

Alberta Family and Social Services 1998-99 Annual Report

Public Accounts 1998-99

Preface

The Public Accounts of Alberta are prepared in accordance with the Financial Administration Act and the Government Accountability Act. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 Ministries.

The annual report of the Government of Alberta released in June contains the Provincial Treasurer's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Family and Social Services contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry's business plan. This Ministry annual report also includes:

- **The financial statements of entities making up the ministry including the Department of Family and Social Services and provincial agencies for which the Minister is responsible.**
- **Other financial information as required by the Financial Administration Act and Government Accountability Act, either as separate reports or as part of financial statements, to the extent that the ministry has anything to report.**

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Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 1999 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 September 23, 1999 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.



Clint Dunford
Minister
Human Resources and Employment

Message from the Minister

Providing for the wellbeing of children and adults in need continued to be the focus of Alberta Family and Social Services during the 1998-99 fiscal year. Through its programs and services, the Ministry worked to ensure that vulnerable Albertans received timely support and assistance.

As Premier Klein has clearly stated, children are a priority for the Alberta Government — their health and safety must be assured. To further this goal, a number of significant initiatives were introduced last year.

Implementation of a new community-based delivery system and other changes designed to improve services to children continued. At the end of the fiscal year, several more Child and Family Services Authorities joined Calgary Rocky View and assumed responsibility for managing service delivery in their regions.

Additional support was provided to children of low- and middle-income families. As part of the National Child Health Benefit, a health plan for children of low-income families was introduced. The Alberta Child Health Benefit provides 100% coverage for children's dental services, prescription drugs, optical services, ambulance services and essential diabetic supplies.

As well, measures were introduced to make day care more affordable to lower income families. Over the past two years, the Ministry has boosted income qualification levels twice by an overall average of \$4,000 of net family income, increased subsidies by an average of \$100 per child, increased the program's budget twice and expanded the program's eligibility requirements so more families can apply.

More assistance was introduced, in collaboration with partners from the community and other Ministries, as part of the Alberta Children's Initiative.

Reducing the incidence of Fetal Alcohol Syndrome (FAS) is the mandate of the Prairie Province Fetal Alcohol Syndrome initiative. Project partners (Alberta, Saskatchewan and Manitoba) are working to increase public awareness, develop training and better tools for professionals as well as support the search for innovative approaches through community projects. An FAS conference was slated to be held in May 1999.

More programs and services are now available to help children end their involvement in prostitution and to support their families through the *Protection of Children Involved in Prostitution Act*. The first legislation of its kind world-wide, it recognizes that children involved in prostitution are victims of sexual abuse and need protection.

The Ministry also continued working to provide Forever Homes for children in care. The concept recognizes that every child needs a family, preferably his or her family of origin, for maximum growth and development and acknowledges the key role played by Child Welfare workers. As a further step in developing new, innovative strategies for providing

children with permanence, a Forever Homes strategy session was held. More than 130 participants from across the province discussed ways to build and enhance the continuum of supports currently available to children.

More special needs children were provided with adoptive homes last year as a result of a number of improvements to the Wednesday's Child television program. Expanded television coverage, a streamlined placement process and a toll-free telephone line for prospective families helped to find Forever Homes for children in government's permanent care.

In addition to providing for our province's children, the Ministry worked to help adults in need.

Homeless individuals were provided with additional shelter. A task force, including representatives from the Ministry, the City of Edmonton, Alberta Municipal Affairs and the private sector, was established to address homelessness in Edmonton. As a result of a report from the task force, an additional \$177,000 was jointly provided to fund 56 new spaces in Edmonton homeless shelters. Long-term solutions will be addressed in the task force's final report.

More Albertans on welfare obtained work. The employment initiatives offered to adults continued to be successful. Income & Employment Programs transferred more than \$50 million to high needs areas as a result of a lower caseload.

Also, a consultation process was conducted to obtain feedback on the redesign of the Assured Income for the Severely Handicapped (AISH) and Assured Support programs. The suggested changes are designed to help Albertans with disabilities expand their skills and increase their participation in the community. Increased benefits and asset testing are two of the recommended changes.

Improving the services provided to persons with developmental disabilities was also part of the Ministry's mandate last year. On April 1, 1998, responsibility for overseeing the delivery of services to adults with developmental disabilities was transferred to the Persons with Developmental Disabilities boards. This community-based system provides for greater local decision making, community involvement in the planning and provision of services as well as improvements to service.

Whether developing ways to assist children or adults, collaboration became increasingly important at the local, provincial and national levels. Partnerships with communities, other Ministries and stakeholders were strengthened and expanded, largely through many of the co-operative initiatives begun last year. In addition, the Ministry undertook a national leadership role, co-ordinating the efforts of provincial/territorial social services ministries with one another and with the federal government.

This is the last annual report of Alberta Family and Social Services. During a reorganization of the Alberta Government in May 1999, the Ministry was disbanded and

its programs and services distributed among three Ministries. Programs for children were transferred to Children's Services, employment and support services for adults were transferred to Human Resources and Employment, and services for persons with developmental disabilities were transferred to Health and Wellness.

This transition marks the end of an era and the beginning of a new millennium. Realigning programs and services with the needs of Albertans will enable the government to better meet those needs and ensure children and adults continue to receive effective support in the years ahead.



Clint Dunford
Minister
Human Resources and Employment

Management's Responsibility for Reporting

The Ministry for Family and Social Services includes:

- Department of Family and Social Services
- Persons with Developmental Disabilities Provincial Board
- Persons with Developmental Disabilities Foundation
- Persons with Developmental Disabilities Northwest Alberta Community Board
- Persons with Developmental Disabilities Northeast Alberta Community Board
- Edmonton Community Board for Persons with Developmental Disabilities
- Persons with Developmental Disabilities Central Alberta Community Board
- Persons with Developmental Disabilities Calgary Region Community Board
- Persons with Developmental Disabilities South Alberta Board
- Michener Centre Facility Board
- Calgary Rocky View Child and Family Services Authority

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, we ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports, and other financial and performance reporting.

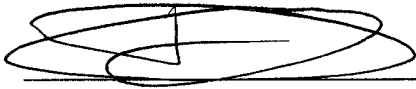
Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry for the year ended March 31, 1999 rests with the Minister of Family and Social Services. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgements. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- Provide information to manage and report on performance,

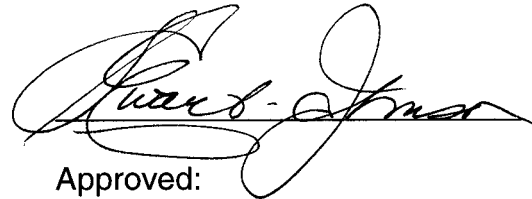
- Safeguard the assets and properties of the Province under Ministry administration,
- Provide Executive Council, Treasury Board, the Provincial Treasurer and the Minister any information needed to fulfil their responsibilities, and
- Facilitate preparation of Ministry business plans and annual reports required under the Government Accountability Act.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.



Recommended for Approval:

Duncan Campbell
Executive Director, Finance Division
Human Resources and Employment



Approved:

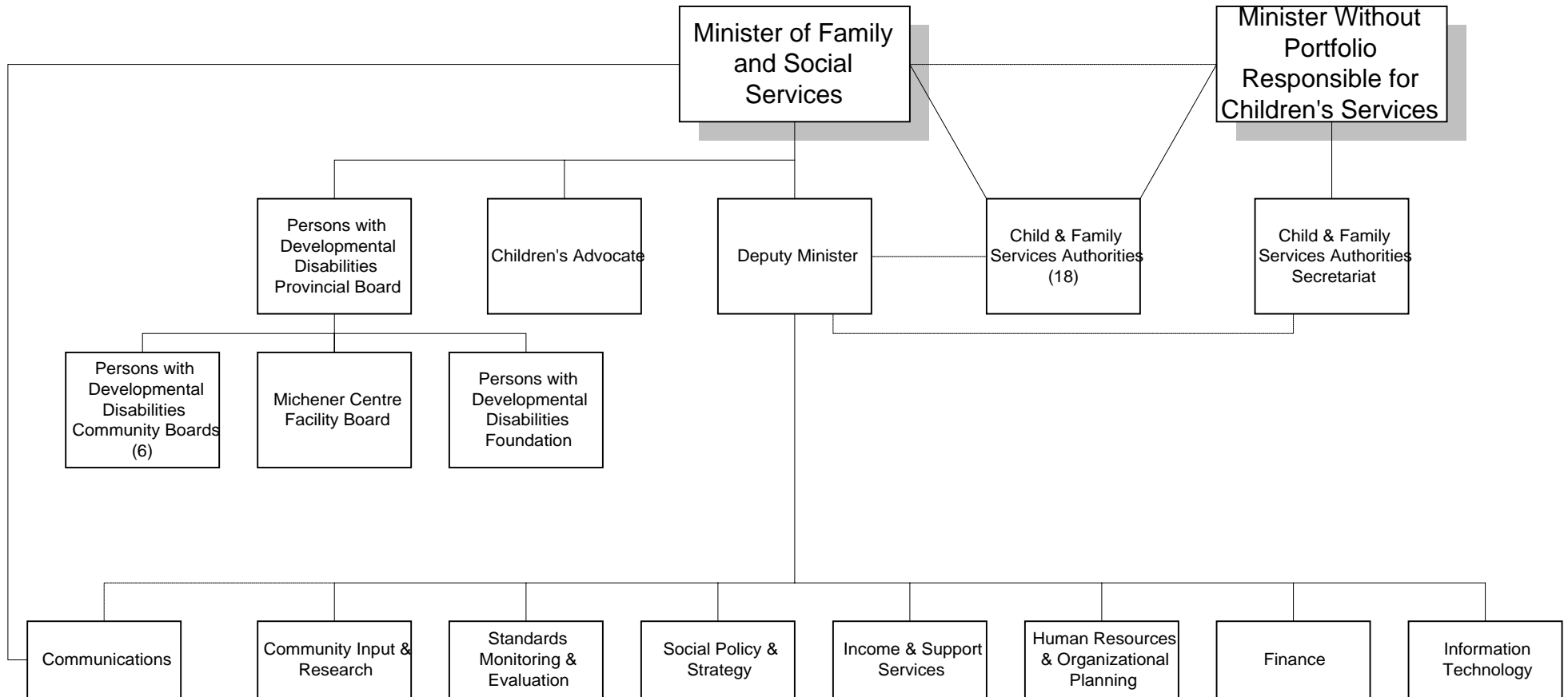
Shelley Ewart-Johnson
Deputy Minister
Human Resources and Employment

Section I

Overview

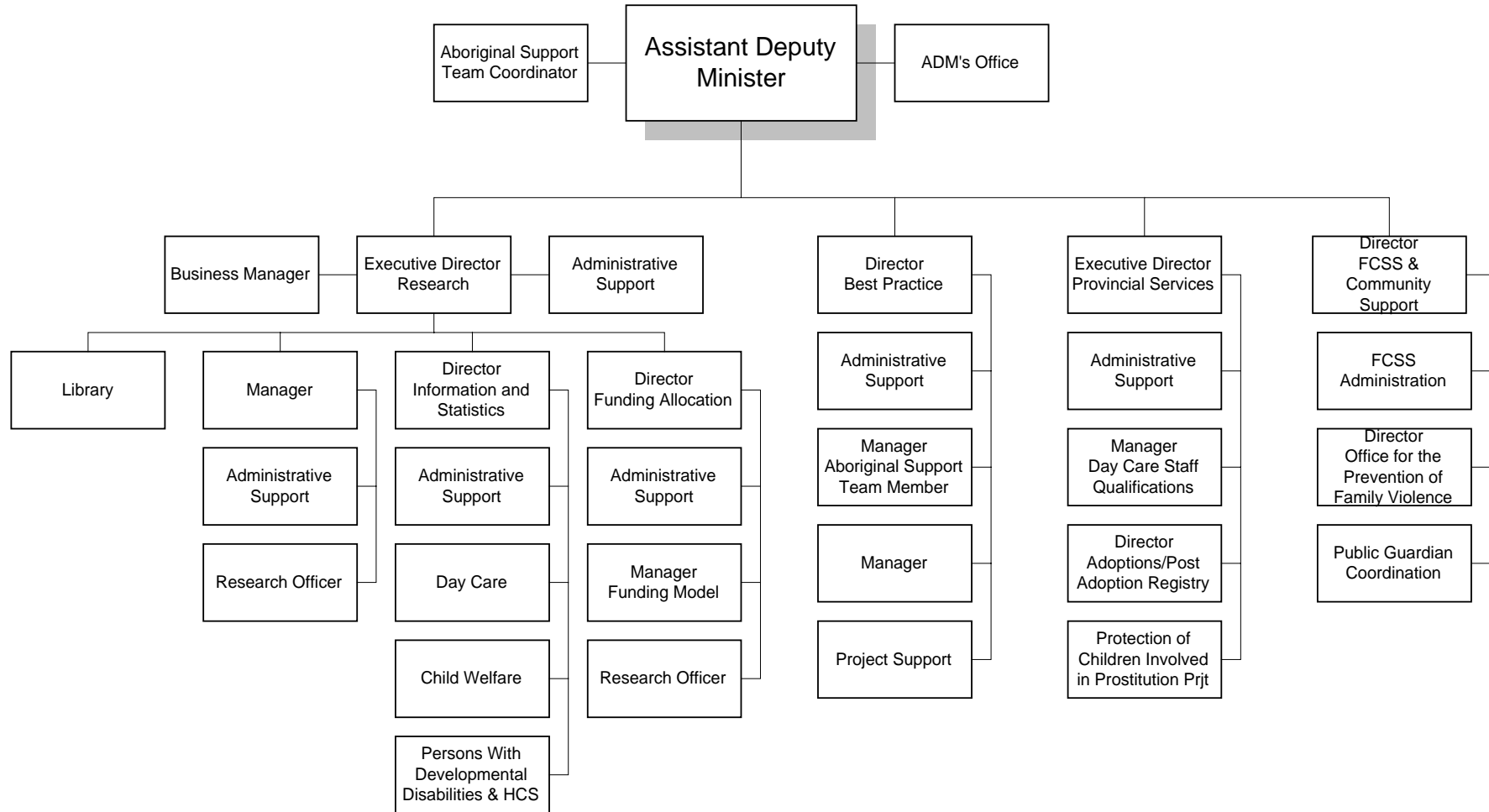
Alberta Family and Social Services

March 30, 1999



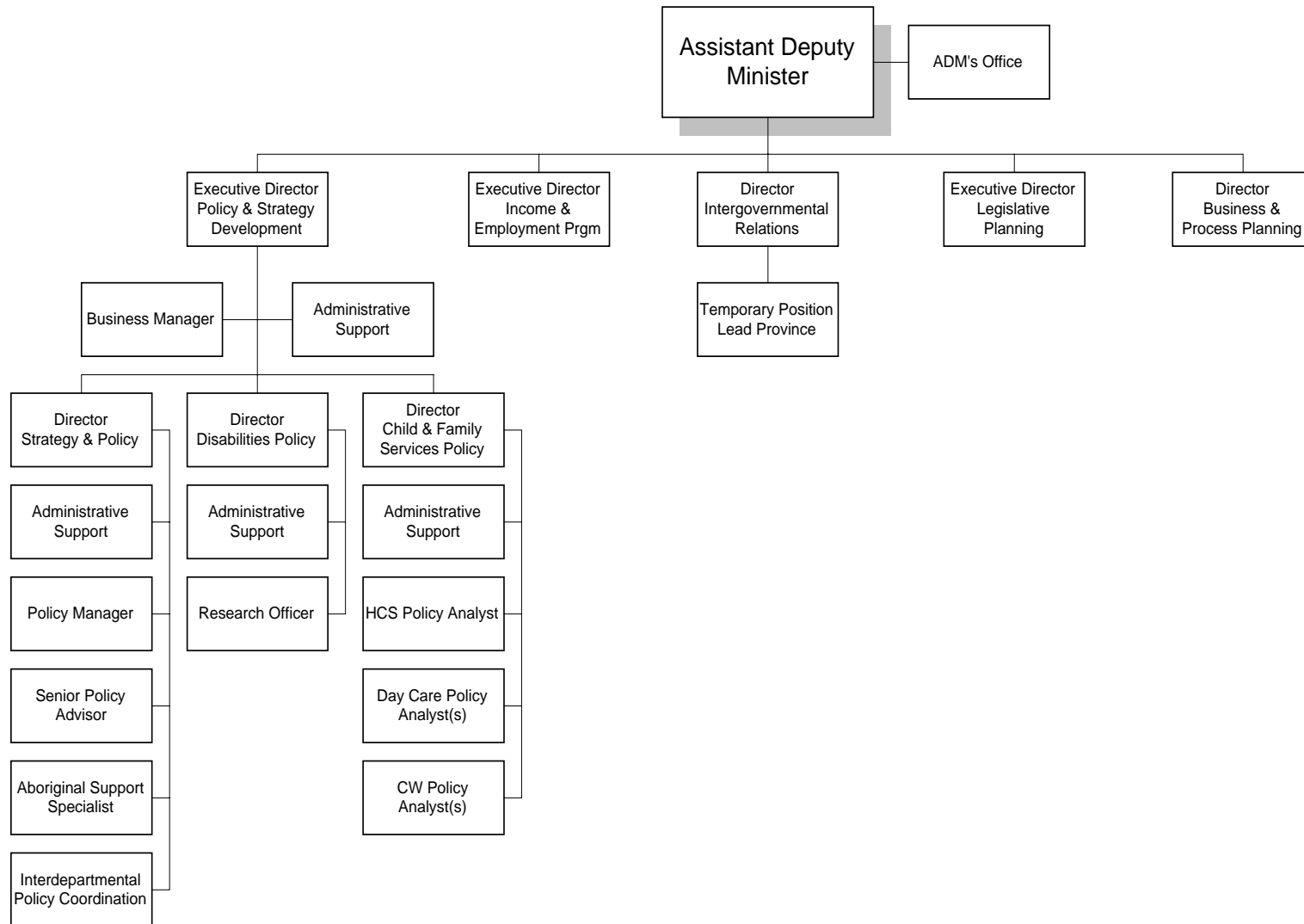
Community Input and Research Division

March 26, 1999



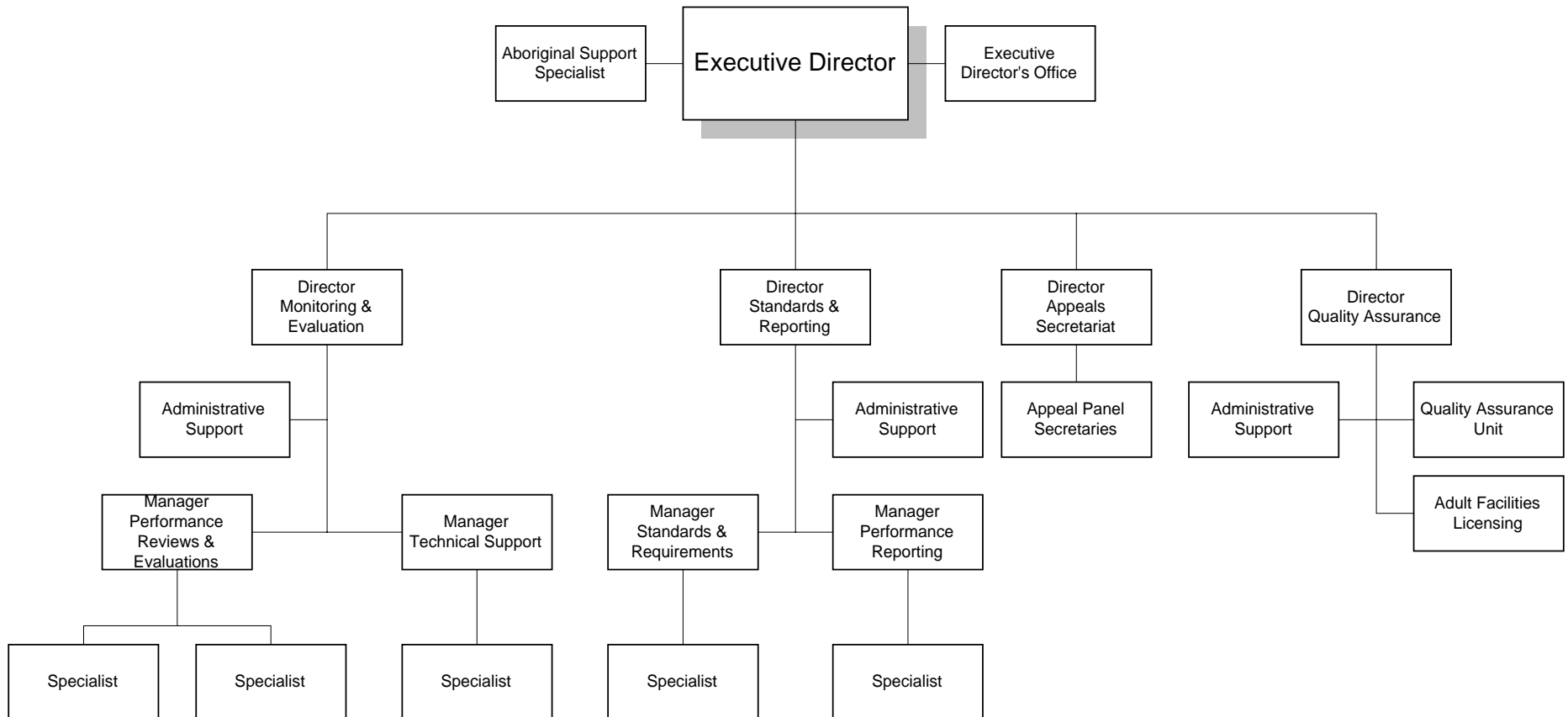
Social Policy and Strategy Division

March 26, 1999



Standards, Monitoring and Evaluation Division

March 26, 1999



Mission and Vision

Mission

Help families 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.

Operational Overview and Analysis of Key Activities

Core Business

The core business of Family and Social Services is to help families be responsible and accountable, help individuals be independent and to keep children safe.

Children's Services

Child Welfare

Child Welfare ensures children in Alberta have their survival, security and development protected according to the *Child Welfare Act*.

Child Protection responds to referrals from people in the community about children who might need protection. If the child's guardian cannot or will not protect the child, staff make sure the child is protected. During 98-99, staff completed investigations on 33,467 matters. In March 1999, 12,388 children were receiving protective services.

Out-of-Home Care provides places for children to live if they need to be out of the family home while they receive protective services. On March 31, 1999, 5,934 children were placed outside the home while receiving protective services.

Adoption Services helps arrange adoption for children in Child Welfare's permanent care and for children whose parents decide to have them adopted. During 98-99, 174 children in Child Welfare care were placed with prospective adoptive families. During 98-99, the courts granted adoption orders for 221 children placed by their parents or licensed adoption agencies and 262 children adopted by their parent's spouse.

The **Post Adoption Registry** maintains information on adoption and provides information to adoptive and birth families. During 98-99, the Registry handled 1,325 new applications and helped with 229 reunions.

A number of new initiatives were introduced by Child Welfare last year:

- The *Protection of Children Involved in Prostitution* legislation was proclaimed February 1, 1999. The new *Act* provides for protection and voluntary services for children, and penalties for johns and pimps.
- The Fetal Alcohol Syndrome (FAS) Initiative addresses prevention and management of FAS, and provides support to those affected by it. Projects include public awareness, clinical practice guidelines for physicians, training for teachers and community professionals, support for local community initiatives, and planning for a prairie province symposium.

- The Risk Assessment Project is reviewing methods used in other jurisdictions to determine and manage a child's risk within his/her situation. The purpose of this project is to determine whether some of these methods could be useful for child protection services in Alberta.

As part of its ongoing efforts to better meet the needs of children and families, improvements were made to programs and services:

- The Post Adoption Registry will allow more clients to access information once the *Child Welfare Amendment Act, 1999* is proclaimed in the fall of 1999. The *Act* received Royal Assent last year. Adoptive parents (on behalf of a minor child), 16-17 year old adoptees living independently, and descendants of a deceased adoptee may obtain the same information and services as an adult adoptee. For adoptions granted after January 1, 2000, adult adoptees and birth parents may obtain information from the record unless another party files a veto.
- Child Welfare partnered at the departmental and field level to improve services to children and families. New ways of serving are emerging from working with partners in health services, education, mental health services, addictions, policing, corrections and community groups.

Handicapped Children's Services

The Handicapped Children's Services (HCS) Program provides support to families with handicapped children to assist with some of the extraordinary costs and demands of caring for a child with a disability. The goal of HCS is to sustain the child within the family or retain family involvement if the child resides outside of the home, and to facilitate the child's development and community inclusion.

Children age 0 to 18 years, with the diagnosis of a handicapping condition, meet the eligibility criteria for HCS services.

The **Family Support Program** provides financial support to assist with some of the extraordinary costs associated with caring for a child with a disability or handicapping condition, as well as information, referral, and supportive counselling from social workers with expertise in disability. Transitional planning or preparing for the child's move to adult services as well as obtaining out-of-home placements when required are services provided to families through HCS. HCS also offers specialized foster care placements through the **Family Home Program** (Edmonton Region only) for children with complex medical needs.

In 1998-99, the annual provincial caseload was 8,378, an increase of 5.7% from 1997-98 when the average caseload was 7,899. Less than 4% of the children involved with HCS are residing in an out-of-home placement.

Last year, several program improvements were initiated:

- The Handicapped Children's Services Information System (HCSIS) is being revised to make business processes more efficient and to improve reporting capabilities.
- The Handicapped Children's Services program is now administered by the Child and Family Services Authorities (CFSA). Minimum spending levels or block funding allocations have been provided to the CFSA's to ensure consistent services will be provided throughout the province.
- In September of 1998, a policy decision was made to provide Intensive Behavioural Intervention (IBI) programs for young children with autism. This short-term directive will decrease the difficulties families experience accessing IBI programs. The Edmonton Region is currently involved in a pilot project involving 15 families who are receiving IBI services through the Lousage Institute.

Day Care

Day Care Programs is responsible for effective administration of the *Social Care Facilities Licensing Act*, which applies to both adults and children cared for in licensed social care facilities; setting standards for day care facilities through the management of the Day Care Regulation; administering funding programs in support of families and child care services in Alberta; providing opportunities for children with special needs to be included in daily activities of child care services; and certifying day care centre staff to work in day care centres.

Licensing and Enforcement Program

Through the Licensing and Enforcement Program, inspectors are responsible for licensing, monitoring, compliance management and investigation of complaints in day care and social care facilities. Day care facilities include day care centres, nursery schools and drop-in centres. Social care facilities include foster homes, group homes, out-of-school care facilities and residential facilities for children and adults.

In March 1999, there were 538 licensed day care centres with a capacity of 26,709 spaces. As well, there were 553 licensed nursery schools with 13,008 spaces. Other facilities, including programs for school-age children, adult and child social care facilities, licensed foster homes and drop-in centres, totalled another 1,309 licenses with 22,882 spaces.

Family Day Home Program

The Family Day Home Program implements and monitors provincial policies and standards for approved family day home services through individual contracts with agencies. Agencies are allowed to recruit, screen, approve and monitor family day home providers, who can care for a maximum of six children. In 1998-99, the Ministry contracted with 88 agencies that served an average of 6,610 children each month in 2,450 family day homes.

Ministry staff regularly inspect each agency and a percentage of its family day homes to ensure that provincial standards are met.

Funded Programs

The **Child Care Subsidy Program** helps lower income Alberta families with the cost of child care for pre-school children. An average of 11,575 children were subsidized monthly in 1998-99 — about 46% of the pre-school children using regulated child care. Of those families receiving a subsidy, almost 90% required this assistance so they could work or attend school. About 80% of those receiving a subsidy are single parent families.

The **Operating Allowance** is paid to all licensed day care centres based on the number of enrolled spaces, regardless of family income. In 1998-99, the Operating Allowance was reduced by an average of \$44 to an average of \$25 per month per child and re-invested into the Child Care Subsidy Program. The Operating Allowance Program will be eliminated in April 1999 and the funding reinvested into the Child Care Subsidy Program.

The **Administration Fee** is paid to contracted family day home agencies to offset the costs associated with recruiting, training and monitoring providers as well as placing children and collecting fees. The fee is paid monthly for a maximum of six pre-school children per family day home, up to the maximum contract value.

Inclusive Child Care Program

The Inclusive Child Care Program provides financial support and consultation services to day care facilities caring for children with special needs. There are approximately 400 children in the province who benefit from this program.

Staff Qualifications

Staff Qualifications ensure day care staff are certified at one of three levels set out in provincial regulations. Currently, 85% of day care staff meet regulation requirements for their current certification levels. This unit will remain centralized under Provincial Services and continue to certify day care centre staff as well as manage the orientation course for day care staff.

As of March 31, 1999, 62% of day care program directors were certified at level three (completed an early childhood diploma or equivalent). This is a drop of approximately 10 % from last year and could indicate an increased turnover of the most qualified day care centre staff. About 28% of day care staff were certified at level two (completed an early childhood certificate or equivalent). The remaining day care staff had either completed or were enrolled in the government's 50-hour orientation course (or equivalent). Approximately 15% of day care staff are temporarily exempted to the next level of certification under the Day Care Regulation. For most, this means they are registered in course work that will qualify them for the next level of certification.

Day care regulation reform continued throughout 1998-99. Broad-based consultation with the professional day care community involved meetings across the province and the distribution of more than 100 discussion guides requesting feedback.

Recommended regulation changes emphasize flexibility and greater authority for the Child and Family Services Authority (CFSA) delegated director to adapt standards to community needs.

A number of day care improvements were introduced last year:

- The Family Day Home Manual was revised to reflect the transfer to Child and Family Services Authorities. The new manual is designed as a benchmark for CFSA's to build upon as they develop and endorse their own community-based standards for out-of-home child care.
- Reinvestment of the Operating Allowance Program into the Child Care Subsidy Program was implemented April 1, 1998 and completed by April 1, 1999. The goal of planned funding changes is to direct funding to low- and middle-income families. The Operating Allowance was reduced to an average of \$25 per child per month and subsidy rates increased by an average of \$73 per month per child. Income eligibility levels increased by an overall average of \$4,000 per year due to reinvestment of the Operating Allowance and an injection of funds from the National Child Benefit Program.
- Day Care Information System re-platforming, from a mainframe environment to a client server environment, began in May, 1998. Implementation is slated for June 28, 1999. The new Child Care Information System (CCIS) will encompass a number of new functions that respond to the various program delivery models being proposed by the Child and Family Services Authorities.
- Development of the Remote Licensing Inspection System (RLIS) began in January 1998. Implementation is scheduled for July, 1999. RLIS is designed to collect inspection information electronically at the time of an inspection. This system will greatly reduce the time required to complete a checklist and summarize it before leaving a facility.
- An assessment component for the day care worker orientation course was implemented September 1, 1998. Level one certification students are required to demonstrate they can apply or communicate knowledge gained through the course. Feedback, from both students and instructors, has been positive.
- A review of equivalencies for certification was initiated in 1998-1999 and will be completed in 1999-2000. This review should result in a higher certification level for such credentials as non-Early Childhood Education, elementary route Bachelor of Education degrees as well as out-of-province credentials.
- A committee was established to review potential first aid trainers and determine the suitability of courses other than those offered by St. John Ambulance and Red Cross for acceptance under Day Care Licensing Policy.

Family Mediation and Court Services

Mediation Services

Mediation is a process that provides an opportunity for parents to work together to resolve custody, access, child support and other parenting issues that result when parents separate or divorce. In mediation, a trained mediator helps parents make decisions about parenting arrangements for their children.

In 1997-98, Alberta Justice and Alberta Family and Social Services began a joint project to expand mediation services across the province. In 1998-99, mediation services were provided to 780 families. Of these families, 66% reached a full agreement and another 20% reached a partial agreement.

Last year, the Edmonton Region and Calgary Rocky View Child and Family Services Authority undertook a pilot project on mediation in child protection matters. A broad range of issues were mediated including parent/teen conflicts, placement disputes, access, contested temporary guardianship, permanent guardianship and terms of agreements. More than 60 matters were mediated and an agreement was reached in approximately 80% of these matters.

Parenting After Separation Seminars

In adversarial divorce situations, children are often caught between their parents. Parenting After Separation Seminars is a six-hour course designed to teach parents about the impact of divorce on their children and to sensitize them to the reactions of their children. It provides information about the need to work cooperatively to achieve what is best for themselves and for their children. As a result, it reduces children's stress and saves court time and costs.

These seminars are jointly provided by Alberta Justice and Alberta Family and Social Services at eight locations in the province. In 1998-99, 205 seminars were presented and 7,503 people attended.

Office for the Prevention of Family Violence

The Office for the Prevention of Family Violence provides support and leadership in developing an effective, consistent approach to the problem of family violence in Alberta.

It provides support to service providers and the Calgary Rocky View Child and Family Services Authority, trains department staff and community members in the area of family violence prevention, and provides a resource to community groups and agencies in the areas of innovative programming, best practice and current research in family violence. In addition, the Office is responsible for the management and continuous improvement of the Women's Shelter Information System (WSIS), which supports the needs of the Ministry, Child and Family Services Authorities and service providers.

In 1998-99, the Women's Shelter Program admitted 4,923 women and 6,002 children to provincially funded women's shelter programs. In addition, these shelters managed

67,619 inquiries for information, referral, crisis intervention and other non-residential support services.

Last year, the Office again spearheaded the annual provincial Family Violence Prevention month campaign in November.

It also continued to assume a lead role in the implementation of the *Protection Against Family Violence Act*, serving as chair of the Interdepartmental Committee on Family Violence. Proclamation of the *Act* is scheduled for June 1, 1999. All implementation working group targets have been met.

New initiatives introduced during 1998-99 include the following:

- The Office assumed responsibility for distributing Fetal Alcohol Syndrome (FAS) materials on behalf the Provincial Co-ordinating Committee. It also serves as a member of the Provincial Co-ordinating Committee to support community training.
- It partnered with Human Resources Development Canada and Revenue Canada to address the safety issues of high-risk victims of family violence in Canada.
- The Office collaborated in the development and launch of the Tri-Provincial (Manitoba, Saskatchewan and Alberta) Research Centre on Family Violence and Violence Against Women.
- A data extract, to support Child and Family Services Authorities and department finance monitoring, inter-regional invoicing, and federal government cost sharing, was developed.

Services to Children and Families

During the 1998-99 fiscal year, the Ministry continued its implementation of a new community-based service delivery system for children and families across the province.

The remaining 17 Child and Family Services Authorities were appointed last year. Calgary Rocky View was appointed in December, 1997 and became operational in April, 1998.

Based on their approved regional service plans, the Authorities developed business plans setting out their goals, strategies and expected results for the next three years. CFSA business plans were developed in consultation with communities and local partners and focus on prevention and early intervention, improved services to Aboriginal people and integration of services. All Authorities completed their transitional business plans for the 1999-2000 – 2002 period.

Following approval of the business plans, the Ministry entered into an agreement for transfer of responsibility for delivery of services with 12 of 18 Authorities. Of the remaining six, three will be operational within the first quarter of 1999-2000 and the final three Authorities by the fall.

The Provincial Accountability Framework was completed to help guide and govern Child and Family Services Authorities. The Provincial Accountability Framework includes a governance framework, provincial standards, a business planning guide, protocols framework, statutory agreements, the funding allocation model, policies and procedures, and a monitoring and evaluation process.

As well, Inter-Authority Protocols were developed to ensure that Alberta's children, families and individuals have access to services they need regardless of where they live in Alberta.

The Ministry also completed the restructuring of department headquarters to better support the new community-based delivery system. The new structure will allow the Ministry to maintain its overall accountability for children and families and focus on establishing provincial policy and strategic direction, provision of funding, and monitoring and evaluation of services.

Early Intervention Program

The Early Intervention Program is designed to keep children healthy and safe within their families and communities, reduce the number of children needing protective services or mental health services, and prevent children from entering the young offender system. Intended for children and youth from 0-18 years of age, the Early Intervention Program helps communities reach out to children and families before crises occur.

During the 1998-99 fiscal year, 260 Early Intervention projects were funded by the Ministry. The Calgary Rocky View Child and Family Services Authority became operational last year and assumed responsibility for Early Intervention projects located in the Authority.

In addition, a central registry for all Early Intervention projects was developed. This registry, housed in the Children's Secretariat, contains a description of each project as well as its goals and outcomes to date.

Children's Advocate

The role of the Children's Advocate is to represent the rights, interests and viewpoints of young people who receive services under the *Child Welfare Act*. Young people typically seek the involvement of the advocate when they disagree with a decision made by a Child Welfare worker. The advocate may either help them effectively voice their concerns or speak on their behalf.

In addition, the Children's Advocate identifies gaps and barriers in Child Welfare services and advocates for improved services for children.

While the Children's Advocate is a component of the Child Welfare system, it functions independently and reports directly to the Minister. The Children's Advocate submits an annual report to the Minister regarding the work of the office.

Adult Services

Income and Employment Programs

Income and Employment Programs (I&EP) provide income support, health benefits and related services for those unable to provide for their own basic needs and assist people who are able to work to become independent through employment and training supports.

Supports For Independence

Supports For Independence (SFI) provides a basic level of income support to those people unable to provide for their own basic needs.

Clients are assigned to one of four categories:

- Supplement to earnings
- Employment and training support
- Transitional support
- Assured support

The program is income, need and asset tested.

Assured Income for the Severely Handicapped

The Assured Income for the Severely Handicapped (AISH) program provides a basic level of income to severely handicapped people.

Clients are assigned to one of two categories:

- Straight AISH
- Modified AISH

The program is income tested, but not asset tested.

Employment Initiatives

These programs and services, offered in conjunction with Alberta Advanced Education and Career Development, help existing welfare recipients to regain their independence. Services are currently directed to the three SFI categories (Employment and Training Support, Supplement to Earnings, Transitional Support) where clients are most likely to benefit from employment initiatives.

Homeless Shelters

This program provides a network of contracted resources for the provision of temporary shelter to homeless adults.

Alberta Child Health Benefit

The Alberta Child Health Benefit (ACHB) pays for basic medical services provided to children of low-income families: dental, prescription drugs, optical, ambulance services and essential diabetic supplies.

Widows' Pension

Widows' Pension provides a basic level of income to widows and widowers between the ages of 55 and 64 years who have limited financial resources. The program recipients are income tested, but not asset and need tested.

Family Maintenance

Family Maintenance negotiates child support agreements or obtains court orders for child support on behalf of families receiving benefits through provincial income support programs.

Fraud and Error Control

Fraud and Error Control investigates and prosecutes fraud and identifies potential recoveries through file closures, court-ordered restitution and compensation and recovery agreements. The Eligibility Review Officer (ERO) and Error Detection, Correction and Improvement (EDCI) staff review client files and verify client circumstances through home visits, contact with employers, landlords, banks, etc. These reviews produce cost savings through identification of overpayments due to administrative and client error.

Monthly average caseloads for the 1998-99 fiscal year were:

Supports For Independence (SFI)	32,538
Assured Income for the Severely Handicapped (AISH)	23,093
Employment Initiatives	13,032
Homeless Shelters	Contract with community agencies
Alberta Child Health Benefit (ACHB) (March 1999 caseload)	38,471
Widows' Pension	2,603

Initiatives launched last year include the following:

- The Alberta Child Health Benefit and the federal National Child Benefit (NCB) were introduced. Through the National Child Benefit, the Canada Child Tax Benefit was increased for low-income families, regardless of whether they were working or on welfare. This federal increase was offset by a reduction in provincial welfare benefits. All Ministers across Canada agreed the savings should be reinvested in new initiatives designed to support families and help them to stay independent.
- Alberta used the NCB savings to finance the new Alberta Child Health Benefit program, to increase Day Care subsidies and to increase SFI shelter rates. By providing children's income support benefits outside the welfare system, it is easier for families to leave social assistance for work and continue to meet their children's needs.

- Data matching with the Province of Ontario began.
- A Memorandum of Understanding was signed with Alberta Advanced Education and Career Development reflecting joint efforts to help social assistance recipients obtain training and employment supports.
- AISH and Assured Support proposals and a program redesign consultation were initiated. The proposals focus attention on ability, the removal of disincentives to employment and asset testing.

Program improvements were also introduced:

- SFI shelter rates for families with children were increased in February, 1999 to reflect higher accommodation costs. Utility rates were also increased in the summer of 1998.
- The ACHB program, created in August, 1998, was expanded to include essential diabetic supplies for children of low-income parents and the co-pay component was completely eliminated effective January, 1999. This new program provides 100% coverage of extended health benefits to children of low-income families.
- Income & Employment Programs significantly under expended its 1998-99 budget allocation because of the continued success of its employment initiatives. These savings, more than \$50 million, were transferred to the new Persons with Developmental Disabilities boards and Child and Family Services Authorities.

Persons with Developmental Disabilities boards

The Persons with Developmental Disabilities boards promote the inclusion of adults with developmental disabilities in community life and deliver services to persons with developmental disabilities through a community board structure.

Programs and services provided include Residential and Community Living Supports, Employment Training and Support Programs, Respite to Families and Community Inclusion Supports.

In 1998-99, the average monthly caseload was 7,723 individuals, an increase from 7,343 individuals in 1997-98. Funding also increased from \$246.3 million in 1997-98 to \$263.4 million in 1998-99.

Initiatives undertaken last year include the following:

- April 1, 1998 was the official date for full transfer of responsibility for service delivery to the PDD Provincial Board.
- All boards carried out consultations with local communities to ensure that individuals with developmental disabilities, their families/guardians and service

providers had an opportunity to identify issues and concerns faced by people with developmental disabilities.

- A satisfaction survey was sent to all parents/guardians and people receiving services to determine their satisfaction with services. Results indicate that families and guardians (88%) and people receiving services (92%) are satisfied with services received.
- New standards were approved by the Minister and endorsed by the PDD Board. "Creating Excellence Together," produced in partnership with the Alberta Association of Rehabilitation Centres, will be used to measure the quality of services offered through PDD boards starting in 1999.
- The PDD Foundation established a grant committee and is building a comprehensive fund development strategy.

Office of the Public Guardian

The Office of the Public Guardian ensures that appropriate surrogate decision-making mechanisms, supports and safeguards are available to assist adult Albertans who are unable to make personal decisions independently.

The Public Guardian has legislated authorities and responsibilities under the *Dependent Adults Act*, the *Personal Directives Act* and the *Mental Health Act*. Under the *Dependent Adults Act*, dependent adults have a legal guardian appointed to make personal, non-financial decisions for them. The Public Guardian's Office is responsible for the administration of the *Personal Directives Act* and has provided a number of information sessions about the *Act*. The *Personal Directives Act* allows a competent person to designate an agent to act on his/her behalf when the person is no longer competent. Section 28 of the *Mental Health Act* identifies the Public Guardian as a decision-maker of last resort for formal patients, who are incompetent and do not have a private guardian or agent appointed.

The Public Guardian's Office provides services to those adults for whom they have been named guardian as well as support services to people who wish to become or are private guardians. Information sessions are provided to a variety of community groups, health organizations and the general public.

In 1998-99, the number of orders increased by 220 and the number of cases increased by 355.

	97-98	98-99
Number of public orders	1,651	1,683
Number of private orders	8,889	9,067
Total	10,540	10,750
*Number of cases – public	2,083	2,149
*Number of cases – private	9,735	10,024
Total	11,818	12,173

*The number of cases includes investigations, open files and where orders do not yet exist.

Information about personal directives was provided in a number of ways last year:

Number of calls to operators and electronic call processing: 3,820

Number of presentations to stakeholder groups: 245

Total number of mental health cases: 38

Family and Community Support Services

Family and Community Support Services (FCSS) provides funding to municipalities and Metis settlements to support community-based preventive social programs and services. The program is cost shared between the Ministry (80%) and participating municipalities and Metis settlements (20%). The Ministry works in partnership with local governments and the FCSS Association of Alberta to continually improve the effectiveness of programs and services in resolving local, social needs and to minimize the administrative demands of the program.

In 1998-99, FCSS allocated more than \$36 million to 271 participating municipalities and Metis settlements, involving 96.2% of the province’s population. The Ministry continued to implement the directions of the FCSS program review report by establishing the recommended Program Advisory Team. The Ministry also supported a request from the Association to pilot an FCSS Resource Bank project to support local FCSS programs throughout the province.

Citizens’ Appeal Panels

A commitment to quality services and programs includes support to an appeal process, which allows people to refer benefit decisions to an independent Citizens’ Appeal Panel for adjudication. Appeal panels are located throughout the province. Their decisions are final and binding on the department.

Program	Panels	Appeals
Supports for Independence	30	1,598
Assured Income for the Severely Handicapped	30	618
Child Welfare	1	403
Dependent Adults	3	380
Day Care Licensing	1	1

Social Care Facilities Review Committee

The Social Care Facilities Review Committee visits care facilities that receive or are eligible to receive funding directly or indirectly from the province. Committee members hear from clients, their families and guardians as well as facility staff about their views on the quality of services.

In 1998-99, the Committee visited approximately 250 adult residential care facilities. Overall, clients and their families expressed satisfaction with the care provided in adult care facilities. A detailed report on the Committee's activities and findings will be available in a separate annual report.

Intergovernmental Relations

In November, 1998, Alberta assumed a one-year responsibility for coordinating work among all provincial/territorial Ministers of Social Services and with the federal government.

Significant progress has been achieved on national initiatives and their implementation within Alberta. The National Child Benefit, a partnership between all provinces/territories (except Quebec) and the federal government, was launched in July, 1998. It includes increased federal payments to low-income children and new provincial initiatives (Alberta Child Health Benefit and changes to day care subsidy). *In Unison*, a national vision to support programming for persons with disabilities, was released by federal/provincial/territorial Social Services Ministers in October, 1998. Considerable work was also undertaken to develop a National Children's Agenda.

Legislative Planning

Legislative Planning provides legal policy support and corporate legal services to the Ministry. It offers legal policy support, corporate legal services, legislative development and regulatory reform.

New initiatives introduced during the past year include:

- Development and passage of the *Protection of Children Involved in Prostitution Act*
- Development of 16 Ministry regulations
- Development of agreements transferring responsibility for child and family services to the Child and Family Services Authorities
- Development of legal alert protocols for Ministry
- Led the Ministry's regulatory reform initiative

In addition, ongoing collaboration with Justice on comprehensive reform of family law in Alberta continued.

Results Analysis

Deputy Minister's Message

Alberta Family and Social Services has continuously and consistently shown its commitment to developing strong and healthy Albertans. Front line staff are dedicated to helping individuals, children and families, and constantly work to find new and improved ways of delivering services that meet the needs of Albertans. Whether providing services, developing new programs and policies, ensuring performance targets are met or making programs more efficient, staff is our greatest resource. The Ministry's success can be credited to the 5,480 staff members working on its behalf during the 1998-99 fiscal year.

As part of the Ministry's efforts to address the discrepancy between wages paid to agency staff and those paid to department employees, agency staff were given a 5% salary increase in 1998-99. Government recognizes the efforts of agency staff and is working to narrow this gap.

Under new legislation, qualified social workers will be required to register with the Alberta Association of Registered Social Workers. Registration will assure Albertans that professional standards are followed and will recognize these individuals are highly skilled, competent professionals.

From a performance perspective, nearly all of the Ministry's targets were met or exceeded.

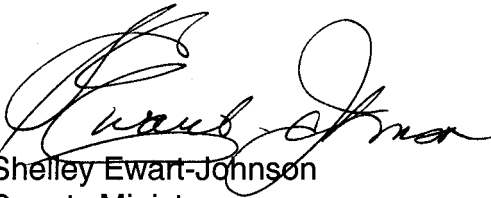
Financially, the Ministry worked to offset rising expenses, caused by increased demand for services and sterilization claims. In 1998-99, operating expenses exceeded the authorized budget by \$15.7 million. This deficit is the result of an accrual for potential sterilization claims.

Cost savings were achieved through greater efficiency such as the continued success of the Ministry's employment initiatives, which resulted in a cost saving of more than \$50 million. These funds were transferred to the new Persons with Developmental Disabilities boards and Child and Family Services Authorities.

Because responsibility for overseeing service delivery is being transferred from the department to 18 local Child and Family Services Authorities, the department's role has changed. Repositioning efforts began last year to align the department with its new mandate and to support the new community-based delivery system. Significant planning and development work occurred to ensure the successful transition of department staff and their roles and responsibilities. Three new divisions were proposed: Community Input and Research, Social Policy and Strategy, and Standards, Monitoring and Evaluation.

Then, in May 1999, the Alberta Government announced a government-wide reorganization designed to better meet the needs of Albertans. Alberta Family and Social Services' staff and services were subsequently dispersed among three Ministries.

In the coming year, these Ministries will rely upon staff to continue providing quality programs and services that effectively help and support Albertans.



Shelley Ewart-Johnson
Deputy Minister
Human Resources and Employment

REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDIT PROCEDURES TO KEY PERFORMANCE MEASURES

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Family and Social Services' key measures included in the *1998-99 Annual Report of the Ministry of Family and Social Services* as presented on pages 38 to 46.

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.
2. The calculations which converted source information into reported measures were tested.
3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found the following exceptions:

- Users have not been provided with a description of how the measures are derived or calculated, and the data sources are not disclosed.
- The current year performance information was not available for one measure, proportion of employment initiative graduates not receiving Supports for Independence benefits 12 months after graduation or placement. Therefore, for this measure, I was not able to complete the three procedures outlined above.

The above procedures completed for the remaining performance measures do not constitute an audit and therefore I express no opinion on the set of key measures included in the *1998-99 Annual Report of the Ministry of Family & Social Services*.

Original Signed by Peter Valentine
FCA
Auditor General

Edmonton, Alberta
August 13, 1999

Goals and Measures

Goals

The Ministry's goals are to:

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, and
- 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, and
- Make day care affordable to low-income families.

Performance Measures

The Ministry is committed to developing meaningful measures in all program areas. Many of the measures included in this report may change in the near future.

Ministry Performance Results Overview

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

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target	-	-	-	-	100%	100%	100%	100%
Result	97%	97.1%	98.4%	98.5%	98.4%	98%		

Percentage of day care centres meeting critical government standards

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target					90%	95%	100%	100%
Result	64%	76%	83%	80%	93%	95%		

Expected-to-work SFI clients per 1,000 working age population

(Number of clients per 1,000 working age population who are expected to work and are receiving benefits)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target					16	16	15	15
Result	33	22	19	16	13	11		

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

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target				70%	70%	70%	70%	70%
Result	70.9%	66%	69%	71.3%	Not available	70% estimate		

Duration of welfare for clients expected to work (in months)

(Reflects average length of time clients receive assistance)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target					8.0*	8.0*	8.0*	8.0*
Result	10.4	8.7	7.5	8.1	8.2			

Proportion of welfare cases remaining closed after 12 months (and received no assistance one year later)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target					60%**	60%**	60%**	60%**
Result	58.4%	61.8%	58%	60%	63.9%	61%		

Proportion of single-parent welfare cases with Child Support Orders or Agreements

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target					60%	62%	65%	65%
Result	49%	54.8%	57.6%	56.1%	61.4%	63.9%		

Percentage of PDD service providers with policies that meet Ministry Core Standards

This measure is based on reports from service providers as to whether or not they meet core standards. Results from external peer reviews indicate that self-reporting is not reliable as many service providers significantly overestimate how well their policies and practices meet the standards. This measure has been removed due to the unreliability of the results provided.

Percentage of PDD service providers who are in practice compliance with Ministry Core Standards (This measure changed from policy compliance to practice compliance.)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Target				80%	80%	85%	85%	90%
Result	Not Avail.	Not Avail.	77%	69%	46%	65%		

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

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

Ministry Performance Results By Measure

Performance Measure:

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

Goal:

To keep children safe.

Description:

It measures the success of the Ministry in meeting the safety and security needs of children while they are receiving services from Child Welfare.

Target and Actual Result:

Target 1998-99	100%
Actual 1998-99	98%

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Number of unique child protection cases*	14,642	15,104	16,070	18,386	20,491	21,810
Percentage of cases free from injury/neglect	97%	97.1%	98.4%	98.5%	98.4%	98%

*Unique cases refers to the number of individual children receiving child protective services during the fiscal year.

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Target 1999-2000
97%	97.1%	98.4%	98.5%	98.4%	98%	100%

Although it is the goal of Child Protection to keep children safe while receiving services, there will be circumstances where it is beyond the control of Child Welfare to keep children from being abused or neglected.

Every possible precaution is taken to ensure children receiving protection services are in a safe environment if at home or if they are placed in an out-of-home placement. Unfortunately, some children may be abused or neglected even though they appear to be in a safe environment.

Despite dealing with children coming from very difficult situations, the majority remain safe from abuse or neglect while receiving services. The percentage of children who remain safe from abuse or neglect while receiving child protection services has increased over several years.

**Performance Measure:
Percentage of day care centres meeting critical government standards.**

Goal:

Regulate and monitor day care providers to assure an acceptable standard of care.

Description:

This performance measure assesses the number of day care centres that meet government standards for staff/child ratios, supervision, staff qualifications, discipline and developmental needs.

Target and Actual Result:

Target 1998-99	95%
Actual 1998-99	95%

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Target 1999-2000
64%	76%	83%	80%	93%	95%	100%

The day care performance measure, which has been used for the past five years, represents a roll up of day care centre compliance to critical standards.

A new performance measurement for day care centres was developed in 1998-99. The new measure, which appears in the 1999-2000 business plan, will provide a more complete picture of day care performance by focusing on how day care centres are prioritized for monitoring based on past record of compliance with critical standards. This approach also provides information about the number of inspection visits made to day care facilities and demonstrates the effectiveness frequent monitoring strategies have upon moving programs toward significant improvements.

Performance Measure:
Expected-to-work clients per 1,000 working age population.

Goal:
 Help welfare clients to regain independence.

Description:
 This performance measure evaluates the number of clients — for every 1,000 Albertans of working age — who are receiving benefits, but expected to work.

Target and Actual Result:

Target 1998-99	16
Actual 1998-99	11

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Target 1999-2000
33	22	19	16	13	11	15

Note: This measure will be discontinued in future years as other measures better represent the goals of Income and Employment Programs.

**Performance Measure:
Proportion of Employment Initiative graduates not receiving SFI benefits 12 months after graduation or placement.**

Goal:
Help welfare clients to regain independence.

Description:
This performance measure assesses the number of individuals who, 12 months after completing a work experience, training or employment program, are not receiving welfare.

Target and Actual Result:

Target 1998-99	70%
Estimate 1998-99	70%

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	Estimate 1998-99	Target 1999-2000
70.9%	66%	69%	71.3%	*Not available	70%	70%

An estimate is provided because success is measured 12 months after the fiscal year end. As a result, the 1998-99 measure includes those clients who graduated or were placed during 1997-98.

Given the changing demographics of the welfare caseload, maintaining current performance levels will be a challenge.

The 1997-98 performance data has not been compiled as of this time.

**Performance Measure:
Duration of SFI benefits for clients expected to work in the Employment and Training Support category.**

Goal:
Help welfare clients to regain independence.

Description:
This performance measure provides information about the average length of time expected-to-work clients receive assistance.

Target and Actual Results:

Target 1998-99	
Actual 1998-99	12.5 months

Performance Overview:

1998-99
12.5 months

The previous measure used data from a specialized report. When this report was recoded, the underlying method of calculation changed. Because the Ministry no longer has access to archival data, it is unable to reproduce this information.

A new measure was created for the 1999-2000 business plan that focuses specifically on the Employment and Training Support caseload and provides more accurate data.

**Performance Measure:
Proportion of SFI cases remaining closed after 12 months.**

Goal:
Help welfare clients to regain independence.

Description:
This measure provides data on files remaining closed for a full year whether or not intervention took place. Final data is not available until after the end of the fiscal year.

Target and Actual Result:

Target 1998-99	60%**
Actual 1998-99	61%

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Target 1999-2000
58.4%	61.8%	58%	60%	63.9%	61%	60%**

** These targets are constant because of the rapidly changing nature of the labour market and increasing proportion of clients without appropriate job skills.

Performance Measure:
Proportion of single parent SFI files with child support orders or agreements.

Goal:
 Help welfare clients to regain independence.

Description:
 This performance measure assesses the number of single parent, welfare clients who receive financial support from the other parent.

Target and Actual Result:

Target 1998-99	62%
Actual 1998-99	63.9%

Performance Overview:

1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Target 1999-2000
49%	54.8%	57.6%	56.1%	61.4%	63.9%	65%

Once an order or agreement is in place, the Maintenance Enforcement Program (MEP) can take action to collect maintenance. Alberta Justice reports the success rate of MEP.

Performance Measure:**Percentage of service providers serving persons with developmental disabilities with policies that meet Ministry Core Standards.****Goal:**

Ensure the basic services needed by persons with developmental disabilities are provided so that they can live and participate in the communities of their choice.

Description:

This performance measure evaluates service providers' self-reported compliance with basic standards for physical safety, service planning and program monitoring.

This measure is based on reports from service providers as to whether or not they meet core standards. Results from external peer reviews indicate that self-reporting is not reliable as many service providers significantly overestimate how well their policies and practices meet the standards.

This measure has been removed due to the unreliability of the results provided.

Performance Measure:

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

Goal:

Ensure the basic services needed by persons with developmental disabilities are provided so that they can live and participate in the communities of their choice.

Description:

This performance measure is defined as the percentage of service providers who have been evaluated as meeting 70% or more of the Ministry Core Standards, as measured by an external peer review process.

Target and Actual Results:

Target 1998-99	85%
Actual 1998-99	65%

Performance Overview:

1993- 94	1994-95	1995-96	1996-97	1997-98*	1998-99	Target 1999-2000
Not Available	Not Available	77%	69%	46%	65%	85%

* In 1997, the review process changed from voluntary to mandatory, which significantly impacted the results obtained.

Action plans are put in place with each provider not complying with standards to develop the necessary policies and processes to become compliant with required standards. These plans are monitored on a regular basis to ensure movement toward compliance with Ministry Core Standards.

New program standards, "Creating Excellence Together," were approved in February 1999. These standards include measures on quality of life as well as quality processes. A new baseline and targets will need to be established for this measure in 1999-2000 and 2000-2001.

Discussion of Financial Results/Performance

Results of Operations

Consolidated revenues in 1998-99 were \$407 million, almost \$25 million higher than the previous year. When comparing the consolidated expenses of \$1.42 billion for 1998-99, to that of 1997-98, there is a reduction of \$0.7 million in spending from the previous year. However, spending in 1998-99 exceeded the authorized budget by \$15.7 million as later explained. The authorized budget includes Supplementary Estimates and previous year encumbrances as shown in Schedule 5 on page 70.

Revenues

Consolidated revenues increased by 6.5% or \$24.8 million over the previous year. An increase in transfer payments from the Government of Canada, primarily in relation to the Canada Health and Social Transfer and services to On-Reserve Status Indians, accounts for the increase.

Expenses

An amount of \$58.9 million was included in 1997-98 expenses for potential sterilization claims which reduced the 1998-99 Budget. Similarly, in 1998-99, a further provision for potential claims of \$18.7 million was made. The 1998-99 deficit of \$15.7 million is the direct result of an accrual for the above noted potential sterilization claims. The following comments provide a high level discussion of the significant expenditure variances of the Ministry's programs.

Comparison of 1998-99 Budget to Actuals

When comparing the 1998-99 authorized budget and actual results, the Ministry Support Services incurred a deficit of \$8.1 million. Information technology costs relating to Y2K readiness, computer purchases and the creation of a technical environment for Child and Family Services Authorities accounted for almost \$4 million of the deficit. Additional costs associated with the Imagis financial and human resource systems accounted for a further \$2.5 million. Increased legal costs, as a result of court challenges and personnel-related matters, were other significant contributors.

Income Support to Individuals and Families reduced spending resulted in a surplus of \$44.9 million. A surplus of \$31.2 million was achieved in the Support to Independence program primarily as a result of a lower monthly average caseload, which decreased by almost 3,500. Lower caseloads also resulted in less than expected utilization of the Alberta Community Employment Program and other employment initiative activities resulting in a surplus of \$24 million. The balance of the surplus was due to lower than expected utilization of the Child Health Benefits program, which provides health benefits for children of low-income families. These savings allowed the Ministry to invest more in other programs such as the Assured Income for the Severely Handicapped (AISH) and

Child Welfare. An increase in the average AISH caseload of almost 1,100 cases resulted in a deficit of \$14.5 million.

Services for Children and Families incurred a deficit of \$29.4 million primarily due to increased Child Welfare and Handicapped Children's Services caseloads and costs per case. Increased access to the Child Care Subsidy program and implementation costs associated with Child and Families Services Authorities also required additional funding.

In 1998-99, the management of services for persons with developmental disabilities was transferred to the Persons with Developmental Disabilities community-based delivery system. Of the \$23.5 million deficit, \$18.7 million relates to a provision for sexual sterilization claims, which is a government cost that should not be attributed to the boards. The balance of the deficit is mainly due to increased caseloads. The Department also provided the Persons with Developmental Disabilities Foundation with a \$2.5 million endowment fund.

Comparison of 1998-99 and 1997-98 Actuals

Ministry Support Services expenditures increased by \$8.3 million. Included in this increase are information technology related costs, including Imagis system costs of \$4.6 million. Contracted services associated with the implementation of the new Child and Family Services Authorities and legal counselling costs primarily contributed to the balance of the increase.

Expenditures for Income Support to Individuals and Families were lower by \$24.6 million. The continued success of welfare reforms resulted in a decrease in the average Supports for Independence caseload from 36,210 to 32,538. An increase in the Assured Support for the Severely Handicapped average caseload from 21,529 to 23,093 was funded by lower Supports for Independence caseloads and reduced expenditures for the Alberta Community Employment program and other employment-related initiatives.

Services for Children and Families expenditures increased by \$21.2 million. More funding for Child Welfare and Handicapped Children's Services caseloads and cost per case increases account for \$18.3 million of the increased expenditure. The balance of the increase is due to greater access to the Child Care Subsidy program.

Expenditures for Persons with Developmental Disabilities decreased by \$10.4 million. Reduced accrued costs for sexual sterilization claims partially offset by higher legal costs resulted in lower expenditures of \$28.2 million. Increased funding for the Individualized Funding Program and contracted agency payments cost \$17.8 million.

Family and Community Support Services expenditures increased by \$4.8 million as part of an overall program redesign.

Future Challenges

On May 25, 1999, the Government of Alberta embarked on a new direction that focuses its priorities on people development. As a result, the reorganization of government departments creates new connections among key programs, which allows them to be more effective in supporting Albertans.

Programs and services from Alberta Family and Social Services were realigned to form an integral part of the new Ministries of Human Resources and Employment, Children's Services and Health and Wellness. The realignment of these programs and services helps ensure Alberta's families are equipped with the information, skills and training they need to live and work in a competitive and ever-changing economy. It also reaffirms our ongoing commitment to Alberta's children — ensuring they grow up healthy and safe and are provided every advantage they need to succeed.

The remainder of the 1999 fiscal year provides opportunities to look at new ways of delivering programs and services that enhance the quality of life for all Albertans.