>	<p>Encourage and support Aboriginal governments and organizations to develop policies and strategies for the delivery of programs and services by the Aboriginal community.</p> <p>Promote opportunities for Aboriginal communities to participate in local economic development.</p> <p>Allocate resources (e.g., grants) to encourage self-reliance and enhance the province’s relationship with the Aboriginal community.</p>
<p>2.2 Effective Alberta participation in Aboriginal self-government discussions.</p>	<p>Develop parameters for Alberta’s participation in self-government discussions.</p> <p>Promote initiatives related to Aboriginal self-government.</p> <p>Ensure that the federal government’s primary responsibility for the negotiation and implementation of self-government arrangements is maintained.</p> <p>Ensure affected parties have opportunities for input.</p>
<p>2.3 Settlement of Indian treaty land entitlement claims, in a way which is fair and equitable to all parties.</p>	<p>Act as the province’s representative in the land claims settlement process and coordinate the participation of relevant provincial ministries.</p>
<p>2.4 Accountable, self-regulating, and self-reliant Metis Settlement governments.</p>	<p>Assist the Metis Settlements General Council to develop and implement Business Plans.</p> <p>With the General Council, identify opportunities for greater federal government contributions to programs and services for Settlements.</p> <p>With the General Council, evaluate the need for and effectiveness of the Metis Settlements Transition Commission and implement approved recommendations.</p>

Goal 3: To secure benefits for Alberta from strengthened international relations.

Outcome	Strategies
<p>3.1 Strengthened Alberta intergovernmental relations with key foreign economic partners.</p>	<p>Promote the Alberta Advantage to foreign governmental decision-makers by identifying and bringing key contacts to Alberta (e.g., Chinese President, APEC Energy Ministers) and by planning missions abroad (e.g., Team Canada).</p> <p>Focus existing strategic relationships and agreements on economic cooperation, trade and investment. Evaluate economic potential of proposals for new relationships and agreements from foreign governments or interested Albertans.</p> <p>Build alliances with key international decision-makers, (e.g., foreign embassies and consulates; Pacific Northwest Economic Region; Northern Forum; APEC).</p> <p>Manage externally-funded Canadian and international assistance projects, in partnership with private sector; to improve governance structures (e.g., Russia, Ukraine, South Africa).</p> <p>Manage Alberta's transboundary relations to facilitate the flow of goods, services and people.</p>
<p>3.2 Improved foreign market access for Albertans through international trade and investment agreements.</p>	<p>Reduce barriers to trade and investment through direct negotiation and by participating with the federal government in its negotiations to ensure Alberta's objectives are pursued.</p> <p>Increase provincial participation in Canada's negotiation of agreements that affect provincial jurisdictions or interests.</p> <p>Work with private and public sector organizations to pursue the benefits of freer trade.</p> <p>Manage government-wide implementation of the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) Agreement; anticipate and prevent disputes.</p> <p>Coordinate Alberta's participation in WTO negotiations on new issues involving provincial jurisdiction (e.g., environment, labour, competition and business regulation, and services) and in Asia Pacific Economic Cooperation Forum.</p> <p>Manage disputes and defend Alberta's interest under NAFTA, WTO.</p>

Outcome	Strategies
3.3 Canadian foreign policies and positions which reflect Alberta's priorities and interests.	Advance Alberta's positions in Ottawa and internationally on priority issues (e.g., economic sanctions, climate change, agricultural trade liberalization, oil sands investment, visa policy for Chinese students).

Protocol and Translation Services

In addition to the above-noted intergovernmental and Aboriginal affairs goals, the Ministry also provides a number of government-wide services in the following areas: providing interpretation and translation services; organizing Alberta Government ceremonial events (e.g., legislature openings); providing protocol advice; and overseeing the operations of Government House in Edmonton.

Performance Measures/Indicators

Intergovernmental and Aboriginal Affairs has several methods of measuring its performance, including the following:

1. Reports on Ministry Performance (e.g., Annual Report, mission reports)
2. Comprehensive Client Satisfaction Surveys
3. Project-specific Client Surveys or Evaluations
4. Intermediate Outcomes or Progress Reports
5. Secondary Indicators

1. Reports on Ministry Performance

Because the Ministry's outcomes are often long term, dependent on factors outside the control of the Ministry, and are difficult to present as quantitative data, the Ministry provides a detailed narrative record of its achievements and activities. The Annual Report documents the Ministry's accomplishments for each goal. This narrative outlines the intergovernmental and Aboriginal affairs outcomes and events with a view to assessing how they conformed to Alberta's objectives.

Other assessments are also done at the conclusion of major conferences, trade negotiations or missions to assess how Alberta fared in achieving its objectives.

2. Comprehensive Client Satisfaction Surveys

Another measure of outcomes for Intergovernmental and Aboriginal Affairs is stakeholder or client satisfaction. To achieve its goals, the Ministry works closely with Alberta ministers and ministries, other governments in Canada, international jurisdictions, and Aboriginal organizations. Through periodic surveys, the Ministry consults its clients for their evaluation of its contribution to advancing Alberta's priorities and positions.

The Ministry conducted its second comprehensive survey in the fall of 1997. This survey showed that overall client assessment of the Ministry's performance averaged 4.1 out of 5 (based on the 1995 target or benchmark of 4.0). The survey covered four areas: Advancing Alberta's interests, Coordination, Advice and Information. The 1997 survey provided the Ministry with baseline information on activities related to Aboriginal affairs.

3. Project-specific Client Surveys/Evaluations

In addition, the Ministry conducts periodic project-specific client surveys on its contributions as they relate to major initiatives. In-house evaluations and debriefings are also conducted after major events, issues or projects.

4. Measuring Intermediate Outcomes

The Ministry prepares status reports on major projects. An example of this approach are the regular Progress Reports to Premiers which were coordinated by Alberta for the interprovincial Council on Social Policy Renewal. Since the project is a multi-year one, the approach of preparing regular progress reports or measuring intermediate outcomes allows governments and taxpayers to keep track of the progress of particularly complex, long-term issues.

5. Secondary Indicators

The Ministry also reports on a number of secondary indicators which track macroeconomic trends or public opinion. While these may not be direct measures of the Ministry's performance, they do indicate the environment within which the Ministry is operating. Trade statistics, for instance, which provide an indication of how the province is faring in its export performance, are the result of many factors. In some cases, exports will increase because of fluctuations in the world price for commodities such as oil, gas or wheat, while in other cases our trade performance reflects the aggressiveness of the Alberta private sector in opening up new markets. Some of the increase may be attributed to the efforts of the Alberta Government in removing the barriers to trade in key markets or receiving foreign decision-makers.

Government-wide Measures

The Ministry has developed, in cooperation with interested ministries, government-wide measures which relate to Goal 17 of the Government business plan: *Alberta will work with other governments to maintain its strong position in Canada*. The Ministry is also looking at a possible government-wide measure relating to Aboriginal well-being and self-reliance, which would involve several other ministries.

As well, the Ministry contributes to the realization of the following government-wide goals:

- Goal 2: Our children will be well cared for and safe (IAA strategies 1.2 and 2.1)
- Goal 6: Alberta will have a prosperous economy (IAA strategies 1.4, 3.1 and 3.2)
- Goal 7: Our workforce will be skilled and productive (IAA strategy 1.4)
- Goal 12: Alberta businesses will increase exports (IAA strategies 3.1 and 3.2)
- Goal 15: The high quality of Alberta's environment will be maintained (IAA strategy 1.2)

Goals and Performance Measures

Goals	Outcome Measures Examples:	Intermediate Outcomes Examples:	Secondary Indicators Examples:
<p>Goal 1: To secure benefits for Alberta as an equal partner in a revitalized, united federation.</p>	<ul style="list-style-type: none"> ◆ IAA's client survey measures client satisfaction with services ◆ Record of key intergovernmental and Aboriginal affairs achievements (e.g., annual report) 	<p>Communiques from Premiers' Conferences.</p> <p>Progress Report to Premiers on Social Policy Renewal.</p> <p>Findings of public consultations.</p> <p>Progress Report on Agreement on Internal Trade.</p>	<p>Polling data on views of Albertans regarding federal/provincial relations.</p> <p>Per capita Canada Health and Social Transfer.</p> <p>Interprovincial trade statistics.</p>
<p>Goal 2: To enhance Alberta's relationship with Aboriginal people.</p>	<ul style="list-style-type: none"> ◆ IAA Client Survey ◆ Record of key Aboriginal affairs achievements 	<p>Number of Aboriginal communities/ organizations delivering sector specific services.</p> <p>Percentage of self-generated revenues as part of Metis Settlement budgets.</p> <p>MOUs, protocols, framework agreements and other process arrangements negotiated and implemented.</p>	<p>Socio-economic indicators such as Aboriginal employment rate, income levels, educational attainment.</p> <p>Socio-economic data for Metis Settlement residents.</p> <p>Polling data on views of Albertans regarding Aboriginal affairs.</p>
<p>Goal 3: To secure benefits for Alberta from strengthened international relations.</p>	<ul style="list-style-type: none"> ◆ IAA Client Survey ◆ Record of key international achievements, including visits, missions and trade negotiations outcomes. 	<p>Progress on federal/ arrangements for provincial participation in international trade negotiations and implementation.</p> <p>Report on Premier's involvement on Team Canada missions.</p>	<p>International export statistics from Statistics Canada.</p> <p>Analysis of Alberta export statistics from Western Centre for Economic Research.</p>

Intergovernmental and Aboriginal Affairs Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Other Revenue	135	-	6	-	-	-
Consolidated Revenue	135	-	6	-	-	-
EXPENSE						
Program						
Intergovernmental and Aboriginal Affairs	11,191	14,649	24,649	11,844	11,944	12,044
Metis Settlements Governance	5,538	12,491	12,491	12,506	11,806	11,806
Metis Settlements Legislation	30,000	10,000	10,000	10,000	10,000	10,000
Consolidated Expense	46,729	37,140	47,140	34,350	33,750	33,850
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(46,594)	(37,140)	(47,134)	(34,350)	(33,750)	(33,850)

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Justice

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Jon Havelock, Q.C.
Minister of Justice and Attorney General
January 21, 1998

Introduction

The Ministry of Justice is charged with administering justice in the province of Alberta. This Plan represents our direction for the next three years. In preparing this Plan, our Ministry re-examined our goals and performance measures. We developed new goals to better reflect our mission and guide our activities. Our performance measures represent the best indicators of those goals. Finally, our strategies and initiatives are linked to help track our progress in achieving each goal. We are confident this Plan reflects the values and expectations of Albertans.

Mission

Our mission is to ensure equality and fairness in the administration of justice in Alberta.

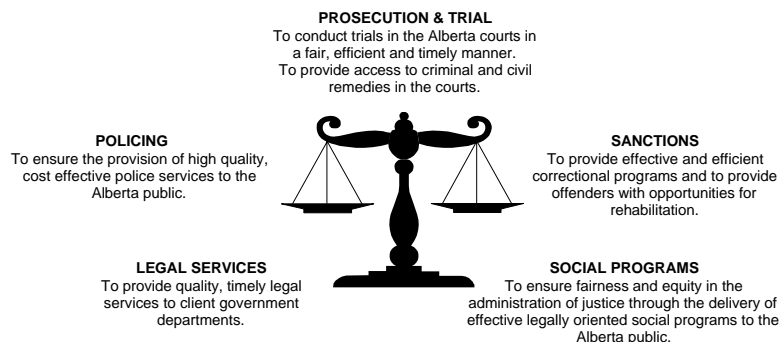
Our mission statement reflects the values of Albertans. Terms such as “fairness”, “equality” and “justice” are guiding principles upon which our society is based. A justice system that provides “fair and equal” services to all its citizens, irrespective of their characteristics or circumstances, captures many of the values Albertans share.

Relationship to the Government of Alberta Business Plan

Alberta Justice is committed to fostering safe, secure communities and administering justice effectively. Our Business Plan is built around this commitment and it is consistent with the Government's vision and mission. We also have strategies in place that support the Government's core businesses and goals.

GOVERNMENT OF ALBERTA BUSINESS PLAN		
- Government Core Businesses -		
<p>People...helping people to be self-reliant, capable and caring through:</p> <ul style="list-style-type: none"> ◆ basic support and protection for those in need 	<p>Prosperity...promoting prosperity for Alberta through:</p> <ul style="list-style-type: none"> ◆ an open and accountable government that lives within its means 	<p>Preservation...preserving the Alberta tradition of:</p> <ul style="list-style-type: none"> ◆ a safe society where justice prevails ◆ strong communities
- Government Goals -		
<p>Our children will be well cared for and safe.</p>	<p>Alberta will have a prosperous economy. Alberta will have a financially stable, open and accountable government.</p>	<p>Alberta will be a safe place to live and raise families. Alberta will work with other governments and maintain its strong position in Canada.</p>
ALBERTA JUSTICE BUSINESS PLAN		
<p>Through our legally oriented social programs, we provide support and protection to some of our most vulnerable citizens: victims of crime, families who depend on court ordered maintenance payments, individuals unable to protect their financial interests, and individuals who cannot afford legal counsel. Specifically regarding the safety of children, Alberta Justice is committed to work cooperatively with ministries serving children and families, and bring increased focus to ensuring the availability of appropriate prevention/early intervention programs for children who are at risk for future criminal involvement.</p>	<p>Maintaining law and order and building safer communities are key to a prosperous Alberta where families, communities and businesses can flourish. Sound financial management is essential to ensuring a fair and effective justice system for the future. Alberta Justice will continue to be open and accountable through the publication of our Business Plans, Annual Reports, Budgets and Performance Measures. We also have an initiative in place to support the Government's Regulatory Review Plan.</p>	<p>A key theme of our Business Plan is to focus our efforts on dealing with serious and violent crime, and preserve our quality of life. We will work with our partners in the justice system to examine our handling of less serious offences, continue our efforts to better identify and manage violent offenders, and ensure the continued vigorous prosecution of serious offences. We have initiatives in place that further the concepts of community policing, and First Nations policing. We will also continue our dialogue with the federal government to deal effectively with Alberta Justice priority issues such as the <i>Young Offenders Act</i>.</p>

Core Business Functions



Goals

Our business functions support the achievement of our goals. Cooperative interaction between our business functions is necessary to achieve our goals and fulfil our mission.

Goal 1: To promote safe communities in Alberta

Albertans should have safe and secure communities with peace and good order so they can live, work and raise families without fear of crime or victimization.

This goal will be achieved through the following strategies and initiatives:

Focus the resources of Alberta Justice on Serious & Violent Crime

- ◆ Develop and implement, under the auspices of the Ministry's Serious and Violent Crime Committee and in conjunction with the police, strategies whereby Alberta Justice resources can be appropriately focussed on serious and violent crime.
- ◆ Review the impact of the serious and violent crime initiative on Alberta Justice.
- ◆ Identify provincial strategies to combat organized crime and provide specialized legal advice as required to assist with this initiative.
- ◆ Review the *Provincial Offences Procedure Act* to find ways to make it more effective.
- ◆ Monitor the response to the new conditional sentence program as introduced in the sentencing amendments to the Criminal Code.
- ◆ Follow-up with Federal Justice regarding recommendations arising out of the Alberta Task Force Report on the administration of the *Young Offenders Act* and the Parliamentary review of the *Young Offenders Act*.
- ◆ Liaise and negotiate with the federal government with respect to the federal/provincial cost sharing agreement for Young Offenders.
- ◆ Monitor the agreement between Alberta and Canada regarding the housing of selected federal offenders in provincial correctional centres.

Prevent crime through community policing

- ◆ Support and work with police services to further the concepts of community policing and develop measurements to identify its effectiveness.
- ◆ Further develop First Nations policing initiatives in cooperation with First Nations, Canada and the RCMP.

Work with stakeholders to improve the administration of justice

- ◆ Provide police commissions and police committee members the opportunity to broaden their knowledge of their role in the justice system/law enforcement community.
- ◆ Transfer the responsibility for the administration of the federal *Firearms Act* to the federal government.
- ◆ Review and revise training programs for special constables.
- ◆ Expand the partnership with the RCMP in the administration of the provincial policing agreement to enhance accountability, improve cost effectiveness and citizen satisfaction.
- ◆ Respond to stakeholder requests for improvements to the *Police Act* and Police Services Regulation.
- ◆ Work with the Canadian Centre for Justice Statistics to develop an appropriate indicator that represents Aboriginal involvement in the criminal justice system.
- ◆ Establish a strong working relationship with the federal government to deal effectively with Alberta Justice priority issues.

Our performance in meeting this goal will be measured by:

Public Satisfaction

This measure is defined as the percentage of Albertans who are satisfied with the justice system and the Department of Justice. It is one way to assess how well the Ministry is doing in promoting safe communities in Alberta.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
n/a	n/a	49%	51%	55%	60%

Victimization Rate

This measure is defined as the percentage of Albertans who have reported being a victim of crime in the past year. It is a measure of public safety and is another way to assess how well the Ministry promotes safe communities in Alberta.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
n/a	n/a	21%	22%	21% or less	21% or less

Crime rate

This measure is defined as the total number of *Criminal Code of Canada* incidents per 100,000 population as reported by the police. This is a new indicator for Justice and it is intended to identify the risk of Albertans becoming a victim of crime. Although all Albertans and all government ministries have a role to play in reducing crime, this measure represents our Ministry's responsibility for dealing with crime and its consequences.

1994	1995	1996	1997 Target	1998 Target	1999 Target
9,356	9,007	8,901*	8,850	Less than the Canadian average	Less than the Canadian average

* For 1996, the Canadian average was 8,756. National data for 1997 is unavailable.

Goal 2: To facilitate the rehabilitation of offenders and help victims

Restoring the balance of society in a humane and fair way, and involving communities in the administration of justice is an important goal of our justice system. This is done by facilitating the rehabilitation of offenders and helping victims. Wherever conflict occurs, our Ministry seeks to promote approaches that resolve disputes in a way that preserves our community values.

This goal will be achieved through the following strategies and initiatives:

Enhance the responsiveness to victims of crime

- ◆ Monitor and evaluate services to crime victims provided by the *Victims of Crime Act*.
- ◆ Develop legislation to enhance protection for victims of domestic violence.

Involve the community in the administration of justice

- ◆ Monitor the new Alternative Measures Program for adult offenders and the expanded Alternative Measures Program for young offenders.
- ◆ Review with Aboriginal groups their involvement in the administration of criminal justice.

Provide offenders with opportunities to be rehabilitated

- ◆ Monitor the expanded adult community-based correctional programs which include conditional sentences, community surveillance, and house arrest.
- ◆ Monitor the three custody young offender camps one of which is operated by an Aboriginal organization.
- ◆ Explore the benefits of expanding the Custody Diversion Program (Edmonton model) into Calgary.
- ◆ Refocus the adult inmate education/vocational program to emphasize employment and provide an adult education model.

Foster a multi-disciplinary justice system

- ◆ Participate in the national consultations with the Federal/Provincial/Territorial Working Group on Integrated Justice.
- ◆ While retaining responsibility for the administration of criminal justice programs, ensuring public safety and offender accountability, work cooperatively with ministries serving children and families, and bring increased focus to ensuring the availability of appropriate prevention/early intervention programs for children who are at risk for future criminal involvement.

Our performance in meeting this goal will be measured by:

Number of Alberta communities participating in justice initiatives

There are numerous justice initiatives throughout the province that involve the participation of the community. These initiatives include Citizen Advisory Committees, Youth Justice Committees, community-based Victim Services Units, Aboriginal police forces, and Aboriginal crime prevention programs. This measure represents the total number of community initiatives in partnership with Alberta Justice.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
52	79	112	177	190	200

Percent of offenders involved in meaningful activities

This measures the percent of incarcerated offenders involved in work, education and life management programs. These activities are important to help prepare offenders for a successful return to the community. Participation in these activities is voluntary.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
n/a	93.7%	89.8%	93%	95%	95%

Victim satisfaction rate with services provided

The new *Victims of Crime Act* will change the way services are provided to victims of crime. Victims will be surveyed to assess their level of satisfaction with respect to the services they received. This survey is expected to be developed in 1997/98.

Goal 3: To provide access to civil and criminal justice

The justice system is responsible for providing the infrastructure to resolve criminal and civil disputes. This includes the provision of court resources, scheduling mechanisms, prosecutorial services, and appropriate dispute resolution mechanisms. The Ministry will develop ways to ensure those who need justice services can access them in a timely way that is also cost effective and fair.

This goal will be achieved through the following strategies and initiatives:

Enhance opportunities for Albertans to obtain appropriate dispute resolution mechanisms

- ◆ Monitor the increased monetary jurisdiction for Small Claims Court.
- ◆ Evaluate the effectiveness of federal legislation regarding child support guidelines.
- ◆ Promote the use of appropriate dispute resolution techniques as a means of resolving legal disputes.
- ◆ Investigate the feasibility of developing a performance measure to assess the effectiveness of appropriate dispute resolution mechanisms.

Advance case management systems and processes

- ◆ Develop a management information system for each court and work with the judiciary to improve case management and trial coordination services.
- ◆ Maintain the effective and efficient operation of the Court of Appeal, the Court of Queen's Bench, and the Provincial Court.
- ◆ Integrate the Criminal Justice Information System (CJIS) and the Court Automation Project (CAP) computer systems.

Improve access for Albertans to the Court process

- ◆ Conduct a joint planning process with Public Works, Supply and Services to redevelop court facilities in Calgary.
- ◆ Review transcription services to determine if transcripts can be provided on a more cost effective basis.
- ◆ Review issues relating to Aboriginals in the court system.

Our performance in meeting this goal will be measured by:

Time to Trial

This measures the availability of Provincial Criminal Court for trial in Calgary and Edmonton. It is defined as the average number of weeks in the future a trial date is available. The Ministry must ensure that there is access to the courts in a reasonable amount of time. This is a measure of access to civil and criminal justice.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
11.4	11.6	12.2	13.3	13.0	13.0

Goal 4: To ensure access to justice services for persons in need

Families and the community are principally responsible for protecting the vulnerable but critical contributions are made by the justice system. Access to justice services for Albertans in need is provided through maintenance enforcement, public trustee services, victim assistance, and the support for legal aid.

This goal will be achieved through the following strategies and initiatives:

Increase public awareness and meet with community groups and stakeholders

- ◆ Produce brochures and meet with community groups to explain the role of the Public Trustee.

Pursue innovative approaches to service delivery

- ◆ Streamline the administrative and financial processes of estate administration services.
- ◆ Review estate administrative processes for opportunities for privatization.
- ◆ Undertake the administration of government benefits for dependent persons having nominal assets who are in need of trusteeship.
- ◆ Review the recommendations of the MLA Review Committee on the Maintenance Enforcement Program and Child Access.

Our performance in meeting this goal will be measured by:

The amount collected by the Maintenance Enforcement Program on court orders as a proportion of the amount the Program is legally entitled to collect.

The best measure of program effectiveness is defined as the amount of dollars collected for creditors based on the amount the Program can legally collect from debtors. This indicator is currently being considered at a national level in order to compare the effectiveness of maintenance programs across Canada.

Stakeholder satisfaction with the services of the Maintenance Enforcement Program

Alberta Justice is currently developing a survey to measure client satisfaction with the services provided by the Maintenance Enforcement Program. When the survey is completed, this measure will indicate how well the Program is providing access to its services.

Stakeholder satisfaction with the services of the Public Trustee's Office

This measures client satisfaction with services provided by the Public Trustee's Office. It is defined as the percentage of "satisfied" and "very satisfied" clientele from a survey conducted by the Public Trustee's Office. This will monitor how well the Public Trustee provides its services and is one measure of ensuring access.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
n/a	86.2%	82.4%	85.0%	80%	80%

Number of eligible persons receiving legal aid services

Legal Aid volume measures the demand for legal aid. It is defined as the number of eligible people receiving legal aid services.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
85,313	84,703	80,514	79,338	to be developed	to be developed

Goal 5: To provide effective legal services to the Government of Alberta

The government performs a number of roles as service provider, community partner and law maker. These roles involve relationships with individuals, families, communities, businesses, and other governments. The administration of justice includes legal support to assist in establishing and maintaining positive, constructive relationships. Effective legal services reduce the potential for conflict involving the government and protect the interests of the government when relationships are formed and when conflict arises. This goal is met through the provision of legal advice to government, representation of client departments and Crown agents in litigation and other dispute resolution processes, and advise in law making / drafting of policy and legislation.

This goal will be achieved through the following strategies and initiatives:

Foster client satisfaction in the provision of civil legal services

- ◆ Continue to conduct the Legal Services client survey and review suggestions.
- ◆ Support the Government's Regulatory Review Plan.

Our performance in meeting this goal will be measured by:

Client satisfaction with legal services

This measures the level of satisfaction client ministries have with the legal services of Alberta Justice.

1993/94	1994/95	1995/96	1996/97	1997/98 Target	1998/99 Target
n/a	n/a	On average, all client ministries were "more than satisfied" to "very satisfied"	All client ministries were "more than satisfied" to "very satisfied"	Majority of client ministries are "more than satisfied" to "very satisfied" and all client ministries are at least "satisfied"	Majority of client ministries are "more than satisfied" to "very satisfied" and all client ministries are at least "satisfied"

Justice

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Transfers from Government of Canada	25,961	25,413	25,914	24,391	23,715	23,404
Investment Income	89	105	30	52	52	52
Premiums, Fees and Licences	32,438	31,910	32,101	32,291	32,349	32,493
Other Revenue	42,728	45,882	47,537	47,370	47,685	47,706
Consolidated Revenue	101,216	103,310	105,582	104,104	103,801	103,655
EXPENSE						
Program						
Corporate Services	11,655	10,302	10,302	9,594	9,729	9,870
Human Resource Services	1,896	1,973	1,973	1,807	1,840	1,874
Court Services	60,950	62,814	62,814	64,331	66,308	67,359
Law Reform	320	320	320	320	320	320
Legislative Counsel	1,059	1,368	1,368	1,478	1,274	1,302
Civil	9,832	9,313	9,313	10,511	11,937	13,370
Criminal Justice	18,961	19,497	19,497	21,722	22,503	22,840
Maintenance Enforcement	5,620	4,466	4,735	5,971	5,926	5,922
Child Support Guidelines	-	2,250	1,346	1,553	966	736
Support for Legal Aid	22,542	22,542	22,542	22,542	22,542	22,542
Public Trustee	5,701	6,089	6,089	6,347	6,647	6,763
Medical Examiner	3,525	3,486	3,486	3,595	3,821	3,958
Public Security	92,933	92,680	92,680	95,505	95,665	95,829
Correctional Services	97,609	100,302	100,302	104,525	106,356	109,594
Motor Vehicle Accident Claims	27,115	26,750	26,750	27,250	27,750	27,750
Victims of Crime Fund	731	4,500	3,615	6,591	6,748	6,748
Valuation Adjustments	657	400	900	100	100	100
Consolidated Expense	361,106	369,052	368,032	383,742	390,432	396,877
Gain (Loss) on Disposal of Capital Assets	(2)	-	-	-	-	-
NET OPERATING RESULT	(259,892)	(265,742)	(262,450)	(279,638)	(286,631)	(293,222)

Labour

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Murray Smith
Minister of Labour
January 27, 1998

Vision

Alberta's prosperity requires an effective labour relations framework; safe and healthy workplaces; and high standards in employment practices and safety services.

Mission

Alberta Labour works in partnership with Albertans to promote safe and healthy workplaces, a quality working life and comprehensive safety systems. The Ministry is committed to providing effective services through innovation, leadership and accountability.

The department's mission also contributes to Alberta's economic growth through its support of a productive workforce. The department of Labour supports open and accountable government and the protection of privacy for Albertans through the *Freedom of Information and Protection of Privacy Act*.

Core Businesses

The Ministry's six core businesses reflect Alberta Labour's organization and activities:

- ◆ Promote the development of effective work site health and safety management systems
- ◆ Support fair and effective resolution of labour disputes and workplace issues
- ◆ Promote quality Safety Services throughout the province
- ◆ Promote fair and effective Employment Standards protection for employers and employees
- ◆ Safeguard private pension plans through legislative and administrative processes
- ◆ Maintain a legislative framework that balances access to information with protection of privacy for Albertans.

Goals and Key Strategies

Alberta Labour's goals promote economic development and well being through a fair and safe work environment. The department's legislative and policy framework is based upon strategies which focus on partnerships and accountable services and systems.

Goal - Alberta workplaces will have quality health and safety management systems

Key Strategies

- ◆ Maintain a strong client focus for 'Partnerships in Health and Safety' through continued consultation, internal quality assurance and strategic planning.
- ◆ Refine the department's strategic compliance programs and continue to enforce non-voluntary regulatory standards.
- ◆ Work with industry groups and associations in the development of codes of practice, recommended practices, safe operating procedures and standards, identification and management of hazards, and safety information.
- ◆ Review legislation and regulations to ensure a continued focus on objectives, clarity, simplification of procedures, and standards of practice. Reviews by task force groups will involve industry, labour

and government. Develop interpretive guidelines to facilitate the understanding of legislative and regulatory requirements.

Goal - *Employees and employers will share a fair and impartial framework for the resolution of disputes and the management of workplace issues*

Key Strategies - Departmental

- ◆ Provide excellence in analysis for policy development.
- ◆ Monitor labour issues and develop revisions to Alberta's labour relations framework where necessary.
- ◆ Promote workplace innovations and best practices.
- ◆ Promote alternative dispute resolution approaches that enable labour and management to resolve issues without the need for third party intervention (relationship-building, interest-based bargaining and labour-management "strategic alliances").
- ◆ Provide impartial third party mediation assistance to prevent and resolve labour disputes.

Key Strategies - Labour Relations Board

- ◆ The Labour Relations Board will provide fair, impartial and efficient resolution of applications, complaints and other matters in dispute under the *Labour Relations Code* and the *Public Service Employee Relations Act*.

Goal - *Alberta's Safety Services system will be effective, accessible and accountable*

Key Strategies

- ◆ Ensure the roles and responsibilities of partners are clearly defined.
- ◆ Evaluate methods and measures regarding the effectiveness and accountability of the Safety Services system.
- ◆ Develop and implement a uniform quality management plan to ensure safety standards are consistently applied throughout the province.
- ◆ Improve Safety Services by shifting Alberta Labour's focus to contract and quality management.
- ◆ Work with partners in the development and adoption of national and international standards.

Goal - *Alberta's Employment Standards service will be fair, consistently delivered and customer focussed*

Key Strategies

- ◆ Inform industry groups, employees and employers about Employment Standards rights and responsibilities.
- ◆ Establish a stakeholder advisory group to advise Alberta Labour on Employment Standards issues and policies.
- ◆ Regularly review all policies, regulations and processes to ensure they are fair and meet the needs of the changing workplace.

- ◆ Develop and enforce a compliance policy to deal with employers who continually violate the *Employment Standards Code*.
- ◆ Identify industries that are consistently out of compliance with the *Employment Standards Code* and develop guidelines and policies to assist them in implementing fair employment practices.
- ◆ Improve processes for resolving complaints involving counselling, mediation and adjudication services.

Goal - Ensuring the equity and security of pension benefits earned by Albertans

Key Strategies

- ◆ Conduct a major legislative and regulatory review to identify changes required to meet the current and anticipated needs of pension stakeholders and government.
- ◆ As part of the government's *People and Prosperity* initiative, Alberta Labour will work with other departments to assess opportunities for Albertans to save for retirement and to access benefit plans.
- ◆ In partnership with other pension regulators, pursue harmonization initiatives to develop a risk assessment system and on-site audit systems for compliance purposes.
- ◆ Identify changes needed in pension policy and regulation; also identify opportunities for greater provincial uniformity of pension standards.

Goal - Albertans will be served by an open and accountable government and be assured of the protection of their privacy

Key Strategies

- ◆ Complete the extension of *Freedom of Information and Protection of Privacy* (FOIP) legislation to local public bodies.
- ◆ Refine policy and best practices publications to meet plain language requirements. Update publications to reflect decisions of the Information and Privacy Commissioner.
- ◆ Provide support and follow up for the Legislative Assembly Special Committee's three-year review of the FOIP Act.
- ◆ Complete a new edition of the Alberta Directory and directory for local public bodies.

Key Performance Measures

Government

The goals, core businesses and key strategies of Alberta Labour's business plan are designed to support the government's emphasis on economic development and prosperity. Investment in the province is, to some extent, determined by cooperative labour relations, fairness, and workplace health and safety. The "Workplace Climate" core performance measure, as published in the government's annual report, includes person-days lost to workplace injury and disease, and person-days lost to work stoppages.

Workplace Climate Performance Measures

Key Performance Measure	Target	Results
<p><i>Person-days lost to workplace injury and disease</i></p> <p>This measure provides an indication of safety in the workplace</p> <p>a) Person-days lost in Alberta (person-days lost per 10,000 person-days worked).</p> <p>b) Estimated person-days lost: national comparison (estimated person-days lost per 10,000 days worked), ranked by province.</p> <p><i>Person-days lost to work stoppages</i></p> <p>This measure provides an indication of labour stability in the unionized workplace (person-days lost per 10,000 days worked).</p>	<p>Minimize the amount of time lost owing to workplace injuries.</p> <p>Alberta will have the lowest number of person-days lost to workplace injury and disease, compared to the other provinces.</p> <p>Alberta will have the lowest number of person-days lost owing to work stoppages, compared to the other provinces.</p>	<p>Number of workplace days lost to injury or illness per 10,000 person-days worked: 1996: 28.95 1995: 29.37 (r) 1994: 31.38 (r)</p> <p><u>Alberta's Provincial Ranking</u> 1996 (p): 10th (lowest) 1995: 10th (lowest) 1994: 10th (lowest) (p) - preliminary. (r) - revised.</p> <p>Number of person-days lost owing to work stoppages per 10,000 person-days worked.</p> <p><u>Alberta's Provincial Ranking</u> 1996 (p): 0.33 (2nd lowest) 1995: 0.72 (lowest) 1994: 0.95 (2nd lowest) (p) - preliminary.</p>

Ministry

The Ministry's key performance measures will help chart our progress towards achieving the goals outlined in this business plan. Each of Labour's core programs will develop operating plans. These operating plans will specifically address the service delivery and performance measures of those core programs. The operating plans will also assist stakeholders in reviewing specific services and will facilitate internal management requirements.

Performance targets have been identified for the key performance measures. The Ministry, with its stakeholders, will continue to examine these measures and targets to identify changes or alternative strategies that should be considered.

Goal - Alberta workplaces will have quality health and safety management systems

Key Performance Measure	Target	Results
<p>a) Lost Time Claim Rate</p> <p>This component of the measure represents the probability or risk of disabling injury or disease to a worker during a period of one year's work.</p>	<p>An annual reduction in the lost lost time claims.</p>	<p>Lost Time Claim Rate:</p> <p>1996: 3.4 1995: 3.4 1994: 3.5</p>
<p>b) National Time Loss Injury Frequency, per 100 Workers</p> <p>This component of the measure compares Alberta's risks with those in the other provinces.</p>	<p>Alberta will have the lowest time loss injury frequency per 100 workers compared to other provinces.</p>	<p>Time Loss Injuries per 100 Workers:</p> <p><u>Alberta's Provincial Rating</u> 1996: not available until 1998 1995 (p): 9th (2nd lowest) 1994: 9th (2nd lowest) (p) - preliminary.</p>

Goal - Employees and employers will share a fair and impartial framework for the resolution of disputes and the management of workplace issues

Key Performance Measure	Target	Results
<p>The percentage of collective bargaining negotiations which avoid a work stoppage (strike or lockout).</p> <p>This measure provides an indication of labour stability in unionized workplaces.</p>	<p>100% of collective bargaining negotiations which avoid work stoppages.</p>	<p>Percentage of collective bargaining negotiations which avoid a work stoppage.</p> <p>1996: 99.2% 1995: 99.0% 1994: 99.6%</p>

Goal - Alberta's Safety Services system will be effective, accessible and accountable

Key Performance Measure	Target	Results
<p>The percentage of organizations administering the <i>Safety Codes Act</i> that achieve a satisfactory performance rating, as defined by the monitoring program.</p> <p>This measure provides an indication of the accountability and effectiveness of the safety services system.</p> <p>Note: The criteria defining satisfactory performance ratings are under development.</p>	<p>100% of organizations administering the <i>Safety Codes Act</i> will achieve a satisfactory performance rating.</p>	<p>Percentage of organizations administering the <i>Safety Codes Act</i> that achieved a satisfactory rating.</p> <p>Historical data is not available. Data will be available in 1998.</p>

Goal - Alberta's Employment Standards service will be fair, consistently delivered and customer focussed

Key Performance Measure	Target	Results
<p>The number of complaints registered with Employment Standards for investigation, as a percentage of Alberta's workforce.</p> <p>This measure provides an indication of the success of efforts to maintain good working relations between non-unionized workers and employers.</p>	<p>Reduce the number of complaints registered for investigation as a percentage of Alberta's eligible workforce*.</p> <p>* Further refinement of the definition of "eligible workforce" is continuing.</p>	<p>Number of complaints registered with Employment Standards for investigation:</p> <p>1996-97: 5,284 1995-96: 5,571 1994-95: 5,284</p> <p>Number of complaints as a percentage of Alberta's eligible workforce:</p> <p>1996-97: 0.45% 1995-96: 0.49% 1994-95: 0.48%</p>

Goal - Ensuring the equity and security of pension benefits earned by Albertans

Key Performance Measure	Target	Results	
<p>Number of private sector pension plans, registered in Alberta, with fully funded benefits upon termination.</p> <p>This measure provides an indication of the success of the <i>Employment Pension Plan Act</i>.</p>	<p>All private sector plans registered in Alberta will have benefits fully funded upon termination.</p>	<p>Plans <u>Terminated</u></p> <p>1997 - 79 1996 - 121 1995 - 119</p>	<p>Deficits on <u>Termination</u></p> <p>0 0 0</p>

Goal - Albertans will be served by an open and accountable government and be assured of the protection of their privacy

Key Performance Measure	Target	Results	
<p>The performance measures for this goal will be developed in 1998-99.</p>			

Ministry Consolidated Income Statement

(thousands of dollars)

Labour

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Premiums, Fees and Licences	1,861	1,946	1,693	1,165	1,016	1,016
Other Revenue	6,539	7,152	6,054	6,030	6,030	6,030
Consolidated Revenue	8,400	9,098	7,747	7,195	7,046	7,046
EXPENSE						
Program						
Ministry Support Services	5,304	5,328	5,227	5,175	5,247	5,320
Workplace Health, Safety and Strategic Services	8,209	9,776	8,960	9,310	9,496	9,620
Technical and Safety Services	12,368	13,527	10,944	11,140	11,237	11,402
Labour Relations Adjudication and Regulation	1,906	1,616	1,616	1,740	1,763	1,786
Freedom of Information and Protection of Privacy	705	920	920	935	946	961
Valuation Adjustments and Other Provisions	(287)	10	10	10	10	10
Total Voted and Statutory Expense	28,205	31,177	27,677	28,310	28,699	29,099
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(19,805)	(22,079)	(19,930)	(21,115)	(21,653)	(22,053)

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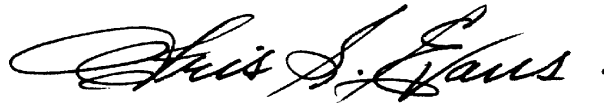
Municipal Affairs

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Iris Evans
Minister of Municipal Affairs
January 21, 1998

Mission

Municipal Affairs provides an environment to enable local decision-makers and individuals to provide excellence in local government, basic shelter for those most in need, and a fair marketplace. Municipal Affairs also guarantees high-quality registry information and accessible service for Albertans and is committed to effectiveness and affordability in the delivery of these services.

Impacts of a Growing Economy

Alberta's economy is strong and is continuing to grow. For example, Alberta's rural and urban municipalities have experienced a nine percent growth in population, an increase of 234,000 people, in their communities since 1991. Alberta's population grew by 2.3% or 64,145 from 1996 to 1997. This growth in population means increased demand for service and the need to address infrastructure issues. Statistics show that 35 municipalities have accommodated 83 percent of the population growth but only 54 percent of assessment growth. In addition, municipalities have had to address a variety of transitional assessment issues as a result of the move to market value assessment. To ensure self-sufficiency and long-term viability, several municipalities have also undertaken initiatives to restructure, amalgamate or dissolve.

Vacancy rates in multi-family rental units decreased over the past year in several areas in the province due to migration toward areas of increased economic activity. For example, rates are now below one percent in Calgary, Fort McMurray and Grande Prairie. This generally results in increased rental rates and an increased demand for social housing.

Registries has experienced a 12 percent growth in the number of transactions in the past year, particularly in the Land Titles area, and a 20 percent increase in the past two years.

While this growing economy has contributed greatly to the Alberta Advantage, it has also created pressures within Municipal Affairs. These pressures will require the Ministry to reinvest in certain areas. The following five key directions will guide the Ministry over the next three years in carrying out its reinvestment strategies and other business plan initiatives.

Key Directions

- Accountability:** Agencies delivering services for the Ministry will be accountable for both the quality of their services and any provincial funding they receive.
- Partnerships:** Where appropriate, the Ministry will establish partnerships for service delivery to improve effectiveness and cost-efficiency.
- Communications:** The Ministry will ensure full communications with its customers and partners as part of maintaining strong working relationships.
- Flexible Solutions:** Service models will target areas of greatest need and will be flexible to encourage innovation, cost efficiency and meeting customer needs.
- Government Goals:** The Ministry will ensure its activities fully support the goals of the Province for the benefit of all Albertans and Alberta's communities and will address recommendations from the Growth Summit.

Ministry Core Businesses

Core Business #1 - Local Government Services: *provide an environment to enable excellence in local government.*

Albertans need dynamic and sustainable municipalities that work cooperatively with each other, with business/industry, and with other levels of government. Municipal Affairs will work with other ministries, municipalities, and its other stakeholders to develop a strategy with and for municipalities. This broad framework will benefit both municipalities and those ministries whose business impacts on municipalities. Municipal Affairs will continue to promote excellence in local government, resulting in strong and healthy communities for all Albertans. The following principles will guide the Ministry's business regarding municipalities and their residents. Municipal Affairs believes:

- ♦ municipalities are responsible to their citizens for their actions and activities;
- ♦ municipalities play a major role in achieving the Alberta Advantage by providing Albertans with infrastructure and services required for a good quality of life;
- ♦ municipalities and the provincial government should be partners with clearly defined roles and responsibilities;

- ◆ healthy, accountable and effective municipal governments are essential to meet local needs and preferences;
- ◆ municipalities require the property tax capacity to provide core municipal services and be more self-sufficient;
- ◆ municipal restructuring may be necessary to ensure viability, increase local governance effectiveness, and settle disputes within and between municipalities;
- ◆ the Ministry will identify, promote and support forms of local governance that best facilitate the long-term prosperity and well-being of Albertans, and enable municipalities to embrace growth opportunities;
- ◆ the Ministry will provide timely leadership and support.

1. Goal: Enhance the current property assessment and provincial property tax policy system to ensure uniformity and equitability.

Property assessment is the base upon which local property taxes and provincial education taxes are applied. Albertans require a property assessment and tax system that is fair and stable to ensure properties in the Province are assessed in an efficient and consistent manner. The Ministry will lead several new strategies to strengthen the overall assessment process. Improvements to the system and its application will result in a better understanding of assessment and taxation by Albertans, and assure more accurate assessments.

Current Strategies

- ◆ Set effective standards for assessment procedures, and review the quality of assessments for all Alberta municipalities to ensure uniformity and compliance with the standards.
- ◆ Prepare accurate and efficient assessments for linear property on a cost-recovery basis.
- ◆ Prepare equalized assessments in a timely manner while working toward improving the system for appropriate adjustments to assessed values.

Proposed New Strategies

- ◆ Lead a proactive education and training program for assessment professionals and other affiliates regarding market value assessment promoting complete, uniform and equitable assessments for all municipalities.
- ◆ Re-direct Ministry resources to:
 - ◆ develop a “best practices” manual to guide the profession in conducting assessments;
 - ◆ enhance the assessment audit program to improve assessment uniformity and compliance, to ensure procedures are being applied consistently, and to achieve assessment audit targets; and
 - ◆ enhance the assessment advisory function to provide timely advice to customers.
- ◆ Implement government-approved recommendations from MLA committees on assessment and non-profit tax exemptions. This may include amendments to the legislation and regulations.
- ◆ Improve the efficiency and timeliness of the assessment appeal process.

2. Goal: Enable municipalities to achieve success and long-term prosperity by providing effective leadership and support.

Current Strategies

- ◆ Encourage and facilitate inter-municipal cooperation and self-directed dispute resolution.
- ◆ Promote accountability of municipalities to their citizens through regular public reporting.

- ◆ Encourage and facilitate innovative governance initiatives where these can improve the quality of local government.
- ◆ Assist citizens in the development of their local government in the national parks.
- ◆ Review programs supported by property taxes.
- ◆ Encourage cost effective and efficient local government.

Proposed New Strategies

- ◆ Implement a Targeted Municipal Assistance Program with limited-term assistance targeted to specific municipal needs.
- ◆ Re-direct current resources to enhance advisory services provided to local governments and citizens on local governance and administration matters. This will help improve local decision-making and encourage more effective issues management and problem resolution.
- ◆ Provide incentives where needed to enhance the understanding of modern and effective service delivery methods which contribute to excellence in municipal administration and governance. Target groups are elected officials and municipal staff.
- ◆ Initiate reviews of alternative governance options and assist in the costs of restructuring when municipalities identify they are at financial risk.
- ◆ Provide a review process for local disputes regarding administrative authority and other processes.

3. Goal: Ensure that provincial policies and legislation support municipal efforts to operate successfully and maintain healthy communities.

Albertans need consistent, effective and equitable government policies which will result in:

- ◆ a legislative framework that enables municipalities and their partners to operate successfully;
- ◆ leadership for establishing effective local governance; and,
- ◆ guidance and support for innovative municipal governance initiatives.

Current Strategies

- ◆ Investigate and recommend changes to improve and streamline legislation and regulations to support modern approaches to governance and service delivery.
- ◆ Advocate improvement in the provision, coordination and delivery of programs and services by other government ministries, agencies and private sector stakeholders to better support effective local government.

Proposed New Strategies

- ◆ The Ministry will work with government ministries and will consult with local governments, their municipal associations and other stakeholders to develop a strategy with and for municipalities that:
 - ◆ ensures good coordination across all government ministries in their policies and programs for municipalities;
 - ◆ reduces overlap and duplication by better defining the roles and responsibilities of local government and the Province;
 - ◆ develops and promotes models of excellence in local government; and
 - ◆ helps municipalities work together without losing local control.

CORE BUSINESS #1 - PERFORMANCE MEASURES

- ◆ ***Municipalities' satisfaction regarding appropriateness, adequacy and quality of services provided.*** (This revised measure will be based on comprehensive and specific surveys to all municipalities. This applies to all three goals.)
- ◆ ***Percentage of municipal assessments which meet the provincial standards for procedures, uniformity and equity.*** (This revised measure has been expanded to include procedures. This applies to Goal #1.)
- ◆ ***Percentage of property assessments and equalized assessments successfully appealed to the Municipal Government Board.*** (This measure will, over time, provide an indication of the Ministry's success in providing an appropriate property assessment and provincial property tax policy system which ensures uniformity and equity. It will also provide an indication of the success of the locally applied processes. This applies to Goal #1.)
- ◆ ***Percentage of municipal restructurings that result in improvement in the viability of those municipalities involved.*** (This measure is being developed. It will be based on pre/post analysis of municipalities that undertake restructuring. This applies to Goal #2.)

Core Business #2 - Housing: *provide basic shelter to those Albertans who are most in need.*

Albertans recognize that shelter is a basic need and that a healthy and caring society should help those persons who genuinely need support. Individuals require at least basic shelter to participate in opportunities for growth. Municipal Affairs continues to improve the quality of life for Albertans by providing basic shelter to families, individuals and seniors most in need thereby allowing them to live in a safe, healthy environment. These services are provided primarily through community-based non-profit and private organizations on the basis of need.

1. Goal: Ensure that provincial policies and legislation direct resources to Albertans most in need of shelter assistance.

Current Strategies

- ◆ Identify and prioritize where and how to allocate housing resources in partnership with communities.
- ◆ Work with other government ministries and housing organizations to reduce duplication, clarify roles and responsibilities, and coordinate housing services.
- ◆ Refine the method for prioritizing need of applicants for subsidized housing in consultation with management bodies and the Alberta Senior Citizens Housing Association.
- ◆ Continue to review the social housing inventory, and sell units that are inappropriate, costly to maintain, or no longer required.
- ◆ Encourage further consolidation of management bodies and projects where this will result in cost efficiencies, improved service to clients, and better accountability.
- ◆ Determine the flexibility for the Province to re-direct current subsidy dollars from areas of low need to areas of high need to respond to changes in the economy.
- ◆ Examine federal unilateral programs (10,000 housing units) which are proposed for transfer to the Province to determine the cost, benefit, and financial risk to the Province and if they are consistent with the Province's core businesses.

Proposed New Strategy

- ◆ Review and consider selected changes to the current rent-geared-to-income scale for very low-income individuals and families with unusually high basic need costs.

2. Goal: Promote community-based social and affordable housing initiatives by encouraging partnerships with municipalities and the private and non-profit housing sectors.

Current Strategies

- ◆ Encourage management bodies to develop new lodge units for seniors as needed.
- ◆ Develop special needs facilities using the rent supplement program.
- ◆ Develop a pilot project to transfer ownership of provincial housing units to management bodies or municipalities, provided these units are targeted to Albertans most in need of basic shelter. Explore options for providing incentives.

Proposed New Strategies

- ◆ Work with other ministries and the federal government to deliver the Remote Housing Program.
- ◆ Increase funding for Rent Supplement to meet the increased need for housing support.
- ◆ Encourage industry/private sector groups to provide affordable housing in communities where such housing is unavailable, and organize a symposium to identify possible alternatives.

3. Goal: Ensure that organizations involved in the delivery and administration of social housing operate effectively and meet acceptable standards of accountability.

It is necessary to ensure that a balance is maintained between effective monitoring and appropriate management body independence.

Current Strategies

- ◆ Monitor the activities of management bodies to ensure compliance with legislation, agreements, operating standards and policies through operational reviews, lodge standards reviews and property condition inspection reports and special audits.
- ◆ Implement a management body board training program.
- ◆ Revise the Alberta Housing Act to clarify the relationship between management bodies and the Province and to ensure that appropriate accountability provisions are in place.

CORE BUSINESS #2 - PERFORMANCE MEASURES

- ◆ *Percentage of housing units provided to Albertans in need.* (This measure continues from the previous business plan. This applies to Goal #1.)
- ◆ *Average cost per unit by program.* (This measure is carried forward from the previous business plan. This applies to Goals #1 & #2.)
- ◆ *Number of incidences and the costs of mismanagement of funds.* (This is predominantly a measure of accountability of our housing partners. This applies to Goal #3.)

Core Business #3 - Consumer Affairs: *promote a fair marketplace for Albertans.*

Albertans recognize that a much more complex marketplace exists today than in the past. Alberta consumers and businesses want to see fairness in the marketplace. Municipal Affairs will promote fair market practices through legislative, monitoring and enforcement initiatives, including business licensing, as well as by enhancing consumer awareness and self-reliance.

1. Goal: Assist Albertans by undertaking investigations and enforcement of consumer protection legislation.

Ministry resources will be focused on Albertans who are most vulnerable in the marketplace.

Current Strategies

- ◆ Investigate, and where appropriate, prosecute contraventions of consumer legislation which have a significant impact on the marketplace.
- ◆ Ensure that businesses dealing with prepayment for services (e.g. trust funds, deposits), are licensed and bonded according to legislation.

Proposed New Strategies

- ◆ Improve the efficiency of the regulatory process through implementing the Fair Trading Act.
- ◆ Enhance the division's information system to support case management and enforcement activities by improving the Consumer Affairs Tracking System (CATS) and implementing the proposed CANSHARE (a national information-sharing database).

2. Goal: Improve consumer awareness in partnership with community-based groups, industry and other Canadian jurisdictions.

Current Strategies

- ◆ Provide tip sheets, advice and information on priority consumer issues.
- ◆ Work with other Canadian jurisdictions on the national consumer awareness initiatives.

3. Goal: Promote industry self management and program delivery, and ensure accountability.

Current Strategies

- ◆ Continue to identify opportunities for industry to take over licensing and regulatory responsibilities (e.g. Automotive Council, franchise industry).
- ◆ Continue to oversee legislation administered by Credit Counselling Services of Alberta, the Alberta Funeral Services Regulatory Board and the Alberta Real Estate Council, and ensure continuing accountability of these non-government agencies.

4. Goal: Promote a fair marketplace for Albertans by providing effective consumer legislation.

Current Strategies

- ◆ Continue to review and update all consumer and other related legislation, eg. Fair Trading Act.
- ◆ Harmonize legislation and regulations with other jurisdictions, where appropriate.
- ◆ Implement regulatory changes to improve monitoring and enforcement including reciprocal agreements with other jurisdictions on enforcement and information sharing.

CORE BUSINESS #3 - PERFORMANCE MEASURES

- ◆ *Percentage of investigations of legislative contravention which are successful.* (This is a measure of the effectiveness of the enforcement role to protect consumers. This applies to Goal #1.)
- ◆ *Comparison of the number of licenses issued by the Ministry and industry.* (This is a measure of the extent of industry self management. This applies to Goal #3.)

Core Business #4 - Registries: *provide an environment that ensures excellence in the delivery of licensing and registration services to Albertans.*

Albertans and businesses continue to benefit from improved access to Registries' products and services through advanced delivery mechanisms. Municipal Affairs will continue to provide both individuals and the private sector with timely, high-quality information and registration and licensing services at the lowest possible cost.

1. Goal: Provide a consistently high level of service across all registry areas by exploring and implementing alternative delivery mechanisms and improving access to services.

The provision of accessible, timely and accurate information from Land Titles, Foreign Ownership of Land Administration, Corporate Registry, Vital Statistics, Motor Vehicles and Personal Property helps to facilitate business transactions and improve business and individual decision making in the Province.

Current Strategies

- ◆ Maintain a high level of service and accountability for the services provided through the private sector.
- ◆ Improve the level of service provided in Corporate Registry and Vital Statistics by redesigning business processes and utilizing new technologies.
- ◆ Maximize the number of registry services available through the registry agent network and direct electronic access.

Proposed New Strategies

- ◆ Invest resources to meet the increased demand for registry services driven by increased economic activity.
- ◆ Pursue innovative investment strategies with the private sector to fund the redevelopment of three legacy systems: Motor Vehicles (MOVES); Land Titles (ALTA); and Personal Property (PERPIS).
- ◆ Develop ways for customers to participate in the design of services.

2. Goal: Improve the response time and accessibility of Corporate Registry and Vital Statistics services by increasing the points of service while achieving cost recovery and safeguarding the privacy of personal information.

Current Strategies

- ◆ Develop policies to ensure that appropriate safeguards exist to protect private information.
- ◆ Coordinate with other ministries (e.g. Alberta Treasury and Health) to eliminate the duplication of information filed by individuals and corporations.

Proposed New Strategy

- ◆ Extend the transition period for full implementation of the re-designed Corporate Registry and Vital Statistics to ensure no service disruption to customers. This will provide adequate time and resources to implement the new business model, demonstrate the integrity of the systems and inform the public and the business community of changes.

3. Goal: Maintain the high level of service provided by Land Titles while continuing to identify potential efficiencies.

Current Strategies

- ◆ Implement a process to convert to a “paperless environment”.
- ◆ Position Land Titles to deal with the required enhancement of the legacy computer system (ALTA) over the next five years.
- ◆ Convert the surveys registration function to a digital environment to improve efficiency, address records backup issues, and decrease costs for updating provincial mapping systems.

Proposed New Strategies

- ◆ Identify and implement flexible processes which will handle increased service demands and maintain a high service level without significant cost implications.
- ◆ Investigate a staff training approach which includes internships and partnerships with the private sector to ensure that qualified staff are available.

4. Goal: Ensure that Alberta’s recreational, agricultural and undeveloped private lands continue to be owned and enjoyed by Canadians while preserving the opportunity for foreign investment.

Current Strategies

- ◆ Review the Agricultural and Land Ownership Act and the Foreign Ownership of Land Regulations to increase effectiveness.
- ◆ Continue consultation and involvement with other ministries to ensure that all provincial and federal interests are addressed, including Special Places 2000.

Proposed New Strategy

- ◆ Reconcile program with legislative intent if necessary.

CORE BUSINESS #4 - PERFORMANCE MEASURES

- ◆ *Customer satisfaction with the quality of registration and licensing services provided by Registries and private sector partners.* (This is a measure of the effectiveness and quality of services. It applies to Goal #1, and will also be applied beginning in 1998 to Goals #2 & #3.)
- ◆ *Reduction in the cost per transaction.* (This measure applies to Goal #1.)
- ◆ *Turnaround time for Vital Statistics, Corporate Registry and Land Titles services.* (This measure will track the success of program changes. This applies to Goals #2 & #3.)

Municipal Affairs

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	89,527	91,961	94,161	316,418	96,570	106,601
Transfers from Government of Canada	66,345	70,370	67,090	67,975	68,102	66,555
Investment Income	4,739	3,200	3,307	3,100	2,550	2,277
Premiums, Fees and Licences	254,309	242,303	275,688	251,098	254,023	257,109
Other Revenue	24,514	14,524	16,228	11,032	11,486	11,686
<i>Consolidation Adjustments</i>	(90,727)	(91,961)	(94,161)	(316,418)	(96,570)	(106,601)
Consolidated Revenue	348,707	330,397	362,313	333,205	336,161	337,627
EXPENSE						
Program						
<i>Department:</i>						
Ministry Support Services	15,123	16,560	16,606	15,901	15,966	15,876
Support for Municipal Programs	118,712	128,652	124,678	114,582	115,414	116,044
Administration of Housing Programs and Consumer Services	96,589	95,571	95,352	307,819	88,359	95,059
Registries Information and Distribution	35,504	36,907	36,567	33,770	33,972	34,184
<i>Department Sub-total</i>	<i>265,928</i>	<i>277,690</i>	<i>273,203</i>	<i>472,072</i>	<i>253,711</i>	<i>261,163</i>
Statutory Programs and Valuation Adjustments	(41,363)	385	95	400	400	400
Alberta Social Housing Corporation	60,581	69,600	57,850	65,772	65,119	65,126
Alberta Educational Communications Corporation	1	-	-	-	-	-
<i>Consolidation Adjustments</i>	<i>(40,869)</i>	<i>(79,761)</i>	<i>(79,761)</i>	<i>(293,518)</i>	<i>(73,770)</i>	<i>(80,301)</i>
Consolidated Program Expense	244,278	267,914	251,387	244,726	245,460	246,388
Debt Servicing Costs	107,688	100,061	100,061	75,554	60,777	55,963
Consolidated Expense	351,966	367,975	351,448	320,280	306,237	302,351
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(3,259)	(37,578)	10,865	12,925	29,924	35,276

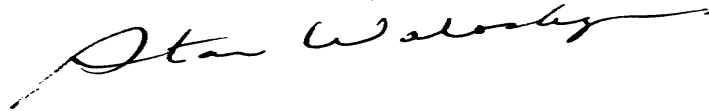
Public Works, Supply and Services

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Stan Woloshyn
Minister of Public Works, Supply and Services
January 21, 1998

Vision

To be recognized as an innovative, professional service organization that consistently adds value.

Mission

To facilitate government program delivery by providing quality, cost effective common services and professional expertise.

Introduction

Public Works, Supply and Services (PWSS) is a central agency responsible for providing capital infrastructure, accommodation, property management, information technology, information management and procurement services to support government program delivery. As a common service ministry, PWSS supports all three government priorities — health, education and jobs:

- ♦ **Health** - provide funding for the upgrading, construction and maintenance of quality health care facilities and upgrade of seniors' lodges.
- ♦ **Education** - provide funding for the upgrading, construction and maintenance of vocational and early childhood services facilities required for the effective delivery of educational programs.
- ♦ **Jobs** - foster opportunities for Alberta businesses by using the private sector to provide construction, maintenance and information technology services and ensuring that the Alberta Government has a fair and accessible procurement system.

Core Businesses

Information Management and Technology Services provides leadership in managing information technology and telecommunications for government ministries; operates the government computing centres; manages shared telecommunication networks for voice, data and mobile radio communications services; administers information management legislation and policies; and works with the Office of the Chief Information Officer to develop and integrate government technology plans.

Property Development works with client departments, boards, agencies and other stakeholders to provide the government capital infrastructure. This includes government and health facilities, seniors' lodges, and major water management projects. Services include planning, project management, and professional and technical expertise.

Property and Supply Management operates and maintains government-owned properties and administers leased space; acts as the central procurement and surplus disposal agency for the government; and provides air transportation services.

Realty Services acquires, negotiates, and documents contracts for leased space; negotiates the purchase of lands for ministries (except Transportation and Utilities) and the Edmonton and Calgary Restricted Development Areas; and administers the sale of property surplus to government needs.

In addition to these four core businesses, the Office of the Chief Information Officer (CIO) reports to the Minister of Public Works, Supply and Services.

Operating Principles

PWSS is guided by the following values, beliefs and principles:

- ◆ The achievement of our goals depends on the knowledge, skills, ability, attitude and commitment of our employees.
- ◆ We invest in our employees, promoting personal growth and development to meet the changing needs of the ministry and our customers.
- ◆ Customers, stakeholders and staff are partners in developing solutions and evaluating performance.
- ◆ Continual improvement is achieved through creative and innovative approaches to business.
- ◆ Resources are managed in an environmentally responsible manner.
- ◆ Business operations are conducted with openness, honesty and fairness.
- ◆ We are results oriented and accountable for our performance.
- ◆ Safe working conditions are provided and continually promoted.

Goals, Strategies and Measures

PWSS' goals, strategies and measures were developed by reviewing the ministry from client, internal business, staff development and financial perspectives. PWSS is focused on the needs of its clients and provides quality services while meeting government expectations for the cost of these services. To accomplish this, internal business processes and the skill level of our workforce are continually examined and re-evaluated.

Goal 1: Upgrade our employees' skills to meet future business needs

- ◆ ensure the organization is positioned to meet future business requirements by implementing a responsive, integrated human resource strategy that includes:
 - ◆ competency profiles for all occupational groups and employees in PWSS
 - ◆ training and development programs to strengthen employee competencies in customer service, information technology, and technical skills
 - ◆ succession planning

Performance Measures and Indicators

- ◆ Proposed Future Measures
 - Percentage of PWSS employees with a competency profile established
 - Percentage of PWSS employees meeting the competency profile for their positions
- ◆ Further performance measures for this goal are under development

Goal 2: Refine the responsibility and accountability framework for common services

- ◆ where possible, allocate and report costs by ministry to raise awareness of costs incurred, facilitate joint planning and improve decision-making
- ◆ where cost savings can be identified, transfer appropriate budgets and responsibilities for common PWSS services to ministries

- ◆ strengthen partnerships with our clients
- ◆ continued shift in emphasis to policy and standards development
- ◆ support continual improvement activities by participating in annual benchmarking studies to compare operating costs, space utilization, and standards with other governments and the private sector

Performance Measures and Indicators

- ◆ Proposed Future Measures
 - Percentage of departmental costs charged to or allocated to other ministries

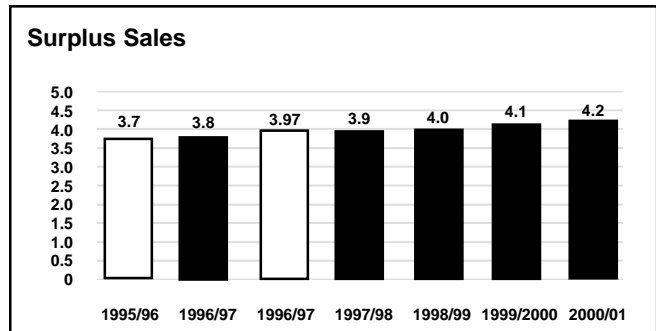
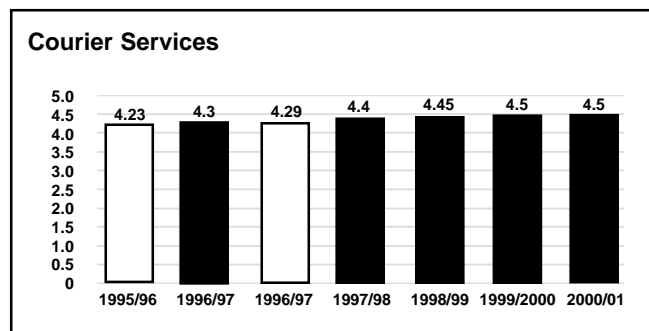
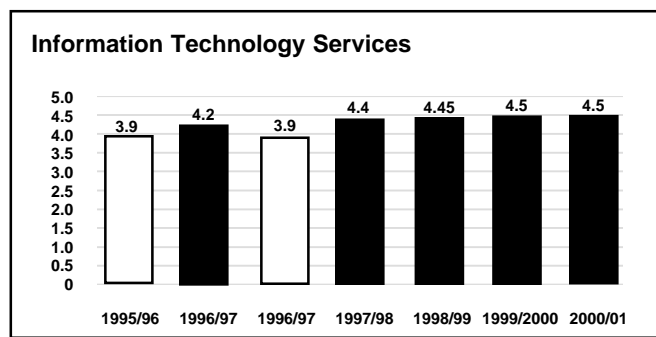
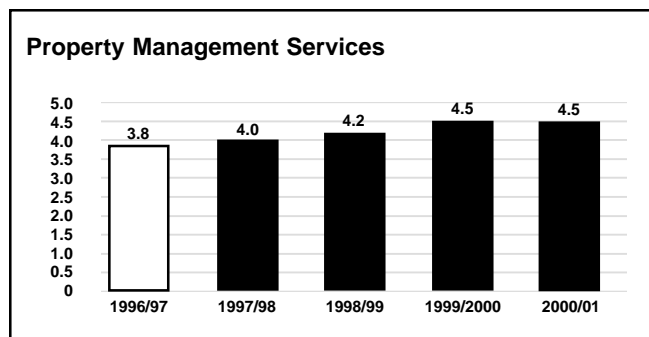
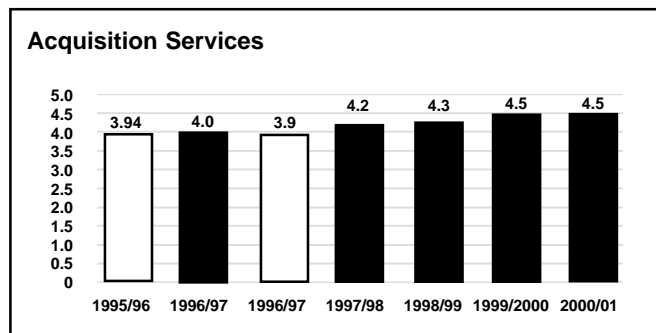
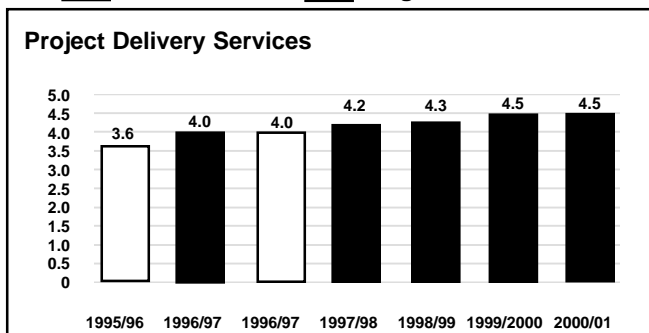
Goal 3: Provide services that meet or exceed client requirements

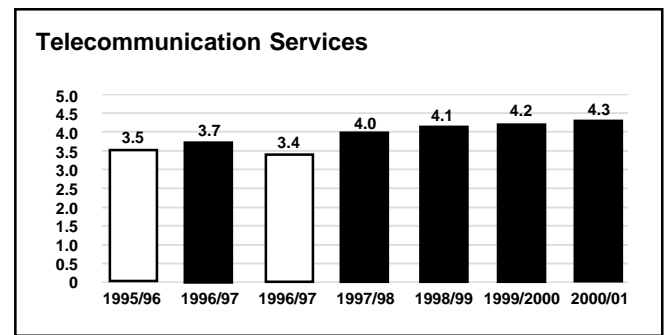
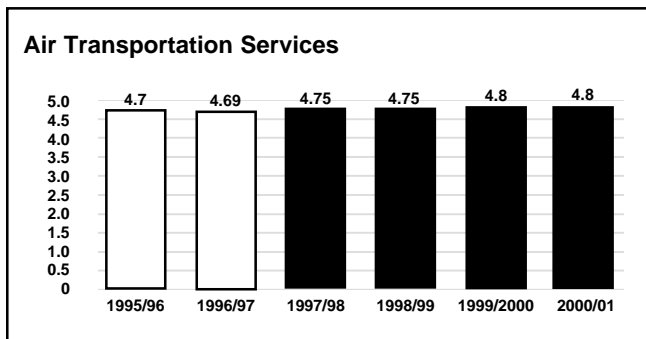
- ◆ meet regularly with clients to ensure awareness of clients' needs and business plans and that their priorities are addressed in PWSS plans
- ◆ involve clients in appropriate aspects of program planning, decision-making and implementation
- ◆ provide professional consultation, technical advice and guidance in areas of expertise to assist client departments

Performance Measures and Indicators

- ◆ Results of Client Satisfaction Surveys (5=very satisfied, 1=very dissatisfied)

□ Actual ■ Target





Goal 4: Facilitate effective government program delivery by developing, managing and maintaining the government infrastructure

Property Development

- ◆ continue to implement the facility upgrading plan for seniors' lodges to address life safety, building code, mechanical, electrical and building envelope requirements
- ◆ identify and plan to eliminate environmental risks at our facilities
- ◆ develop and implement a long-term upgrading and rehabilitation plan for the major water resource infrastructure, in conjunction with Environmental Protection
- ◆ facilitate arrangements to share accommodation between ministries, other levels of government and government-sponsored organizations
- ◆ in cooperation with client ministries, improve space utilization by consolidating space and piloting alternative approaches to office accommodation
- ◆ explore and prototype new and innovative approaches to address ministries' accommodation requirements
- ◆ upgrade facilities to support the changing technology needs of clients

Information Management and Technology Services

- ◆ facilitate government-wide electronic communication by:
 - operating an improved government-wide electronic mail facility
 - establishing a service that will enable digital signatures and encoding facilities for security of documents transmitted by electronic mail systems
 - continuing to improve the planning for and the development of the telecommunications infrastructure used by ministries and approved extended stakeholders
- ◆ safeguard government information by:
 - establishing a coordinated and comprehensive data backup and recovery system for departmental servers, local area networks and other government information systems
 - consolidating functions of existing central computing centres and establishing an independent disaster recovery site for government
- ◆ work with the Office of the Chief Information Officer (CIO) to ensure government systems are Year 2000 compliant
- ◆ provide cross-government support to advance CIO-sponsored initiatives related to information management and information technology projects as identified in the CIO's Information Resources Strategic Plan (IRSP)
- ◆ evaluate electronic document management systems to facilitate the cataloguing, security, indexing, retrieval, archiving and disposition of electronic and paper records

Property and Supply Management

- ♦ improve long-term maintenance planning processes and preventive maintenance programs using the facility evaluation system to support the efficient use and operation of facilities; provide adequate, safe environments for program delivery; and protect asset values and integrity
- ♦ minimize environmental impact of operations through recycling of materials and reducing natural gas, power and water consumption

Realty Services

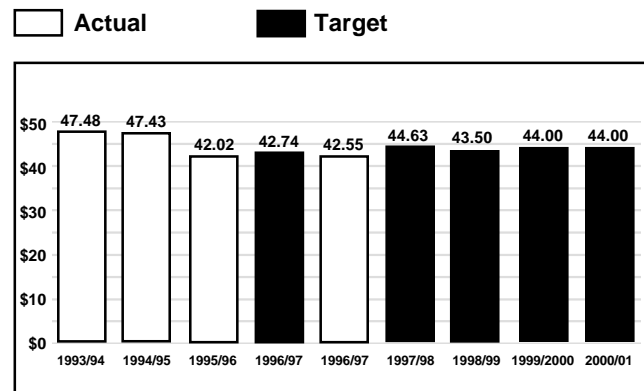
- ♦ ensure that the government obtains good value in the acquisition of its leased accommodation and the purchase of new properties
- ♦ maximize value to government on the disposition of its surplus real estate assets

Performance Measures and Indicators

Taken in conjunction with the measures for customer satisfaction with PWSS services, the following measures are indicators of effective management and maintenance of the government infrastructure.

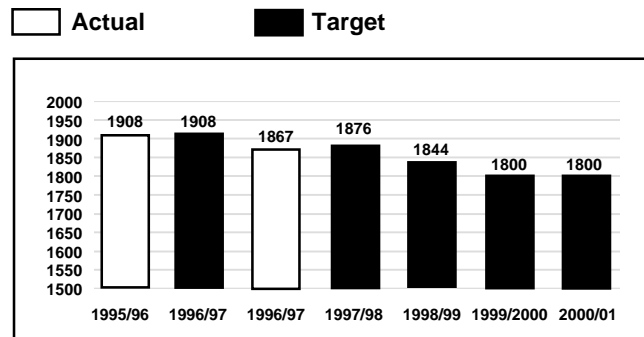
Operating Cost Per Square Metre (\$)

- ♦ This performance measure is defined as the annual average operating cost for owned space managed by PWSS. To be consistent with industry practice, this measure has been refined to include all direct property management costs associated with the day-to-day operation and maintenance of facilities divided by rentable area. Future targets reflect reinvestment in government infrastructure required to maintain facilities at an acceptable level.



Energy Consumption in Owned Facilities (Megajoules per m²)

- ♦ This measure shows the average energy consumption in owned facilities over a 12 month period. This is an indicator of how effectively PWSS is minimizing the environmental impact of operations.



Proposed Future Measures

- ♦ Building Condition Rating Distribution
- ♦ Office Space Utilization

Goal 5: Foster Opportunities for Alberta Businesses

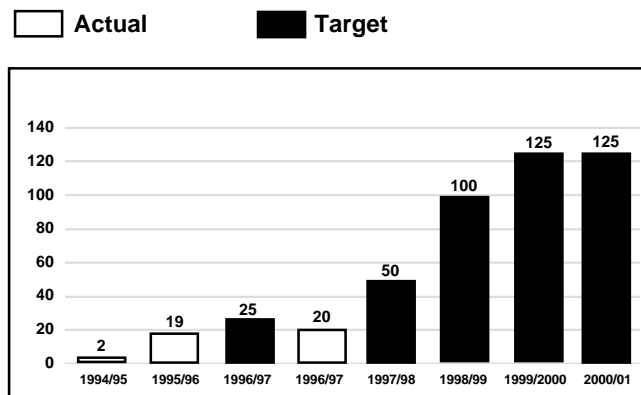
- ◆ as the government's central purchasing agent, foster opportunities for Alberta businesses to provide goods and services to the Alberta government
- ◆ lead initiatives for the Government Procurement Chapter of the Agreement on Internal Trade to provide Alberta businesses broader access to government procurement across Canada
- ◆ facilitate further implementation of the Agreement on Internal Trade through consulting sessions with the representatives of the Alberta Municipalities, Academic Institutions, Schools and Hospitals (MASH) sector
- ◆ expand and diversify private sector involvement in the delivery of accommodation services

Performance Measures and Indicators

Taken in conjunction with measures for customer satisfaction with procurement services, these measures are indicators of an effective and efficient procurement system.

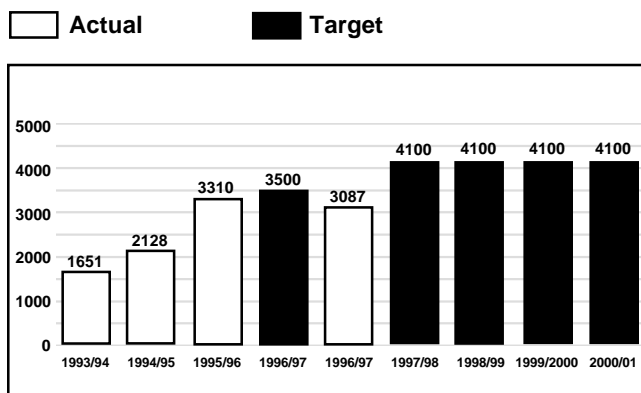
Number of Alberta Organizations Advertising Opportunities via the National Electronic Tendering System

- ◆ This measure shows the number of Alberta government departments, agencies and other public sector organizations posting their purchasing and contracting opportunities for the private sector on the national electronic tendering system. The Alberta government is a partner in this multi-government initiative which is a one-window service, accessible to all businesses.



Number of Alberta Businesses Using the National Electronic Tendering System

- ◆ This measure shows the number of Alberta businesses using the national electronic tendering system to access tender documents and other sales opportunities posted by the federal government and a growing number of provincial and local governments across Canada.



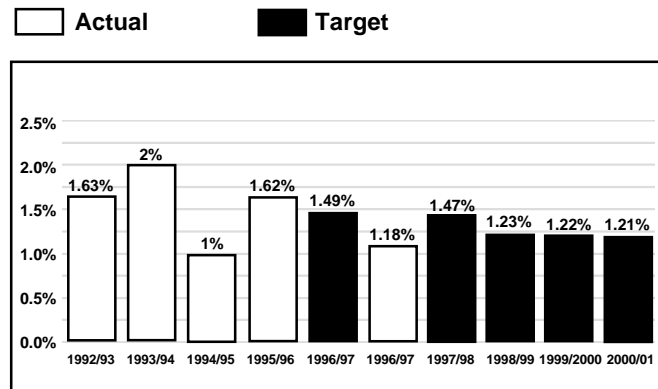
Goal 6: Improve internal business processes and minimize costs

- ◆ facilitate the implementation of new corporate finance and human resource applications across government to support improved decision-making and increase effectiveness
- ◆ carry out the three year legislative plan to review and amend legislation
- ◆ continually reassess PWSS' priorities and explore opportunities for improved efficiency and cost savings
- ◆ streamline the procurement process
- ◆ improve efficiencies by streamlining the government's records disposition process
- ◆ develop and implement effective business strategies and approaches, drawing upon those used by similar public and private sector organizations:
 - partner with the private sector to pursue new ways of doing business
 - improve capital project performance by allowing private sector developers to supply a "start-to-finish" project package (design, plan, build) which will reduce project delivery time frames and deliver value
 - examine new business approaches to address capital asset requirements including leasing and lease to purchase options
 - negotiate leases for client ministries where the landlord will provide complete accommodation systems, components, furnishings and equipment as part of the lease agreement

Performance Measures and Indicators

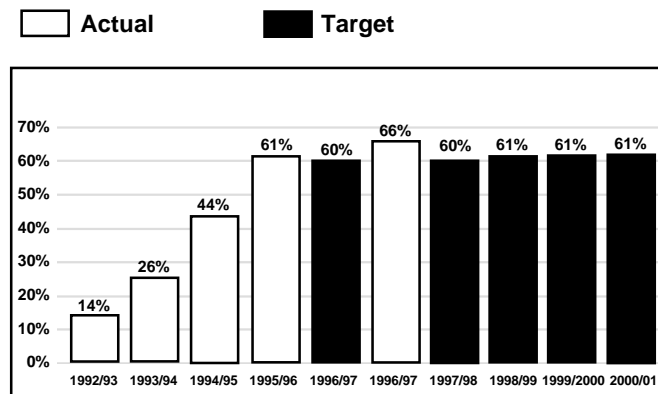
Procurement Administrative Costs (%)

- ◆ This performance measure is defined as the administrative costs for procurement services expressed as a percentage of total goods and services purchased. Lower values indicate improved efficiency, achievable by reducing operating costs in proportion to the value of purchases.



Standing Offer Purchases as a Percentage of All Tendered Purchases

- ◆ This measure shows the value of purchases made by standing offer in relation to total tendered purchases. Standing offer purchases are more economical to administer and provide ministries with direct access to suppliers, in comparison to the alternative of individually tendering for each purchase. Generally, standing offers are established every one to three years.



Office of the Chief Information Officer

Business Plan 1998-1999 to 2000-2001

Vision

An Alberta where effective use and application of information resources improves the contribution of the information industries to the Alberta economy and the quality of service provided to Albertans by the public sector.

Mission

As the organization responsible for information resource management in the Alberta government, the mission of the Office of the Chief Information Officer (CIO) is to:

champion the effective creation, use and sharing of information and its supporting systems within government and with its stakeholders to facilitate the development and growth of an information and technology culture in Alberta.

Mandate

The Office of the CIO is responsible for developing overarching policies and strategies which will enable ministries, agencies and other stakeholders to fit their information resource plans into a broader framework.

The mandate of the Office is to:

- ◆ work with Alberta government ministries, the Federal government and industry on matters relating to telecommunications and information technology policy,
- ◆ liaise, through the CIO Council, with all ministries on government-wide information resource matters,
- ◆ develop and coordinate the implementation of a government-wide Information Resource Strategic Plan to provide guidance and a framework for departmental plans and initiatives to meet the business goals of their ministries,
- ◆ direct the development of a corporate framework for the development and review of Ministry Information Resource Strategic Plans,
- ◆ direct the development of information resource policies and standards,
- ◆ direct the coordination of planning support for the effective long-term use of information resources.

Goals and Strategies

The overall Goals and Strategies of the Office of the CIO are:

GOAL 1: Create a culture of collaboration and cooperation on matters relating to information resource management

Strategies

- ◆ coordinate working groups to prepare recommendations on action steps identified in the government-wide Information Resource Strategic Plan that provides a planning framework for ministry information resource initiatives,
- ◆ create a coordinating structure for government and stakeholder decisions on information resource management,
- ◆ facilitate initiatives requiring public and private sector collaboration and cooperation,
- ◆ provide planning support for the effective long-term use of information by Government.

GOAL 2: Promote the sharing of information resources between the Government and its stakeholders

Strategies

- ◆ provide planning structures for the coordination, sharing and protection of information within government,
- ◆ develop and deploy a framework for the equitable access and use of government data, systems, and networks by ministries and their stakeholders,
- ◆ develop and apply standards and guidelines for interoperability and connectivity of government and public information systems,
- ◆ provide access to public information resources which are coordinated effectively with and between the private and public sectors,
- ◆ steer the development of network access to support Alberta's information resource needs.

GOAL 3: Raise the awareness and understanding of the strategic importance of information resources within the government

Strategies

- ◆ work with all government ministries, and through them to Albertans, to make them aware of the strategic importance of information resources to the economic prosperity and social well being of Alberta,
- ◆ provide information and advice to stakeholders on information resource management,
- ◆ educate all users on appropriate use of information resources.

GOAL 4: Develop directions for the use of information resources in Alberta

Strategies

- ◆ ensure that an advanced communications infrastructure spanning all of Alberta is available to the government and its stakeholders,
- ◆ ensure the continuous availability of government information resource capabilities,
- ◆ maintain a government-wide Information Resource Strategic Plan and review annually,
- ◆ develop corporate information resource standards, guidelines and practices to make the government a model user of information resources,
- ◆ create agreement on the development of compatible systems for mission-critical corporate functions,
- ◆ provide a planning and management framework that will enable information resource projects to be completed successfully,
- ◆ work with the CIO Council to identify opportunities to reduce costs and duplication by using information and communications technology to enhance government services.

Performance Measures

The Office of the CIO is a catalyst. In 1998-99 there will be performance measures implemented which have been developed in consultation with all government ministries.

Public Works, Supply and Services Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Investment Income	11,697	4,000	1,200	1,300	1,200	1,200
Premiums, Fees and Licences	2,402	2,470	2,470	2,400	2,320	2,320
Other Revenue	78,413	75,360	71,600	76,955	76,944	75,960
<i>Consolidation Adjustments</i>	<i>(24,904)</i>	<i>(27,645)</i>	<i>(26,270)</i>	<i>(27,585)</i>	<i>(27,745)</i>	<i>(27,745)</i>
Consolidated Revenue	67,608	54,185	49,000	53,070	52,719	51,735
EXPENSE						
Program						
Information Management and Technology	32,985	34,679	34,535	34,113	33,744	33,527
Supply	6,440	6,834	6,807	6,589	6,696	6,764
Management of Properties	175,898	179,534	180,555	170,279	171,252	171,772
Planning and Implementation of Construction Projects	204,612	214,163	219,913	225,244	226,165	225,758
Office of the Chief Information Officer	498	500	500	500	500	500
Revolving Fund	53,571	56,400	54,500	58,855	59,787	59,190
Valuation Adjustments	(785)	285	655	285	285	285
<i>Consolidation Adjustments</i>	<i>(24,904)</i>	<i>(27,645)</i>	<i>(26,270)</i>	<i>(27,585)</i>	<i>(27,745)</i>	<i>(27,745)</i>
Consolidated Expense	448,315	464,750	471,195	468,280	470,684	470,051
Gain (Loss) on Disposal of Capital Assets	173	(1,000)	535	(1,000)	(1,000)	(1,000)
Gain (Loss) on Inventory held for Resale	5,965	(4,000)	-	(4,000)	(4,000)	(4,000)
Write Down of Inventory held for Resale	(10,658)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
Write Down of Capital Assets	(4,034)	(1,000)	(17,900)	(1,000)	(1,000)	(1,000)
NET OPERATING RESULT	(389,261)	(425,565)	(448,560)	(430,210)	(432,965)	(433,316)

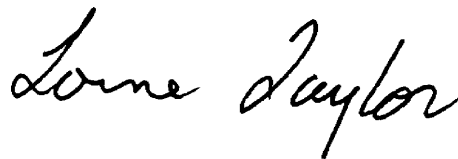
Science, Research and Information Technology

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Dr. Lorne Taylor
Minister Responsible for Science, Research
and Information Technology
January 27, 1998

Vision

The vision of the Ministry of Science, Research and Information Technology (SRIT) is that “science, research and information technology will contribute to prosperity and quality of life for Albertans”.

Introduction

The Science and Research Innovation System includes not only research and development (R&D), but also the dissemination, commercialization, and application of knowledge and technology:

1. **Research and Development** results in creation of new knowledge. Research performers in Alberta include the universities, federal and provincial research institutes and corporate research labs.
2. **Technology Linking** organizations actively transfer ideas, technology and people between research and commercialization and application (e.g., Alberta Research Council, TR Labs).
3. **Commercialization/Application** creates socio-economic benefits for Alberta by converting ideas and technologies into outputs of marketable technology-based products and services.

Although government and the universities are major players in the Science and Research Innovation System, especially in the initial stages, the largest role is played by the many companies and organizations in the private sector that convert technology into products and services that produce socio-economic benefits for Albertans.

Science and research are critical in achieving many of the goals in all three of the Government’s core businesses, *people*, *prosperity*, and *preservation*. The primary contribution of science and research is to the government’s goals of “Alberta will have a prosperous economy”, and “Our businesses will capitalize on research”.

The Ministry has five primary areas of responsibility.

Science and Research Policy - SRIT is responsible for developing policy relating to improving the Province’s Science and Research system. The Alberta Science and Research Authority (ASRA) advises the Minister Responsible for Science, Research and Information Technology on policy and priorities to enhance the effective utilization of the Government’s investment in science and research.

Interprovincial Science and Research liaison - The Minister Responsible for SRIT has the mandate to represent the Province in interprovincial and national level Science and Research issues. This includes responsibility for the Memorandum of Understanding, “The Coordination of Science and Technology Initiatives for Western Economic Development”, and liaison with the Council of Science and Technology Ministers.

Supporting the initiation of strategically important science and research initiatives - ASRA is responsible for making recommendations to the Minister regarding investments from the Alberta Science and Research Fund.

Operation of elements of Alberta's R&D performing and technology transfer infrastructure.

- ◆ The Alberta Research Council (ARC) is the primary element of the R&D infrastructure within SRIT.
- ◆ Responsibility for the act governing the Alberta Heritage Foundation for Medical Research was transferred to the Minister Responsible for Science, Research and Information Technology by Order in Council dated June 25, 1997.
- ◆ Responsibility for Alberta's investment in TRILabs was transferred from Alberta Economic Development to SRIT in December 1997.

Information Technology - The Minister Responsible for SRIT has the mandate to represent the Province in interprovincial and national-level information-technology issues.

The Ministry of Science, Research and Information Technology is composed of two agencies, the Alberta Science and Research Authority (ASRA) and the Alberta Research Council (ARC). Each agency was established under its own act and is managed by a Board of Directors composed largely of private citizens. The Chair of each board reports to the Minister.

To increase the efficiency of SRIT, the Minister intends to table legislation in 1998 to consolidate these two agencies by the beginning of fiscal year 1999/2000.

Alberta Science and Research Authority - 1998-2001 Business Plan

Mission

The mission of ASRA is to enhance the contribution of science and research to the sustainable prosperity and quality of life of all Albertans.

Mandate and Core Businesses

The mandate of the Alberta Science and Research Authority (ASRA) was defined by the *Science and Research Authority Act* (1995) as:

1. Stimulate research and development and related scientific activities in Alberta;
2. Develop a science and research policy and priorities that are compatible with the economic and social priorities of government;
3. Conduct an annual review of all Government science and research policies, priorities, and programs and their compatibility with the economic and social policies and priorities of the Government and recommend to Executive Council the amount of public money that a program should receive;
4. Develop and monitor a financial management plan for the science and research investments of the Government that maximizes returns to economic and social development, minimizes duplication and promotes cooperation.
5. Promote communication on matters related to science and research among the science and research community, business community and general public;

6. Encourage the science and research community and infrastructure in Alberta to attain international excellence, to enable Alberta to be internationally competitive;
7. Evaluate applications for grants under the *Alberta Science and Research Authority Act*;
8. Carry out any other activities related to science and research that the Minister or the Board considers appropriate.

ASRA, which acts as an advisor and influencer to stimulate science and research and encourage a strong economy, is composed of a Board of Management of 25 members and is supported by a small secretariat. The Chair of the Board reports to the Minister.

ASRA promotes the accomplishment of the mission for science and research through two core businesses.

- ◆ Develop and promote informed and practical recommendations to the Government related to science and research policies and priorities, provincial government investments in science and research, and science and research infrastructure; and,
- ◆ Facilitate the identification, development, and implementation of strategic, high-value, science and research initiatives.

Strategic Intent

The strategic intent of the Alberta Science and Research Authority is to increase the value of the socio-economic benefits to Albertans from science and research investments in Alberta.

ASRA Action Plan

Numbers in parentheses following each activity shows linkage of activities to mandates.

Alberta Innovation Strategy (1, 2, 6)

- ◆ Promote implementation of the strategy for Alberta's science and research innovation system, "Sustaining the Alberta Advantage: Investing in Knowledge, Our Most Important Renewable Resource", which ASRA published during 1997, as a discussion draft.

Information Technology (1-8)

- ◆ Develop a strategic plan for development of the information technology sector by working with government departments, management bodies and industry organizations.

Tax and Regulatory Environment (1, 2, 8)

- ◆ Continue to work with Treasury to develop and implement practicable tax measures that enhance the competitiveness of Alberta's high-knowledge industries.
- ◆ Pursue the implementation of the recommendations of the "Barriers to Technology Commercialization in Alberta" Report.

Sector Specific R&D Strategies (1-8)

- ◆ Ensure that sector specific plans to increase industry funding for R&D in key sectors are developed and implemented by working with government departments, management bodies and industry organizations.
- ◆ Continue to promote the development of an Alberta biotechnology industry association and encourage the development of a biotechnology industry.
- ◆ Continue to encourage the coordination of health research in Alberta.

Alberta Government Science and Research (3, 4)

- ◆ Review the R&D Plans of government ministries annually and recommend improvements to the provincial government's R&D programs.
- ◆ Publish the R&D Plan for Alberta annually based on Ministry R&D plans.
- ◆ Publish the Research Overview, an annual report on provincial government R&D activities and results.

Promote Research Excellence (1, 2, 6)

- ◆ Develop practical recommendations to promote research excellence in Alberta's universities in consultation and cooperation with Advanced Education and Career Development. **(6)**
- ◆ Recommend investments from the Science and Research Fund. **(6, 7)**

Performance Measurement (1, 6, 8)

- ◆ Maintain and improve the performance measurement framework for science and research in Alberta.
- ◆ Work with Advanced Education and Career Development to develop appropriate measures for Human Capital Capacity.
- ◆ Publish the Annual Report on the Performance of Alberta's Innovation System.

Public Awareness and Support for Science and Research (5)

- ◆ Facilitate the science promotion efforts of public and private organizations that enhance the science and innovation culture in Alberta.

Performance Measures and Targets

Operational Performance Measures

ASRA's role is as a facilitator, influencer, and catalyst within Alberta's science and research innovation system. In that role, ASRA neither delivers programs nor directly produces outcomes within the innovation system. Successful completion of planned tasks and activities, therefore, constitutes the best measures of ASRA's short-term performance. ASRA will complete and publish the following reports during the planning period.

Report	1998-99	1999-2000	2000-01
Strategy for the Information Technology Sector	X		
Alberta Government R&D Plan	X	X	X
Alberta Research Overview	X	X	X
Annual Report on the Performance of the Alberta Innovation System	X	X	X

International Expert Review Panel

The Minister will appoint an "International Expert Review Panel" to conduct a review of the operations of the ASRA Board pursuant to Article 8(3) of the *Science and Research Authority Act*, during 2000-01.

Measures for the Science and Research Innovation System

In the long term, ASRA's success will be measured by the increase in the contribution of science and research to the prosperity and well being of Albertans. In 1997, ASRA published the first annual report card on the status of the science and research innovation system. The measures cited include (1) R&D Investment, (2) Human Capital Capacity, (3) Research Outputs, (4) Venture Capital Investment in the "Innovation-based Economy", and (5) Economic Performance in the "Innovation-based Economy".

Alberta Research Council (ARC) Business Plan 1998-2001

Mission and Mandate

We are enablers. In partnership with Albertans, we put reliable knowledge and innovative technology to work. Our purpose is to advance Alberta's economy and quality of life.

The Alberta Research Council (ARC) was established in 1921 by an *Act* of the provincial government. It was the first provincial research organization established in Canada, with a mandate to “conduct research . . . in subjects that may be beneficial to the development of resources or industry that enhance the quality of life of Albertans”.

ARC is a market-driven organization employing approximately 500 highly skilled scientists, engineers, technical and support staff. Last year it worked with more than 850 companies, ranging from small start-up firms to multinational corporations, as well as municipal, provincial and federal government departments and agencies.

In carrying out its mission, it is conservatively estimated that \$117 million of economic activity was generated this past year as a direct result of the work of the Alberta Research Council with its customers and partners.

In July 1996, responsibility for the Alberta Environmental Centre (AEC) in Vegreville was transferred from Alberta Environmental Protection to the ARC. This business plan reflects the full integration of the two organizations.

Core Businesses

The research and development activities of ARC are focussed in seven key market sectors considered to be of importance to the Alberta economy, and where ARC is uniquely positioned to have the greatest impact. These are: agriculture, biotechnology, environment, energy, forestry, information technologies and manufacturing. The following provides a brief summary of the market focus for each of these areas:

- ◆ **Agriculture** - environmentally sound pest, crop and plant management; toxicology of environmental pollutants in both livestock and plants; impact of industrial (including agriculture and food) activities on air, water and land resources essential to sustainable agriculture; value-added products from agricultural waste and by-products; development of animal health products.
- ◆ **Biotechnology** - home to one of the largest biotechnology scale-up facilities in North America. Capabilities include process engineering; fermentation optimization and scale-up; and the application of microbial processes for pollution abatement. The pilot plant is capable of manufacturing products such as agricultural inoculants, industrial proteins, and animal health care products (vaccines). Internationally recognized expertise in synthesizing novel carbohydrates for the treatment of inflammatory diseases.
- ◆ **Energy** - product and process improvement for energy-related industries, and technologies for recovery and upgrading heavy oil and bitumen.
- ◆ **Environment** - expertise in pollution control, including air biofilter technology and waste incineration; land-based waste management, land reclamation and habitat restoration; combustion system design, thermo fluids dynamics modelling, emissions monitoring and expert systems for performance optimization.

- ♦ **Forestry** - expertise in soils, silviculture wildlife, aquatics, trapping effectiveness, forest informatics, solid wood products manufacturing, mechanical pulping, pulp and paper processing and environmental remediation. Specific programs include wildlife and aquatics management, sustainable forest management, engineered wood products, pulp and paper technology, products and processes.
- ♦ **Information Technologies** - leaders in the provisions of knowledge of current and emerging advanced computing technologies and their application in business, industry, and the public sector. Specific areas of expertise include: health informatics, knowledge-based systems, scheduling and optimization, network applications, including distributed control systems and distributed databases, 3-dimensional visualization and interaction, and large databases, including spatial databases.
- ♦ **Manufacturing** - expertise includes: fluids processing, physical and computational modeling and fluids separation technologies; materials processing, including powdered metals and plastics moulding, industrial materials processing and ceramics; information processing (advanced industrial process modeling and automation).

Corporate Business Goals, Performance Measures and Targets

ARC is a strategic investment for the Government of Alberta in sustaining the 'Alberta Advantage' by ensuring Alberta has a vibrant and innovative knowledge-based economy. This investment not only supports the key areas of the province's business plan: *People, Prosperity and Preservation*, it also provides a superior return on this investment to both the government and people of Alberta — that is, for every one dollar the government invests in ARC, an additional five dollars are returned to the Alberta economy. This impact is achieved through the commercial success of Alberta companies directly as a result of their collaborations with ARC. This is expected to increase to provide a seven to one return by the year 2000-01.

Through its annual customer satisfaction survey, and an annual audit of selected customers and partners, ARC's performance measures have consistently shown an increase during the past three years, as shown in the following table. In fact, in 1996-97, ARC exceeded its targets for economic impact. This positive trend is expected to continue.

ARC will continue to advance Alberta's economy through the following goals, performance measures and targets.

ARC: Business Goals, Performance Measures and Targets

Business Goals	1995/96 Actual	1996/97 Actual	1997/98 Forecast	1998/99 Projection	1999/2000 Projection	2000/01 Projection
Economic Impact (\$M)	90	117*	130	140	150	160
Job Creation (direct jobs)	700	732	740	800	850	900
R&D Funding from Private Sector (\$M)	15.7	18.7	17.7	20.2	22.7	25.5
Government Investment (\$M)	20.3	22.9	22.9	25.0	26.5	26.5
Ratio of Private R&D Investment\$/ Government Investment \$	0.77	0.83	0.77	0.80	0.86	0.96
Mission Effectiveness (Econ. Impact/Gov't Inv.)	4.4	5.1	5.7	6.1	6.6	7.0
Customer Satisfaction	85%	87%	➔			100%

The decline in private sector R&D investment for 1997-98 is the result of a \$3.1 million biotechnology contract concluding in March 1997. Some of this revenue will be recouped through other industrially sponsored research projects and as a result of a very focussed and targeted marketing strategy. It is anticipated that the loss of this contract will be fully recovered in the 1998-99 fiscal year.

The increase in government investment in 1998-99 and 1999-2000 is due to funding approved for the sustainable fibre initiative.

Key Strategies

The Alberta Research Council will achieve its goals and targets through the following key strategies:

1. **Development of our intellectual capital** - implement a human resource development plan; strategically align workforce expertise, capability and capacity to meet current and future needs through an aggressive recruitment plan; develop an intellectual capital model and measurement system, in collaboration with the Office of the Auditor General; collaborate with Alberta's universities and other established research organizations; undertake a benchmarking study to gain an understanding of global best practices, and ARC's relative performance to other similar R&D organizations world-wide.
2. **Enhance our market focus** on technology development and commercialization initiatives to increase economic impact in the province in key market sectors by the following: develop new science and technology opportunities in support of Alberta's three key economic drivers: agriculture, energy and forestry; position ARC's enabling technology businesses: biotechnology, environment, information and manufacturing to provide breakthrough opportunities for emerging clusters in Alberta; and develop an international business and export strategy for ARC's technologies and services, in collaboration with Economic Development (ED).
3. Encourage **private sector R&D** investments in targeted technology development to keep pace with Alberta's international competitors and to generate economic impact and jobs in the province. Promote and emphasize the Joint Research Venture (JRV) and Joint Product Development (JPD) programs as a means of increasing Alberta companies' investment in R&D and technology development. These programs support the government's goal of "our businesses will capitalize on research" by expanding the number of research and technology activities which result in viable commercial products, processes and services. ARC's performance measure, "Private Sector R&D Revenues" specifically addresses this goal.
4. Develop innovative **strategic alliances** in energy, agriculture and forestry industries, and suppliers and contractors to these industries. It is important to also develop innovative strategic alliances and partnerships with potential breakthrough impacts for the province and return on investment. For example, ARC is currently seeking a partnership with a private sector company to create a unique GMP (Good Manufacturing Practices) capability for human health biopharmaceuticals using ARC's large-scale fermentation piloting facilities.
5. Build on the **efficiencies** and **effectiveness** gained as a result of the following: implementation of stage gating; new management systems for contracts, projects and intellectual property; and merger with the Alberta Environmental Centre.
6. Develop and implement a **corporate communications and customer engagement plan** to: demonstrate ARC's value as an investment for the Government of Alberta and the long-term economic and social benefits ARC brings to the province; demonstrate to existing and potential customers and partners ARC's value to Alberta companies, other research organizations, agencies

and universities, locally and internationally; and ensure all ARC employees have a shared vision of the organization, an understanding of the key business strategies and how they, as individuals, can contribute.

Science, Research and Information Technology Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	25,266	29,438	29,438	41,863	33,581	33,843
Other Revenue	23,285	26,186	23,216	24,538	26,402	28,533
<i>Consolidation Adjustments</i>	(25,266)	(29,438)	(29,438)	(41,863)	(33,581)	(33,843)
Consolidated Revenue	23,285	26,186	23,216	24,538	26,402	28,533
EXPENSE						
Program						
Operations Funding and Research Policy	27,027	31,196	31,196	43,645	35,376	35,656
Research Operations	45,159	48,861	45,668	49,515	53,149	55,641
Strategic Research Initiatives	1,500	6,500	6,500	16,500	6,500	6,500
<i>Consolidation Adjustments</i>	(25,266)	(29,438)	(29,438)	(41,863)	(33,581)	(33,843)
Consolidated Expense	48,420	57,119	53,926	67,797	61,444	63,954
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
Write Down of Capital Assets	(786)	-	-	-	-	-
NET OPERATING RESULT	(25,921)	(30,933)	(30,710)	(43,259)	(35,042)	(35,421)

Transportation and Utilities

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Walter Paszkowski
Minister of Transportation and Utilities
January 21, 1998

Our Mission

Alberta Transportation and Utilities contributes to Alberta's prosperity and economic development by ensuring the provision of an effective transportation system; essential utility services to rural areas; and disaster and emergency services.

Our Vision

Alberta Transportation and Utilities (AT&U) supports the Government's theme of strong financial management. We are a smaller organization, focused on ensuring the provision of the best value transportation and utility infrastructure and services. We are doing this by:

- ◆ using innovative partnerships to provide services and infrastructure;
- ◆ using sound business principles and technologies to assess investment and set priorities;
- ◆ providing leadership to produce the greatest return for transportation and utility investments;
- ◆ using objective performance measures to manage our own activities as well as those of our partnerships; and
- ◆ developing new skills to deliver our new role, ensuring that we have capable and motivated staff.

Introduction

It is anticipated that strong economic activity in 1997 will continue to maintain Alberta's buoyant fiscal position for 1998. Increased economic activity reflected in increased truck and other traffic travelling to and from the United States, capacity pressures in urban centres, and extreme wet weather in northern Alberta during 1997, has resulted in a need to reinvest in Alberta's transportation and utility infrastructure. Recommendations from the September 1997 Growth Summit confirmed this need.

To that end, in early 1998, \$100 million in one-time funding was allocated to Alberta Transportation and Utilities to deal with these needs. Funding was allocated to high priority projects. Funding was also advanced to urban and rural municipalities and rural gas co-operatives to undertake key priority projects and provide increased flexibility in the administration of their annual construction programs.

This business plan identifies how the additional one-time funding was allocated and the impact on future program budgets. The provision of this one-time reinvestment funding does not represent a long-term commitment for additional funding to any of the programs; however, AT&U will continue to monitor the condition of Alberta's transportation and utility infrastructure and identify future needs. Depending on the economic activity in the province and the overall fiscal position of the government, additional adjustments may be made to programs within the term of this business plan.

Our Core Businesses and Programs

Three core businesses contribute to the Alberta Advantage and guide the department in the achievement of its mandate: ensuring public safety; preserving the public's investment in the transportation infrastructure; and supporting Alberta's economic development and prosperity. Eight key program areas support AT&U's mission, vision and core businesses:

- ◆ **Road, Driver and Vehicle Safety:** monitoring motor transport compliance with commercial vehicle weight, dimension and mechanical safety requirements; motor vehicle standards and safety; driver education and testing; licence enforcement; and impaired driving programs.
- ◆ **Primary Highway System:** managing the design, construction, preservation, operation and maintenance of primary highways and bridges.
- ◆ **Dangerous Goods Control:** setting standards and monitoring the safe in-transit storage and shipment of dangerous goods within Alberta.
- ◆ **Disaster and Emergency Services:** providing support to ensure municipalities are prepared to deal with emergencies and disasters; and managing provincial response programs to real event disasters.
- ◆ **Transportation Partnerships:** providing financial support to municipalities to ensure well-developed and integrated urban highway and truck routes, secondary highways and local roads.
- ◆ **Partnerships for Municipal and Rural Utilities:** providing financial support through loan and grant programs for essential utility services (water/wastewater, rural gas and electric).
- ◆ **Efficient Multi-Modal Transportation:** influencing national and international policy in rail, air, passenger, ports/marine operations, and border crossing services.
- ◆ **Ancillary Programs:** managing the construction, operation and maintenance of rest areas, ferries and vehicle inspection stations, which complement Alberta's highway systems.

Goals and Strategies

For the 1998-2001 Business Plan, we have fine-tuned the previous business plan goals and strategies and added new ones entitled "Improving Access to World Markets" and "Improving Traffic Safety".

Goal #1 - Improving Traffic Safety

Strategies

- ◆ **Continue to Implement the Traffic Safety Initiative** - AT&U will continue to work in partnership with stakeholder groups to improve traffic safety province-wide. This initiative focuses on:
 - generating a stronger awareness that all Albertans have a role to play in traffic safety;
 - ensuring that Albertans have good access to traffic safety information;

- improving traffic management, road design, vehicle safety and driver skills; and
- ensuring that effective enforcement tools are in place.

- ◆ **Streamline Legislation** - AT&U will streamline legislation by consolidating the *Highway Traffic Act*, the *Motor Transport Act*, the *Motor Vehicle Administration Act* and the *Off-Highway Vehicle Act* into the proposed *Traffic Safety Act*. In addition, a one-window truck permitting system will be explored.
- ◆ **Monitor the Motor Carrier Industry** - The safety of trucks and buses will continue to be a high priority for AT&U. Safety and dangerous goods inspections of all commercial vehicles will continue with the focus being on truck and bus deficiencies that could lead to collisions and injuries. Inspection audits will continue, with repeat offenders targeted for follow-up.
- ◆ **Provide Incentives to Motor Carriers with Exemplary Performance** - AT&U will continue to support industry initiatives that improve motor carrier efficiency, enhance export competitiveness, and encourage self-regulation.

Performance Measures

Casualty Collisions

This measure is defined as the number of casualty (injury and fatality) collisions per 100,000 licenced drivers (by calendar year). By 1996, there were approximately 1,900,000 licenced drivers in Alberta.

Baseline 1996	Target 1997	Business Plan Targets		
		1998	1999	2000
757	757	752	747	742

Mechanical Safety of Commercial Vehicles

This measure is defined as the percentage of commercial vehicles that are rendered out of service using nationally recognized criteria (Commercial Vehicle Safety Alliance) when inspected by department staff at roadside checks. From 1997 onward, results will be based on random sampling of approximately 650 trucks per year.

	Baseline 1995/96	Results 1996/97	Target 1997/98	Business Plan Targets		
				1998/99	1999/2000	2000/01
Requires minor on-site adjustments	32% composite results	26%	25%	25%	25%	25%
Requires mechanic's attention		6%	6%	5%	5%	5%

Goal #2 - Improving Access to World Markets

Strategies

- ◆ **Develop the North-South Trade Corridor** - Continued development of the North-South Trade Corridor, which extends from the B.C. border west of Grande Prairie to the United States border at Coutts, will be a primary focus under this goal. To ensure Alberta's competitiveness in the international marketplace and to enhance tourism, investment in a high efficiency, multi-lane corridor to access U.S. and emerging Mexican markets is essential.

The efficiency and safety of this corridor will be substantially enhanced through the twinning of existing two-lane sections, upgrading of existing four-lane sections, and the construction of key interchanges along the corridor. Improvements will take place in high priority rural sections of the corridor and in urban bottlenecks within Edmonton and Calgary. Projects within urban areas will be undertaken on a priority basis in partnership with cities.

Our objective is to substantially complete both the urban and rural portions of this corridor from the U.S. border to Wembley by 2007. In order to achieve this objective, additional funding of \$25 million will be provided in 1997/98 and \$10 million in 1998/99 to accelerate key corridor projects. AT&U will continue to monitor future funding requirements for this initiative.

- ◆ **Implement the Northwest Transportation and Trade Corridor** - Work has commenced between the B.C. and Alberta governments to facilitate improved road, rail, and air transportation links connecting northern Alberta and B.C. with the Port of Prince Rupert.

An interdepartmental working group will examine methods to increase international market access for Alberta and B.C. commodities, specifically grain, forest products, petrochemicals and coal, through more efficient use of B.C. Rail/CN Rail lines, the rail interchange at Prince George and the port facilities at Prince Rupert. The working group will also review the recommendations of "Taking Hold of Canada's Shortest Link to Asia" (February 24, 1997), prepared by the Northwest Transportation Corridor Task Force. Recommendations will be implemented as appropriate.

Performance Measure

North-South Trade Corridor

This measure is defined as the percentage (urban and rural) of the North-South Trade Corridor that is twinned. This consists of 1,099 kilometres of highway, of which 97 kilometres lie within cities.

Baseline 1996/97	Target 1997/98	Business Plan Targets		
		1998/99	1999/2000	2000/01
53.4%	56.5%	59.6%	63.5%	67.9%

Goal #3 - Managing the Primary Highway System

Strategies

- ◆ **Protect the Integrity of the Primary Highway Infrastructure** - Effective rehabilitation of Alberta's highways and bridges is important to the Alberta Advantage and to protect the investment of tax dollars. Timely rehabilitation results in substantive cost savings in the long term. Highways generally last 15 to 20 years before repaving is needed due to weather, traffic impact and general wear and tear. We will continue to monitor the condition of the primary highway infrastructure and provide effective rehabilitation where necessary.

In order to be competitive internationally and maintain safety for the travelling public, a good quality primary highway system is a must. To maintain current pavement condition, the overall integrity of the system, and to save dollars over the longer term, an additional \$30 million has been included in the 1998/99 budget for primary highway preservation and rehabilitation. For 1999-2000 and 2000-01, we are proposing that this funding be increased to \$50 million per year to ensure that the condition of the primary highway system is maintained.

- ◆ **Maintain the Primary Highway System** - Since 1996, primary highway maintenance has been undertaken by the private sector. AT&U will continue to ensure the primary highway system is effectively maintained by determining work to be undertaken, setting standards and monitoring contractor performance.
- ◆ **Monitor Weights and Dimensions of Commercial Vehicles** - Monitoring the weights and dimensions of commercial vehicles travelling on the primary highway system helps to protect the highway infrastructure. Ongoing inspections and the issuance of permits for overweight and over dimension commercial vehicles will continue.
- ◆ **Implement the Infrastructure Management System** - The new state-of-the-art Infrastructure Management System (IMS) will assist the department in prioritizing and ranking the development, design, construction, rehabilitation and maintenance needs of the primary highway system on a province-wide basis, in order to optimize the allocation of funds to ensure long-term value. For 1998-2001, AT&U will complete the design and implementation of this system province wide.

Performance Measure

Primary Highway Pavement Condition

This measure is defined as the percentage of the paved portions of the primary highway system that provides desirable standards (i.e., pavement smoothness and riding comfort) for the travelling public.

Baseline 1996/97	Target 1997/98	Business Plan Targets		
		1998/99	1999/2000	2000/01
86%	86%	88%	89%	90%

Goal #4 - Reinvesting in Strategic Primary Highway Improvements

Strategy

- ◆ **Improve the Primary Highway System** - Strategic improvements to other primary highways will continue in order to accommodate the current and anticipated increase in the movement of people and goods resulting from enhanced tourism and trade. In 1998/99, additional funding is included to accommodate high-priority rural primary highway projects.

Performance Measure

Level of Service on Rural Primary Highways

This measure is defined as the percentage of rural primary highways providing a level of service B or better (on a scale of A to F). Level of service is an internationally used measure of the ability of traffic to move freely. There are approximately 13,800 kilometres of primary highways in the province.

Baseline 1996/97	Target 1997/98	Business Plan Targets		
		1998/99	1999/2000	2000/01
99%	99%	99%	99%	99%

Goal #5 - Supporting Municipal Transportation Partnerships

Strategies

- ◆ **Funding Urban Transportation Infrastructure** - Our commitment to provide funding under the Alberta Cities Transportation Partnership will continue. Cities have identified a number of urgent transportation infrastructure needs. To assist in alleviating these needs, additional one-time, basic capital funding of \$15 million will be provided to the cities in 1997/98, representing an increase in the per-capita allocation of \$7.50. This additional funding will help to preserve the integrity of primary highways and truck routes through cities, which are key components of the overall provincial highway system.

To enable cities to commence work on their most urgent priorities as early as possible, a portion of the 1998/99 per-capita funding will be advanced. By advancing \$10 million ahead of schedule, the province will provide cities increased flexibility enabling an early start to the 1998 construction season.

- ◆ **Continue the Streets Improvement Program** - The current Streets Improvement Program, which provides cost-shared funding for transportation projects in towns, villages and summer villages, was renewed in 1996 and will continue for 1998/99. Additional funding of \$5 million will be provided in 1997/98 to alleviate some of the backlog of applications, increasing the 1997/98 program commitment to \$15 million.

- ◆ **Provide Funding for Secondary Highways** - AT&U partners with rural municipalities to ensure that the secondary highway system continues to form an integral part of Alberta's transportation system. In this regard, we will continue to provide funding under the Secondary Highways Partnership Program for needed construction and upgrading of the system.
- ◆ **Continue to Provide Funding for Local Roads** - An effective and safe local road system is essential for municipalities to accommodate growth and attract industry. Rural Transportation Grants are provided annually to all counties, municipal districts and Metis Settlements for local road upgrading. In 1997, unusually wet weather, particularly in northern Alberta, caused extensive damage to rural roads under municipal jurisdiction. To assist in needed upgrading across the province, special one-time grants totalling \$15 million will be available in 1997/98 for rural municipalities. In 1997/98, AT&U will advance \$10 million of the 1998/99 allocation for the formula-based rural transportation grants to provide the municipalities the opportunity to advance their 1998 construction programs.
- ◆ **Continue the Resource Roads Improvement Program** - The Resource Roads Improvement Program, announced in 1996 at \$16 million for 1996/97 and \$21 million for 1997/98 and 1998/99, will continue to provide funding assistance to rural municipalities to upgrade existing local roads and bridges to accommodate resource-based truck traffic, specifically non-local or through trips. In order to advance priority projects, an additional \$6 million will be provided in 1997/98, thereby reducing the 1998/99 program needs.
- ◆ **Provide Funding for Infrastructure to Accommodate New Industry** - In order to support new industry, Alberta must be prepared to develop infrastructure networks which efficiently connect new producers to suppliers and markets. In this regard, a new program was established in 1997/98 to assist with the provision of rural roadways to accommodate new resource, industrial and value-added developments. In the 1998/99 budget year, \$10 million has been included for this program.
- ◆ **Provide Transportation Funding for Metis Settlements** - The transportation and utility infrastructure requirements of Metis Settlements need to be addressed. Additional funding of \$4 million will be provided in 1997/98 to advance the construction of key access roads, thereby reducing the program needs for 1998/99.

Performance Measure

Secondary Highway Pavement Condition

This measure is defined as the percentage of the paved portions of the paved portions of the secondary highway system that provides desirable ride quality standards (i.e., pavement smoothness and riding comfort) for the travelling public. Some 14,925 kilometres form the secondary highway system, of which approximately 9,835 kilometres are surfaced.

Baseline 1996/97	Target 1997/98	Business Plan Targets		
		1998/99	1999/2000	2000/01
92%	94%	95%	96%	97%

Goal #6 - Supporting Safe and Cost-Effective Utility Services

Strategies

- ◆ **Funding Assistance for Municipal and Rural Utilities** - Through the Alberta Municipal Water/Wastewater Partnership and the Rural Gas and Rural Electrification Programs, AT&U will continue to assist Albertans residing in rural areas and small communities to obtain basic utility services. In 1997/98, the administration of the rural electrification loans was outsourced. During the term of this business plan, the gas brokerage service, Gas Alberta, will be privatized.

In 1997/98, \$5 million will be advanced for key municipal water and wastewater projects. This will enable the municipalities with approved projects to proceed quickly and reduce the 1998/99 program budget under the Alberta Municipal Water/Wastewater Program.

- ◆ **Enhance the Rural Gas Program** - The current Rural Gas Program, which has been in place since the early 1970s, provides cost-shared funding for the installation of natural gas systems in rural Alberta. Increased access to natural gas is required to support the expansion of farms to more value-added agricultural activities. In this regard, additional funding of \$2 million will be provided in 1997/98 to advance priority projects and reduce the waiting list of applications. Future program needs will be monitored and additional funds may be made available pending budget availability.

Performance Measure

Effectiveness of Water and Wastewater Treatment Facilities

This measure is defined as the percentage of communities under 45,000 population with water treatment and wastewater treatment facilities that have an effective operating approval. At any given time, municipal water and wastewater facilities will require upgrading as a result of normal equipment deterioration, or capacity shortfalls due to population or economic growth.

	Baseline 1996/97	Target 1997/98	Business Plan Targets		
			1998/99	1999/2000	2000/01
Water Treatment Facilities	94.0%	94.5%	95.0%	95.5%	96.0%
Wastewater Treatment Facilities	97.0%	97.5%	97.5%	97.5%	97.5%

Goal #7 - Supporting Responses to Major Disasters and Emergencies

Strategies

- ◆ **Prepare for Emergencies** - AT&U will continue to work with our municipal partners to develop and test their emergency plans and enhance their preparedness for disasters and emergencies.
- ◆ **Respond to Disasters** - We will also ensure the readiness and reliability of the Government Emergency Operations Centre, and ensure staff respond quickly and effectively to assist Albertans in real-event disasters and emergencies.
- ◆ **Continue Negotiations with the Federal Government** - AT&U will continue discussions with the federal government to revise the criteria for the federal Disaster Financial Assistance Arrangements to ensure consistent application across Canada.

Performance Measure

Effectiveness of Emergency and Disaster Response

This measure is defined as the percentage of claims where a damage evaluator arrives on site within 30 days of a claim being received.

Baseline 1996/97	Target 1997/98	Business Plan Targets		
		1998/99	1999/2000	2000/01
100%	100%	100%	100%	100%

Transportation and Utilities Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Transfers from Government of Canada	18,814	1,155	20,525	3,760	1,341	992
Investment Income	1,253	1,375	5,375	-	-	-
Premiums, Fees and Licences	14,636	12,167	13,775	13,105	12,125	10,140
Other Revenue	19,646	10,178	14,385	5,901	4,781	3,871
<i>Consolidation Adjustments</i>	(9,494)	-	-	-	-	-
Consolidated Revenue	44,855	24,875	54,060	22,766	18,247	15,003
EXPENSE						
Program						
North - South Trade Corridor	28,760	11,440	36,729	1,141	17,498	16,414
Traffic Safety Services (incl. Disaster Services)	43,185	21,390	52,616	22,430	18,563	18,816
Primary Highway Maintenance and Preservation	153,848	142,731	140,365	176,488	237,104	239,288
Primary Highway Construction	14,657	7,881	10,292	7,934	7,871	7,876
Grants to Rural Municipalities	29,672	31,754	64,652	23,026	34,780	36,959
Alberta Cities Transportation Partnership	51,204	52,951	77,517	42,323	39,018	42,285
Streets Improvement Program	4,553	10,895	16,016	10,964	-	-
Secondary Highways	93,286	99,686	90,829	100,516	87,967	88,887
Municipal and Rural Utilities	35,810	26,148	36,784	21,106	26,356	26,360
Resource Road Improvement Program	9,010	22,880	28,829	16,447	3,260	3,261
Other Provincial Roads (incl. Infrastructure for New Industry)	6,295	4,785	9,890	9,743	5,859	5,860
Grants to Transitioning Municipalities	20,085	17,870	20,431	13,267	12,499	6,413
Transportation Services	1,341	367	900	390	407	426
National Infrastructure Program	34,632	200	423	-	-	-
Gas Alberta	672	613	603	460	-	-
Amortization	96,217	99,033	96,329	99,993	101,821	100,973
Valuation Adjustments	(351)	395	395	-	-	-
Transportation Revolving Fund discontinued operations	5,967	-	-	-	-	-
<i>Consolidation Adjustments</i>	(9,494)	-	-	-	-	-
Consolidated Expense	619,349	551,019	683,600	546,228	593,003	593,818
Gain (Loss) on Disposal of Capital Assets	(2,615)	(7,863)	(6,763)	-	-	-
NET OPERATING RESULT	(577,109)	(534,007)	(636,303)	(523,462)	(574,756)	(578,815)

Treasury

Business Plan 1998-99 to 2000-01

Accountability Statement

This Business Plan for the three years commencing April 1, 1998 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at January 20, 1998 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Stockwell Day
Provincial Treasurer
January 28, 1998

The Province of Alberta's Vision

A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.

Treasury's Mission

To provide excellence in financial management, services and advice to achieve a healthy and sustainable financial condition for the province with the lowest possible taxes for Albertans.

Treasury's Values and Principles

- ◆ Foster and promote respect for clients and co-workers.
- ◆ Develop a professional working environment that encourages objectivity, integrity and equality.
- ◆ Enhance the quality of work by seeking and using the input of staff, clients and interested parties.
- ◆ Develop excellence through teamwork and partnering.
- ◆ Promote innovation, resourcefulness and efficiency in producing results.

Treasury's Core Businesses

1. Provide analysis and recommendations to the Provincial Treasurer and Treasury Board.
2. Maintain a framework that fosters government accountability.
3. Administer and collect tax revenue.
4. Manage the province's financial assets and liabilities.
5. Foster a fair and efficient financial marketplace.
6. Provide financial services through Alberta Treasury Branches, Alberta Municipal Financing Corporation, and Alberta Pensions Administration Corporation.

Treasury Goals for 1998-2001

1. A healthy and sustainable financial position.
2. An accountable government.
3. A fair, competitive, and simple provincial tax system managed efficiently and effectively.
4. Investment returns maximized and borrowing costs minimized subject to acceptable risk.
5. An efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.
6. Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation, and Alberta Pensions Administration Corporation.

Goals, Strategies and Outputs, Outcomes, and Performance Measures

In support of the goals 1 to 6, following are the:

- ◆ strategies (how we are going to go about achieving the goals),
- ◆ outcomes (the expected results), and
- ◆ performance measures (how we will know if we have achieved the goals and what the target expectations are).

Note: The Treasury Ministry's Goals, Strategies and Outputs, Outcomes, and Performance Measures include: Alberta Treasury Branches, Alberta Pensions Administration Corporation, Alberta Insurance Council, Alberta Securities Commission, Credit Union Deposit Guarantee Corporation, Alberta Municipal Financing Corporation, Alberta Government Telephones Commission, N.A. Properties (1994) Ltd., Alberta Intermodal Services Ltd., Chembiomed Ltd., Gainers Inc., and Alberta Heritage Savings Trust Fund. Additional details for these organizations are contained in the supplementary information to the Ministry Plan.

Goal 1: A healthy and sustainable financial position.

Related Core Government Measures: Net Debt, Provincial Credit Rating, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Pay down the province's net debt in accordance with the Balanced Budget and Debt Retirement Act and develop a plan to pay down the debt. ◆ Advise and support the Provincial Treasurer and Treasury Board on business planning, economic and fiscal policies and prudent forecasts of fiscal and economic conditions. ◆ Coordinate an overall government business plan, including key government-wide performance measures. ◆ Develop common economic and financial assumptions for business planning across government. ◆ Monitor achievement of business and fiscal plans/goals. ◆ Establish standards, policies and guidelines for overall government that facilitate sound financial administration within ministries, reduce overlap and duplication and simplify, reduce or eliminate regulation. ◆ Keep refining business planning processes and reporting. 	<ul style="list-style-type: none"> ◆ The province's finances are in order and the debt burden for Albertans is reduced. ◆ Ministry business plans and related performance measures congruent with and linked to the overall government business plan and government performance measures. ◆ The government fiscal plan integrated with the business plan. ◆ Meaningful information about the government's finances. ◆ Financial plans, policies and laws to ensure Alberta's finances are well managed. 	<ul style="list-style-type: none"> ◆ Net debt; target: \$0/person. ◆ Alberta's credit rating; target: best in Canada.
<ul style="list-style-type: none"> ◆ Develop and present Alberta's position on federal-provincial fiscal arrangements to the federal government, including working with other provinces and issuing joint provincial statements requesting equal treatment. 	<ul style="list-style-type: none"> ◆ Alberta treated equally. 	<ul style="list-style-type: none"> ◆ Alberta per capita cash Canada Health and Social Transfer (CHST) from the federal government; target: transfer equal to other provinces.
<ul style="list-style-type: none"> ◆ Facilitate the move of the Local Authorities and the Universities Academic Pension Plans toward non-statutory status. 	<ul style="list-style-type: none"> ◆ Accountability for the pension plans is aligned with plan stakeholders. 	<ul style="list-style-type: none"> ◆ Pension Plan Board resolutions for autonomy are implemented.
<ul style="list-style-type: none"> ◆ Control the cost of risk and increase accountability of departments and agencies for protecting public assets from accidental loss. 	<ul style="list-style-type: none"> ◆ Public assets protected from risk of significant accidental loss. 	<ul style="list-style-type: none"> ◆ Condition of the Risk Management Fund; target: fund assets and liabilities balance. ◆ Satisfaction of ministries with services provided; target: 4 out of 5 satisfied or very satisfied.

* key performance measure appears in bold

Goal 2: An accountable government.

Related Core Government Measures: Provincial Credit Rating, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets
<ul style="list-style-type: none"> ◆ Provide reliable, relevant, understandable and comparable information about the government's: <ul style="list-style-type: none"> - plans and goals - strategies to implement plans - performance measures - audited actual results achieved compared to plans, and; - overall financial picture. 	<ul style="list-style-type: none"> ◆ Public understanding of the government's performance and financial position. ◆ Communication of clear, understandable and reliable information to the public so it may judge government performance and handling of government finances. 	<ul style="list-style-type: none"> ◆ Satisfaction of Albertans that the government's financial and performance report is complete and accurate; target: 4 out of 5 Albertans satisfied or very satisfied. ◆ Portion of Albertans aware of government's financial performance in the past year; target: 4 out of 5 Albertans aware. ◆ Portion of Albertans aware of the government's budget situation in the coming year; target: 4 out of 5 Albertans aware.
<ul style="list-style-type: none"> ◆ Facilitate increased ministry responsibility and accountability for financial management, including the reporting of results and business outcomes at the ministry level. 	<ul style="list-style-type: none"> ◆ Ministries responsible and accountable for their internal financial management. 	<ul style="list-style-type: none"> ◆ Satisfaction of the Auditor General with the government's accountability system; target: Auditor General satisfied or very satisfied. ◆ Satisfaction of deputy heads with the government's accountability system; target: 4 out of 5 satisfied or very satisfied.
<ul style="list-style-type: none"> ◆ Facilitate costing of services provided and allocate significant costs to outputs. 	<ul style="list-style-type: none"> ◆ Ministries understand and account for the cost of all services they provide. 	<ul style="list-style-type: none"> ◆ Significant costs associated with ministries are reported in the ministries' consolidated financial statements; target: a positive observation from the Auditor General that significant costs are attributed fully to ministries.

Goal 3: A fair, competitive, and simple provincial tax system managed efficiently and effectively.

Related Core Government Measures: Taxation Load, Job Growth, Cost of Government

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Ensure that Alberta's personal income tax system promotes self-reliance and wealth creation, and is fair to Albertans. 	<ul style="list-style-type: none"> ◆ A tax system that encourages Albertans to work and that supports families. ◆ High employment participation rates. 	<ul style="list-style-type: none"> ◆ Provincial tax load for a family of 4; target: lowest in Canada. ◆ Personal income tax rates; target: lowest in Canada. ◆ Employment participation rate; target: highest in Canada.
<ul style="list-style-type: none"> ◆ Maintain an effective and affordable tax system through protection of the tax base. 	<ul style="list-style-type: none"> ◆ High rate of voluntary compliance with tax programs. ◆ Fair and consistent treatment of taxpayers. 	<ul style="list-style-type: none"> ◆ Voluntary compliance rate; target: 97%. ◆ Satisfaction of taxpayers with tax system; target: 80%.
<ul style="list-style-type: none"> ◆ Enhance the competitiveness of Alberta's corporate tax systems (including income, capital, insurance, commodity, and property taxes) with those of other jurisdictions. 	<ul style="list-style-type: none"> ◆ A competitive corporate tax regime that attracts business and investment. 	<ul style="list-style-type: none"> ◆ Provincial tax load on businesses; target: the lowest in Canada. ◆ Percent growth in business registrations; target: 3%. ◆ Job growth; target: 155,000 new jobs from December, 1996 to December, 2000.
<ul style="list-style-type: none"> ◆ Reduce the cost of tax compliance to taxpayers by simplifying legislation and systems. ◆ Reduce the cost of tax administration to government by expanding the use of electronic commerce and by co-operating with other jurisdictions. 	<ul style="list-style-type: none"> ◆ Low costs of tax administration for both taxpayers and government. ◆ Increased harmony of tax programs between governments and reduced overlap and duplication. 	<ul style="list-style-type: none"> ◆ Satisfaction with tax administration; target: 85%. ◆ Satisfaction with compliance costs; target: 80%. ◆ Costs to process tax returns; target: reduction from 1997-98.

* key performance measures appear in bold

Goal 4: Investment returns maximized and borrowing costs minimized subject to acceptable risk.

Related Core Government Measures: Net Debt, Taxation Load, Provincial Credit Rating

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Analyze new investment, liability and other financial products and use those that contribute to investment or liability objectives. ◆ Increase strategic and research capabilities in support of investment and liability objectives. ◆ Continue to implement restructured Alberta Heritage Savings Trust Fund (Heritage Fund). ◆ Continue to use a mix of direct investment and external investment management firms. ◆ Continue to improve the quality of investment performance measurement and client reporting. 	<ul style="list-style-type: none"> ◆ Efficient and prudent management of the province's financial assets and liabilities. ◆ Efficient and prudent management of assets of other funds invested by the Provincial Treasurer. 	<ul style="list-style-type: none"> ◆ Annualized rates of return on investments based on market values. Following is an example of the application to the Heritage Fund: <ul style="list-style-type: none"> - Return on the Heritage Fund Transition Portfolio; target: return at least equal to the costs of our debt portfolio. - Returns on the Heritage Fund Endowment Portfolio; target: return at least equal to the return on a benchmark portfolio. ◆ Total cost of debt, including interest costs and the change in market value of debt outstanding (similar measure to the market rate of return on investments): <ul style="list-style-type: none"> - Target: costs should be equal to or less than the cost of a benchmark debt portfolio. ◆ Market Spreads - Alberta's cost of borrowing, compared to the federal government's cost; target: the lowest spread of any province.
<ul style="list-style-type: none"> ◆ Improve the information provided to investors in Province of Alberta debt issues and to credit rating agencies, in cost effective ways. ◆ Concentrate cash and make disbursements via efficient systems and banking arrangements using the latest technological developments in electronic commerce. 	<ul style="list-style-type: none"> ◆ Investors and credit rating agencies understand the province's financial position. ◆ All cash balances invested. 	<ul style="list-style-type: none"> ◆ Satisfaction of investors and credit rating agency personnel; target: 4 out of 5 satisfied or very satisfied. ◆ Rate of return on Consolidated Cash Investment Trust Fund; target: return equal to or greater than ScotiaMcLeod 91 Day Treasury Bill Index.
<ul style="list-style-type: none"> ◆ Sell and wind-up non-core financial assets including those of the AGT Commission and N.A. Properties. ◆ Manage contingent liabilities under loan guarantees. 	<ul style="list-style-type: none"> ◆ Increasing focus on market investment activity. 	<ul style="list-style-type: none"> ◆ Dollars received; target: better than book value. ◆ Assets remaining to be disposed of; target: zero. ◆ Amount of contingent liabilities under administration; target: zero, excluding ongoing programs.

* key performance measures appear in bold

Goal 5: An efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.

Related Core Government Measures: GDP and Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Reduce, simplify and harmonize regulation with other jurisdictions. 	<ul style="list-style-type: none"> ◆ An efficient and fair regulatory environment for financial institutions. ◆ An efficient capital market in Alberta and confidence in that market. 	<ul style="list-style-type: none"> ◆ Satisfaction of financial institutions with the efficiency and fairness of regulatory environment; target: 4 out of 5 satisfied or very satisfied. ◆ Alberta's market share of investment capital maintained.
<ul style="list-style-type: none"> ◆ Monitor Alberta incorporated credit unions, insurers and loan and trust corporations and enforce the legislation. ◆ Rely on federal and other provincial governments for the solvency regulation of financial institutions incorporated in their jurisdictions. 	<ul style="list-style-type: none"> ◆ Sound business practices by provincially incorporated financial institutions. ◆ Compliance with legislation by provincially incorporated financial institutions. 	<ul style="list-style-type: none"> ◆ Percentage of Alberta credit unions that have the legislated minimum equity requirements (greater of 4% of total assets and 8% of risk weighted assets); target: 100% by 1999. ◆ Percentage of recommendations relating to companies, compliance with legislation and sound business practices that are complied with; target: 100%. ◆ Equity in the Credit Union Deposit Guarantee Corporation's Deposit Guarantee Fund as a percentage of credit union assets; target: 1%.
<ul style="list-style-type: none"> ◆ Monitor evolution of electronic financial products and other market innovations; update legislation/regulation. ◆ Work with industry and consumer groups to implement privacy code for personal information stored by financial institutions. ◆ Assist consumers with complaints about financial institutions. 	<ul style="list-style-type: none"> ◆ A competitive financial services marketplace where consumers have the right to choose. ◆ An unbiased mechanism for consumers to seek redress. 	<ul style="list-style-type: none"> ◆ Satisfaction of consumers and insurance intermediaries with the quality of assistance, advice, and information provided; target: 4 out of 5 satisfied or very satisfied.

* key performance measure appears in bold

Goal 6: Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation and Alberta Pensions Administration Corporation.

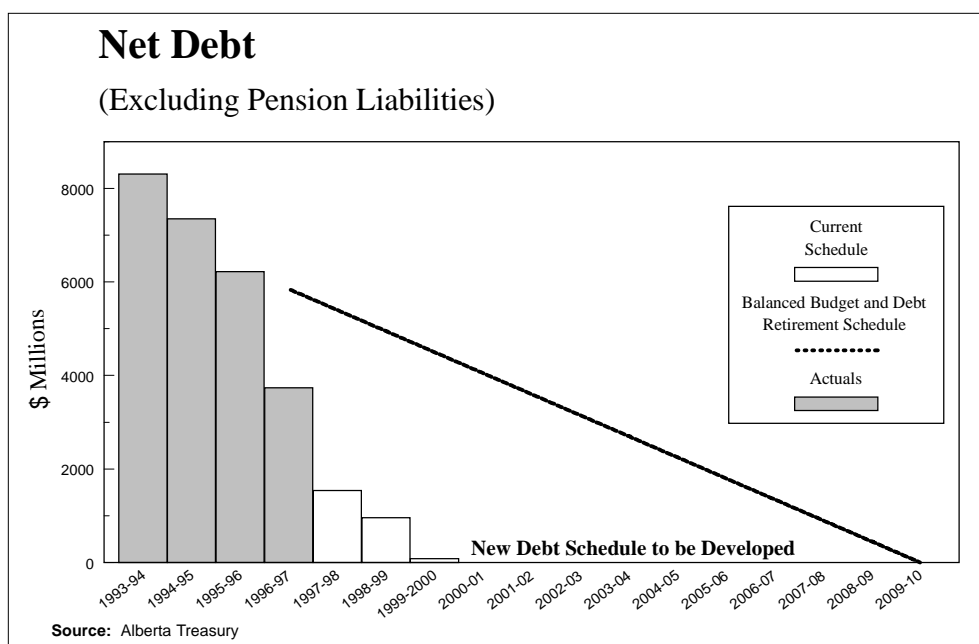
Related Core Government Measures: GDP and Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets
<ul style="list-style-type: none"> ◆ Provide financial services to all Albertans on sound banking and business principles with a focus on independent business, personal and agricultural lending through Alberta Treasury Branches. 	<ul style="list-style-type: none"> ◆ Profitable operations providing personalized financial services to Albertans. ◆ Financial services available in all areas of the province. 	<ul style="list-style-type: none"> ◆ Achieve, over time, productivity, efficiency and loan loss ratios comparable to the major banks: elimination of the accumulated deficit by March 31, 2000.
<ul style="list-style-type: none"> ◆ Provide local authorities with funding for capital projects at the lowest possible cost, consistent with the viability of the Alberta Municipal Financing Corporation (AMFC). 	<ul style="list-style-type: none"> ◆ Timely access for local authorities to finance at or near the province's cost of borrowing. 	<ul style="list-style-type: none"> ◆ Market spreads - Alberta local authorities cost of borrowing from AMFC compared to the federal government's cost of borrowing; target: Alberta local authorities' spread over the federal government's cost is lowest among Canadian municipalities.
<ul style="list-style-type: none"> ◆ Provide quality pension administration services to Alberta's public sector pension employees and employers and to the boards of those plans through Alberta Pensions Administration Corporation. 	<ul style="list-style-type: none"> ◆ Accurate and timely payment of pension benefits. ◆ Pension related information provided to employees, employers and boards. 	<ul style="list-style-type: none"> ◆ Satisfaction of client employees and employers with products and services; target: 4 out of 5 satisfied or very satisfied. ◆ Costs per pension plan member comparable to other public sector pension plans; target: lowest cost per member.

Key Performance Measures

Net Debt

The Net Debt measure compares the net debt (referred to as net financial debt in the Consolidated Financial Statements) of the province against the targets set out under the Balanced Budget and Debt Retirement Act and the province's annual budget.



Total Cost of Debt

This measures the total cost of carrying the debt portfolio, including cash interest costs and the change in the market value of debt outstanding.

Commencing in 1997-98, the cost of debt will be compared to a benchmark liability portfolio.

Total Cost of Debt (Year Ended March 31, 1997)

	1 Year (%)	2 Years (%)
Canadian Dollar Portfolio		
Short-term and floating rate debt	3.82	5.58
Medium and long-term debt	10.76	12.29
Total	8.05	9.23
US Dollar Portfolio		
Short-term and floating rate debt	3.94	5.24
Medium and long-term debt	4.10	7.08
Total	4.00	6.59
Total Portfolio in Canadian Dollars	7.25	8.14

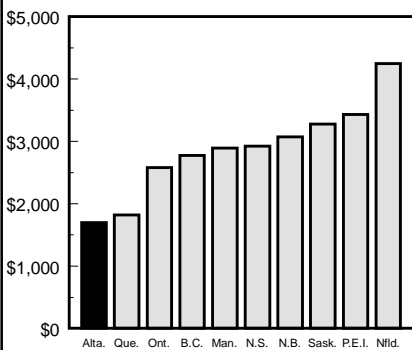
Taxation Load on a Family of Four

This measure compares typical taxes payable, including provincial income, sales, payroll, fuel and tobacco taxes, and health care insurance premiums payable by a family with two children earning \$30,000, \$55,000 and \$100,000.

Selected Taxes Payable as of January 20, 1998

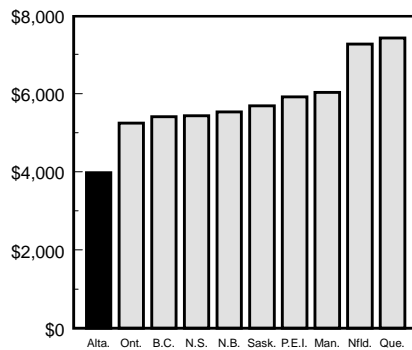
Family Earning \$30,000

Taxes and Health Care Insurance Premiums
(One-income family with two children)



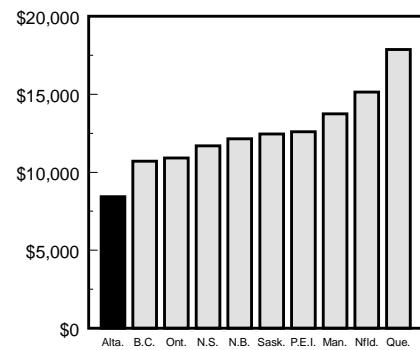
Family Earning \$55,000

Taxes and Health Care Insurance Premiums
(Two-income family with two children)



Family Earning \$100,000

Taxes and Health Care Insurance Premiums
(Two-income family with two children)

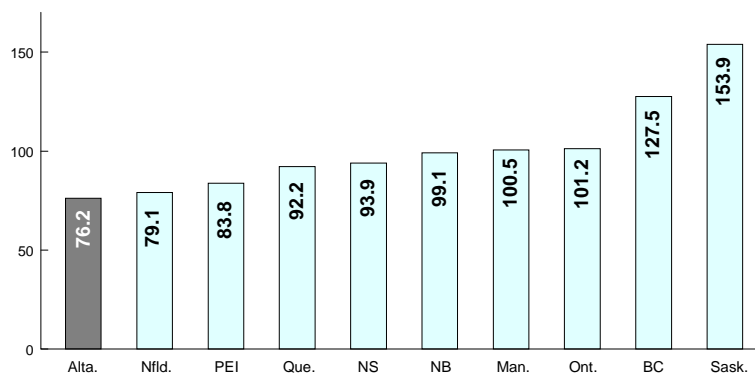


Source: Alberta Treasury

Taxation Load on Businesses

This measure compares provincial tax load on businesses and includes business income taxes, capital taxes, and insurance premium revenues.

Provincial Tax Load on Businesses 1997-98 (% of Canadian Average)



Source: Federal Department of Finance, Second Estimate for 1997-98, October 1997

Investment Capital Raised in Alberta

This measure provides information on the value of investment capital raised in Alberta compared to the total value of investment capital raised in Canada.

Investment Capital Raised in Alberta

	1994-95	1995-96	1996-97
Alberta - capital raised	\$5.4 billion	\$4.8 billion	\$7.3 billion
Canada - capital raised	\$66.9 billion	\$48.4 billion	\$86.5 billion
Percent of capital raised in Alberta	8.1%	9.9%	8.4%

Alberta Heritage Savings Trust Fund - Transition Portfolio¹

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the cost of the province's Canadian dollar debt portfolio, measured on the same basis.

Transition Portfolio Performance (for the three month period ending March 31, 1997)

	Market Return (%)	Province's Debt Portfolio** Market Value Cost (%)
Short-term Fixed Income Securities	0.69	N/A
Long-term Fixed Income Securities	0.02	N/A
Policy Investments*	<u>1.31</u>	<u>N/A</u>
Total Return	<u>0.46</u>	<u>0.05</u>

* Includes Alberta provincial corporation debentures, project loans and corporate equities.

** Canadian dollar portion only.

N/A - not applicable.

Alberta Heritage Savings Trust Fund - Endowment Portfolio¹

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the return on a hypothetical benchmark portfolio.

Endowment Portfolio Performance (for the three month period ending March 31, 1997)

Endowment Portfolio	Market Return (%)	Benchmark Portfolio Return*	
		Index Weighting	Market Return (%)
Short-term Fixed Income	0.73	Treasury Bills Index	3% 0.7
Long-term Fixed Income	-0.15	Bond Index	47% -0.4
Canadian Equities	-0.36	TSE 300 Index	30% -0.8
U.S. Equities	N/A		
Global Equities	N/A		
Foreign Equities	N/A	Morgan Stanley World Equity Index (excl. Canada)	15% 1.1
Real Estate	<u>N/A</u>	Russell Canadian Property Index	<u>5%</u> <u>2.6</u>
Total	<u>-0.39</u>		<u>100%</u> <u>-0.1</u>

* not annualized

N/A = Quarterly return data not available since these asset classes were not held for the entire quarter. However, the total return of -0.4% for the period includes the performance of these investments from the point they were purchased.

¹As the new structure for the Heritage Fund was only in place for three months, care must be taken in making conclusions about long term performance from these results.

Treasury

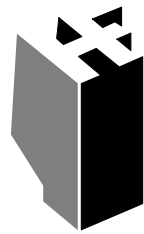
Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1996-97 Actual	Comparable 1997-98 Budget	Comparable 1997-98 Forecast	1998-99 Estimates	1999-2000 Target	2000-01 Target
REVENUE						
Internal Government Transfers	756,648	855,100	719,700	716,400	613,600	579,900
Income Taxes	4,852,238	4,732,000	5,548,833	5,313,106	5,506,673	5,730,834
Other Taxes	1,040,587	1,017,600	1,092,470	1,107,362	1,136,442	1,172,003
Non-Renewable Resource Revenue	(239,755)	(270,000)	(240,000)	(233,000)	(249,000)	(254,000)
Transfers from Government of Canada	3,931	3,931	3,931	3,931	3,931	3,931
Investment Income	1,732,503	1,538,719	1,729,471	1,480,731	1,407,952	1,333,327
Premiums, Fees and Licences	16,066	9,490	12,097	11,159	11,109	10,879
Net Income from Commercial Operations	(96,542)	23,598	52,361	49,273	67,965	95,893
Other Revenue	26,881	25,672	28,077	33,376	26,818	27,258
<i>Consolidation Adjustments</i>	(859,670)	(876,693)	(774,842)	(751,965)	(639,048)	(588,661)
Consolidated Revenue	7,232,887	7,059,417	8,172,098	7,730,373	7,886,442	8,111,364
EXPENSE						
Program						
Fiscal Planning and Accountability	7,636	7,969	7,860	8,217	8,281	8,571
Liability Management	1,796	1,878	1,819	1,994	2,049	2,079
Tax and Revenue Collection	32,984	27,633	34,717	28,679	29,822	32,295
Investment Management	46,470	55,448	52,636	57,562	62,075	64,276
Heritage Fund Transfer	756,448	854,900	719,500	716,200	613,400	579,700
Banking Arrangements	1,775	1,669	1,623	1,802	1,837	1,875
Regulation of Capital Markets	5,876	6,821	7,235	7,957	8,113	8,469
Regulation of Financial Institutions and Insurance Companies	4,360	18,029	17,749	2,824	2,971	2,836
Government Risk Management and Insurance	10,042	7,933	8,183	6,894	6,969	7,003
Pensions	137,311	161,600	160,721	166,407	172,505	178,576
Financial Assistance to Farmers and Small Businesses	16,183	14,010	11,010	6,500	3,000	1,000
Financing to Local Authorities	545,172	527,743	527,840	511,566	491,787	453,072
Valuation Adjustments and Other Provisions	54,786	32,048	132,735	30,000	25,000	20,000
<i>Consolidation Adjustments</i>	(787,701)	(904,978)	(740,943)	(746,702)	(665,132)	(623,234)
Consolidated Program Expense	833,138	812,703	942,685	799,900	762,677	736,518
Debt Servicing Costs						
Department	1,337,017	1,189,000	1,174,000	1,094,000	1,040,000	1,024,000
<i>Consolidation Adjustments</i>	(17,123)	-	(15,000)	(10,000)	(9,500)	(4,500)
Consolidated Debt Servicing Costs	1,319,894	1,189,000	1,159,000	1,084,000	1,030,500	1,019,500
Consolidated Expense	2,153,032	2,001,703	2,101,685	1,883,900	1,793,177	1,756,018
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	5,079,855	5,057,714	6,070,413	5,846,473	6,093,265	6,355,346

Appendix

*Alberta Heritage
Savings Trust Fund
Business Plan*



Budget '98

Agenda for Opportunity

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*The business plan was reviewed and approved by the Legislature's
Standing Committee on the Alberta Heritage Savings Trust Fund
on December 15, 1997.*

Alberta Heritage Savings Trust Fund Business Plan

Background

Introduction

- ◆ The Heritage Fund was created in 1976 as a means to provide savings of Alberta's non-renewable resource revenue. The Fund grew from a portion of Alberta's oil and gas revenue being deposited into the Fund since inception in 1976 and until 1987. As well, prior to 1982, the Fund kept its investment income. The size of the Heritage Fund peaked in 1987 at \$12.7 billion and since then has declined in value by the amount of annual Capital Projects Division expenditures (the last year of spending was 1994-95).
- ◆ On January 1, 1997 the Heritage Fund was restructured in response to a public review of the Fund which began in 1994-95. The restructuring includes a new governance structure as well as the establishment of clearer investment objectives and performance measures. The Fund's first business plan was implemented in January 1997.

Fiscal Context

- ◆ Assets and income of the Heritage Fund are fully consolidated with the assets and revenue of the province. As a result, for fiscal planning purposes and under the Balanced Budget and Debt Retirement Act: (i) consolidated Heritage Fund income is included in the determination of the province's budget surplus and (ii) Heritage Fund assets are netted off gross liabilities in determining the net debt position of the province.
- ◆ Consistent with the Financial Review Commission's recommendation that the province should emphasize reducing the "net debt" (excess of consolidated liabilities over consolidated assets), the Balanced Budget and Debt Retirement Act requires that the province reduce its net debt to zero. The net debt can be reduced by applying budget surpluses to either (i) pay down gross debt or (ii) increase assets (for example, by inflation proofing the Heritage Fund).
- ◆ The province has more debt than assets; that is, it has "net debt". On a consolidated basis the province's net debt, after deducting Heritage Fund assets, was \$3.7 billion at March 31, 1997 (excludes pension liabilities). Net debt is forecast to be \$1.5 billion at March 31, 1998.

Purpose

- ◆ This is the second business plan for the Heritage Fund, which amends the first business plan and incorporates updated financial information and income forecasts. This plan sets out the broad objectives of the Fund as expressed in the legislation, more specific investment objectives, other goals and strategies to achieve the Fund's objectives, and performance measures.
- ◆ The significant changes are to the Endowment Portfolio and are as follows:
 - ◆ The limit on investments in foreign assets will be increased from 20% to 35%.
 - ◆ The asset class ranges will be narrowed for greater control over asset allocation decisions (Goal 2).

	Initial Ranges	Proposed Ranges
	% of assets at market value	
Interest Bearing Securities	35-65	35-55
Equities	65-35	65-45

- ◆ The benchmark asset mix proportions between debt and equity investments will be amended to increase equities from 50% to 60% over a reasonable transition period. (Goal 2).

Heritage Fund Structure

The **mission** of the Heritage Fund is as follows:

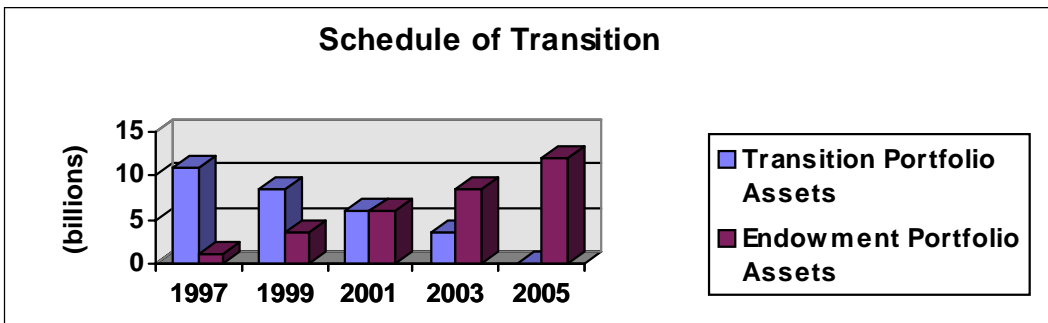
To provide prudent stewardship of the savings from Alberta's non-renewable resources by providing the greatest financial returns for current and future generations of Albertans.

- ◆ The government's fiscal plan published in Agenda '96 included unconsolidated annual income from the Heritage Fund of about \$900 million based on a continuation of the Heritage Fund investment policy at the time of preserving capital and being positioned for change. It was also based on forecast interest rates at the time. The government keeps its books on a consolidated basis and therefore Heritage Fund income is included in consolidated income for the province. Consequently, the level and variability of Heritage Fund income is important to the government's fiscal plan.
- ◆ If the Fund were invested solely with the objective of optimizing long term financial returns, it is unlikely that it would generate this level of income over the next three years. Income could vary significantly from year to year for the following reasons:
 1. An investment policy to maximise long-term returns implies a significantly higher weighting towards investments in equities in comparison to the equity holdings at the time the Fund was restructured.

While equities have historically provided investors with higher total returns (dividends and capital gains) than fixed income investments, dividend rates in general are lower than interest rates thereby providing lower current income. The timing of realizing capital gains is also uncertain.

2. The well-established capital market principle that increased returns, as provided by equity investments, are accompanied with increased risk or return volatility means that the Fund's income would be more variable.

- ◆ In order to provide for an orderly transition between the need for current income and long-term investment goals, the Heritage Fund has been divided into two separate portfolios: a Transition Portfolio and an Endowment Portfolio.
- ◆ Each portfolio is managed independently of the other to meet its own specific investment objective and measured against its corresponding benchmarks.
- ◆ The Transition Portfolio is invested primarily in interest bearing securities with an emphasis on generating current income to support the province's fiscal plan.
- ◆ The Endowment Portfolio is invested in a diversified portfolio including interest bearing securities, Canadian equities and international securities.
- ◆ The Transition Portfolio will support current income needs in the first few years and then see its role diminish over the transition period as it is reduced in size and the Endowment Portfolio grows.
- ◆ Over a maximum ten year transition period starting in 1996-97, a minimum of \$1.2 billion (book value) in assets will be transferred annually from the Transition Portfolio to the Endowment Portfolio. By 2005, all Heritage Fund assets will be invested in the Endowment Portfolio. \$1.2 billion was transferred in 1997-98. A further \$1.2 billion will be transferred in 1998-99.



- ◆ Heritage Fund assets that are consistent with its long term investment objective or that can readily be disposed of to permit acquisition of appropriate assets have been allocated to the Endowment Portfolio, with the remainder residing in the Transition Portfolio. The initial allocation of existing Heritage Fund assets (at cost) on January 1, 1997 was \$10.6 billion to

the Transition Portfolio and \$1.2 billion to the Endowment Portfolio. For the six month period ended September 30, 1997, an additional \$600 million (at cost) has been transferred from the Transition Portfolio to the Endowment Portfolio per the transition plan. Below is a breakdown of assets as at September 30, 1997.

Heritage Fund Assets (millions, book value)	at Cost	Fair Value
Endowment Portfolio		
Cash	32	32
Fixed-income Securities	1,325	1,341
Canadian Equities	294	721
Foreign Equities	378	396
Real Estate	4	4
Total Investments-Endowment Portfolio	2,033	2,494
Transition Portfolio		
Cash	129	129
Fixed-income Securities	7,433	7,687
Provincial Corporation Debentures	1,703	1,911
Subtotal	9,265	9,727
Canadian Equities (Nova Corporation)	112	123
Loans		
Alberta Pacific Pulp Mill Project	260	N/A
Murphy Oil Company Ltd.	56	N/A
Ridley Grain Ltd.	102	N/A
Vencap Acquisition Corporation	11	N/A
Sub-total Equities and Loans	541	N/A
Total Investments-Transition Portfolio	9,806	N/A
Accrued Interest and Accounts Receivable	247	N/A
Due from General Revenue Fund	22	N/A
Total Heritage Fund Assets	12,108	N/A

- ◆ As part of the new framework, the Heritage Fund will be “inflation proofed” by retaining enough of the Fund’s income in order to keep up with inflation, meaning that the Fund will begin to grow again. However, until after the 1998-99 fiscal year the Fund will only be allowed to keep some income to offset inflation if the province’s surplus exceeds \$500 million. In 1996-97, \$176 million of the Fund’s income was retained in the Fund (in the Endowment Portfolio) to offset inflation.
- ◆ Foreign investments by the Heritage Fund are currently limited to 20% of each Portfolio’s assets (measured at adjusted cost value)—similar to the restriction on private and public sector pension funds in Canada. However, in order to better optimize long-term returns, the limit will be increased on foreign investments in the Endowment Portfolio to 35% of assets on a market value basis.

Goals, Strategies and Outputs, Outcomes, and Performance Measures

- ◆ The legislated investment objective of the **Transition Portfolio** is:

Investments shall be made with the objective of supporting the government's short term to medium term income needs as reflected in the government's consolidated fiscal plan.

What is the best approach in achieving this objective?

- ◆ Because the province has net debt, it is important that the Transition portfolio earn a rate of return that exceeds the cost of the province's debt. Alberta Treasury, with the assistance of a major international investment dealer, has completed analysis to help determine specific objectives and targets for managing the interest rate risk that exists in the province's liabilities and the Transition Portfolio's assets. This plan establishes an orderly framework which will result in co-ordinated management of the Heritage Fund Transition Portfolio and the province's debt so as to maximise income over the medium term and minimize debt costs while constraining the risk to the government's bottom line.

How does this coordinated approach work?

- ◆ The framework described above establishes a "benchmark portfolio". The debt will be managed with the objective of costing no more than it would cost if it were managed exactly like this benchmark. The province will manage its debt to try and achieve a lower interest cost than the benchmark cost. The investment approach for the Heritage Fund Transition Portfolio is to try and earn a return on its assets that exceeds the interest cost of the Canadian dollar of the province's debt.

The legislated investment objective of the **Endowment Portfolio** is:

Investments shall be made with the objective of maximizing long-term financial returns.

- ◆ Given a long-term investment horizon, investment practice suggests that a mix of equities and interest-bearing securities best achieves the objective of optimizing financial returns as it provides enhanced returns and diversifies risk. A long-term investment horizon in this context means at least two business cycles. Emphasis on "long-term" in the investment objective is designed to help the investment manager continue to plan and execute strategies in a long-term context at times when short-term pressures exist.

Goal 1: Earn income to support the government's consolidated fiscal plan.

Strategies/Outputs	Outcomes	Performance Measures/Benchmarks																				
<ul style="list-style-type: none"> Invest Transition Portfolio assets in accordance with the investment industry standard "Prudent Person Rule" which assigns the investment manager responsibility to restrict investment to assets that would be approved by a prudent investor. Invest in interest bearing securities (Canadian dollar issues; non-Canadian dollar issues would be swapped into Canadian dollars) that are rated at time of purchase a minimum of investment grade (BBB or equivalent) by a recognized rating agency or in the absence thereof by Alberta Treasury. Maintain an average term to maturity between 3 years and 4 years. (The province's Canadian dollar liability portfolio is managed within the same range¹). Limit investments to the various categories of interest-bearing securities (% of market value): <table border="1" data-bbox="142 926 505 1205"> <thead> <tr> <th></th> <th>Maximum (%)</th> </tr> </thead> <tbody> <tr> <td>Canada & Guaranteed</td> <td>No Limit</td> </tr> <tr> <td>Alberta</td> <td>20</td> </tr> <tr> <td>Other Provincial Debt</td> <td>40</td> </tr> <tr> <td>Municipal</td> <td>5</td> </tr> <tr> <td>Asset-backed</td> <td>10</td> </tr> <tr> <td>Private Corporate</td> <td>10</td> </tr> <tr> <td>Public Corporate</td> <td>20</td> </tr> <tr> <td>Mortgages</td> <td>5</td> </tr> <tr> <td>Other Sovereign²</td> <td>5</td> </tr> </tbody> </table> Transfer cash, short-term fixed income securities or other appropriate securities to the Endowment Portfolio to meet the requirement of transferring \$1.2 billion (at cost) annually. Cash forecasting is done to ensure that the appropriate type and amount of securities are available for transfer on a monthly basis (averages \$100 million per month). Reduce the Fund's investment in Alberta provincial corporations, subject to liability management considerations. Reduce the Fund's investment in project loans. Remaining project loans include Alpac, Murphy Oil, Vencap and Ridley Grain Ltd. with a total cost value of \$430 million. Reduce investment limit for Alberta once investment in Alberta provincial corporation debt is reduced. 		Maximum (%)	Canada & Guaranteed	No Limit	Alberta	20	Other Provincial Debt	40	Municipal	5	Asset-backed	10	Private Corporate	10	Public Corporate	20	Mortgages	5	Other Sovereign ²	5	<ul style="list-style-type: none"> A high level of income to the government's fiscal plan without undue variation to the province's bottom line. A higher return on assets than the cost of the province's debt. Investments consistent with the objectives of the Transition Portfolio. Orderly transfer of assets from the Transition Portfolio to the Endowment Portfolio. Beginning in 1997-98, a reduction in the holdings of Alberta Social Housing Corporation (ASHC) debentures and Agriculture Financial Services Corporation (AFSC) debentures of approximately \$1.5 billion (book value at March 31, 1997) by 2001-02. In 1997-98, it is expected that approximately \$500 million will be repaid early and available for redeployment within the Transition Portfolio³. Gradual decrease in limit beginning in 1997-98. 	<p>Primary Performance Measure</p> <ul style="list-style-type: none"> The market value rate of return on the Transition Portfolio. <p>Benchmark</p> <ul style="list-style-type: none"> The market cost of the Canadian dollar portion of the province's debt portfolio. Measuring performance on a market value basis is the accepted standard in the investment industry because it should lead to the best long-term investment and liability management decisions. However, because Heritage Fund income and debt servicing costs are accounted for on a cost basis, a comparison of returns on a cost basis will also be reported and explained in relation to the market value results. <div data-bbox="1032 1108 1463 1927" style="border: 1px solid black; padding: 5px;"> <p>¹ Estimated term based on an average duration of 2.4 years to 3.2 years. In practice, the investment industry manages investment portfolios by looking at their "duration" as opposed to the average term to maturity since a bond portfolio's duration better reflects its sensitivity to interest rate changes (see Glossary for an explanation of duration).</p> <p>² Would be swapped into Canadian dollars to eliminate currency risk.</p> <p>³ To reduce the Fund's investment in debentures of these two provincial corporations, the General Revenue Fund (GRF) will borrow funds in the market and lend the funds to AFSC and lend or grant funds to ASHC. The Corporations will use the funds to repay the debentures held by the Heritage Fund Transition Portfolio generally on the dates when the interest rates on these debentures are re-set (every five years). In turn, the Fund will use this cash to invest in external assets.</p> </div>
	Maximum (%)																					
Canada & Guaranteed	No Limit																					
Alberta	20																					
Other Provincial Debt	40																					
Municipal	5																					
Asset-backed	10																					
Private Corporate	10																					
Public Corporate	20																					
Mortgages	5																					
Other Sovereign ²	5																					

Goal 2: Make investments in the Endowment Portfolio to maximize long term financial returns.

Strategies/Outputs	Outcomes	Performance Measures/Benchmarks																																																																
<ul style="list-style-type: none"> Invest Endowment Portfolio assets in accordance with the investment industry standard "Prudent Person Rule" which assigns the investment manager responsibility to restrict investment to assets that would be approved by a prudent investor. To diversify risk and enhance expected returns, allocate the Endowment Portfolio assets among the following asset classes and within the noted ranges (expressed as a % of the Endowment Portfolio's market value): <table border="1" data-bbox="191 701 521 827"> <thead> <tr> <th>Asset Class</th> <th colspan="2">Holdings (%)</th> </tr> </thead> <tbody> <tr> <td>Interest-Bearing Securities⁴</td> <td>35%</td> <td>55%</td> </tr> <tr> <td>Equity⁵</td> <td>65%</td> <td>45%</td> </tr> <tr> <td>Total</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table> Diversify investments within each subcategory of the asset classes set out above. The Investment Operations Committee (see Attachment A) will recommend minimum and maximum holdings for the asset classes and review periodically the benchmark to be used in measuring performance. Alberta Treasury will vary the allocation of assets within the above policy ranges based on the outlook for financial markets. The Investment Operations Committee will determine the extent of use of external investment managers to manage portions of the Portfolio⁹, and the criteria for their selection. 	Asset Class	Holdings (%)		Interest-Bearing Securities ⁴	35%	55%	Equity ⁵	65%	45%	Total	100%	100%	<ul style="list-style-type: none"> The expected⁶ real⁷ return of the investment policy is 5.50% per year over the long term, with 5.0% attributable to the adopted asset mix policy and the additional 0.5% to active management, before fees. A market rate of return on the Portfolio higher than the benchmark. While returns may vary from year to year, over the long term the returns are expected to exceed the cost of the province's debt. Volatility of returns and credit risk at prudent levels. Market rate of return higher than the benchmark. 	<p>Performance Measure</p> <ul style="list-style-type: none"> The market value rate of return on the Endowment Portfolio. The following benchmark investment portfolio is designed to reflect a neutral weighting in the asset classes listed based on the Endowment Portfolio's investment objective and risk tolerance. The benchmark portfolio represents a completely "passive" investment strategy. Therefore, the difference between the Endowment Portfolio's actual returns and the benchmark portfolio's returns measures how well the investment manager "actively" manages the Endowment Portfolio within the asset mix policy ranges set out in Strategies/Outputs. <p>Primary Benchmark</p> <ul style="list-style-type: none"> The return that could have been earned by adopting investment strategies designed to replicate the performance of the following benchmark policy mix: <table border="1" data-bbox="902 779 1495 1129"> <thead> <tr> <th rowspan="2">Asset Class</th> <th rowspan="2">Policy</th> <th colspan="2">Benchmark</th> <th rowspan="2">Index*</th> </tr> <tr> <th>Current</th> <th>Proposed</th> </tr> <tr> <td rowspan="3">Interest Bearing Securities</td> <td></td> <td></td> <td>As at March 31</td> <td></td> </tr> <tr> <td></td> <td>1998</td> <td>1999</td> <td></td> </tr> </thead> <tbody> <tr> <td>Money market</td> <td>3%</td> <td>3%</td> <td>3%</td> <td>SCM T-Bills Index</td> </tr> <tr> <td>Bonds</td> <td>47%</td> <td>42%</td> <td>37%</td> <td>SCM Universe</td> </tr> <tr> <td>Total</td> <td>50%</td> <td>45%</td> <td>40%</td> <td></td> </tr> <tr> <td rowspan="4">Equity</td> <td>Canadian stocks</td> <td>30%</td> <td>30%</td> <td>25%</td> <td>TSE 300 Index</td> </tr> <tr> <td>Foreign stocks</td> <td>15%</td> <td>20%</td> <td>30%</td> <td>MSCI World</td> </tr> <tr> <td>Real estate</td> <td>5%</td> <td>5%</td> <td>5%</td> <td>RCPI</td> </tr> <tr> <td>Total</td> <td>50%</td> <td>55%</td> <td>60%</td> <td></td> </tr> </tbody> </table> <p>Secondary Benchmark</p> <ul style="list-style-type: none"> The median return of a sample of Canadian pension and endowment funds. Each external manager mandate is tied to an appropriate market index as a benchmark. 	Asset Class	Policy	Benchmark		Index*	Current	Proposed	Interest Bearing Securities			As at March 31			1998	1999		Money market	3%	3%	3%	SCM T-Bills Index	Bonds	47%	42%	37%	SCM Universe	Total	50%	45%	40%		Equity	Canadian stocks	30%	30%	25%	TSE 300 Index	Foreign stocks	15%	20%	30%	MSCI World	Real estate	5%	5%	5%	RCPI	Total	50%	55%	60%	
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⁴ Includes money market instruments, bonds and mortgages.

⁵ Includes Canadian public and private equities, foreign equities and Canadian real estate. Foreign investments will be limited to 35% of market value.

⁶ Based on market value.

⁷ See glossary for a definition of a real rate of return.

⁸ Currently, external managers hired by Alberta Treasury invest in the following areas: Canadian small-cap equities, global equities, and U.S. equities. These investments total \$314 million at cost as at September 30, 1997.

* see Attachment B for a description of the indices.

Goal 3: To improve Albertans' understanding and the transparency of the Alberta Heritage Savings Trust Fund.

Strategies/Outputs	Outcomes	Performance Measures/Benchmarks
<ul style="list-style-type: none"> • Release quarterly and annual reports on a timely basis. • Release summary reports of the Heritage Fund's investment activities and results for Albertans on a timely basis. • Publish the Heritage Fund business plan annually. • The Standing Committee of MLAs will hold annual public accountability meetings around Alberta to report on the Fund's results and to answer questions on the Fund's performance. 	<ul style="list-style-type: none"> • Improved understanding by Albertans of the management, operations and performance of the Heritage Fund. 	<p>Performance Measure</p> <ul style="list-style-type: none"> • Timeliness of reports and public accountability meetings. • Satisfaction of Albertans regarding information provided about the Fund. <p>Performance Measure</p> <ul style="list-style-type: none"> • Annual report will be released by June 30 of each year. • Quarterly reports will be released within 2 months after the conclusion of the quarter. • The Standing Committee will hold public accountability meetings around the province in the fall of each year.

Management and Accountability

- ◆ A clear mission statement and new investment objectives for the Heritage Fund have been established in legislation.
- ◆ A Standing Committee of MLAs has been established to provide overall direction, evaluate the performance of the Fund and report regularly to Albertans.
- ◆ The Investment Operations Committee reviews and approves the business plan, quarterly and annual reports, and the investment policies for the Fund. The Committee includes a majority of private sector members with relevant financial and business expertise.
- ◆ Ongoing investment decisions will be made within Alberta Treasury consistent with the allocation of responsibilities set out in Attachment A.
- ◆ For each component of the Fund that is externally managed an investment management mandate describing its purpose, goals and constraints will be established.
- ◆ The investment management mandate of external managers will be consistent with this Business Plan.
- ◆ The Auditor General is the auditor of the Fund.
- ◆ There are restrictions on the kind of investments that can be made. Fund assets are to be invested prudently and cannot be used directly for economic development or social investment purposes.

Income and Expenses

- ◆ The rates of return on, and the income from, the Fund likely will become more volatile as the Endowment Portfolio grows and as equity investments increase. While equity investments have historically, over long periods of time, provided higher rates of return than fixed income investments they are also significantly more volatile. Gains on traditional equity investments are not recognized as income until the investment is sold so strong performance reflected in rates of return may not be reflected in income for some time. Income and expenses on equity index swaps are accrued as earned which means that market value gains and losses are realized as they occur.

- ◆ Following are current projections of Heritage Fund income based on the assumptions noted. Actual results will vary from projected income depending on the extent to which actual interest rates and equity market returns vary from the assumptions used. Forecast gross investment income decreases over the fiscal plan period due to the lower interest rate environment and the increasing investment in equities in the Endowment Portfolio which contribute lower “current income”.

- ◆ The income projections include:
 - ◆ interest income
 - ◆ dividend income
 - ◆ capital gains or losses only when they are realized, such as when an investment is sold
 - ◆ income and expense on index swaps and interest rate swaps accrued as earned

- ◆ The income projections do not include:
 - ◆ unrealized capital gains

Heritage Fund Income Forecasts and Underlying Assumptions

	1997-98	1998-99	1999-00	2000-01
<u>Forecast Income (\$millions)</u>				
Investment Income¹	878.7	801.5	778.9	749.1
<u>Assumptions (%)</u>				
1. Interest Rates (<u>nominal</u>)				
Transition Portfolio				
Money Market (3 months)	3.49%	4.50%	4.75%	4.75%
Bonds (2-3 year rate)	5.02%	5.25%	5.50%	5.50%
Endowment Portfolio				
Money Market (3 months)	3.49%	4.50%	4.75%	4.75%
Bonds (5 year rate)	5.44%	5.50%	5.75%	5.75%
2. Heritage Fund Equity Holdings				
Estimated Income Rates ²	4.4%	4.9%	5.3%	5.4%
3. Total Rates of Return in Equity Markets ³				
Canadian	10.0%	8%	8.5%	8.5%
US	15%	9%	9%	9%
International	7.0%	9%	9%	9%
4. Endowment Portfolio Asset Mix				
Money Market	3%	3%	3%	3%
Bonds	47%	42%	37%	37%
Equities	50%	55%	60%	60%
<u>Sensitivity Analysis (millions)</u>				
1% change in interest rates		4	7	28
1% change in equity returns		25	26	26
¹ Unconsolidated. After loan impairment provision on Alpac of \$114 million in 1997-98. ² Estimated equity income to the Heritage Fund consisting of estimated dividends and realized capital gains. ³ Includes an assumed 2% dividend yield and reflects year to date market change in 1997-98. For the remaining years, the annual returns move to the long term assumed rate of return. These returns are used to forecast the Estimated Income Rates on Heritage Fund Equity Holdings.				

- ◆ Investment income will become more volatile over time. A significant portion of the current portfolio is invested in bonds with a predictable income stream, however as these holdings mature an increasing portion will be invested in equities and the portion that is re-invested in fixed income will be dependent on the prevailing market conditions at the time of re-investment.

- ◆ The above income projections for the new Heritage Fund are net of estimated investment expenses as outlined below:

	1997-98	1998-99	1999-00	2000-01
	<i>(\$ millions)</i>			
Administrative Expenses	2.1	2.2	2.0	2.1

The administrative expenses above include both direct and indirect administrative expenses which include staff time, supplies and services and investment transaction and advisory services.

Attachment A

Heritage Fund Allocation of Responsibilities

- ◆ The Heritage Fund Act sets out the governance structure for the Heritage Fund. The general division of responsibilities is described below.

Standing Committee on the Alberta Heritage Savings Trust Fund

(A Committee of the Legislative Assembly)

1. Review and approve annually the Business Plan for the Heritage Fund.
2. Receive and review quarterly reports from the Provincial Treasurer on the operation and results of the operation of the Heritage Fund and make them public.
3. Approve and release annual report on or before June 30 following the conclusion of the fiscal year for which the annual report was made.
4. Review after each fiscal year end the investment activities and the performance of the Heritage Fund and report to the Legislature as to whether the mission of the Heritage Fund is being fulfilled.
5. Hold public meetings with Albertans on the Heritage Fund's investment activities and results.

Treasury Board

1. Annually review and approve the Business Plan of the Heritage Fund.

Provincial Treasurer

1. Approve the Statements of Investment Policy for each portfolio, including any proposed changes thereto.
2. Approve and present annual Business Plan of the Heritage Fund to Treasury Board and to the Standing Committee.

Investment Operations Committee

1. Review and recommend the Business Plan to the Provincial Treasurer for transmittal to Treasury Board and the Standing Committee.
2. Review and recommend the investment policy statements for the Endowment Portfolio and the Transition Portfolio to the Provincial Treasurer.
3. Review and approve the financial statements and recommend the annual report.
4. Approve the quarterly reports for transmittal to the Standing Committee.
5. Advise on the extent of use of external managers and the criteria for selection.

Alberta Treasury

1. Serve as investment manager of the assets of the Heritage Fund.
2. Prepare and recommend a Business Plan to the Investment Operations Committee and the Provincial Treasurer.
3. Prepare and recommend to the Investment Operations Committee and the Provincial Treasurer Statements of Investment Policy for each portfolio and in future years any proposed changes to the investment policies.
4. Prepare a quarterly report on the investment activities and results of the Heritage Fund including income forecasts.
5. Prepare financial statements for the Heritage Fund.
6. Prepare the annual report of the Heritage Fund.

Attachment B

Description of Benchmark Indices for the Endowment Fund

Scotia Capital Markets 91 day T-Bills Index (SCM T-Bills Index)

Reflects the performance of the Canadian money market as measured by investments in 91 day Treasury Bills.

Scotia Capital Markets Universe Bond Index (SCM Universe Index)

Covers all marketable Canadian bonds with terms to maturity of more than one year. The purpose of this index is to reflect performance of the broad Canadian bond market in a manner similar to the way the TSE 300 represents the Canadian equity market.

Toronto Stock Exchange 300 Total Return Index (TSE 300 Index)

An index of 300 stocks, in fourteen subgroups, listed on the Toronto Stock Exchange designed to represent the Canadian equity market. It is a capitalization-weighted index calculated on a total return basis.

Morgan Stanley Capital International World (excluding Canada) (MSCI World)

An index of over 1,470 stocks on 23 stock exchanges around the world designed to represent an international equity market (excluding Canada). The index is calculated on a total return basis, which includes investment of gross dividends before deduction of withholding taxes. The index covers about 60% of the issues listed on the exchanges of the countries included.

Russell Canadian Property Index (RCPI)

An index comprised of institutionally held real estate investments consisting of over 1,100 properties distributed across Canada.

Attachment C

Glossary

Active Management

Attempts to achieve portfolio returns greater than a specific index while controlling risk, either by forecasting broad market trends or by identifying particular mispriced sectors of a market or securities in a market.

Asset Allocation

The investment process by which the investment manager chooses or allocates funds among broad Asset Classes such as stocks and bonds.

Asset-Backed Securities

These are debt instruments collateralized by a pool of assets such as automobile loans or equipment leases.

Asset (or Investment) Class

Refers to a broad category of investments with similar characteristics (the typical asset classes are cash, stocks, bonds and real estate).

Benchmark Index

A statistical yardstick tracking the ups and downs of a particular market by monitoring a representative group of securities over time. For example, the Scotia Capital Markets Universe Bond Index is a Benchmark Index that is designed to reflect the changes in the Canadian bond market.

Bond

A financial instrument representing a debt where the issuer (corporation or government) promises to pay to the holder a specific rate of interest over the life of the bond. On the bond's maturity date, the principal is repaid in full to the holder.

Capital Gain (or Capital Loss)

The market value received on sale of an asset higher (lower) than its purchase price (also called book value). If an asset is bought for \$50 and sold for \$75, the realized capital gain or profit is \$25.

Diversification

The allocation of investment assets within an Asset Class and among asset classes. In general, the greater the number of holdings within an asset class and among asset classes, the greater the diversification, which reduces risk.

Dividends

Earnings distributed to shareholders of a company proportionate to their ownership interest.

Duration (or Modified Duration)

Modified duration is a measure of price volatility and is the weighted average term to maturity of the security's cash flows (i.e., interest and principal), with weights proportional to the present value of the cash flows. Bonds with a longer duration are more price sensitive to interest rate changes than bonds with short durations.

Equities

Equities are synonymously called stocks or shares and represent an ownership interest in a company (could be either a public or private firm). The shareholder normally has voting rights and may receive dividends based on their proportionate ownership.

Inflation

Increases in the general price level of goods and services. Inflation is one of the major risks to investors over the long-term as savings may actually buy less in the future.

Inflation Proofing

The Heritage Fund shall retain enough of its income each year starting in 1996-97 to offset the eroding effects of inflation (amount of income retained for inflation proofing = value of the net assets (or "equity") of the Heritage Fund multiplied by the percentage increase for that fiscal year in the Canadian gross domestic product deflator). However, until after the 1998-99 fiscal year the Heritage Fund will only be allowed to keep some income to offset inflation if the government's surplus exceeds \$500 million.

Interest-Bearing Securities

An investment that carries a rate of interest, such as bonds and money market investments (e.g., Treasury Bills).

Investment Grade

An investment grade bond is rated a minimum of BBB (or equivalent) by a rating agency, with AAA being the highest grade. Bonds rated below BBB are generally classified as being speculative grade and carry higher levels of credit risk than investment grade bonds (i.e., they have a higher probability of default on interest or principal payments).

Long-Term

A long-term investment horizon in the context of the Endowment Portfolio means a period of time that would include two business cycles, which would generally mean about 10 years.

Market Value Rate of Return

An annual percentage which measures the total proceeds returned to the investor per dollar invested. Total proceeds for market value rates of return = "money in the bank" plus paper profits or losses (paper profits or losses are also called Unrealized Capital Gains or Losses). "Money in the bank" means cash interest and dividends and realized capital gains or losses from selling the investment.

Median Return

The median return of a group of investment managers reflects the return associated with the manager ranked at the 50th percentile (the 50th percentile is that point where half the managers had a higher return, and half the managers had a lower return).

Money Market Instruments

Debt instruments such as Treasury Bills or corporate paper with a maturity of less than one year.

Mortgage-Backed Securities (MBS)

A debt instrument that has an ownership claim in a pool of mortgages or an obligation that is secured by such a pool.

Mortgage Investment

A debt instrument collateralized by real assets (e.g., a building) and requiring periodic payments consisting of interest and principal.

Nominal Rate of Return

A measure of the earnings performance of a fund measured in current dollars.

Passive Management

Buying or investing in a portfolio that represents a market index without attempting to search out mispriced sectors or securities. The opposite of Active Management.

Portfolio

A collection of investments owned by an investor.

Real Rate of Return

The nominal rate of return minus the rate of inflation.

Realized/Unrealized

Terms generally used to describe Capital Gains or losses. A gain or loss is generally realized when an asset is sold; prior to sale the gain or loss is unrealized and it is only a potential or “paper” gain or loss.

Deliberately Blank