

# GOVERNMENT BUSINESS PLAN

## THE 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.”

Alberta **2003** Budget

**Making Alberta Even Better**

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# Government of Alberta Business Plan 2003-06

## Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future

Ten years ago, the Alberta government set a course for a new future. Over those ten years, Albertans and their government together have brought in an era of enviable growth and unmatched prosperity. Making great strides toward achieving our 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", *Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future* renews and refreshes that vision for the next ten years. Building on Alberta's strengths and its successes over the last decade, it is a renewed vision for the promise of our next decade.

### **PROMISES KEPT, MISSION ACCOMPLISHED**

In 1993 Albertans faced some tough choices. The economy was not performing to potential and the government was spending more than it could afford. Red tape and regulations were hurting business and government had become too big. Albertans told their government to take action and their government listened. Alberta's government is now more open, transparent, accessible and accountable than ever before.

Enormous achievements have been realized. Deficits are a thing of the past and the debt is almost eliminated. The economy has grown strongly and steadily. Alberta's outstanding economic growth has created over 375,000 new jobs in just ten years. Regulations have been streamlined and government has become more effective, efficient, adaptable and value driven. Personal and business taxes are lower. Important changes have been made to the way we organize and structure our health system. The *Mazankowski Report* has provided a blueprint to continue strengthening and ensuring the sustainability of our system, and to create a strong foundation for the challenges of the future. The Learning Commission will examine the

fundamentals of our learning system and will assist us to build on a similar strong foundation in education.

But perhaps the most significant achievement of the past decade is the change in how Albertans and their government work together. Individuals and communities now want and expect to be full participants in governing the province. Public participation in future shaping events such as the *Growth Summit* and the *Future Summit* has brought government closer to the people and has empowered individuals to become part of their own future while government is asked to ensure the infrastructure is there to enable them to succeed. The Government of Alberta has forged partnerships with communities to find local solutions to important issues. From consultation in every policy or legislative change, to community engagement in program areas from Fetal Alcohol Syndrome prevention to community justice committees to economic development authorities and tourism councils, the door has been opened to individual and community participation. We now expect community governance as a normal operating procedure, not a special event.

Albertans' accomplishments have set the stage for the next decade. The global environment is challenging and chaotic. Success requires a strong foundation, a clear sense of values and a strength of purpose. We can't stand still. We must recognize and build on the accomplishments of the last decade; not rest on them. Respecting the ongoing need for the sound fiscal policies which got us to where we are today, *Today's Advantage, Tomorrow's Promise* works to achieve our vision that Alberta is a place where all Albertans can realize their full potential, where we are stewards of Alberta's natural beauty and resources, and where sustained economic growth leads to continued prosperity and realized opportunity.

## KEEPING ALBERTANS' VALUES IN MIND

Central to the government's vision for the future, are the values this province has been built on. Past successes were achieved as a result of these values - and future successes will be achieved with these values in mind.

At the core of our vision is Albertans' desire for the freedom to control their own lives and their rejection of unnecessary rules or red tape. Albertans have always had a strong belief in the freedom to pursue personal success. Albertans recognize that their right to self-determination is balanced by their responsibility to their family and to the greater community.

Albertans also have a pioneering, entrepreneurial spirit and a willingness to take risks and embrace new technologies. Our vision is built on Albertans' desire to take advantage of these new opportunities and to maximize their personal achievements and potential.

Equally important is Albertans' desire for strong leadership - strong leaders that listen to Albertans and create an environment where individual Albertans have the opportunity to achieve their goals - strong leaders who will forge directions,

make decisions and take action to protect our high quality of life and reflect our independent spirit.

## TAKING THE NEXT STEP

Achieving the new vision will require effort from all of us. Individuals, communities, non-profit organizations and businesses all have an important role to play. So does the Alberta government.

Leadership in government provides the framework through economic, social and regulatory policies - and in partnership with other levels of government, communities, business, industry and not-for-profit sectors - they together create the environment for all to flourish. Leadership requires promoting Alberta's interests and securing benefits for Albertans as an equal partner in a strong, united Canada.

Albertans have defined the role their government should play in creating the best possible future for the province. Government's role is to create an environment that allows people to freely take advantage of opportunities. Government's role is to ensure the right infrastructure is in place for Albertans to make their own opportunities. Government's role is to provide Albertans with an opportunity to acquire the knowledge they need to identify and participate in future opportunities. And government's role is assurance - that Albertans have safe water, air, land and food and have access to quality health care.

The vision within *Today's Advantage, Tomorrow's Promise* is centred on people, preservation and prosperity.

**People** are at the core of the Alberta Advantage that is envied around the world. As our best resource, Albertans will realize their potential and be confident about the future. This requires hope, personal and community resourcefulness to meet challenges, and support where needed. It requires valuing the diverse gifts that all

Albertans bring to their communities, whether building economic strength or contributing to making the community a vibrant, safe and healthy place to live. This requires valuing the healthy development of all people, to achieve their highest potential.

The government will promote this success by making sure Alberta's children get the best possible start in life and by ensuring Albertans have the capacity to educate themselves as well as the freedom to create innovative and entrepreneurial opportunities. Individuals make and must be responsible for choices which impact their own health and the health of others, but influencing some of the factors that lead to healthy human development requires our common action. We need to ensure that quality health care is there when people need it.

Albertans are caring and compassionate and have concern for their fellow citizens. Albertans will always ensure that essential services are there for those of us in need to enable each of us to be the best that we can be.

**Preservation** means maintaining an environment that is unsurpassed in the world. In balance with sustainable economic growth, Albertans value the preservation of our clean, healthy, natural environment where the majestic beauty of Alberta is protected for future generations to enjoy.

Through careful stewardship, the Alberta government will manage these resources in a sustainable manner, maintain our system of parks and protected lands, and ensure clean air, land, rivers and lakes.

**Prosperity** is essential to maintaining and improving Albertans' overall quality of life. Unmatched, sustainable overall economic growth is a cornerstone of realizing the province's full potential.

*Today's Advantage, Tomorrow's Promise* is a vision to ensure economic growth that is unmatched in Canada, North America and around the world. It is a vision that ensures individual Albertans will have the chance to work or seize an opportunity.

The base for this growth will be achieved through sound management that enables the sustainable development of our natural resource based economy. Along with individual Albertans and Alberta businesses, the Alberta government has a role in creating an attractive tax, fiscal and regulatory climate that stimulates all sectors of our economy and makes new, innovative business possible. And the government will also target areas of emerging excellence by placing an emphasis on research and development in health, energy, climate change, and value added agriculture and resource development.

Ultimately, although financial well-being is the anchor of prosperity, other dimensions of family, social, spiritual and physical well-being are essential to fulfill human aspirations and are the true measure of our prosperity as Albertans.

## **ACHIEVING THE VISION**

*Today's Advantage, Tomorrow's Promise* is based on ensuring that people grow and develop into vibrant, confident individuals, families and communities that achieve their full potential. This is achieved through four key directions - unleashing innovation, leading in learning, competing in a global marketplace, and making Alberta the best place to live, work and visit.

**Unleashing innovation** focuses on becoming a world leader in innovation, research, development and commercialization of new ideas. This applies both to our existing strengths in energy, agriculture and forestry as well as new businesses that create wealth by commercializing new technologies, creating new products, and adding value at home for export abroad.

**Leading in learning** requires making sure Albertans have the opportunities they need to learn, adapt and develop new knowledge and new skills. This means making certain our educational opportunities are second to none and our children have the chance to get a healthy start in life. It requires our support of opportunities for lifelong learning developing both skills and knowledge.

**Competing in a global marketplace** is creating a business and investment environment that is recognized around the world as an excellent place to do business. It requires setting policies that allow Albertans to compete and succeed in a global marketplace. It means competing for our share of the growing global market for manufactured goods and business services, welcoming visitors both as tourists within a clean and sustainable industry, and as potential citizens interested in investment and living opportunities. Albertans, with heritage from all parts of the world, live in harmony in a cosmopolitan society setting an example for the world and providing a key advantage in global relations and trade.

**Making Alberta the best place to live, work and visit** is where these strategies translate into a superior quality of life for Albertans. Making Alberta the best place to live, work and visit means attracting people to live in Alberta because it provides an environment in which they can contribute their talents and create a quality of life that meets their dreams. It means maintaining strong and viable rural and urban communities, protecting wildlife and parks, and promoting the diversity and excitement of Alberta's cultural, arts and recreational opportunities. It means promoting safety and ensuring Albertans' security. Above all, it means making certain we are able to raise our children in a safe and healthy environment.

*Today's Advantage, Tomorrow's Promise* is the Alberta government's vision of an Alberta from Albertans - a vision designed by listening to Albertans. It is a vision of unmatched economic

prosperity. It is a vision about unleashing the talents of individual Albertans. It is a vision about maintaining a clean and healthy environment. And it is a vision where all of these combine to create an exceptional quality of life. It is a vision for the future. It is a vision of hope.

# Goals, Strategies, Measures and Targets

This section of the government business plan outlines the goals, key strategies, measures and targets for each of the three core businesses: *People, Prosperity and Preservation*. The goals chosen for each of the core businesses reflect the government's priorities for protecting the quality of life in Alberta, while maintaining a commitment to fiscal responsibility. Key strategies have been set out for achieving these goals along with performance targets and measures for tracking progress. More detail about how the government intends to achieve these goals is included in the business plans of individual ministries.

## SUMMARY OF GOALS, MEASURES AND TARGETS

core business *People ...*

### GOAL ONE **1** Albertans will be healthy

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**Life Expectancy at Birth** - Male/Female life expectancy at birth to be among the top 10 countries in the world.

**High Birth Weight (First Nations)** - Percentage of newborns greater than 4500 grams per hundred hospital births. Targets to be determined.

**Self-Reported Health Status** - By 2004, 90% of Albertans age 18-64 rate their health as "excellent", "very good" or "good"; and 80% of Albertans age 65 years and over rate their health as "excellent", "very good" or "good".

**Ease of Access to Physician and Hospital Services** - By 2004, 85% of Albertans have "easy" or "very easy" access to physician services, and 75% of Albertans have "easy" or "very easy" access to hospital services.

**Overall Quality of Health Care** - By 2004, 90% of Albertans rate overall quality of care as "excellent" or "good".

**Participation in Healthy Behaviour** - By 2012, 82% of Albertans do not smoke; 62% exercise regularly; and 55% have an acceptable weight.

**Physical Condition of Health Facilities** - 93% of health facilities rate as acceptable ("fair" or "good") condition in 2003-04, 94% in 2004-05 and 2005-06.

### GOAL TWO **2** Albertans will be well prepared for lifelong learning and work

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**Educational Attainment of Albertans age 25-34** - 90% of Albertans complete high school in 2003-04, 2004-05 and 2005-06. 60% complete post-secondary in 2003-04, 62% for 2004-05 and 2005-06.

**Achievement of Aboriginal Students Grades 3, 6 and 9** - 58% of students write and achieve the acceptable standard on provincial achievement tests in language arts, mathematics, science and social studies (aggregate results for all subjects and grades) in 2003-04. Targets to be determined for 2004-05 and 2005-06.

**Literacy and Numeracy Grade 9** - 80% of students achieve the acceptable standard on provincial achievement tests for language arts and 67% in mathematics in 2003-04; 81% for language arts and 68% in mathematics in 2004-05; and 81% for language arts and 69% in mathematics in 2005-06.

**Skill Development** - Employer satisfaction with recent graduates' skills and quality of work (includes high school and post-secondary graduates). Targets to be determined.

**Lifelong Learning** - Public satisfaction that Albertans have easy access to lifelong learning. Targets to be determined.

**Adult Participation in Learning** - 32% of Albertans participate in credit and non-credit courses in 2003-04. Targets to be determined for 2004-05 and 2005-06.

**Physical Condition of Educational Institutions** - 93% of schools and 91% of post-secondary institutions rate as acceptable ("fair" or "good") condition in 2003-04; 95% of schools and 91% of post-secondary institutions in 2004-05 and 2005-06.

## 3

**Alberta's children will be supported in reaching their potential**

**Well-being of Children** - Children living in families with incomes at or above the Market Basket Measure (MBM) low-income threshold. Targets to be determined.

**Child Care Centres** - Percentage of child care centres that provide a developmentally appropriate environment for children. 5% over 2002-03 results in 2003-04; 10% over 2002-03 results in 2004-05; and 25% over 2002-03 results in 2005-06.

**Children in Care** - Children in care per 1,000 child population. Target to be determined once baseline is established in 2004-05; and equal to or better than national average in 2005-06.

## 4

**Albertans will be self-reliant and those unable to provide for their basic needs will receive help**

**Economic Status of Albertans** - Proportion of Albertans living at or above the Market Basket Measure (MBM) low-income threshold. Targets to be determined.

**Persons with Developmental Disabilities (PDD) Funded Services** - 91% of families/guardians of persons with developmental disabilities satisfied with PDD-funded services in 2003-04, 2004-05 and 2005-06.

**Alberta Seniors Benefit** - Percentage of seniors provided with the opportunity to apply for Alberta Seniors Benefit. Targets to be determined.

**Community Plans in Place** - Percentage of communities within the province that have plans for responding to the housing needs of their citizens. Targets to be determined.

**Effectiveness of Community Plans** - Effectiveness of community plans in developing low-cost housing to respond to community housing needs. Targets to be determined.

## 5

**Aboriginal communities in Alberta will be effective and self-reliant**

**Participation in the Economy** - Reduce the difference in the participation rates of Aboriginal people and non-Aboriginal people in the economy. Targets to be determined.

**Source of Income** - Reduce the difference in the proportion of income received from government transfers by Aboriginal people compared to non-Aboriginal people. Targets to be determined.

**Source of Income (Metis Settlements)** - Reduce the percentage of income received from government transfers by Metis Settlement residents. Targets to be determined.

**Self-Generated Revenue (Metis Settlements)** - Percentage of self-generated revenue. Targets to be determined once baseline is established.

core business *Prosperity ...*

## 6

**Alberta will have an effective, responsive and well-managed local government sector**

**Albertans' Satisfaction with their Local Governments** - 75% of Albertans satisfied in 2003-04, 2004-05 and 2005-06.

**Municipal Financial Accountability** - 95% of municipalities meet the criteria of financial accountability in 2003-04 and 97% in 2004-05 and 2005-06.

**Local Authorities' Cost of Borrowing from Alberta Capital Finance Authority** - Borrowing costs of local authorities lowest among Canadian municipalities in 2003-04, 2004-05 and 2005-06.

**Local Authorities' Satisfaction with Alberta Capital Finance Authority** - 85% of local authorities satisfied with lending policies and efficiency in 2003-04 and 2005-06 (biennial survey).



## Alberta will have a prosperous economy

**Gross Domestic Product (GDP)** - Three-year average annual growth rate in current dollars of 4% for 2003-04, 2004-05 and 2005-06.

**Job Growth** - 240,000 net jobs created between January 2000 and December 2005, on an annual average basis.

**Alberta's Labour Productivity** - Highest among the provinces in 2003-04, 2004-05 and 2005-06 measured by real GDP dollars per hour worked.

**Business Innovation** - Percentage of Alberta households that use the Internet at work among the top three provinces for 2003-04, 2004-05 and 2005-06.

### Sponsored Research at Alberta

**Universities** - Sponsored research from all sources at \$460 million by 2003-04, \$492 million by 2004-05 and \$525 million by 2005-06.

**Value-Added Industries** - Percentage of real GDP contributed by manufacturing and knowledge-intensive industries greater than the 30.7% achieved during 2000 in 2003-04 and increasing further in 2004-05 and 2005-06.

**Export Trade** - International value-added exports including manufactured goods, tourism and other services, measured in current dollars, at \$22.7 billion by 2003-04, \$24.7 billion by 2004-05 and \$26.9 billion by 2005-06.

**Personal Disposable Income per Capita** - Among the top two provinces in 2003-04, 2004-05 and 2005-06.

**Barriers to Trade** - Long-term resolution to softwood lumber dispute by December 31, 2005.

## Alberta will have effective and efficient transportation and utilities infrastructure

**Level of Service for the National Highway System under Provincial Jurisdiction** - 99% at "Level of Service C" or better (traffic flow is not severely restricted) in 2003-04, 2004-05 and 2005-06.

**Physical Condition of Provincial Highways** - 86.5% have acceptable ("fair" or "good") physical condition of pavement in 2003-04, 85% in 2004-05 and 83.5% in 2005-06.

### Functional Adequacy of Provincial Highways

Acceptable functional adequacy with respect to road width, geometric design of the roadway, surface type and ability to carry legal highway loads, at 80% in 2003-04, 79% in 2004-05 and 78% in 2005-06.

**North-South Trade Corridor** - 81% of four-laning open to travel in 2003-04, 82% in 2004-05 and 86% in 2005-06.

### Physical Condition of Water Management Infrastructure (headworks, dams and irrigation canals)

- 96% in acceptable ("fair" or "good") condition in 2003-04, 2004-05 and 2005-06.

**SuperNet Completion** - Available to 356 communities in 2003-04 and 422 in 2004-05.

## Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

**Intergovernmental Relations** - Public approval rating in federal-provincial relations at least at the average of the four nearest provinces in 2003-04, 2004-05 and 2005-06.

**Provincial Credit Rating** - AAA blended credit rating for domestic debt in 2003-04, 2004-05 and 2005-06.

**Alberta Sustainability Fund** - Assets of \$2.5 billion in 2003-04, 2004-05 and 2005-06.

**Accumulated Debt (less cash set aside for future debt repayment)** - \$4.8 billion in 2003-04, 2004-05 and 2005-06.

**Tax Load** - Total provincial and municipal tax load lowest among the provinces in 2003-04, 2004-05 and 2005-06.

**Government Financial Accountability** - Percentage of Albertans who think they get enough information on the government's financial performance. Targets to be determined once baseline is established.

### Physical Condition of Government Owned and Operated Buildings (over 1,000 m<sup>2</sup>)

- 97% in acceptable ("fair" or "good") condition in 2003-04, 2004-05 and 2005-06.

GOAL TEN **10**

**Alberta will be a fair and safe place to work, live and raise families**

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**Workplace Lost-Time Claim Rate** - Number of lost-time claims per 100 person-years worked will be 2.5 or lower by 2003-04, and 2.0 or lower for 2004-05 and 2005-06.

**Effectiveness of Human Rights Protection** - Adult Albertans' perception of the effectiveness of human rights protection in Alberta will be at least 85% for 2003-04, 2004-05 and 2005-06.

**Violent Crime Rate** - Alberta's violent crime rate per 100,000 population will be the lowest of the four western provinces.

**Property Crime Rate** - Alberta's property crime rate per 100,000 population will be the lowest of the four western provinces.

**Perception of Safety in the Neighbourhood** - Percentage of Albertans who feel "somewhat comfortable" to "very comfortable" walking alone in their neighbourhoods at night will be at least 82% for 2003-04, 2004-05 and 2005-06.

**Work Stoppages** - Percentage of collective bargaining agreements settled without a work stoppage will be at least 98% for 2003-04, 2004-05 and 2005-06.

**Involvement of Drinking Drivers in Fatal Collisions** - Percentage of fatal collisions involving drinking drivers will be 20.1% or lower for 2003-04, and 20.0% or lower for 2004-05 and 2005-06.

**Mechanical Safety of Commercial Vehicles** - Percentage of inspected vehicles requiring the attention of a mechanic will be 5.0% or lower for 2003-04, 2004-05 and 2005-06.

**Uniform Securities Act** - Legislation for a *Uniform Securities Act* will be in place by June 30, 2004.

GOAL ELEVEN **11**

**The high quality of Alberta's environment will be sustained**

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**Surface Water Quality Index** - Index of four groups of water quality variables downstream of developed areas will be in line with upstream conditions, while maintaining overall water quality for 2003-04, 2004-05 and 2005-06.

**Drinking Water Quality Indicator** - Maintain a safe supply of potable water for the population served by waterworks systems approved by Alberta Environment for 2003-04, 2004-05 and 2005-06.

**Greenhouse Gas Emissions Intensity Indicator** - Cut the greenhouse gas emissions intensity of the Alberta economy in half by 2020 relative to 1990 levels.

**Air Quality Index** - Maintain "good" air quality days equal to or greater than 97% of the time, with no "poor" days for 2003-04, 2004-05 and 2005-06.

**Biodiversity Monitoring System** - Biodiversity monitoring system designed and tested by 2006.

**Municipal Solid Waste to Landfills** - Reduce municipal solid waste disposal to landfills to 0.5 tonnes per capita by 2010.

**Wildfire Prevention** - Number of human-caused fires within Alberta's forest protection area will be less than 300 for 2003-04, 2004-05 and 2005-06.

GOAL TWELVE **12**

**Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas**

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**Level of Community Volunteerism** - At least 73% of adult Albertans volunteering in their community for 2003-04, 2004-05 and 2005-06.

**Participation in Arts and Cultural Activities** - At least 90% of adult Albertans participating in arts and cultural activities for 2003-04, 2004-05 and 2005-06.

**Film Production Employment Opportunities** - At least 2,400 film production employment opportunities for Albertans as a result of support provided by the Alberta Film Development Program in 2003-04, 2004-05 and 2005-06.

**Sport and Recreation Participation** - At least 88% of adult Albertans participating in sport and recreational activities for 2003-04, 2004-05 and 2005-06.

**Public Library Use** - At least 54% of adult Albertans use public library services for 2003-04, 2004-05 and 2005-06.

**Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres** - At least 98% of visitors satisfied with historic sites, museums and interpretive centres for 2003-04, 2004-05 and 2005-06.

**Visitor Satisfaction with Provincial Parks and Recreation Areas** - Percentage of visitors satisfied with provincial parks and recreation areas. Targets to be determined.

core business *People ...*

The goals for the *People* core business are directed at improving the quality of life in Alberta for individuals and their families through the government's priorities for health, education, our children, those in need and Aboriginal Albertans.

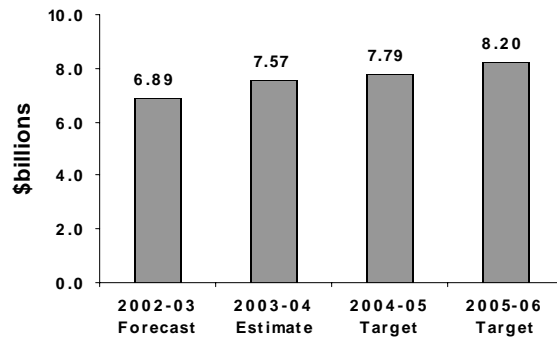
GOAL ONE  
**1**

**Albertans will be healthy**

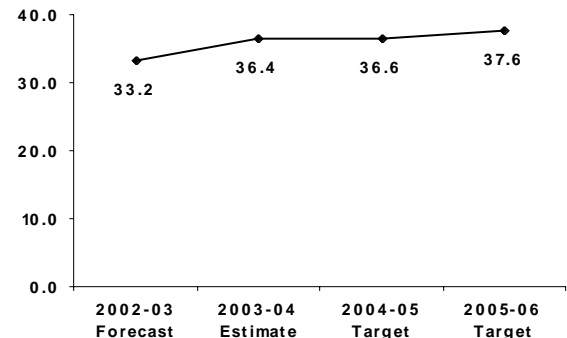
**What it means** Albertans are encouraged to realize their full health potential through prudent lifestyle choices. The province contributes to the health of Albertans through accessible, high quality health and wellness services and by monitoring the condition of existing facilities. The province provides operating and capital funding to the Regional Health Authorities throughout the province. The benefits of a healthy environment and an individual's socio-economic status also contribute to the well-being of Albertans.

**Link to fiscal plan** This goal links to the Health function of the government's Fiscal Plan, which includes spending of the following ministries: Health and Wellness and Infrastructure.

**Health Function Expense**



**Percent of Total Expenses**



**Strategies**

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative, Economic Development Strategy and Health Sustainability Initiative. See pages 42-45.
- Implement Government directions emerging from the Premier's Advisory Council on Health in accordance with the timelines and milestones publicly reported by the Health Reform Implementation Team.
- Provide Albertans with access to services when and where they are needed by identifying and posting appropriate wait times for selected services; and implementing centralized booking and other measures.
- Implement new models of care, with a particular emphasis on primary health care including: Health Link and alternate payment and funding plans for physician services.
- Enable Albertans to 'age in place' with improved access to appropriate and sustainable long-term/continuing care.
- Provide a supportive environment to enable Albertans to stay healthy and make appropriate and responsible use of health services. In addition to timely and easy public access to health information, implement the following key components of that environment: Healthy Alberta Promotion and Prevention Policy Framework; Tobacco Reduction Strategy; Diabetes Strategy; and the Provincial Cervical and Breast Cancer Screening program.
- Develop and implement an integrated information system, specifically the province-wide use of electronic health records, to support and improve clinical and management decision-making and to support research.
- Pursue sustainability for a public system for health through the integrated application of strategies including: transition to 9 consolidated regional health authorities; integration of mental health services

GOAL ONE **1**

**Albertans will be healthy**

into the regions; establishment of multi-year performance contracts for health authorities; and strengthened collaboration and co-ordination among government ministries on health-related issues.

- Provide Albertans with effective and efficient health facilities by working with health authorities to meet growth needs for new facilities including alternative financing arrangements such as public-private partnerships and the effective preservation of existing infrastructure.
- Enhance health research and development capacity in Alberta through capital projects such as the Health Research Innovation Centres at the Universities of Calgary and Alberta, the Cardiac Centre of Excellence in Edmonton, the Bone and Joint Centre of Excellence in Calgary, and the new Alberta Children's Hospital in Calgary.

**Measures**

	Last Actual Results	Year	Target 2003-04	Target 2004-05	Target 2005-06
<b>Life Expectancy at Birth</b>					
Years of life for females (international rank).	82.0 (7 <sup>th</sup> )	2000	Life expectancy at birth to be among the top 10 countries in the world.		
Years of life for males (international rank).	77.1 (3 <sup>rd</sup> )	2000			
<b>High Birth Weight – First Nations</b>					
Percentage of newborns per hundred hospital births (greater than 4500 gms).	3.7%	2000-01	To be determined		
<b>Self-Reported Health Status</b>					
Rating as “excellent”, “very good” or “good” (18-64 years).	88%	2002	90% by 2004		
Rating as “excellent”, “very good” or “good” (65 years and over).	78%	2002	80% by 2004		
<b>Ease of Access to Services</b>					
Rating as “easy” or “very easy”.					
Physician Services	84%	2002	85% by 2004		
Hospital Services	73%	2002	75% by 2004		
<b>Overall Quality of Health Care Received</b>					
Rating as “excellent” or “good”.	86%	2002	90% by 2004		
<b>Participation in Healthy Behavior</b>					
Do Not Smoke	72%	2000-01	82% by 2012*		
Exercise Regularly	52%	2000-01	62% by 2012*		
Acceptable Weight	47%	2000-01	55% by 2012*		
*Interim targets to be determined					
<b>Physical Condition of Health Facilities*</b>					
Percentage in acceptable (“fair” or “good”) condition.	92%	2001-02	93%	94%	94%

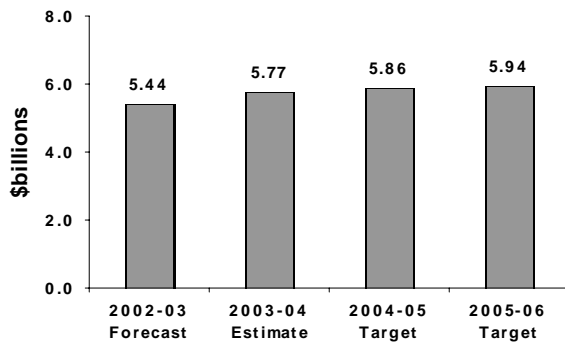
\* “Good” is defined as adequate for intended use and expected to provide continued service life with average maintenance. “Fair” means components are aging and nearing the end of their life cycle requiring additional expenditures for renewal or refurbishing.

**Albertans will be well prepared for lifelong learning and work**

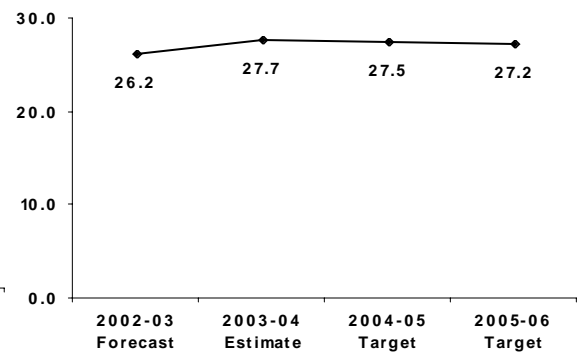
**What it means** Quality lifelong learning and human resource development enables Albertans to be responsible, caring, creative, self-reliant and contributing members of society. The strength of Alberta's learning system is that it provides high quality learning opportunities for all Albertans as well as a safe and efficient learning environment by monitoring the condition of schools and post-secondary institutions. The province responds to industry need for a trained and skilled workforce and works with stakeholders to build a world-class, lifelong learning community. The province also provides operating and capital funding to schools and post-secondary institutions throughout the province.

**Link to fiscal plan** This goal links to the Education function of the government's Fiscal Plan, which includes spending of the following ministries: Human Resources and Employment, Infrastructure, Innovation and Science, Learning, and Revenue.

**Education Function Expense**



**Percent of Total Expenses**



**Strategies**

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative and Economic Development Strategy. See pages 42-44.
- Implement government approved recommendations from the Alberta Commission on Learning to improve the learning system.
- Develop the Adult Learning Strategic Framework, including implementing a review of the post-secondary legislation and improving access to university level learning opportunities.
- Implement the Learning and Technology Policy Framework, including the continued implementation of LearnAlberta.ca and SuperNet to develop multimedia and online resources for student learning.
- Implement the First Nations, Metis and Inuit Education Policy Framework to improve learner success.
- Evaluate and implement options such as public-private partnerships and multi-purpose facilities that meet the needs for new school facilities in high growth areas.
- Develop and implement options to assist Albertans who face barriers to employment to increase their labour force participation.
- Recruit and fund the best researchers in Information and Communications Technology (ICT) segments such as broadband networks including wireless, high performance computing and new computational models to support emerging technologies (e.g. genomics, nanotechnology, bioinformatics, etc.) where Alberta can be a global leader.

**Albertans will be well prepared for lifelong learning and work**

**Measures**

	<b>Last Actual Results</b>	<b>Actual Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Educational Attainment of Albertans age 25-34</b>					
High school completion.	89%	2002	90%	90%	90%
Post-secondary completion.	58%	2002	60%	62%	62%
<b>Achievement of Aboriginal Students - Grades 3, 6 and 9</b>					
Percentage of Aboriginal students who write and achieve the acceptable standard on provincial achievement tests in language arts, mathematics, science and social studies (aggregate results for all subjects and grades).	56%*	2001-02	58%	To be determined	
<b>Literacy and Numeracy Grade 9</b>					
Percentages of all students who achieve the acceptable standard on provincial achievement tests:					
Language Arts	79%	2001-02	80%	81%	81%
Mathematics	65%	2001-02	67%	68%	69%
<b>Skill Development</b>					
Employer satisfaction with recent graduates' skills and quality of work (includes high school and post-secondary graduates).	90%	2001-02	-	To be determined	
<b>Lifelong Learning</b>					
Public satisfaction that Albertans have easy access to lifelong learning.	New	-	-	-	To be determined
<b>Adult Participation in Learning</b>					
Participation rate of Albertans 25+ in credit and non-credit courses.	30%	2001-02	32%	To be determined	
<b>Physical Condition of Educational Institutions**</b>					
Percentage of schools in acceptable ("fair" or "good") condition	90%	2001-02	93%	95%	95%
Percentage of post-secondary institutions in acceptable ("fair" or "good") condition.	92%	2001-02	91%	91%	91%

\* Data is not representative as it is based only on K-12 students identified in ministry systems as having Aboriginal ancestry.

\*\* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditures for renewal or refurbishing.

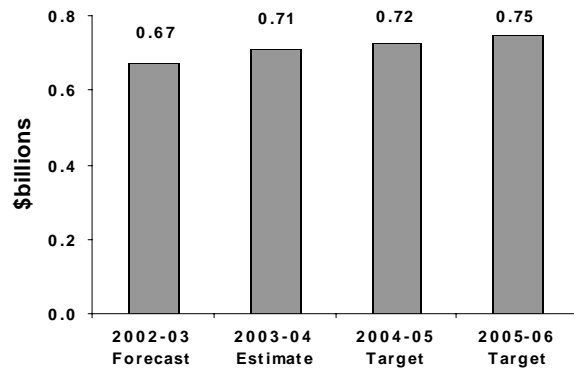
GOAL THREE  
3

**Alberta's children will be supported in reaching their potential**

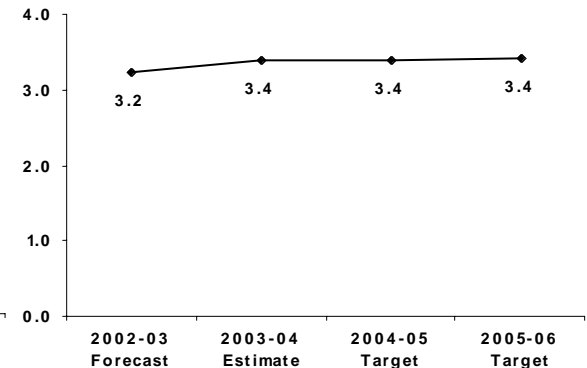
**What it means** Families are the foundation to nurture a child's development. Although parents have the primary responsibility in raising their children, communities, organizations, schools, businesses and governments all have supporting roles to play in helping to meet the needs of Alberta's children. The government supports Alberta's children in reaching their potential.

**Link to fiscal plan** This goal links to the part of the Social Services function of the government's Fiscal Plan that includes the spending of the Children's Services ministry. (The portion of Social Services spending for the Community Development, Human Resources and Employment, Infrastructure and Seniors ministries is linked to Goal 4.)

**Social Services Function Expense (Children's Services)**



**Percent of Total Expenses**



**Strategies**

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative and Health Sustainability Initiative. See pages 42, 43 and 45.
- Develop legislation and policies to re-focus Resources for Children with Disabilities on abilities rather than disabilities, early intervention and family supports, and better co-ordinate services among partners so that families obtain consistent, sustainable supports for their children, including those with complex special needs.
- Implement the "youth in transition" framework to improve and better connect programs and services at all levels to better address the needs of youth and help them make a successful, self-reliant passage to adulthood.
- Lead the implementation of Alberta's Promise, a public-private partnership dedicated to finding new and better ways of working together to give children the opportunity to lead happy, healthy, and successful lives.
- Develop and implement a new *Child Welfare Act*, regulations and policies to place greater emphasis on and accountability for the safety and well-being of children, permanent, nurturing homes for children, the involvement of children and families in decision-making, and partnerships in the safeguarding of children.



GOAL THREE **3**

**Alberta's children will be supported in reaching their potential**

- Implement the Alberta Response Model to transform child welfare services by focusing on "Kids First" and (a) engaging community-based early intervention services to support families in overcoming at-risk circumstances so that they can care for their own children, and (b) ensuring that the assessment of needs involves families, focuses on each child's individual developmental milestones, and reunites the child with family or other permanent, nurturing homes.
- Continue to implement the Fetal Alcohol Spectrum Disorder Strategy to prevent the disorder, support high-risk mothers and strengthen approaches for assessing and addressing the needs of children affected, and their families.
- Build early childhood development services across the province to help parents, families and other care givers obtain the information and support to provide children with the best possible start in life to reach their potential.
- Improve child care standards and quality child care options that strengthen the ability of families in all communities to care for their children, support children in meeting developmental milestones, and balance home and work.

**Measures**

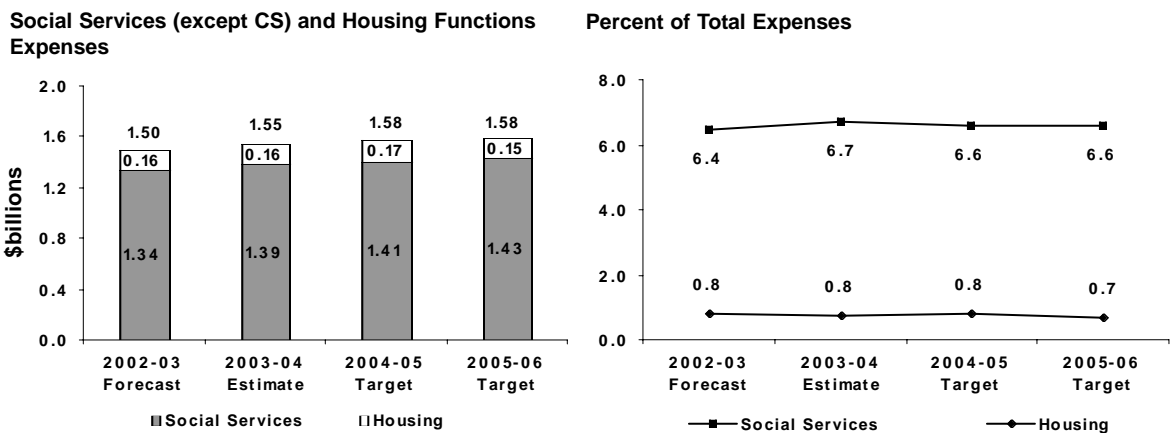
	<b>Last Actual Results</b>	<b>Actual Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Well-being of Children</b>					
Children living in families with incomes at or above the Market Basket Measure (MBM) low income threshold.	91%	1997		To be determined	
<b>Child Care Centres</b>					
Percentage of child care centres that provide a developmentally appropriate environment for children.	New	-	5% over 2002-03 results	10% over 2002-03 results	25% over 2002-03 results
<b>Children in Care</b>					
Children in care per 1,000 child population.	New	-	-	To be determined once baseline is established	Equal to or better than national average

GOAL FOUR **4**

**Albertans will be self-reliant and those unable to provide for their basic needs will receive help**

**What it means** Government has a role in building an accessible and inclusive society. Communities, organizations, and governments all have roles in ensuring that Albertans unable to provide for their basic needs will receive help. Disability-related supports and services are provided to assist adult Albertans with disabilities so that they can be contributing members of Alberta communities. The government promotes human resource development to further the self-reliance of Albertans. For low-income seniors with little or no opportunity to improve relatively fixed incomes, it provides financial assistance programs for their basic and special needs. The government also facilitates access to a range of basic housing and support options. Funding for capital improvements to seniors lodges is also provided.

**Link to fiscal plan** This goal links to the Social Services and Housing functions of the government’s Fiscal Plan, which includes spending of the following ministries: Community Development, Human Resources and Employment, Infrastructure and Seniors. (The portion of the Social Services spending for the Children’s Services (CS) ministry is linked to Goal 3.)



- Strategies**
- Work towards achieving the objectives and targets set out in the Health Sustainability Initiative. See page 45.
  - Improve income support to residents of seniors lodges to assist them in obtaining additional services as their needs change.
  - Facilitate access to funding from the Canada-Alberta Affordable Housing program for the development of affordable housing, especially in high-growth areas and remote communities where housing shortages have reached critical proportions.
  - Develop public policy alternatives and a long-term action plan to address the needs of persons with disabilities based on consultations regarding the *Alberta Disability Strategy*.
  - Protect adult persons in care from abuse and improve their lives by implementing the results of the legislative review of the *Protection for Persons in Care Act*.
  - Implement approved recommendations from the MLA Committee to Review Low-Income Programs by providing an integrated approach to income support and employment training to better help eligible low-income Albertans to meet their core living needs and to prepare for, get and keep jobs, while providing ongoing support to those unable to work.

**Albertans will be self-reliant and those unable to provide for their basic needs will receive help**

**Measures**

	<b>Last Actual Results</b>	<b>Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Economic Status of Albertans</b>					
Proportion of Albertans living at or above the Market Basket Measure (MBM) low-income threshold.	92%	1997		To be determined	
<b>Persons with Developmental Disabilities (PDD) funded services</b>					
Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services.	90.2%	2000-01	91%	91%	91%
<b>Alberta Seniors Benefit (ASB)</b>					
Percentage of seniors provided with the opportunity to apply for ASB.	New	-	To be determined once baseline is established		
<b>Community Plans in Place</b>					
Percentage of communities within the province that have plans for responding to the housing needs of their citizens.	New	-	To be determined once baseline is established		
<b>Effectiveness of Community Plans</b>					
Effectiveness of community plans in developing low-cost housing to respond to community housing needs.	New	-	To be determined once baseline is established		

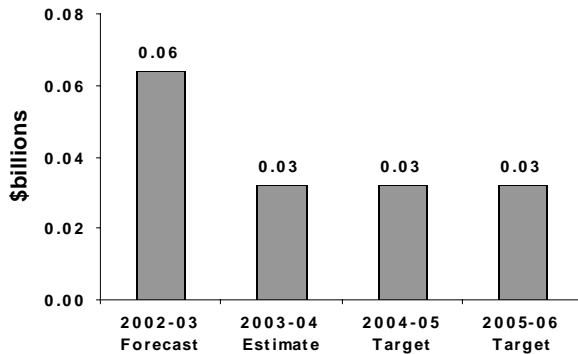
GOAL FIVE **5**

**Aboriginal communities in Alberta will be effective and self-reliant**

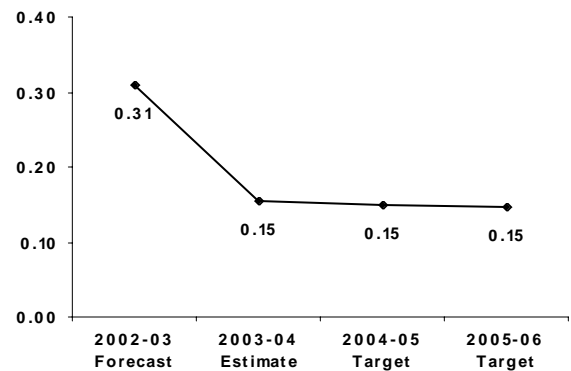
**What it means** Section 35 of the Constitution of Canada recognizes the Aboriginal people of Canada and acknowledges existing Aboriginal and Treaty rights. The province has developed specific relations with Aboriginal governments, organizations and communities in Alberta. Through the Aboriginal Policy Framework (APF), the government is committed to having Aboriginal people participate effectively in the social and economic life of Alberta, its regions and the communities in which they live and work. Effective and self-reliant communities have the capacity to set their own priorities, manage their own affairs, develop a sustainable economic base and participate in partnerships with governments and the private sector. Aboriginal health, learning and economic issues are addressed in other goals in the Government Business Plan.

**Link to fiscal plan** This goal links to the part of the Regional Planning and Development function of the government’s Fiscal Plan that includes spending of the Aboriginal Affairs and Northern Development (AAND) ministry. (The portion of the Regional Planning and Development spending for the Finance, Municipal Affairs and Transportation ministries is linked to Goal 6.)

**Regional Planning and Development Function Expense (AAND)**



**Percent of Total Expenses**



**Strategies**

- Work towards achieving the objectives and targets set out in the Aboriginal Policy Initiative. See page 42.
- Respond to the commitments under the Aboriginal Policy Framework to improve individual and community well-being and self-reliance by working with Aboriginal communities, other governments, the private sector and other interested parties.
- Improve individual and community well-being and self-reliance by working with the Metis Settlements General Council and individual Metis Settlements, other governments, the private sector and other interested parties.
- Implement consultation strategies with Aboriginal people in the resource management sector, pursuant to the Aboriginal Policy Framework.

GOAL FIVE  
**5**

**Aboriginal communities in Alberta will be effective and self-reliant**

**Measures**

	<b>Last Actual Results</b>	<b>Actual Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Participation in the Economy</b>					
Reduce the difference in the participation rates of Aboriginal people and non-Aboriginal people in the economy. Participation rate is the number of people working or looking for work as a percentage of the working age population.					
Aboriginal	65.8%	1996		To be determined	
Non-Aboriginal	72.7%				
Difference	6.9%				
<b>Source of Income</b>					
Reduce the difference in proportion of income received from government transfers by Aboriginal people compared to non-Aboriginal people.					
Aboriginal	18%	1995		To be determined	
Non-Aboriginal	11%				
Difference	7%				
<b>Source of Income – Metis Settlements</b>					
Reduce the percentage of income received from government transfers by Metis Settlement residents.					
	28.8%	1998		To be determined	
<b>Self-Generated Revenue – Metis Settlements</b>					
Percentage of self-generated revenue					
	New	-		To be determined once baseline established	



core business *Prosperity ...*

The goals for the *Prosperity* core business focus on protecting the quality of life in Alberta through the government's priorities for our economy, local government sector, transportation and utilities infrastructure, and the province's financial and intergovernmental position.

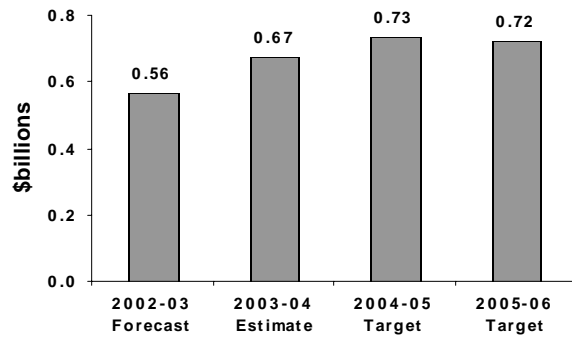
GOAL SIX **6**

**Alberta will have an effective, responsive and well-managed local government sector**

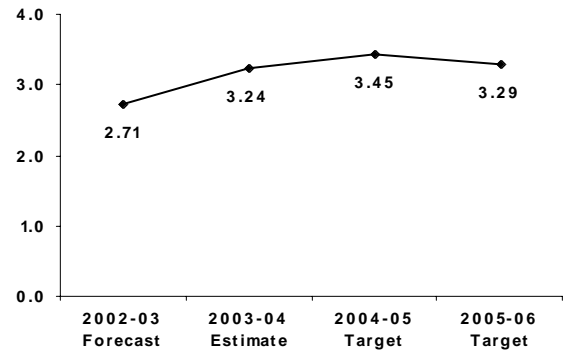
**What it means** Municipalities provide a broad range of services to Albertans where they live, work and participate in recreational activities. The Alberta government assists municipalities through policies and programs that encourage the development of strong and vibrant communities. Funding is provided by the provincial government to a variety of local government entities throughout the province. The province partners with municipalities to maintain open, effective and accountable local governments.

**Link to fiscal plan** This goal links to the part of the Regional Planning and Development function of the government’s Fiscal Plan that includes spending of the following ministries: Finance, Municipal Affairs and Transportation. (The portion of the Regional Planning and Development spending for the Aboriginal Affairs and Northern Development (AAND) ministry is linked to Goal 5.)

**Regional Planning and Development Function Expense (except AAND)**



**Percent of Total Expenses**



**Strategies**

- Foster a stronger relationship between the province and municipal governments through initiatives such as the Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century.
- Provide grant programs that target specific municipal needs that contribute to financially stable and sustainable communities.
- Enhance the property assessment system so that it results in more accurate, timely and understandable assessments to ensure a sustainable base for generation of property tax revenue.
- Maintain a mechanism for municipalities to obtain preferential debenture financing for capital expenditures.



## Alberta will have an effective, responsive and well-managed local government sector

Measures	Last Actual		Target 2003-04	Target 2004-05	Target 2005-06
	Results	Year			
<b>Albertans' Satisfaction with their Local Governments</b>					
Percentage satisfied.	79.6%	2002-03	75%	75%	75%
<b>Municipal Financial Accountability</b>					
Municipalities meeting the criteria of financial accountability.	98%	2001-02	95%	97%	97%
<b>Local Authorities' Cost of Borrowing from ACFA*</b>					
Rank of borrowing costs relative to other Canadian municipalities.	lowest	2001-02	lowest	lowest	lowest
<b>Local Authorities' Satisfaction with ACFA*</b>					
Percentage of local authorities satisfied with lending policies and efficiency of ACFA (biennial survey).	83%	2001-02	85%	-	85%

\* Alberta Capital Finance Authority, formerly Alberta Municipal Financing Corporation.

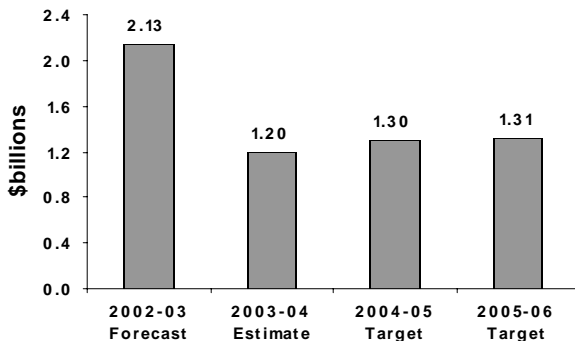
GOAL SEVEN **7**

**Alberta will have a prosperous economy**

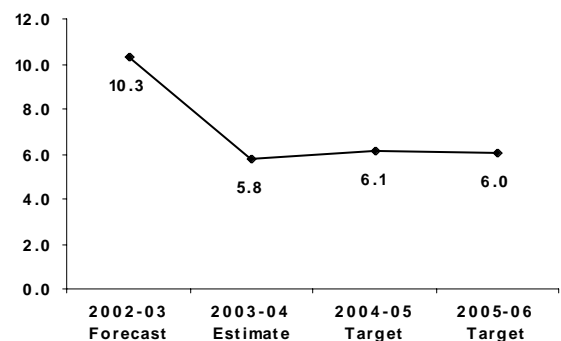
**What it means** Sustainable economic growth and prosperity are essential to maintaining and improving Albertans' overall quality of life. An attractive tax, fiscal and regulatory climate contributes to the province's prosperity. Innovation, value-added diversification and global competitiveness are key for sustaining the momentum of Alberta's economy. The government promotes development of and investment in the province's renewable and non-renewable natural resources including its oil, natural gas, minerals, forestry, and agricultural and food industries. To help strengthen Alberta's economy and enhance its long-term economic stability, the government encourages growth of the province's value-added sector and international exports. The government promotes Alberta as an attractive trading partner and provides market intelligence and business services to internationally active Alberta companies. To maintain Alberta's competitive advantage, the government builds relations with foreign governments, and works to remove barriers to trade and investment through domestic and international trade negotiations.

**Link to fiscal plan** This goal links to the Agriculture and Economic Development function of the government's Fiscal Plan which includes spending of the following ministries: Agriculture, Food and Rural Development, Economic Development, Energy, Finance, Gaming, Innovation and Science, International and Intergovernmental Relations, Revenue, Sustainable Resource Development and Transportation.

**Agriculture and Economic Development Function Expense**



**Percent of Total Expenses**



**Strategies**

- Work to achieve the objectives and targets set out in the Aboriginal Policy Initiative and Economic Development Strategy. See pages 42 and 44.
- Encourage growth and development of Alberta's oil sands through promotion of the oil sands resource and a fiscal regime that encourages investment.
- Implement the Federal/Provincial Agriculture Policy Framework and the agriculture growth strategy to help position the agriculture industry for the future.
- Implement the Agricultural Research and Innovation Strategy to facilitate long-term industry growth, profitability and environmental sustainability.
- Implement the Value Added Strategy aimed at creating a sustainable, globally competitive economy by: enhancing Alberta's current competitive advantages; building Alberta's innovation system; growing and strengthening small and medium enterprises, and focusing on key value added sectors.
- Support the expansion of Alberta's tourism industry by marketing Alberta as a world-renowned tourist destination and by improving and supporting Alberta's tourism products, policies and regulatory environment and infrastructure.

## Alberta will have a prosperous economy

- Implement Alberta's International Marketing Strategy (AIMS 2003), which directs Alberta's international trade and investment initiatives based upon the priority ranking of various global markets.
- Promote the building of knowledge-based industries by investing in research and development, enabling technology commercialization and the introduction of new products, processes and services into the marketplace.
- Enhance the capability and capacity of Alberta's research system in the areas of energy, information and communications technology (ICT) and life sciences, including investments in nanotechnology, hydrogen fuel cells, wireless communications technologies, bio-medical, bio-products, bio-energy, genomics and proteomics.
- Remove or reduce barriers to international trade and investment with particular reference to the softwood lumber dispute.

### Measures

	Last Actual Results	Year	Target 2003-04	Target 2004-05	Target 2005-06
<b>Gross Domestic Product (GDP)</b> Three-year average annual growth rate in current dollars.	12.0%	1999-01	4%	4%	4%
<b>Job Growth</b> Net jobs created since January 2000 on an annual average basis.	78,800	Jan. 2000 to Dec. 2001	240,000 by December 2005		
<b>Labour Productivity</b> Real GDP in dollars per hour worked (inter-provincial rank).	\$57.40 (highest)	2001	Highest among the provinces		
<b>Business Innovation</b> Inter-provincial rank of Alberta households that use the Internet at work.	highest	2000	Among the top three provinces		
<b>Sponsored Research at Alberta Universities</b>	\$368.8 million	2000-01	\$460 million	\$492 million	\$525 million
<b>Value-Added Industries</b> Percentage of real GDP contributed by manufacturing and knowledge-intensive industries.	30.7%	2000	Increasing percentage		
<b>Export Trade</b> International value-added exports including manufactured goods, tourism and other services, measured in current dollars.	\$22.2 billion	2001	\$22.7 billion	\$24.7 billion	\$26.9 billion
<b>Personal Disposable Income</b> Dollars per capita (inter-provincial rank).	\$23,324 (highest)	2001	Among the top two provinces		
<b>Barriers to Trade</b> Softwood lumber dispute resolution.	New	–	A long-term solution by December 31, 2005		

GOAL EIGHT **8**

**Alberta will have effective and efficient transportation and utilities infrastructure**

**What it means** Effective and efficient transportation infrastructure is essential to support the province's economic activity and future growth. Alberta's transportation system is an integral part of the province's export-based economy, facilitating the flow of goods to local, national and international markets. Alberta works with other provinces and the federal government to reduce transport-related barriers and costs for shippers, carriers and consumers, as well as to help ensure the viability of Alberta's air transport system. The government supports a high-speed broadband information and communications technology (ICT) infrastructure for all universities, schools, libraries, hospitals and provincial government buildings in the province. Funding is provided to municipalities for water and wastewater treatment facilities infrastructure. The government also works to ensure there is a fair and responsible regulatory framework for utilities, and efficient and effective infrastructure for the development of water management infrastructure and municipal water/wastewater facilities. Other types of government-owned and supported infrastructure are addressed in other goals in the Government Business Plan.

**Link to fiscal plan** This goal links to the Transportation and Utilities function of the government's Fiscal Plan which includes spending of the following ministries: Energy, Innovation and Science, and Transportation.



- Strategies**
- Work to achieve the objectives and targets set out in the Economic Development Strategy cross-ministry initiative. See page 44.
  - Improve the highway network in Alberta through proper maintenance and rehabilitation, enforcing truck weights to protect the integrity of the infrastructure, and undertake strategic improvements to the highway system, such as four-laning, widening and constructing interchanges to improve safety and reduce travel time.
  - Develop the North-South Trade Corridor from the United States border at Coutts, to the British Columbia border west of Grande Prairie, including key urban trade routes through Edmonton and Calgary. Continue construction of the Edmonton ring road, and commence construction of the Calgary ring road.
  - Work with other jurisdictions across Canada to develop a national transportation strategy and a national aviation strategy.
  - Complete construction of the Alberta SuperNet in 2004 to provide high-speed network services and competitive Internet access to 422 communities in the province.



## Alberta will have effective and efficient transportation and utilities infrastructure

### Measures

	Last Actual Results	Actual Year	Target 2003-04	Target 2004-05	Target 2005-06
<b>Level of Service for the National Highway System under Provincial Jurisdiction</b>					
Percentage of system at "Level of Service C" * or better.	99.6%	2001-02	99%	99%	99%
<b>Physical Condition of Provincial Highways**</b>					
Percentage in acceptable ("fair" or "good") condition.	88.2%	2001-02	86.5%	85%	83.5%
<b>Functional Adequacy of Provincial Highways***</b>					
Percentage with functional adequacy.	81%	2001-02	80%	79%	78%
<b>North-South Trade Corridor</b>					
Percentage of four-laning open to travel.	77.1%	2001-02	81%	82%	86%
<b>Physical Condition of Water Management Infrastructure****</b>					
Percentage in acceptable ("fair" or "good") condition.	96%	2001-02	96%	96%	96%
<b>SuperNet Completion</b>					
Available to number of communities.	0	2001-02	356	422	—

\* Traffic flow is not severely restricted in peak hour traffic.

\*\* Physical condition of pavements.

\*\*\* Functional condition with respect to road width, geometric design, surface type and ability to carry legal highway loads for the entire year.

\*\*\*\* Includes headworks, dams and irrigation canals.

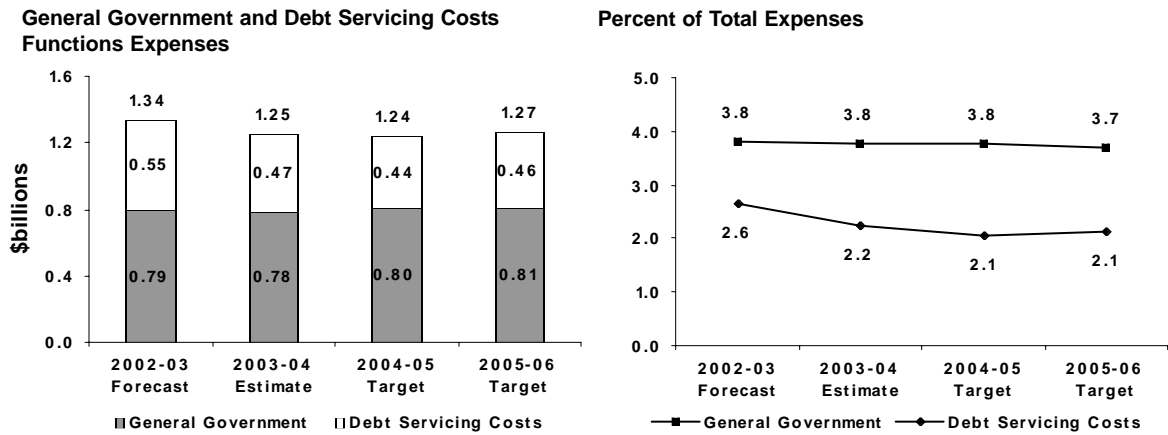
Note: "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditures for renewal or refurbishing.

GOAL NINE **9**

**Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada**

**What it means** Financial stability is essential for the government to be able to provide the programs and services that are important to Albertans now and in the future. The government’s new fiscal framework will keep spending on a sustainable, predictable and disciplined path while balancing the budget, keeping taxes low and ensuring that Albertans share in the benefits of natural resource development in the province. The government's commitment to be financially open and accountable is legislated in the *Government Accountability Act*. The government promotes open, simple and responsive access to government information and services for Albertans in a manner of their choice. The condition of government-owned buildings is monitored to protect taxpayers' investment. Through a strong public service, the government is dedicated to effective management of public policy and providing quality, affordable services for Albertans. Alberta works to advance the province's interests in the Canadian federation.

**Link to fiscal plan** This goal links to the General Government and Debt Servicing Costs functions of the government's Fiscal Plan which include spending of the Legislative Assembly and its Offices, and the following ministries: Energy, Executive Council, Finance, Government Services, Human Resources and Employment (Personnel Administration Office), Infrastructure, Innovation and Science, International and Intergovernmental Relations, Municipal Affairs and Revenue.



- Strategies**
- Improve federal/provincial fiscal arrangements to ensure that Alberta receives its fair share of federal spending and that key federal programs and initiatives reflect Alberta's interests.
  - Implement a new fiscal framework and capital plan as recommended by the Financial Management Commission and assess expansion of the government's reporting entity to include other entities.
  - Implement corporate income tax reductions in Alberta's tax plan.
  - Develop and maintain a long-term revenue management framework to contribute to sound strategic decision-making about Alberta's revenue structure and policy.
  - Implement policy changes to the Alberta Heritage Savings Trust Fund stemming from public consultation.
  - Continue to develop a service environment that enables Albertans to access government information and services in a manner of their choice.

## Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

Measures	Last Actual Results	Actual Year	Target 2003-04	Target 2004-05	Target 2005-06
<b>Intergovernmental Relations</b>					
Public approval rating in federal-provincial relations compared to the average of the four nearest provinces.	26% higher than average	2001	At least at the average of four nearest provinces		
<b>Provincial Credit Rating</b>					
Blended credit rating for domestic debt.	AAA	2001-02	AAA	AAA	AAA
<b>Alberta Sustainability Fund</b>					
Value of assets in the Fund.	New	–	\$2.5 billion	\$2.5 billion	\$2.5 billion
<b>Accumulated Debt</b>					
(less cash set aside for future debt repayment).	\$5.3 billion	2001-02	\$4.8 billion	\$4.8 billion	\$4.8 billion
<b>Tax Load</b>					
Total provincial and municipal tax load as a percentage of the Canadian average (inter-provincial rank).	59%* (lowest)	2001-02	Lowest among the provinces		
<b>Government Financial Accountability</b>					
Percentage of Albertans who think they get enough information on the government's financial performance.	New**	–	To be determined once baseline is established		
<b>Physical Condition of Government Owned and Operated buildings (over 1,000 m<sup>2</sup>)***</b>					
Percentage in acceptable ("fair" or "good") condition.	97%	2001-02	97%	97%	97%

\* 2001-02, third estimate.

\*\* Survey question revised from previous years.

\*\*\* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditures for renewal or refurbishing.





core business *Preservation ...*

The goals for the *Preservation* core business reflect the government's priorities for community safety, our renewable resources, the environment, and our natural, historical and cultural resources.

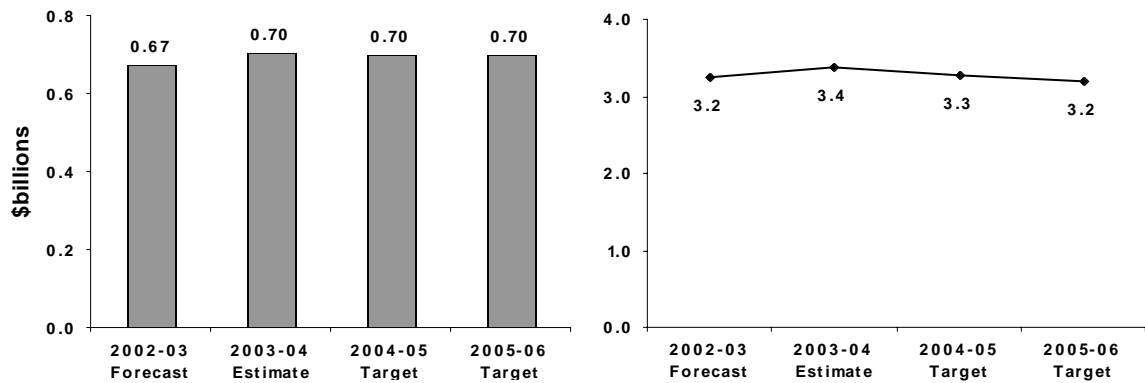
GOAL TEN **10**

**Alberta will be a fair and safe place to work, live and raise families**

**What it means** Albertans want communities in which they can live and raise families in safety and security without fear of personal or property crime, victimization or discrimination. This requires protection of human rights and personal privacy, crime prevention, effective policing, a strong and effective prosecution service, an accessible court system, cost effective and accountable correctional services, and partnerships with the judiciary, police, and other stakeholders. Albertans expect their government to implement measures that mitigate risks to public safety. They want their communities prepared for, and able to respond to and recover from, whatever unforeseen events may occur. Traffic safety is part of a safe society and the Alberta government works to improve traffic safety through education, legislative initiatives, and enforcement. Monitoring of the commercial carrier industry and dangerous goods transport and handling helps to enhance public safety. Albertans want assurance that buildings, equipment and facilities are constructed and maintained to high standards. Albertans also require workplaces that are fair and free of accident, injury and disease. The Alberta government has a responsibility to ensure that professional associations are governed in the public interest and workplaces function within a positive and stable labour relations environment.

**Link to fiscal plan** This goal links to the Protection of Persons and Property function of the government’s Fiscal Plan, which includes spending of the following ministries: Community Development, Government Services, Human Resources and Employment, Infrastructure, Justice, Municipal Affairs, Revenue, Solicitor General and Transportation.

**Protection of Persons and Property Function Expense Percent of Total Expenses**



- Strategies**
- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Alberta Children and Youth Initiative and the Economic Development Strategy. See pages 43-44.
  - Protect human rights for all Albertans through building awareness and understanding of the *Human Rights, Citizenship and Multiculturalism Act* and resolving complaints made under the *Act*.
  - Implement Workplace Safety 2.0 to reduce workplace incidents. In partnership with industry, labour, safety associations and the Workers' Compensation Board, reduce injuries and fatalities on Alberta worksites by 40% through a series of enhanced enforcement, education and awareness activities.
  - Assist labour and management in unionized workplaces in Alberta to resolve issues by fostering effective workplace relationships, workplace innovation and alternative dispute resolution strategies. Where necessary, provide mediation and arbitration support for the resolution of labour - management disputes.
  - Develop approved initiatives arising from the Policing, Victims, and Correctional Services reviews to meet the needs of Albertans and ensure their safety.

**Alberta will be a fair and safe place to work, live and raise families**

- Improve access to justice through the use of technology, early case resolution, alternatives to traditional justice system, and the provision of effective forums for dispute resolution.
- Lead the development and maintenance of the Government of Alberta Crisis Management, Consequence Management, and departmental Business Resumption Plans, ensuring policies and procedures are in place to protect citizens, assets and infrastructure from a full range of emergencies.
- Improve road user behaviours and work with industry and stakeholders to improve commercial carrier driver fitness and dangerous goods transport and handling.
- Implement strategies to enhance the focus on serious, violent, and organized crime including Amber Alert, the High Risk Offender Website, the National Sex Offender Registry, the Serious Habitual Offender Comprehensive Action Program, and the Provincial Organized and Serious Crime Strategy.
- Actively promote and assist the development of an efficient, cost effective and provincially led national system of securities regulation.
- Provide proactive programs to assist families, communities and employers in preventing and treating substance abuse and problem gambling in the home and the workplace.

**Measures**

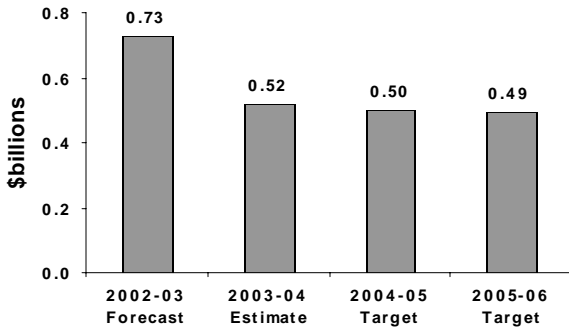
	<b>Last Actual Results</b>	<b>Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Workplace Lost-Time Claim Rate</b> Number of lost-time claims per 100 person-years worked.	3.2	2001	2.5 or lower	2.0 or lower	2.0 or lower
<b>Effectiveness of Human Rights Protection</b> Percentage of adult Albertans who feel human rights protection in Alberta is effective.	85.7%	2001-02	85%	85%	85%
<b>Violent Crime Rate</b> Alberta's violent crime rate per 100,000 population.	1,099 (lowest)	2001	Lowest of four western provinces		
<b>Property Crime Rate</b> Alberta's property crime rate per 100,000 population.	4,405 (lowest)	2001	Lowest of four western provinces		
<b>Perception of Safety in the Neighbourhood</b> Percentage of Albertans who feel "somewhat comfortable" to "very comfortable" walking alone in their neighbourhoods at night.	81%	2001-02	82%	82%	82%
<b>Work Stoppages</b> Percentage of collective bargaining agreements settled without a work stoppage.	98.2%	2001-02	98%	98%	98%
<b>Involvement of Drinking Drivers in Fatal Collisions</b> Percentage of fatal collisions involving drinking drivers.	21.0%	2001	20.1%	20.0%	20.0%
<b>Mechanical Safety of Commercial Vehicles</b> Percentage of inspected vehicles requiring the attention of a mechanic.	4.0%	2001-02	5.0% or less	5.0% or less	5.0% or less
<b>Uniform Securities Act</b> Legislation for a <i>Uniform Securities Act</i> .	New	-	June 30, 2004		

The high quality of Alberta's environment will be sustained

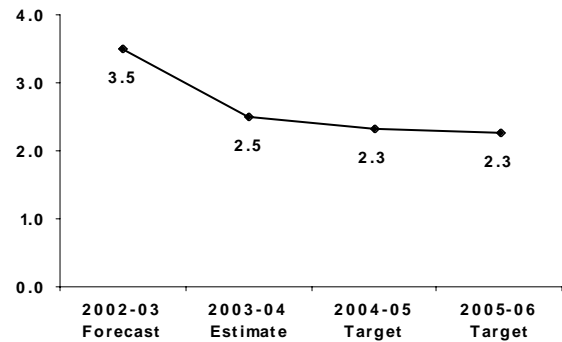
**What it means** Albertans enjoy economic, recreational and social benefits from their environment. Alberta's forests, parks and protected areas, fish and wildlife, water, land and air must be sustained for the benefit of future generations. Albertans want a healthy and safe environment that includes a secure and sufficient supply of clean water, productive land and good air quality. Renewable and non-renewable resources will be managed in a manner that is fair, environmentally responsible and in the public interest of Albertans.

**Link to fiscal plan** This goal links to the Environment and Resource Conservation function of the government's Fiscal Plan, which includes spending of the following ministries: Community Development, Energy, Environment and Sustainable Resource Development.

Environment and Resource Conservation Function Expense



Percent of Total Expenses



Strategies

- Complete and implement Alberta's Water Strategy, *Water For Life: Alberta's Strategy for Sustainability*. The four key outcomes addressed by the Water Strategy are: safe, secure drinking water supplies; healthy aquatic ecosystems; reliable, quality water supplies; and the knowledge necessary to make effective water management decisions.
- Implement *Albertans & Climate Change: Taking Action* to address climate change while supporting a sustainable future and maintaining a prosperous economy.
- Streamline and improve the energy, environmental and resource management regulatory system so that Alberta has an efficient regulatory system that enables economic growth while ensuring environmental quality.
- Develop consistent programs, standards, and policies with municipalities and key stakeholders to ensure that waterworks systems protect the health of Albertans and the safety of the regulated drinking water supply.
- Develop approaches to assist government in managing its natural resources in a sustainable manner, specifically by designing and testing a biodiversity monitoring system.
- Implement the *Alberta Waste Action Plan* to promote increased stewardship and the reduction of wastes going to municipal landfills throughout Alberta.

The high quality of Alberta’s environment will be sustained

- Develop and implement a FireSmart Community Strategy to work with communities to identify and mitigate risks associated with wildfires.
- Develop an updated parks system plan for the management and protection of Alberta's provincial parks and protected areas.

Measures

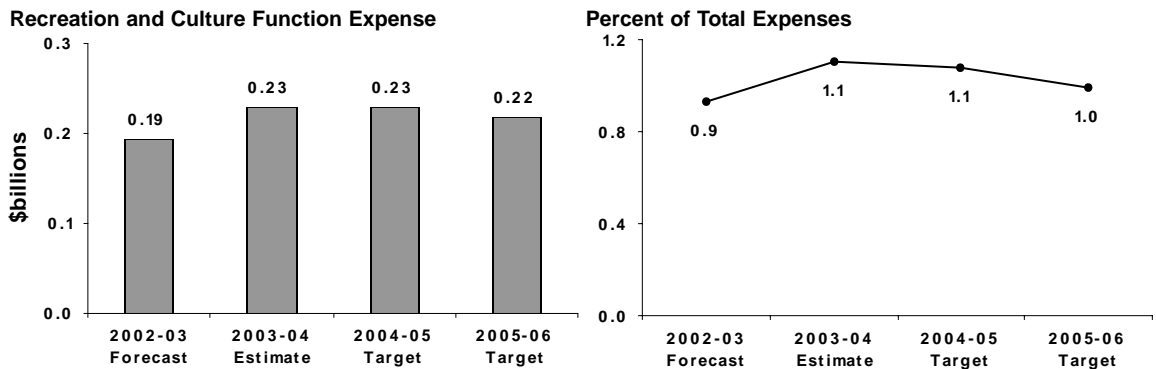
	Last Actual Results	Actual Year	Target 2003-04	Target 2004-05	Target 2005-06
<b>Surface Water Quality Index</b> Index of four groups of water quality variables (metals, bacteria, nutrients and pesticides) tested monthly at two locations for each of the province’s six major river systems.	River water quality “good” to “excellent”	2000-01	Bring river quality downstream of developed areas in line with upstream conditions, while maintaining overall river water quality.		
<b>Drinking Water Quality Indicator</b> The indicator includes both the potable water treatment plant design and the performance of these treatment plants to produce safe drinking water.	New	-	Maintenance of a safe supply of potable water for the population served by waterworks systems approved by Alberta Environment.		
<b>Greenhouse Gas Emissions Intensity Indicator</b> The indicator will track emissions intensity improvements by comparing total annual greenhouse gas emissions across the Alberta economy to total provincial gross domestic product (GDP) generated in Alberta since 1990.	New	-	Cut the greenhouse gas emissions intensity of the Alberta economy in half by 2020 relative to 1990 levels.		
<b>Air Quality Index</b> Index of outdoor concentrations of five major air pollutants monitored at nine stations across the province.	“Good” 98%, no “poor” days	2001	Maintain “good” air quality days equal to or greater than 97 percent of the time, with no “poor” days.		
<b>Biodiversity Monitoring System</b> Designing and testing a biodiversity monitoring system.	New	-	Biodiversity monitoring system designed and tested by 2006.		
<b>Municipal Solid Waste to Landfills</b> Municipal solid waste disposal to landfills (tonnes per capita).	0.77	2001	Reduce municipal solid waste disposal to landfills to 0.5 tonnes per capita by 2010.		
<b>Wildfire Prevention</b> Number of human-caused fires within Alberta’s forest protection area.	297	2001	less than 300	less than 300	less than 300

**12**  
GOAL TWELVE

**Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas**

**What it means** Albertans' opportunities to participate in community and cultural activities and their enjoyment of the province's historical resources and parks and protected areas are essential elements of the high quality of life that they desire. Government facilitates participation in community activities through supporting volunteerism, community service organizations, public libraries, and sport and recreation activities. Government facilitates Albertans' participation in cultural activities through supporting the artistic development of individuals and enhancing public access and participation in the arts. Albertans value and enjoy experiencing their province's historic resources and parks and protected areas. Government assists community-based heritage initiatives and actively preserves, protects and presents Alberta's history and culture at provincial historic sites, museums, interpretive centres and archives. Government also preserves and protects a network of provincial parks and protected areas that is representative of Alberta's six natural regions and provides opportunities for natural heritage appreciation and outdoor recreation activities.

**Link to fiscal plan** This goal links to the Recreation and Culture function of the government's Fiscal Plan, which includes spending of the following ministries: Community Development, Gaming and Infrastructure.



- Strategies**
- Enhance local capacity for self-reliance in the arts and culture, film, sport and recreation, library and voluntary sectors by providing financial assistance and consultative services.
  - Encourage healthy recreational and physical activity in communities, schools and workplaces through partnerships with recreation, active living and sport organizations.
  - Enable Albertans to enjoy the province's historical resources by upgrading infrastructure at provincially owned and operated historic sites, cultural facilities and archives; by conducting temporary refitting of exhibit areas and developing appropriate storage solutions for the province's heritage collections; and by improving access to the province's modern heritage facilities for persons with disabilities.
  - Lead Alberta Centennial celebrations by planning special events and memorabilia, assisting in the implementation of community-driven legacy projects, and pursuing and presenting opportunities for Centennial capital programs as a legacy for future generations.

**Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas**

- Implement a Revitalization Strategy for Heritage Appreciation to increase Albertans' awareness and appreciation for provincial parks and protected areas.
- Increase opportunities for volunteer involvement and new partnerships at provincial parks and protected areas.

**Measures**

	<b>Last Actual Results</b>	<b>Actual Year</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
<b>Level of Community Volunteerism</b>					
Percentage of adult Albertans who volunteer.	69.5%	2001-02	73%	73%	73%
<b>Participation in Arts and Cultural Activities</b>					
Percentage of adult Albertans participating in arts and cultural activities.	88.9%	2001-02	90%	90%	90%
<b>Film Production Employment Opportunities</b>					
Number of film production employment opportunities for Albertans as a result of support provided by the Alberta Film Development Program.	2,377	2001-02	2,400	2,400	2,400
<b>Sport and Recreation Participation</b>					
Percentage of adult Albertans participating in sport and recreational activities.	84.5%	2001-02	88%	88%	88%
<b>Public Library Use</b>					
Percentage of adult Albertans who have used a public library at least once in the past year.	52.0%	2001-02	54%	54%	54%
<b>Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres</b>					
Percentage of satisfied visitors to provincial historic resources.	98.6%	2001-02	98%	98%	98%
<b>Visitor Satisfaction with Provincial Parks and Recreation Areas</b>					
Percentage of satisfied visitors to provincial parks and recreation areas.	New	-	First results due summer 2003		





# Cross-Ministry Initiatives

Cross-ministry initiatives are an integral part of the Government of Alberta's corporate-wide agenda and three-year business plan. They help the Government of Alberta work toward an integrated set of corporate-wide policy results that stretch beyond the mandate of each individual ministry.

The cross-ministry initiatives are established, approved and monitored by Cabinet. Through the cross-ministry initiatives, ministries work together toward common policy objectives to ensure that their programs and services are aligned with the government-wide agenda and are effective in meeting the priority needs of Albertans without overlap, duplication or contradictory policies.

Cross-ministry initiatives involve horizontal coordination that cuts across the vertical lines of ministry business plans and align with the Government of Alberta's three-year business plan.

Each year, the government business plan focuses on four priority policy cross-ministry initiatives. The 2003-04 initiatives are:

- the Aboriginal Policy Initiative;
- the Alberta Children and Youth Initiative;
- the Economic Development Strategy; and
- the Health Sustainability Initiative.

For each initiative, there is a purpose and a set of objectives and targets. The following pages describe in detail these initiatives that are annually reviewed, measured and reported in the annual report for the Government of Alberta.

**ABORIGINAL POLICY INITIATIVE**

**Purpose:** To improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

**Related Government Business Plan Goals:**

- Goal 1 - Albertans will be healthy
- Goal 2 - Albertans will be well prepared for lifelong learning and work
- Goal 3 - Alberta's children will be supported in reaching their potential
- Goal 5 - Aboriginal communities in Alberta will be effective and self-reliant

**Ministry Champions:**

Aboriginal Affairs and Northern Development, Justice and Children's Services

**Objective:** *Improve the health status and well-being of Aboriginal people.*

Improve access by Aboriginal people to wellness information and primary health care services.

*10 Year Target:* By 2010, reduce by one year, the difference in life expectancy between Registered Indians in Alberta and all Albertans.

- Targets:**
- Implement the approved recommendations of the Aboriginal Tobacco Use Strategy report.
  - Increase the number of ongoing community-based Aboriginal health projects by 25%.
  - Increase the number of Aboriginal HIV projects by 20%.
  - Expand mobile screening for diabetes-related complications to 5 Metis Settlements.
  - Improve identification of diabetes/reduce complications (blindness, amputations, renal failure) among Registered Indians.
  - Hire 5 Aboriginal Liaison officers to promote the principles of *FireSmart* and undertake fuel hazard assessment and reduction projects in 15 Aboriginal communities by 2004.

**Objective:** *Support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.*

Increase access to educational opportunities and improve success for Aboriginal students.

*10 Year Target:* By 2010, the percentage of Aboriginal learners 15 years of age or older with high school completion will be 60% and 30% with post-secondary completion (comparable 1996 percentages were 52.3 and 24.9 respectively).

- Targets:**
- Increase the number of Aboriginal students attending selected post-secondary institutions by 2%.
  - Increase the percentage of Aboriginal students attending Alberta school jurisdictions achieving the Acceptable Standard on Grade 3, 6 and 9 Achievement Tests by 1%.
  - Complete Aboriginal community consultations to develop a voluntary declaration of Aboriginal ancestry on K-12 and post-secondary registrations.
  - Develop Aboriginal learning/teaching resources for Special Education and Aboriginal Studies 10/20/30.
  - Collect final year of baseline data on appreciation of Aboriginal culture at select Alberta parks and cultural facilities.
  - Establish 5 new Aboriginal student crews as part of the current Junior Forest Ranger program by 2004.

**Objective:** *Increase the participation by Aboriginal people in the Alberta economy.*

Encourage partnerships to increase participation by Aboriginal people in employment training, capacity building and entrepreneurship opportunities.

*10 Year Target:* By 2010, the difference in employment rates of Aboriginal Albertans and other Albertans will be less than 10 percentage points.

- Targets:**
- In partnership with the private sector and Aboriginal organizations, develop 10 new First Nations and/or Metis training to employment projects to prepare 150 Aboriginal people for participation in the Alberta economy.
  - Establish benchmark data from the Aboriginal-specific Statistics Canada-Alberta Labour Force Survey Pilot Project.
  - Initiate 3 additional capacity building pilot projects with Aboriginal communities and other partners.
  - Initiate pilots for the Youth Apprenticeship Learning Opportunities Project (YAP) in three communities by March 2004.

**Objective:** *Clarify federal/provincial/Aboriginal roles and responsibilities.*

Support the Alberta/Canada Partnership Forum with Aboriginal participation to develop collaborative projects, such as the working group to facilitate benefits to Aboriginal communities from SuperNet.

Increase capacity within the Alberta government for collaboration with Aboriginal governments, organizations and communities.

- Targets:**
- Initiate planning activities with 42 First Nation communities identified as potential SuperNet communities.
  - SuperNet implementation in all communities requesting service and scheduled for implementation in 2003-2004.
  - Develop principles for an Aboriginal policy checklist to review existing/future policies to ensure they address needs, legal requirements and Aboriginal agreements. Checklist to be developed for implementation in selected Ministries in 2005.
  - Develop a pilot project to define the respective accountabilities between Alberta Children's Services, Indian and Northern Affairs Canada (Alberta Region) and Delegated First Nations Agencies regarding First Nations Child Welfare agreements.

**ALBERTA CHILDREN AND YOUTH INITIATIVE**

**Purpose:** Support the healthy development of Alberta's children and youth through the joint efforts of provincial government ministries, local boards and authorities, families and communities.

**Related Government Business Plan Goals:**

- Goal 1 - Albertans will be healthy
- Goal 2 - Albertans will be well prepared for lifelong learning and work
- Goal 3 - Alberta's children will be supported in reaching their potential
- Goal 10 - Alberta will be a fair and safe place to work, live and raise families

**Ministry Champions:**

Children's Services, Learning, Health and Wellness

**Objective:** *Families with children and youth with special and complex needs (developmental disabilities, physical and sensory disabilities, health conditions and/or emotional/behavioural disabilities) will benefit from a coordinated cross-ministry approach to providing services.*

Implement a provincial policy framework for children and youth with special and complex needs to improve coordination of services amongst ministries and regional authorities that serve children, youth and their families.

Develop a cross-ministry mental health implementation plan for the Children's Mental Health Policy Framework, including identification of service delivery gaps for children at risk and mandate clarification.

- Targets:**
- Integrated case management model for children and youth with complex needs implemented in 100% of regions.
  - Cross-sector information sharing training delivered in 100% of regions.
  - Implementation plan for Children's Mental Health Policy Framework developed by January 2004 and included in relevant provincial plans by April 2004.

**Objective:** *Youth are supported and assisted in making a successful transition to adulthood.*

Based on the Youth in Transition framework, implement policy changes that support an integrated approach across youth-serving ministries that address support and financial barriers for youth transitioning to adulthood (e.g., 16/17 year olds). Work with the Youth Secretariat, mentoring organizations, Aboriginal communities, corporate sector and other government ministries to increase mentoring opportunities for youth, including designing an aboriginal mentoring program pilot.

- Targets:**
- Implement approved policy changes to support an integrated approach to services for youth.
  - Increase diversity of mentoring options for high-risk youth by 15%.
  - Phased implementation of the Aboriginal youth suicide prevention strategy, including an Aboriginal mentoring program pilot.

**Objective:** *Promote the optimal development of children by ensuring a healthy start in life.*

By working with provincial government ministries, regional authorities, the federal government and Aboriginal communities, implement Early Childhood Development initiatives (e.g., parenting supports) that provide a range of health, social, and learning programs and services.

- Targets:**
- Percentage of Alberta children demonstrating healthy social and emotional development (maintain or improve level in relation to national average).
  - Percentage of Alberta families using positive parenting skills (maintain or improve level in relation to national average).
  - Increase Early Childhood Development initiatives for Aboriginal children by 50% to promote healthy birth outcomes and positive parenting skills.

**Objective:** *Regional authorities increase their capacity to collaboratively plan and deliver services that promote the well-being of children, youth and families.*

Provide supports to regions to enhance integrated and coordinated service delivery for children and youth by: (i) developing mechanisms for regions to identify policy/mandate issues to the Alberta Children and Youth Initiative (ACYI) for resolution, and (ii) increasing opportunities for regions to share expertise and resources.

- Targets:**
- 85% of regions report increased supports to enhance integrated service delivery for children and youth.

*Note: Early Childhood Development strategies also incorporated in the cross-ministry Health Sustainability Initiative: Strategies for Aboriginal children and youth are also included in the cross-ministry Aboriginal Policy Initiative.*

**ECONOMIC DEVELOPMENT STRATEGY**

**Purpose:** A future of opportunity in a province that's unmatched through ministries working together with business, industry, communities, other governments and public institutions, employees and other stakeholders.

**Related Government Business Plan Goals:**

- Goal 2 - Albertans will be well prepared for lifelong learning and work
- Goal 7 - Alberta will have a prosperous economy
- Goal 8 - Alberta will have effective and efficient transportation and utilities infrastructure
- Goal 10 - Alberta will be a fair and safe place to work, live and raise families

**Ministry Champions:**

Economic Development; Human Resources and Employment; Learning; and Agriculture, Food and Rural Development

**Objective:** *Continue to implement Alberta's economic strategy as consistent with the vision set out in "Today's Advantage, Tomorrow's Promise."*

The momentum of Alberta's economy is sustained by focusing on innovation, learning, competitiveness and quality of life.

- Targets:**
- Alberta SuperNet will be available to 356 communities and 2,522 schools, hospitals, libraries and provincial buildings (this represents 84% of communities and 54% of public buildings targeted over the three year construction period).
  - Increase the amount of investment in sponsored research at Alberta universities to \$460 million.
  - 32% of Albertans aged 25 + participate in education and training.
  - Refer to Objective 4, Target 1 & Target 2 (both targets are applicable to this objective).
  - 38% of grade 12 students have credit in a second language course during high school.
  - 85% of participants in training and employment programs indicate they obtained an improved skill level.
  - 45,000 net new jobs in 2003.
  - Accumulated debt (less cash set aside for future debt repayments): \$4.8 billion.
  - 81% of the North-South trade corridor (BC border west of Grande Prairie to Coutts) is open to four-lane traffic.
  - % of Albertans rating their health status as excellent or very good continues to exceed the national average.
  - Alberta's lost-time claim rate (number of lost-time claims per 100 person-years worked) 2.5 or lower.
  - Alberta's violent and property crime rates to be ranked the lowest of the 4 western provinces.

**Objective:** *Develop and implement a value-added strategy to achieve a broadly based, versatile economy.*

Alberta's economy will be broadened and diversified through the development and implementation of a value-added strategy.

- Targets:**
- Grow employment in the information and communications technology industry by 5,000 new jobs.
  - Value-added international exports: \$22.7 billion.
  - Tourism revenues: \$5.22 billion.
  - Value-added GDP growth by sector: Under development.
  - Labor productivity growth by sector: Under development.

**Objective:** *Develop and implement a Rural Development Initiative that takes a collaborative approach to rural capacity building.*

**Targets:** Regional Economic Development Targets

- 2.5 million people included in Regional Economic Development Alliances and Partnerships.
- 9 provincial ministries collaborate on a Pilot Project with the Central Alberta Economic Development Partnership.
- 76% of users are satisfied with information and advice received from the Regional Partnership Initiative of Alberta Municipal Affairs and AED's Regional Development Branch.

Rural Development Initiative Targets

- Complete an inventory and SWOT analysis of current health and education facilities and services available in rural Alberta.
- Conduct an opportunity analysis of rural and remote communities served by the SuperNet to assess possible service delivery models for "last mile" connectivity, and to identify rural SuperNet applications.
- Strategy will be developed for the 2004-07 business plan.

**Objective:** *A sufficient supply of human capital to meet Alberta's economic growth.*

Labour supply needs are to be addressed by increasing the skill and knowledge level of Albertans, the mobility of labour within Canada, and the number of immigrants to Alberta.

- Targets:**
- 90% + of Albertans aged 25-34 have completed high school.
  - 60% of Albertans aged 25-34 have a post-secondary education.
  - 87% of employers are satisfied with the skills of post-secondary graduates.
  - The number of occupations with an unemployment rate of less than 3% is 20.
  - Employer agreement that the learning system provides an adequate supply of graduates: Under development.
  - The annual net population inflow to Alberta is 33,000.
  - The labour force participation rate remains the highest among all provinces in Canada.
  - Increase economic immigrant stream as proportion of overall immigration to 58%.

**Objective:** *Over the next year, develop a Strategic Framework that integrates the People, Prosperity and Preservation themes as outlined in "Today's Advantage, Tomorrow's Promise."*

**HEALTH SUSTAINABILITY INITIATIVE**

**Purpose:** To enhance the sustainability of the health care system now and in the future by strengthening collaboration and coordination across Ministries.

**Related Government Business Plan Goals:**

Goal 1 - Albertans will be healthy

Goal 4 - Albertans will be self-reliant and those unable to provide for their basic needs will receive help

**Ministry Champions:**

Health and Wellness, Seniors, Finance

**Objective:** *Optimize Albertans' health by working collaboratively to address factors that influence health.*

Promote behaviour change toward more healthy living by implementing several related cross-ministry frameworks and strategies, including the Healthy Alberta Promotion and Prevention Policy Framework, the Diabetes Strategy, Early Childhood Development Initiative, the Tobacco Reduction Strategy and the Healthy Aging and Seniors Wellness Strategic Framework.

- Targets:**
- To have a long term impact on injury and chronic disease prevention in areas such as heart disease, diabetes and cancer: 90% of RHAs implement strategies to increase health promoting behaviours related to (i) increased physical activity, (ii) improved eating practices and (iii) injury prevention, for children, seniors and the population at large.
  - Increase the number of diabetics who have access to diabetes monitoring supplies, from 10,000 to 40,000.
  - Increase the number of parents with newborns who are provided with educational/counseling support in the areas of breastfeeding, postpartum depression and their infant's health and development, by 5%.
  - Reduce prevalence of alcohol use during pregnancy among Alberta women from 4% to 3.8%.
  - Implement a strategy to reduce tobacco use during pregnancy among Alberta women.
  - Reduce prevalence of smoking among Alberta youth from 17.9% to 16%.
  - Increase percentage of seniors (65+) immunized for influenza from 67.6% to 69%.

**Objective:** *Expand opportunities to facilitate "aging in place."*

Increase incentives to shift services from facility based to community based settings.

- Targets:**
- Reduce the gap between charges and services for facility based long term care and community living by 50%.
  - Based on assessed needs, decrease the ratio of persons over age 75 in long term care beds compared with Alberta's population over 75, from 80.7 per 1000 (2001/02) to 78 per 1000 (2003/04).

**Objective:** *Improve access to appropriate care and facilitate cost effective use of health services by low income Albertans.*

Remove barriers to accessing health services for low income Albertans.

- Targets:**
- Develop baseline data regarding utilization by low income Albertans of selected preventive procedures.
  - Identify barriers to appropriate use of health services by low income Albertans.
  - Develop cross-Ministry approach to ensuring that low-income Albertans have access to appropriate health services, resulting in more cost effective use of services.
  - Increase enrollment in the Alberta Child Health Benefit program from the 2002/03 target of 69,000 to 76,000 in 2003/04.

**Objective:** *Improve cost effective utilization of pharmaceuticals.*

Partner with industry and physicians to utilize drugs more effectively, to reduce costs related to the incidence of aggressive acute health interventions (ie. hospital, dialysis etc). Encourage appropriate, cost effective utilization of pharmaceuticals.

- Targets:**
- Establish baseline data regarding the number and type of aggressive acute interventions for diabetes and chronic obstructive pulmonary disease.
  - Reduce rate of growth in cost of government drug programs to 4%.

*Note: Aboriginal health strategies are incorporated in the cross-ministry Aboriginal Policy Initiative.*



# MINISTRY BUSINESS PLANS

Alberta **2003** Budget  

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Making Alberta Even Better

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# Aboriginal Affairs and Northern Development

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Pearl Calahasen, *Minister of Aboriginal Affairs and Northern Development*  
March 21, 2003

## THE MINISTRY

The Ministry of Aboriginal Affairs and Northern Development (AAND) is responsible for developing and coordinating cross-ministry policies and strategies respecting Aboriginal and Northern issues and for implementing specific Aboriginal and Northern initiatives. The Ministry demonstrates the importance of Alberta's relationship with Aboriginal people. The Ministry leads the implementation of the *Aboriginal Policy Framework*, which sets out the long-term structure for existing and new Government of Alberta policies to address First Nation, Metis and other Aboriginal issues in Alberta. The Ministry's four core businesses, five goals and associated key strategies encompass the activities of the department and of the Northern Alberta Development Council.

## Northern Alberta Development Council (NADC)

To ensure that the interests of Northern Albertans are given prominence, NADC reports through Council Chair Gary Friedel, MLA, Peace River, to the Minister of Aboriginal Affairs and Northern Development. Northern economic development is a primary driver of the Alberta economy. AAND and NADC advocate on behalf of Northerners and work with other Ministries to develop, coordinate and implement strategies to take advantage of economic, business and social opportunities in the North.

## Metis Settlements Appeal Tribunal (MSAT)

MSAT is a quasi-judicial body, established by the *Metis Settlements Act*, to hear appeals between Settlement members and Councils in areas pertaining to land and membership. MSAT is comprised of members appointed by the Metis Settlements General Council and the Government of Alberta.

## VISION

An Alberta that includes full participation of Aboriginal and Northern Albertans in the province's opportunities and prosperity.

## MISSION

To advance the social and economic development of Aboriginal people and Northern Albertans.

## CORE VALUES

Our Ministry is committed to: accessibility, accountability, collaboration, continuous improvement, innovation, integrity, professionalism, respect and teamwork.

## CORE BUSINESSES

*Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework (APF)* is the foundational policy for implementing the core businesses relating to Aboriginal people in Alberta. The APF establishes principles and commitments to action for all Ministries to work in partnership with First Nations, Metis and other Aboriginal communities, organizations, and people, and with other governments, industry and interested parties to facilitate the participation of Aboriginal people in the life and economy of Alberta.

The Ministry:

- promotes and facilitates initiatives to improve the participation of Aboriginal people in Alberta's social and economic opportunities;
- implements strategies to promote self-reliant and self-regulating Metis Settlement governments;
- manages the Province's legal and constitutional obligations with respect to First Nations, Metis and other Aboriginal people; and
- promotes and facilitates initiatives to advance the development of Northern Alberta.

## STRENGTHENING RELATIONSHIPS

At Aboriginal Affairs and Northern Development we serve:

- Aboriginal and Northern people, communities and organizations;
- private organizations, industry, businesses;
- other Alberta Ministries; and
- other governments-Aboriginal, federal/provincial/territorial and municipal.

The Ministry works with Aboriginal and Northern people, organizations, and businesses to identify and act on Aboriginal and Northern issues. The Ministry ensures that Aboriginal and Northern views are represented to the Alberta government.

The Ministry works with other Alberta ministries to improve awareness of Northern and Aboriginal issues and to assist in development of policies and strategies to address these issues.

Activities include providing guidance with respect to Aboriginal cultures, appropriate protocols and communication strategies to enable other Ministries and other partners to engage Aboriginal people on issues of mutual interest.

The Ministry is committed to teamwork, within the organization and in partnership with other ministries, industries, communities and governments. The Ministry recognizes that building co-operative relationships within government and with Aboriginal governments, organizations, communities and other partners is critical to achieving its mission.

## **LINKS TO GOVERNMENT BUSINESS PLAN (GBP)**

### **GBP Core Business and Goals**

AAND's Business Plan is aligned with the Government of Alberta's core businesses of People, Prosperity and Preservation. The key focus of the Ministry is Goal 5 ("Aboriginal communities in Alberta will be effective and self-reliant"). Specific Aboriginal measures are also included in Government Business Plan Goals 1 and 2.

### **GBP Priority Policy Initiatives**

In addition to leading the Aboriginal Policy Initiative, AAND works actively on the other three cross-ministry priority policy initiatives (Health Sustainability Initiative, Alberta Children and Youth Initiative and Economic Development Strategy) to facilitate and support development of Aboriginal and Northern strategies. AAND's participation in all priority policy initiatives provides further opportunities to assess and advise on gaps and overlaps regarding Aboriginal and Northern issues.

### **GBP Key Administrative Initiatives**

AAND's activities align with all Key Administrative Initiatives. AAND works with the Alberta Corporate Service Centre to achieve efficiencies in Ministry services. Pursuant to the Corporate Human Resource Development Strategy, AAND is developing strategies to ensure that all staff are knowledgeable, skilled and effective. AAND operates in accordance with the Corporate Information Management/Information Technology Strategy to ensure cost-effective use of technology to enhance business outcomes. AAND is working with Innovation and Science to provide high-speed cable access to Aboriginal and Northern communities. The Ministry also participates with the Service Alberta Initiative to provide accessible information services to Aboriginal people.

# STRATEGIC PRIORITIES

The Ministry's five strategic priorities are described below.

## 1. GBP Aboriginal Policy Initiative

In partnership with Justice and Children's Services, the Ministry will lead the continuing development and implementation of strategies and targets within the Aboriginal Policy Initiative (API). The API supports the Government of Alberta's long-term commitment to the following objectives:

- improve the health status and well-being of Aboriginal people;
- support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures;
- increase the participation by Aboriginal people in the Alberta economy; and
- clarify federal/provincial/Aboriginal roles and responsibilities.

## 2. Improved Consultation with First Nations

Improved consultation policies, strategies and practices are desirable in the resource sector. Traditional use studies contribute to enhanced consultation regarding land use. AAND will advise, facilitate and coordinate work with other Ministries to effectively manage this significant challenge on behalf of the Government of Alberta.

## 3. Developing Strategic Relationships with Aboriginal communities/organizations in Alberta

Improved "government-to-government" relations will be developed with First Nations through agreements such as the 1995 Understanding of Alberta/First Nations Relations, and more effective relationships with Metis governments and organizations through existing mechanisms. Where possible, Alberta prefers negotiation of differences to litigation. AAND is committed to a "good neighbour" approach based on open communication and cooperation. AAND will assist other Ministries to effectively communicate with Aboriginal governments and organizations on programs and initiatives of interest to Aboriginal people. Effective communication with Aboriginal people requires dedicated government staff who understand and have well-established relations with Aboriginal communities. AAND manages bilateral and multilateral processes with Aboriginal governments/organizations and assists other ministries in undertaking discussions on policy and program issues.

## 4. Enhanced Legal and Historical Research Capability

Aboriginal law is a highly specialized area, involving complex issues of constitutional and administrative law. AAND undertakes historical research to effectively address these evolving issues. AAND directs its legal resources to ensure a thorough understanding of legal issues, and to defend provincial interests.

## 5. Development of the North

Northern Alberta contains 60 per cent of Alberta's land mass yet only ten per cent of the Province's population. It is resource-rich, with 90 per cent of Alberta's forests, nearly 40 per cent of Alberta's conventional oil and gas activity, and 20 per cent of Alberta's agricultural land. The North has 100 per cent of Canada's oil sands development. The North is vital to the Province's current and future prosperity. AAND works with Northern governments and industry to facilitate Northern economic development. Future success will depend on appropriate policy development and working relationships that facilitate Northern participation in the economy, including development of a skilled Northern workforce and businesses.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE

## 1 To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities.

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### Key Strategies

- Work with other ministries to identify and support the implementation of strategies and commitments to action related to the *Aboriginal Policy Framework*.
- Enhance strategic relations with federal, provincial, and territorial governments and Aboriginal organizations, so that Aboriginal people in Alberta will benefit from improved co-operation and co-ordination of policies, programs and initiatives.
- Partner with Aboriginal organizations and others to facilitate Aboriginal capacity building projects.
- Serve as a resource to First Nation and Metis governments and organizations and Alberta ministries to facilitate Aboriginal involvement in government initiatives.
- Serve as a resource to First Nation and Metis governments and organizations in developing their own planning.
- Lead the development and implementation of consultation policies, strategies and practices (including the incorporation of traditional use data into provincial land use planning and administration) in the resource sector.

### Performance Measures

- Report on the results of the objectives and targets, identified in the cross-ministry Aboriginal Policy Initiative for 2002-03, which show improvements for Aboriginal people.
- Maintain the government's public approval rating on Aboriginal Affairs higher than British Columbia, Saskatchewan, Manitoba and Ontario government averages.

### Supplementary Measures

- Analysis of 2001 Canada Census data.
- Aboriginal Policy Initiative long-term measures, 2000-10.

GOAL TWO

## 2 To promote self-reliant and self-regulating Metis Settlement governments.

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### Key Strategies

- Administer Metis Settlements legislation and associated agreements to fulfill provincial responsibilities.
- Work with Metis Settlements General Council to identify and address changes to Metis Settlements legislation to improve governance.
- Work with Metis Settlements General Council and Settlement councils to promote effective management of their own affairs through capacity building initiatives.
- Co-ordinate the implementation of infrastructure projects on Metis Settlements.

### Performance Measures<sup>1</sup>

- Two-per-cent increase in Metis Settlement self-generated revenues.
- Metis Settlements General Council and Settlements have performance indicators included in all business plans.
- Establish a baseline of infrastructure development on Metis Settlements.

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<sup>1</sup> The following performance measures will be addressed in partnership between AAND and the Metis Settlements General Council.

## 3 To facilitate the resolution of land claims and other claims by Aboriginal people concerning the Province.

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### Key Strategies

- Encourage timely settlement of all outstanding treaty land entitlement claims for which the Province has some obligation under the Natural Resources Transfer Agreement.
- Represent the Province in land and other claims negotiations with the federal government and First Nations and coordinate the participation of relevant provincial ministries.
- Take steps to ensure that the interests of the Province, municipalities, third parties and other stakeholders are respected.
- In cooperation with Alberta Justice, manage Aboriginal litigation effectively.
- Coordinate implementation of land claims settlement agreements and, where appropriate, work with Aboriginal communities to realize the potential economic opportunities of land claims settlements.

### Outcomes

- Settlement of land claims in a manner that is fair and equitable to all parties.
- Resolution of Aboriginal litigation in a manner that respects Aboriginal and treaty rights and best serves the interests of all Albertans.

## 4 To advance development of Northern Alberta.

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### Key Strategies

- Coordinate government and non-government strategies through the Northern Development Strategy to increase awareness and advance the importance of northern development to the well-being of Alberta.
- Engage northern communities, businesses and other stakeholders through information-gathering processes to identify northern priorities, opportunities and challenges (e.g., Challenge North 2003).
- Partner with other jurisdictions, ministries, businesses and communities to promote opportunities and address northern challenges.
- Support learning initiatives aimed at increasing northern skill levels.

### Performance Measures

- Northern leaders, project partners and clients report satisfaction with NADC's contribution in advancing Northern interests. The target is an average rating of 8 out of 10.
- Achieve a NADC Bursary recipients' return service rate of 75%.



**Key Strategies**

- Continue the development and implementation of a comprehensive human resource development program consistent with the Ministry's Human Resource Plan and the Corporate Human Resource Development Strategy.
- Develop a long-term strategic framework that integrates, coordinates and systematizes the ministry's activities towards the attainment of its vision and the Government's Business Plan.
- Provide the skills, processes, and technology/tools to enhance the collection, management and sharing of information and knowledge within the Ministry, and to support strategic consultation with our partners.
- Develop, maintain and test a business-resumption plan to ensure timely continuation of critical Ministry business activities and functions after a major disruptive event affecting the ministry.
- Continually review administrative and operational practices to identify opportunities to improve efficiencies and effectiveness.

**Performance Measures**

- Staff understand their link to the Business Plan as measured by the annual Corporate Employee Survey: achieve an average rating of 8 out of 10.
- Staff satisfaction with learning opportunities and support as measured by the annual Corporate Employee Survey: achieve an average rating of 7.5 out of 10.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Aboriginal Relations	6,044	7,356	8,756	8,428	8,829	9,464
Metis Settlements Governance	20,169	18,444	18,445	17,465	17,064	16,279
Land and Legal Issues	2,987	2,428	34,577	3,736	3,736	3,886
Northern Development	1,829	1,954	1,954	1,974	1,974	1,974
<b>MINISTRY EXPENSE</b>	<b>31,029</b>	<b>30,182</b>	<b>63,732</b>	<b>31,603</b>	<b>31,603</b>	<b>31,603</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Other Revenue	172	45	50	45	45	45
<b>MINISTRY REVENUE</b>	<b>172</b>	<b>45</b>	<b>50</b>	<b>45</b>	<b>45</b>	<b>45</b>
<b>EXPENSE</b>						
<b>Program</b>						
Aboriginal Affairs	9,316	10,236	43,786	12,625	13,026	13,811
Metis Settlements Appeal Tribunal	919	923	923	930	930	930
Northern Alberta Development Council	1,829	1,954	1,954	1,974	1,974	1,974
Metis Settlements Governance	8,859	7,069	7,069	6,074	5,673	4,888
Metis Settlements Legislation	10,000	10,000	10,000	10,000	10,000	10,000
Valuation Adjustments and Other Provisions	106	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	<b>31,029</b>	<b>30,182</b>	<b>63,732</b>	<b>31,603</b>	<b>31,603</b>	<b>31,603</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(30,857)</b>	<b>(30,137)</b>	<b>(63,682)</b>	<b>(31,558)</b>	<b>(31,558)</b>	<b>(31,558)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	172	45	50	45	45	45
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>172</b>	<b>45</b>	<b>50</b>	<b>45</b>	<b>45</b>	<b>45</b>
Ministry Program Expense	31,029	30,182	63,732	31,603	31,603	31,603
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>31,029</b>	<b>30,182</b>	<b>63,732</b>	<b>31,603</b>	<b>31,603</b>	<b>31,603</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(30,857)</b>	<b>(30,137)</b>	<b>(63,682)</b>	<b>(31,558)</b>	<b>(31,558)</b>	<b>(31,558)</b>

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# Agriculture, Food and Rural Development

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Shirley McClellan, *Minister of Agriculture, Food and Rural Development*  
March 21, 2003

The Ministry is comprised of the Department of Agriculture, Food and Rural Development; Agriculture Financial Services Corporation; Farmers' Advocate; Irrigation Council; Agricultural Products Marketing Council; and Alberta Grain Commission.

## VISION

**“Prosperous, sustainable Alberta farms, processors, agricultural businesses and rural communities.”**

## MISSION

**“To enable the growth of a globally competitive, sustainable agriculture and food industry through essential policy, legislation, information and services.”**

## PRIMARY CLIENTS

The Ministry’s primary clients are those people and organizations capable of contributing to a competitive and sustainable agriculture and food industry. The Ministry also provides unique financial services to the small business sector.

## VALUES

- Show respect for people.
- Be customer driven.
- Be committed to high performance.
- Seek continual improvement.

## EMERGING DEVELOPMENTS

- The agriculture industry has suffered the worst drought in 130 years. Producers and processors are adapting but the industry will take some time to recover.
- The Ag Summit Action Team Reports and the Alberta Future Summit Report were released early in 2002. Recommendations from both of these consultation initiatives provide a wealth of ideas that need to be considered in the context of Ministry programming. The Ministry believes that many of its current initiatives are consistent with the direction outlined in the reports. However, it is expected that this input will result in revisions in Ministry programming in 2003 and in future years.

## STRATEGIC INITIATIVES

The following initiatives are being undertaken in response to the state of the industry and will help establish the strategic direction of the Ministry and facilitate future programming decisions.

- Recently, Federal, Provincial and Territorial Ministers of Agriculture agreed in principle to pursue a new “Agriculture Policy Framework” that will help the agriculture industry position itself for the future. The proposed framework is a comprehensive, integrated five-year strategy that encompasses five key elements: risk management, food safety, environment, renewal, and science. Development of federal-provincial bilateral agreements is underway with the implementation of the Agriculture Policy Framework targeted for April 1, 2003. The new Agriculture Policy Framework and related initiatives may result in revisions to some of the Ministry’s strategies in next year’s business plan.
- Comprehensive Strategies for Rural Development, Growth, and Research and Development are in progress and will be substantially complete by March 31, 2003. It is expected that each of these initiatives will impact the future direction of the department and its programming in 2003 and beyond.

Current conditions in the agriculture industry have demonstrated the susceptibility to inherent risks such as poor weather, declines in global commodity prices, and changes in the overall economy. While the Ministry’s strategic direction is outlined, it is acknowledged that from year to year, changes must be made to accommodate specific developments.

## INDICATORS AND PERFORMANCE MEASURES

In the Ministry's goal-based planning framework, the core businesses, goals, strategies, and measures are reviewed annually to ensure they continue to fit the broad strategic framework. The 2002-2005 business plan was the first to reflect a change from industry macro-measures to industry indicators and strategy-based measures. The initial measures proposed for that period were somewhat exploratory. In addition, performance restructuring initiatives were undertaken in the Ministry in 2002, necessitating a refocus of services and a re-examination of the measures. As such, there have been some changes to the performance measures in this business plan.

## CORE BUSINESSES

The Ministry contributes to the government's three core businesses: **People, Prosperity** and **Preservation** and seven of the government's goals. Our primary focus is on the second core business – working with others to promote prosperity for Alberta through a strong, competitive agriculture and food industry that is sustainable and environmentally responsible.

The functions of the Ministry are aligned with government core businesses through three Ministry core businesses:

- Facilitate industry growth
- Enhance rural sustainability
- Provide safety nets

## GOALS, STRATEGIES AND PERFORMANCE MEASURES

CORE  
BUSINESS  
ONE

### 1 Facilitate Industry Growth

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This core business:

- Relates to the core government business of **Prosperity**.
- Relates to the opportunities for Alberta's primary agricultural production to grow to \$10 billion and value-added industry to grow to \$20 billion by 2010.
- Promotes the adding of value from production to finished consumer goods.
- Facilitates development of essential policy and legislation.

#### GOAL 1 Growth of the Agriculture and Food Industry

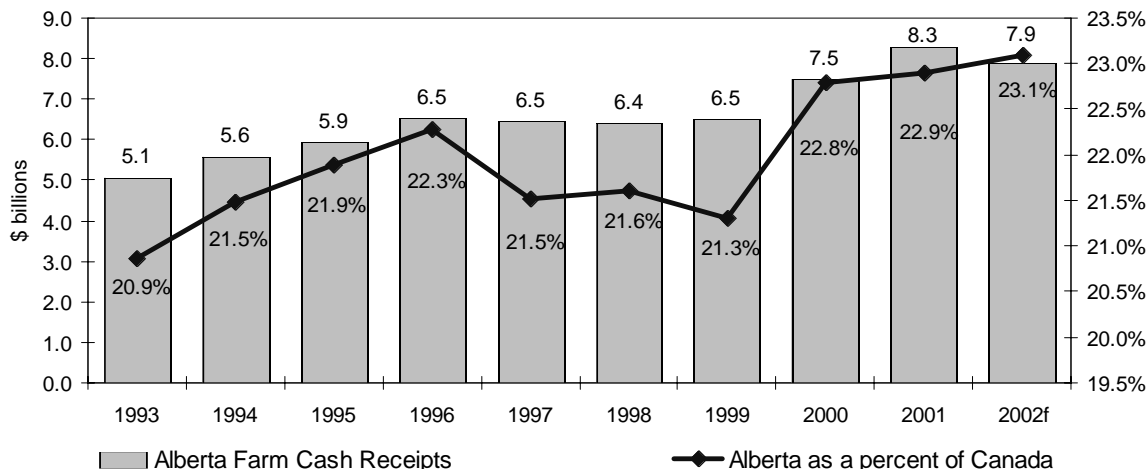
This goal recognizes that industry growth is the outcome of long-term profitability arising from a competitive agriculture and food industry focused on market opportunities. The Ministry contributes to this goal by facilitating new and diversified product development (primary and value-added food and non-food products), enhanced market access for agriculture and food industry products and improved agriculture and food industry business services, including access to capital, risk management tools, business and entrepreneurial processes, and enhanced infrastructure.

#### Key Results

- Incremental growth in Alberta's primary agricultural production leading to \$10 billion by 2010.
- Incremental growth in Alberta's value-added industry leading to \$20 billion by 2010.
- Profitable economic units/alliances of all sizes contribute to agriculture and food industry prosperity.

## Indicators

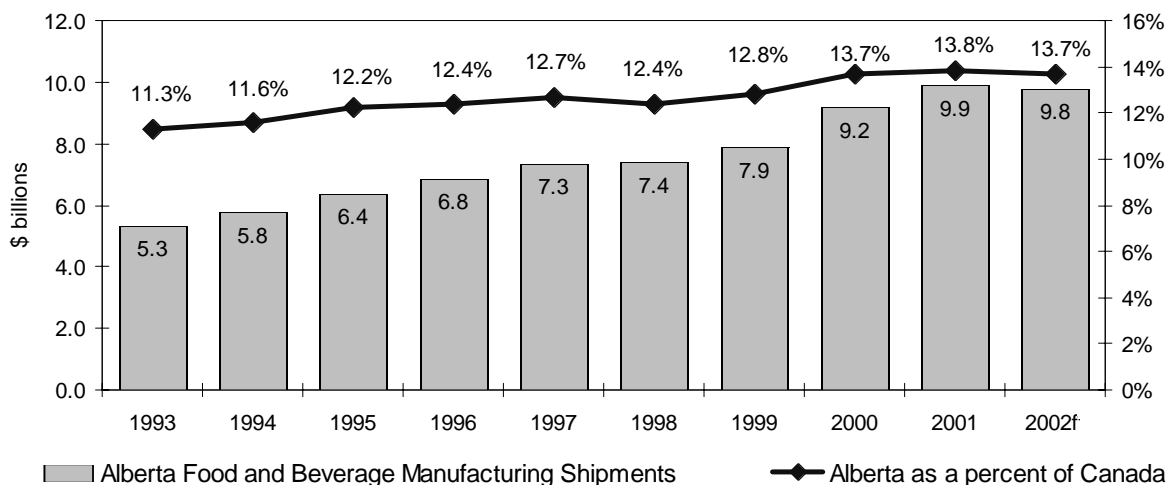
- Farm cash receipts** represent the cash income received from the sale of agricultural commodities as well as direct program payments.\* The total of Alberta farm cash receipts is a measure of the value of primary agriculture production. Alberta's share of Canadian farm cash receipts is an indicator of how competitive Alberta farmers and ranchers are relative to other Canadian farmers.



**Source:** Statistics Canada, 1993-2001; and Agriculture and Agri-Food Canada, 2002 Forecast (f)

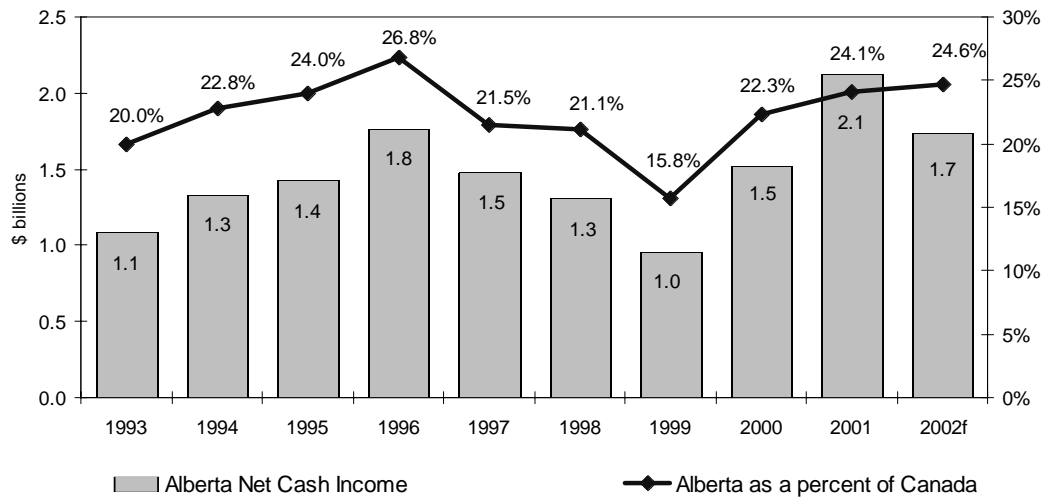
\* **Farm cash receipts** include all agricultural products, such as field crops, vegetables, fruits, floriculture and nursery products, sod, livestock and livestock products, etc. Direct program payments represent the amounts paid under various government and private programs to individuals involved in agricultural production.

- Revenue received by food and beverage processing establishments from the sale of their products is referred to as **value of manufacturing shipments**. This indicator shows how Alberta businesses are doing relative to other Canadian businesses.



**Source:** Statistics Canada, 1993-2001; and Agriculture and Agri-Food Canada, 2002 Forecast (f)

- **Net cash income** represents the amount of cash generated by farm businesses that is available for debt repayment, investment or withdrawal by the owner.\* Net cash income is an indicator of the profitability of Alberta farmers and ranchers.



Source: Statistics Canada, 1993-2001; and Agriculture and Agri-Food Canada, 2002 Forecast (f)

\* **Net cash income** of farm businesses is derived by subtracting operating expenses from farm cash receipts. Farm operating expenses represent business costs incurred by farm operators for goods and services used in the production of agricultural commodities.

### Strategies

- Encourage market responsiveness, diversity and industry competitiveness through the provision of information, technology, and targeted research.
- Enhance efficiencies in production and processing through the delivery of business and technical information and services.
- Facilitate capital investment in the agriculture and food industry through opportunity identification, evaluation, lending products, and providing risk management\* tools and training.
- Enhance the development of new products and processes to assist industry in capturing additional value added market opportunities.
- Develop and administer essential policy, legislation, and regulation.
- Advocate policies and programs that facilitate market access, industry growth and competitiveness.
- In partnership with industry and other ministries, provide programs and services to enhance human resource development.
- Work with partners to ensure that appropriate physical infrastructure is in place.

\* For safety net detail, reference Core Business 3.

## Performance Measures

	2002-03 Forecast	2005-06 Target
Number of new processed food products produced at the Ministry's Leduc Food Processing Development Centre.	110	120
Percentage of clients fully satisfied with information and service provided by the Ag-Info Centre.	95% of clients fully satisfied with service received	95% of clients fully satisfied with service received
Value-added investment supported by AFSC lending services.	\$77 million	\$85 million
Amount of Beginning Farmer Loans.	\$125 million	\$145 million
Number of agriculture and food industry sub-sectors for which competitiveness benchmark criteria have been established.	2	5

**Note:** Representative examples of results from Ministry and Ministry-funded research that has contributed to competitiveness and growth will be reported in the Ministry's Annual Report.

## GOAL 2 Continued Excellence in Food Safety

This goal recognizes that a reputation for excellence in food safety is essential to maintain consumer confidence and expand markets, both domestic and international. The Ministry contributes to this goal by promoting and/or ensuring appropriate safe food production and processing practices throughout the supply chain.

### Key Result

- Safe food production and processing.

### Indicator

- Level of consumer confidence - the results of data acquired in 2003 will indicate the level of consumer confidence in Alberta-produced food.

### Strategies

- Develop, implement, and maintain a food safety surveillance system that validates the safety of Alberta's agriculture and food products.
- Facilitate adoption of internationally accepted food safety systems and standards in production and processing of Alberta food.
- Develop and administer essential policy, legislation and regulation.
- Develop and transfer knowledge and technology in support of safe food production and processing.
- Provide information, training and other programs that enhance food safety awareness and emergency response.
- Participate, as appropriate, in national traceability initiatives.



## Performance Measures

	2002-03 Forecast	2005-06 Target
<b>Number of active surveillance sampling programs that identify the incidence of food contaminants or residues.</b>	8	10
<b>Percent of Alberta production from Alberta chicken farms, hog farms, and beef feedlots produced under nationally recognized on-farm food safety programs.</b>		
- chicken farms	0%	90%
- hog farms	0%	90%
- beef feedlots	0%	50%
<b>Percent of Alberta-licensed food processing plants that have implemented appropriate food safety process control systems</b>		
- meat (HACCP-based)	0%	20%
- dairy (HACCP prerequisites)	0%	70%

CORE  
BUSINESS  
TWO

## 2 Enhance Rural Sustainability

This core business:

- Relates to the core government businesses of **Preservation, Prosperity and People**.
- Relates to maintaining and improving agriculture's physical and human resource base.

### GOAL 1 Improved environmental stewardship

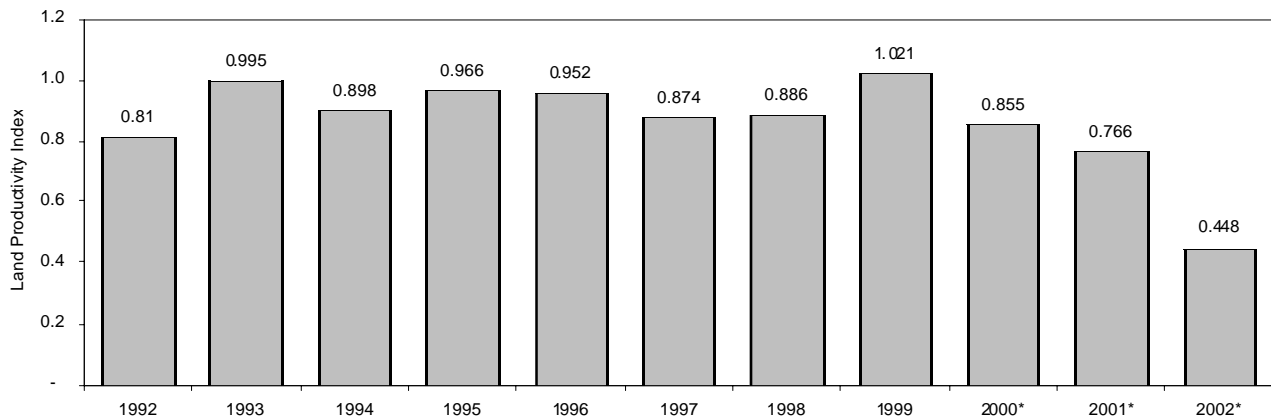
This goal recognizes it is the responsibility of the Ministry to support the agriculture and food industry to maintain or improve Alberta's air, water and soil for the well-being of current and future generations. The Ministry contributes to this goal through essential policy, legislation, information and services related to soil conservation, water quality, air quality, range management, climate change and biodiversity.

#### Key Results

- Maintained or improved quality of Alberta's agricultural soil.
- Maintained or improved water quality in agricultural areas.

## Indicators

- **Land productivity** is the best indicator of soil quality available at this time. It shows the changes in long term land productivity as recorded in annual crop output. A Soil Quality Index that is a more accurate indicator of soil quality is being developed based on monitoring 43 representative benchmark sites and should be available by 2005.



\* Declines in 2000-2002 are primarily drought related (2002 was the worst drought in 130 years).

- The Water Quality Index has been developed based on a water quality survey of 23 watersheds that was initiated in 1997. This survey will be completed annually and will provide meaningful information on water quality in agricultural areas. Reports on all 23 watersheds, plus a provincial overview, will be prepared and released annually.

## Strategies

- Transfer integrated technology and knowledge to assist the industry in becoming more environmentally sustainable.
- Support and conduct applied/adaptive research and evaluations to find economically sound, environmentally friendly technologies and management practices for crop and livestock production and agricultural processing.
- In consultation with the industry and other involved ministries, provide guidelines, standards, regulations and legislation for environmental performance requirements to sustain the quality of Alberta's soil, water and air.
- Monitor the effect of the agricultural production and processing industry on soil and water quality.

## Performance Measure

	2002-03 Forecast	2005-06 Target
<b>Percentage of respondents who have adopted improved practices as a result of ministry-supported stewardship training (formal evaluation every three years).</b>	63%	68%

**Note:** Representative examples of results from Ministry, and Ministry-funded research that is environmentally related will be reported in the Ministry's Annual Report.

**GOAL 2**

**Strengthened Rural Communities**

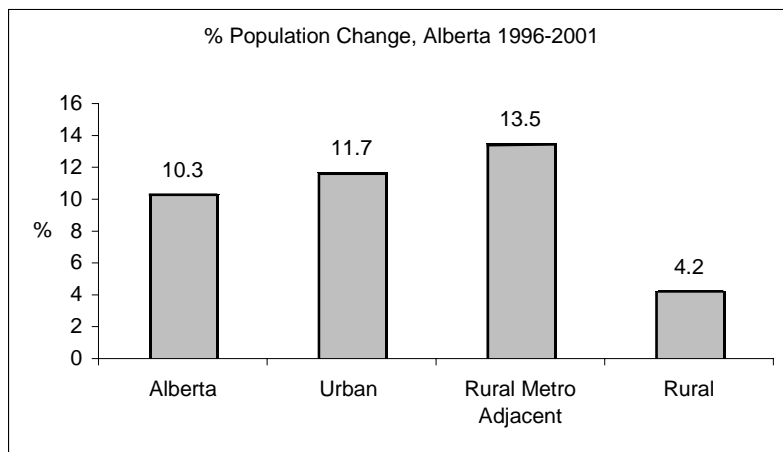
This goal recognizes that vibrant and sustainable rural communities are one component of a prosperous province. The Ministry works to strengthen rural communities through its involvement in facilitation and leadership development, and by acting in a coordinating role. A cooperative effort to ensure a balanced emphasis on social, economic, and environmental priorities by all stakeholders is necessary for community prosperity.

**Key Result**

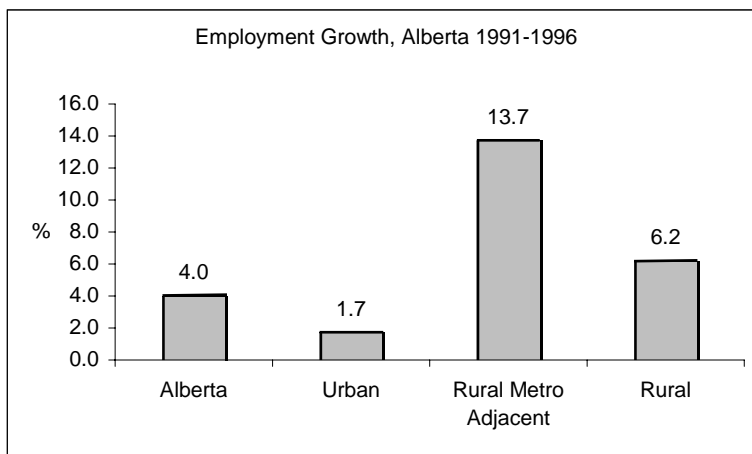
- Vibrant and sustainable rural communities.

**Indicators**

- Rural populations and demographics: Increasing rural populations and reduced out-migrations are indicators of vibrant and sustainable communities.



- Employment growth is one measure of the performance of economies. Communities that have more employment opportunities are viewed as more desirable places to reside. Lower unemployment rates are a reflection of community sustainability.



## Strategies\*

- Provide leadership development for youth and people actively engaged in agriculture and community organizations.
- Facilitate the development of sustainable communities, organizations, and agricultural businesses that are networked, flexible, adaptable, and manage change pro-actively and positively.
- Co-ordinate a multi-ministry approach to rural development.

\* Many of the strategies of this Ministry included under other goals also contribute to “Strengthened Rural Communities.”

## Performance Measures

	2002-03 Benchmark	2005-06 Target	
<b>Number and diversity of agricultural related community activities supported by Rural Services programming.</b>	<b>Total Activities</b>	<b>863</b>	Number of agricultural related activities will increase by 5%.
	<b>Type of Activity</b>	<b>% of Total</b>	
	• Agriculture Events	32%	
	• Agriculture Business Development	9%	
	• Agriculture Education and Skill Development	27%	
	• Leadership Development	13%	
• Community Improvements	19%		
<b>Percentage of rural youth that report effective learning from Ministry-supported 4-H programming.</b>	n/a	85%	

CORE  
BUSINESS  
THREE



## Provide Safety Nets

This core business:

- Relates to the core government businesses of **Preservation** and **Prosperity**.
- Provides risk management tools that are not available or not consistently available through the private sector.

### GOAL 1 Effective Safety Net Programming

This goal recognizes the need for less instability in a sector significantly affected by unforeseen weather and global influences. The Ministry contributes to this goal by providing safety net funding through programs such as the Farm Income Disaster Program, Crop Insurance, drought preparedness and disaster recovery initiatives. Increased stability coupled with targeted business management information, allows farmers to concentrate their management efforts on adoption of the most economically sustainable management practices for their area.

### Key Results

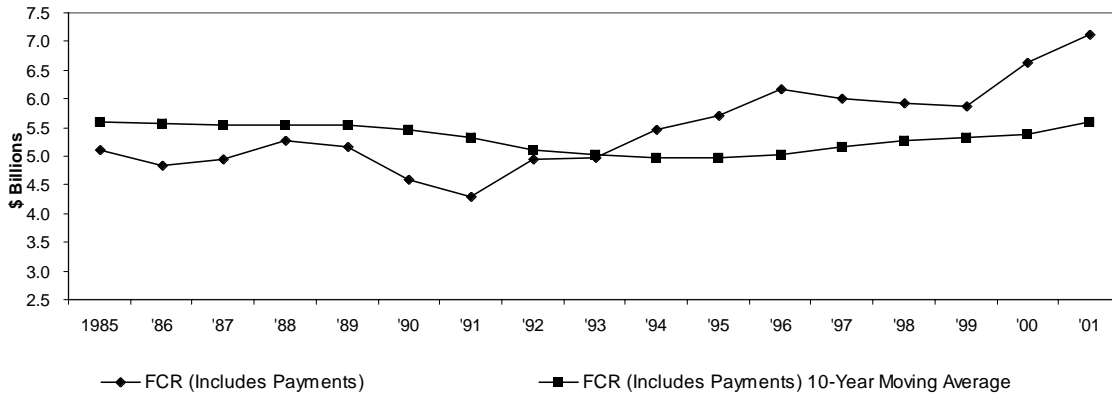
- Effective safety net programs that cushion impacts of severe reductions in farmers' income.
- Primary agriculture producers have access to disaster response programs when disasters occur outside a farm manager's control.

**Indicator**

- The annual deviation in Alberta Farm Cash Receipts (FCR), including government program payments, compared to the 10 year moving average is an indicator of the variability of farm income. FCR can be adversely affected by a number of factors including:
  - weather and resulting decreased production.
  - government programs in jurisdictions outside of Alberta.
  - the exchange rate of the Canadian dollar.

The Canadian and Alberta governments offer Alberta farmers and ranchers safety net programs to help offset those risks and uncertainties.

**Alberta Farm Cash Receipts in Constant (1992) Dollars and 10-Year Moving Average**



**Note:** Values are expressed in constant dollars (1992) to remove the effects of inflation.

**Strategies**

- Stabilize farm income by providing Alberta farmers with effective and efficient safety net programs.
- Ensure safety net programs are delivered effectively and have the flexibility to meet producer needs.
- Implement enhancements to the Crop Insurance program to mitigate the impact of production, cost and price risk for insured producers.
- Respond to issues resulting from recurring drought by fully implementing the Agriculture Drought Risk Management Plan.
- Implement the Agriculture Policy Framework Implementation Agreement, which responds to Alberta producers’ needs for effective and efficient production insurance, income stabilization (including income disaster mitigation), and business interruption insurance programs.

**Performance Measures**

	<b>2002-03 Forecast</b>	<b>2005-06 Target</b>
Percentage of primary producers surveyed experiencing a disastrous reduction in income that accessed core safety net programs.	n/a*	95%
Percentage of recipients of core safety net program funding, who say that the safety net program money enabled them to continue their farming operations through a year in which they experienced a disastrous reduction in farm income.	n/a*	80%
Percentage of customers satisfied with safety net program delivery.	n/a*	80%
Percentage of eligible seeded acres represented by farmers insured under crop insurance programs.	75%	75%

\* Survey to be developed.

## CORPORATE SERVICES

AAFRD's strategic direction is supported by a number of service functions. These areas (including Finance, Human Resources, Information Technology, Knowledge Management, Communications, Agriculture Information, and Business Planning) cross the five goals, and are integral to the efficient and effective delivery of Ministry programming. Examples of some of the more strategic initiatives to be undertaken in the Corporate Services area in 2003-2006 include:

- Providing critical support to facilitate the delivery of disaster support payments to producers.
- Further enhancing organizational efficiency and effectiveness by completing the consolidation of field offices and internal administration systems needed as the result of the integration of Alberta Opportunity Company with AFSC.
- Further developing AFSC's website to position the corporation for e-business.
- Completing enhancements to the Ministry's website, Ropin' the Web, which will result in a new look and feel for the website and incorporate customization and personalization functionalities.
- Maintaining an infrastructure to appropriately accommodate and support organizational changes and evolving technologies.
- Supporting the final phases of the transition to a goal-based planning process (i.e., implementing a performance measurement methodology that supports the managing for results approach).
- Continuing to positively contribute to cross-government administrative initiatives.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Facilitate Industry Growth	202,646	199,166	192,322	203,002	208,512	214,961
Enhance Rural Sustainability	35,688	36,532	38,346	37,784	37,059	37,055
Provide Safety Nets	864,246	365,720	1,450,380	623,106	681,801	671,051
Restricted Expense	130,356	124,874	148,713	-	-	-
<b>MINISTRY EXPENSE</b>	<b>1,232,936</b>	<b>726,292</b>	<b>1,829,761</b>	<b>863,892</b>	<b>927,372</b>	<b>923,067</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	11,620	16,620	16,620	16,620	16,620	16,620
Transfers from Government of Canada	268,817	116,842	408,157	169,112	118,871	116,393
Investment Income	108,316	102,598	101,741	90,503	98,817	106,554
Premiums, Fees and Licences	71,693	89,337	104,092	165,887	203,144	207,826
Other Revenue	187,629	131,407	269,478	6,813	6,927	7,227
<b>MINISTRY REVENUE</b>	<b>648,075</b>	<b>456,804</b>	<b>900,088</b>	<b>448,935</b>	<b>444,379</b>	<b>454,620</b>
<b>EXPENSE</b>						
<b>Program</b>						
Farm Income Support	530,041	130,117	590,921	130,333	129,487	135,740
Lending	30,144	31,598	31,543	33,128	34,073	35,230
Insurance	329,535	230,873	854,089	487,542	547,566	530,567
Planning and Competitiveness	30,109	33,171	35,946	35,068	33,064	33,064
Industry Development	47,703	41,927	41,984	41,348	41,398	41,439
Sustainable Agriculture	30,896	30,519	33,110	31,553	31,605	31,635
Infrastructure Assistance	24,058	25,800	24,100	25,800	25,800	25,800
Restricted Expense	130,356	124,874	148,713	-	-	-
Ministry Support Services	21,661	16,595	16,174	17,642	17,522	17,448
Valuation Adjustments and Other Provisions	5,491	5,248	3,672	5,626	5,476	5,257
<b>Program Expense</b>	<b>1,179,994</b>	<b>670,722</b>	<b>1,780,252</b>	<b>808,040</b>	<b>865,991</b>	<b>856,180</b>
<b>Debt Servicing Costs</b>						
Agriculture Financial Services Corporation	52,942	55,570	49,509	55,852	61,381	66,887
<b>Ministry Debt Servicing Costs</b>	<b>52,942</b>	<b>55,570</b>	<b>49,509</b>	<b>55,852</b>	<b>61,381</b>	<b>66,887</b>
<b>MINISTRY EXPENSE</b>	<b>1,232,936</b>	<b>726,292</b>	<b>1,829,761</b>	<b>863,892</b>	<b>927,372</b>	<b>923,067</b>
Gain (Loss) on Disposal of Capital Assets	234	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(584,627)</b>	<b>(269,488)</b>	<b>(929,673)</b>	<b>(414,957)</b>	<b>(482,993)</b>	<b>(468,447)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	648,075	456,804	900,088	448,935	444,379	454,620
<i>Inter-ministry consolidation adjustments</i>	(11,620)	(16,620)	(16,620)	(16,620)	(16,620)	(16,620)
<b>Consolidated Revenue</b>	<b>636,455</b>	<b>440,184</b>	<b>883,468</b>	<b>432,315</b>	<b>427,759</b>	<b>438,000</b>
Ministry Program Expense	1,179,994	670,722	1,780,252	808,040	865,991	856,180
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>1,179,994</b>	<b>670,722</b>	<b>1,780,252</b>	<b>808,040</b>	<b>865,991</b>	<b>856,180</b>
Ministry Debt Servicing Costs	52,942	55,570	49,509	55,852	61,381	66,887
<b>Consolidated Expense</b>	<b>1,232,936</b>	<b>726,292</b>	<b>1,829,761</b>	<b>863,892</b>	<b>927,372</b>	<b>923,067</b>
Gain (Loss) on Disposal of Capital Assets	234	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(596,247)</b>	<b>(286,108)</b>	<b>(946,293)</b>	<b>(431,577)</b>	<b>(499,613)</b>	<b>(485,067)</b>



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# Children's Services

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Iris Evans, *Minister of Children's Services*  
March 21, 2003

# A MESSAGE FROM THE MINISTER “OUR KIDS – OUR FUTURE”

Alberta has one of the youngest populations in the nation. Children and youth make up 30% of our social fabric, and they represent 100% of our future. We are re-defining children’s services to better support parents, families, and communities. Albertans believe that by giving children today the caring and encouragement they need, we will ensure the well-being and prosperity of our province for tomorrow.

I thank all our partners for their valuable contributions to our Ministry Business Plan. The Plan presents our agenda to do even more than protect children from neglect and abuse. The Plan outlines directions for prevention and early intervention services to help preserve families and their ability to promote the well-being and development of children. It outlines directions for transforming Child Welfare to improve family-centred practices and outcomes for children and youth. Finally, the Plan outlines Alberta’s Promise and other steps to build community resources that support families and communities in providing children with a healthy start in life, nurturing relationships, safe places to learn and grow, the supports to make a successful passage into adulthood, and opportunities to contribute along the way.

Every single one of us has an interest in making sure our children grow into healthy, capable, and responsible adults with bright futures. We will continue to work with parents, communities, and all our partners in the design and delivery of programs and services so that Alberta’s children will be supported in reaching their potential.

## MINISTRY VISION, MISSION AND CORE BUSINESSES

### VISION

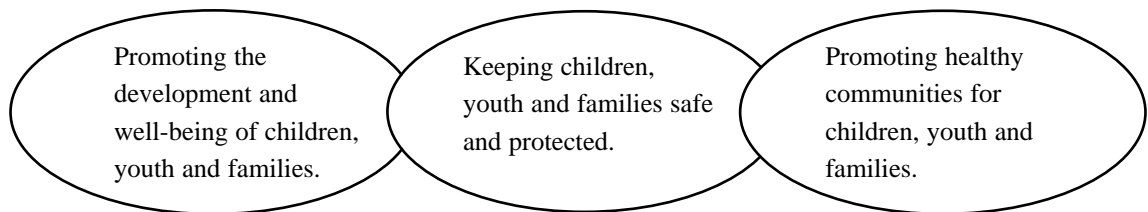
*Strong children, families and communities*

An Alberta where children and youth are valued, nurtured and loved, and develop to their potential supported by enduring relationships, healthy families, and safe communities. Alberta will be child, youth, and family friendly.

### MISSION

Working together to enhance the ability of families and communities to develop nurturing and safe environments for children, youth and individuals.

### CORE BUSINESSES



### PROGRAM AREAS

#### Prevention

Early Childhood Development  
Child Care Programming  
Resources for Children  
with Disabilities  
Supports for Youth

#### Preservation and Protection

Early Intervention  
Alberta Response Model  
Child Welfare, Adoptions,  
and Permanency Planning  
Prevention of Family Violence  
Protection of Children Involved  
in Prostitution

#### Community Resources and Advocacy

Alberta’s Promise  
Aboriginal Policy Initiatives  
Family and Community  
Support Services (FCSS)  
Alberta Children and Youth  
Initiatives

## STRATEGIC ISSUES AND PRIORITIES

The majority of Alberta's 840,000 children and youth today are doing very well. However, some children and youth need our help through the support of families, communities, and other partners. The issues facing Alberta communities, and the Ministry priorities for meeting these are outlined below.

### **Strategic Issues**



### **Strategic Priorities**

#### **Supporting all children in achieving their potential**

Alberta's children and youth represent 30% of the province's social fabric and 100% of its future.

In a recent survey, 75% of parents responding said they occasionally needed support to promote their children's development and prevent the need for crisis intervention.

Alberta has the highest work force participation rate in Canada. Over 13% of families are headed by single parents, and close to 50% of Alberta parents need child care arrangements at some point in time.

Almost 12% of children, early childhood to grade 12, are born with complex special needs including developmental disabilities, and need support to learn and grow.

#### **Prevention: Promoting early childhood development and other prevention strategies to support families in promoting the optimal development of children.**

*A child's experiences in the first six years sets the tone for life-long development.* The Ministry will establish early childhood development services to support families and others in giving children 0-6 the best possible start in life. The Ministry will also work with partners to improve the coordination of resources for children and youth with disabilities, including those with complex, special needs.

*Youth must be seen and must see themselves as their community's greatest resource.* The Ministry will implement the "youth in transition" framework to provide the opportunities, guidance and support for young people to make a successful passage into adulthood.

#### **Increasing the resiliency of children, youth and families at-risk**

At some point in their lives, 10% to 20% of children face at-risk circumstances such as parental low income, low education, poor health, social isolation, and lack of supportive networks, and may need help to overcome these.

One out of every hundred children will be born with fetal alcohol spectrum disorder, 6 with low birth weight, 10 to 20 may be in high risk homes, 15 may need help to be ready for school, and 8 to 10 need support to stay in school and make a successful transition to adulthood.

#### **Preservation: Improving early intervention to help preserve families and enhance their ability to provide safe, nurturing environments for children to learn and grow.**

*Healthy families are the best and most secure means for raising children.* The Ministry will continue to implement the Alberta Response Model to improve and better connect community-based, early intervention strategies to help preserve and support families in overcoming at-risk circumstances so that they can care for their own children without the need for protection services.

#### **Improving outcomes for children and youth in care**

The number of children and youth receiving protection services has grown by over 61% in the past five years, as has the complexity of their circumstances.

Although the number is now declining, there are still 14,000 children and youth receiving child protection who need permanent, nurturing homes and support to develop to their potential.

#### **Protection: Transforming child welfare to improve the safety, well-being and development of children.**

*Physical and emotional safety are the birth right of every child.* The Ministry will implement a new *Child Welfare Amendment Act* together with the Alberta Response Model with a focus on "Kids First". This will increase the safety and well-being of children, involve children and families in decision-making, ensure that quality services promote children's development, and unite children with their families or other permanent, nurturing homes.

**Improving services for Aboriginal children, youth and families**

40% of the child welfare caseload is comprised of Aboriginal children and youth. Aboriginal children and youth generally have lower school attainment than their non-Aboriginal counterparts. Disability rates are twice as high, and suicide rates are five to six times as high.

**Building the capacity of Aboriginal communities.**

The Ministry will continue to promote the cross ministry Aboriginal Policy Initiative. It will also negotiate children’s services agreements with First Nations, and work with the Metis Nation Association, and Metis Settlements to build on the strengths of Aboriginal communities in designing, delivering and evaluating services to better meet the needs of Aboriginal children, youth and communities.

**Building Community Resources for Children and Youth**

New approaches are needed to strengthen the capacity of communities to meet the needs of children, youth and families within the framework of government policies through greater integration of services and strategic alliances among all the stakeholders.

**Promoting the strategic alliances needed in communities to plan, deliver and assess services that promote positive outcomes for children and families.**

*Children must have safe places to learn, grow, and thrive outside the home.* The Ministry is launching Alberta’s Promise to engage individuals and corporations in building community resources that give children and youth the tools to learn, grow, and succeed.

**GOALS, STRATEGIES AND PERFORMANCE MEASURES**

CORE  
BUSINESS  
ONE

**1 Promoting the development and well-being of children, youth and families**

**Goal 1.1 Children and youth will have a healthy start in life and the supports they need to reach their potential**

**Outcomes**

**Children and youth are physically, emotionally, socially, intellectually and spiritually healthy. Children and youth meet individual developmental milestones.**

**Strategic Priority**

*Prevention.* Promoting early childhood development and a range of other prevention strategies to support families in promoting the optimal development of children and youth, especially those who need help the most.

**Strategies**

1.1.1 Build early childhood development services across the province to help parents, families and other care givers obtain the information and support to provide children with the best possible start in life to reach their potential.

- 1.1.2 Improve child care standards, and quality child care options that strengthen the ability of families in all communities to care for their children, support children in meeting developmental milestones, and balance home and work.
- 1.1.3 Develop legislation and policies to re-focus Resources for Children with Disabilities on abilities rather than disabilities, early intervention and family supports, and better co-ordinate services among partners so that families obtain consistent, sustainable supports for their children, including those with complex special needs.
- 1.1.4 Implement the "youth in transition" framework to improve and better connect programs and services at all levels to better address the needs of youth and help them make a successful, self-reliant passage to adulthood.
- 1.1.5 Continue to implement the Fetal Alcohol Spectrum Disorder strategy to prevent the disorder, support high-risk mothers, and strengthen approaches for assessing and addressing the needs of children and youth affected, and their families.
- 1.1.6 Support the community implementation of the Alberta Centre for Child, Family and Community Research to advance research and develop strategies to help Albertans promote strong children, families and communities.

**Performance Measures**

	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of child care centres that provide a developmentally appropriate environment for children.	5% over 02-03 results	10% over 02-03 results	25% over 02-03 results
Percentage of Alberta children demonstrating healthy social and emotional development.	maintain or improve level in relation to national average	maintain or improve level in relation to national average	maintain or improve level in relation to national average
Percentage of Alberta families using positive parenting skills compared to national average.			
Percentage of families accessing Ministry programs who indicate positive impacts for their children.	–	85%	–

# 2

## Keeping children, youth and families safe and protected

### Goal 2.1 Families will be safe, healthy, and able to promote children's development

#### Outcomes

**Children, youth and families overcome at-risk circumstances.**  
**Children, youth and families are safe, healthy, resilient and self-reliant.**

#### Strategic Priority

*Preservation.* Improving the quality of early intervention strategies to help preserve and support families in providing safe and nurturing environments for their children to learn and grow, and reduce the number of children who need to be taken into government care.

#### Strategies

- 2.1.1 Continue implementing the Alberta Response Model to engage, improve, and connect community-based early intervention strategies so that families can obtain a continuum of supports to overcome at-risk circumstances and care for their own children.
- 2.1.2 Develop a range of early intervention strategies that will support families, including those who access services under the Alberta Response Model, in the early screening and identification of risks, the development of positive parenting skills, and follow-up supports.
- 2.1.3 Continue to increase stakeholder awareness about the *Protection Against Family Violence Act* and family violence prevention strategies, increase treatment programs for children and other family members who witness or are victims of family violence, and improve quality services in women's shelters.
- 2.1.4 Continue to work with Alberta Justice in the reform of family law to promote family-centered services, restorative justice, better programs for young offenders, community conferencing and registries of offenders who may present a risk to children.

#### Performance Measures

	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of children and youth reported to be at-risk who received supports through community resources, and afterwards did not require child protection services	85%	85%	85%
Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse.	75%	75%	75%

**Goal 2.2 Children in need will be protected and supported by permanent, nurturing relationships**

**Outcomes**

**Children and youth in need of protective services are protected from further abuse and neglect. Children and youth in care are placed in secure, and stable environments that allow for the development of life-long relationships and connection to family and community.**

**Strategic Priority**

*Protection.* Transforming Child Welfare with an emphasis on family centered practice with child centered outcomes to improve the safety, well-being, and development of children, and increase the number of children in care who are reunited with their families or placed in other permanent, nurturing homes.

**Strategies**

- 2.2.1 Develop and implement a new *Child Welfare Amendment Act* regulations and policies to place greater emphasis on and accountability for the safety and well-being of children, permanent, nurturing homes for children, the involvement of children and families in decision-making, and partnerships in the safeguarding of children.
- 2.2.2 Implement the Alberta Response Model to transform child welfare services by focussing on “Kids First” and ensuring that the assessment of needs involves families, focuses on each child’s individual developmental milestones, and outlines the steps to reunite the child with family or other permanent, nurturing homes.
- 2.2.3 Introduce a new quality assurance system to improve the quality, consistency, and accountability of child welfare services across the province and outcomes for children and families.
- 2.2.4 Continue preventive and treatment services for the protection of children and youth under the *Protection of Children Involved in Prostitution Act* to improve outcomes for children and care givers.
- 2.2.5 Promote transitional supports such as mentoring programs, peer supports, and extended networks that enable youth leaving child welfare to make a successful transition to independence.
- 2.2.6 Under the Social Care Facilities Review Committee, continue to conduct legislated reviews and investigations of social care facilities as required to ensure safe environments for children.

**Performance Measures**

	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of children who suffer severe injury or die while receiving child protection services.	0	0	0
Percentage of children who experience a recurrence of maltreatment within 12 months.	Baseline data	Equal to or better than national average	Equal to or better than national average
Percentage of children in care per 1000 child population.		Baseline data	Equal to or better than national average
Average number of placements a child has while case is open.		Baseline data	Equal to or better than national average
Average number of days from admission into care to permanent placement.		Baseline data	Equal to or better than national average
Percentage of children receiving child protection services who moved two or more times outside their communities in a year.	Baseline data	Equal to or better than national average	Equal to or better than national average
Percentage of children in care who maintain a grade advancement rate comparable to the general school age population.	Baseline data	Equal to or better than national average	Equal to or better than national average



# 3

## Promoting healthy communities for children, youth and families

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**Goal 3.1**      **The well-being and self-reliance of Aboriginal children, families and communities will be promoted, supported and comparable to that of other Albertans**

### Outcomes

**Aboriginal communities have the capacity to meet the needs of children, youth and families. There is a reduced percentage of Aboriginal children represented in the child welfare caseload. Aboriginal children, youth and families receive culturally appropriate services.**

### Strategic Priority

Building on the strengths of Aboriginal communities in developing the governance, accountability and service delivery capacity to promote the care of their children, youth, and families.

### Strategies

- 3.1.1 Continue to implement the Ministry's Aboriginal Policy Initiative strategies to address gaps and improve the quality of services designed to meet the needs of Aboriginal children, youth and families.
- 3.1.2 Develop and implement a strategy to encourage First Nations to develop and deliver prevention and early intervention initiatives within their communities to assist Aboriginal children to reach their potential.
- 3.1.3 Work with partners in the development of a Mental Health Wellness Promotion campaign and services in Aboriginal communities to prevent and reduce the incidence of youth suicide.
- 3.1.4 Develop and promote strategies to increase the educational attainment of Aboriginal children and youth, particularly those in care, and the supports they need for a successful transition to adulthood.
- 3.1.5 In collaboration with First Nations representatives, continue to implement an accountability framework for child welfare agreements that support First Nations communities in the governance, delivery and evaluation of child protection and permanency planning services for Aboriginal children and youth.
- 3.1.6 Through negotiated framework agreements, promote joint planning and action between the Ministry, the Metis Nation of Alberta Association, and Metis Settlements respecting equitable participation and involvement of Metis peoples in the programs, policies and standards that affect Metis children.

**Performance Measures**

	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of Aboriginal community partners reporting an increase in the community's ability to meet the needs of Aboriginal children, youth and families.		70%	
Percentage of Aboriginal children in care placed in Aboriginal homes.		Baseline data	Equal to or better than national average
Percentage of Aboriginal children in care who maintain a grade advancement rate comparable to the general school age population.	Baseline data	Equal to or better than baseline	Equal to or better than baseline

**Goal 3.2      Communities will have the capacity to plan and deliver services that promote the well-being of children, youth and families**

**Outcomes**

**Alberta is recognized for leadership in promoting strong children, families and communities at the international, national, provincial and community levels.  
 Communities are responsive to the needs, values and cultures of children and their families.  
 Children, youth and families participate in decisions that affect them.  
 Albertans are involved in addressing issues faced by children, youth and families.**

**Strategic Priority**

Promoting and supporting the development of strategic alliances necessary in communities to plan, deliver and evaluate services that promote positive outcomes for children, youth and families.

**Strategies**

- 3.2.1    Lead the implementation of Alberta’s Promise, a public-private partnership dedicated to finding new and better ways of working together to give children the opportunity to lead happy, healthy, and successful lives.
- 3.2.2    Champion the best interests of children and youth through Cross Ministry Initiatives, in particular:
  - Alberta Children and Youth Initiative to support the healthy development of children and youth
  - Aboriginal Policy Initiative to improve the well being and self-reliance of Aboriginal people, and to clarify federal, provincial and Aboriginal roles and responsibilities
  - Health Sustainability Initiative to respond to the recommendations in the Premier’s Advisory Council on Health report.
- 3.2.3    Provide leadership on international, national, and inter-provincial initiatives to promote the safety, well-being and development of children, youth and families.
- 3.2.4    Work with municipalities to strengthen community-based services for children, youth and families through the Family and Community Support Services program.

- 3.2.5 Under Alberta's Promise, promote "communities of promise" which support the involvement of all community members, and recognize individual contributions to the well being of children, youth and families.
- 3.2.6 Work with partners to explore and develop community advocacy initiatives for children and families, and ensure that the voices of children and youth are heard in the decision-making processes that affect them.
- 3.2.7 Promote the capacity and accountability of regional authorities, Family and Community Support Services, and Aboriginal communities to design, integrate, deliver and assess services for children, youth and families.
- 3.2.8 Facilitate opportunities for citizens to participate in public forums and discussions to advance the well being of children, youth and families, including the Children's Forum, Youth Advisory Panel, and Youth Forums.
- 3.2.9 Develop and maintain a public education campaign on the needs and achievements of Alberta's children, youth and families, including the Great Kids Awards.

#### Performance Measures

	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of community stakeholders reporting an increase in the community's ability to meet the needs of children, youth and families		70%	
Percentage of expenditures in the children / youth project and service category of Family and Community Support Services.	29%	34%	39%

## MINISTRY-WIDE CORPORATE STRATEGIES

The Ministry's corporate strategies support goal achievement across all three core businesses. Children's Services is a learning organization committed to staff development, strengthening the business practices and infrastructure required to deliver services, and promoting the cost effective management of resources to improve outcomes for children, youth, and families. Children's Services will:

- I. Review regional authority boundaries to maximize the investment of available resources in improving outcomes for children, youth and families.
- II. Improve communications with all partners in the design and delivery of policies, programs and services for children, youth and families.
- III. Strengthen the accountability framework with regional authorities, including planning and reporting.
- IV. Involve clients and stakeholders in the regular evaluation of programs and services to continuously improve these for children and their families.
- V. Develop Ministry-wide performance measures with a focus on aligning these with the National Child Welfare Outcomes Measures to improve effective management and reporting of results.

- VI. Continue to develop a strategy to attract, retain, and develop staff across the ministry in keeping with government's Corporate Human Resource Development strategy.
- VII. Implement a plan to increase the effectiveness of the Ministry's information management and technology.
- VIII. Continue to build leading edge financial management and other business practices.

## **ALBERTA GOVERNMENT AND CHILDREN'S SERVICES: SUPPORT FOR CHILDREN, YOUTH AND FAMILIES**

Children's Services is committed to ensuring that Alberta's children will be supported in reaching their potential because the well-being of children is vital to Alberta's future. The Ministry and the Ministry's Business Plan contribute to the Government of Alberta's goals for children, youth, and families as outlined below.

### ***Government of Alberta Core Businesses and Goals***

### ***Alberta Children's Services Core Businesses and Goals***

#### **People...**

- Albertans will be healthy.
- Albertans will be well prepared for lifelong learning and work.
- Alberta's children will be supported in reaching their potential.
- Albertans will be self-reliant and those unable to provide for their basic needs will receive help.
- Aboriginal communities in Alberta will be effective and self-reliant.

#### **Prosperity...**

- Alberta will have a prosperous economy.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

#### **Preservation...**

- Alberta will be a fair and safe place to work, live and raise families.

#### **Promoting the development and well-being of children, youth and families.**

- Children and youth will have a healthy start in life, and the supports they need to reach their potential.

#### **Keeping children, youth and families safe and protected.**

- Families will be safe, healthy, and able to promote children's development.
- Children in need will be protected, and supported by permanent, nurturing relationships.

#### **Promoting healthy communities for children, youth and families.**

- The well-being and self-reliance of Aboriginal children, families, and communities will be promoted, supported and comparable to that of other Albertans.
- Communities will have the capacity to plan and deliver services that promote the well-being of Alberta's children, youth, and families.

## **FROM PLANNING TO ACTION: “WORKING TOGETHER TO PUT CHILDREN FIRST”**

The Ministry recognizes the vital role of parents and families in fulfilling their primary responsibility to their children. Therefore, the Ministry puts its Business Plan into action by working with families, communities, service providers, all Albertans, and all levels of government to put children and youth first. The Ministry is a dynamic partnership among:

- *Department of Children’s Services* – provides leadership in putting into place policies that promote the well-being of children and families, designs system-wide corporate strategies to help the Ministry achieve its mission, and supports partners to deliver front-line services for children and families across Alberta.
- *Child and Family Services Authorities* – help determine Ministry-wide directions, and deliver Ministry programs and services to best meet the local priorities and needs of children, families, and communities.
- *Family and Community Support Services* – is a provincial / municipal / Metis settlement funding partnership to deliver prevention and early intervention programs and services that ensure the well-being of children, families and communities.
- *Aboriginal Communities* – comprise the First Nations, Metis settlements, and delegated agencies working to strengthen Aboriginal support systems for children, youth, families and communities.
- *Youth Secretariat* – advises the Minister on key issues facing youth and ways to address those issues.
- *Children’s Advocate* – represents the rights and interests of children and youth receiving child welfare services.
- *Social Care Facility Review Committee* – a citizen panel with a legislated mandate to visit provincially funded social care facilities and investigate complaints.
- *Other ministry and government partnerships* – The Ministry provides leadership in championing the best interests of children, youth and families, at international, national, provincial and municipal levels. For example, the Ministry leads the Alberta Children and Youth Initiative, and co-champions the Aboriginal Policy Initiative with other ministries.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Promoting the development and well-being of children, youth and families	231,180	236,476	235,269	252,929	260,066	270,194
Keeping children, youth and families safe and protected	336,007	338,536	340,366	352,975	356,163	361,959
Promoting healthy communities for children, youth and families	70,545	99,428	97,402	102,501	108,656	113,958
<b>MINISTRY EXPENSE</b>	<b>637,732</b>	<b>674,440</b>	<b>673,037</b>	<b>708,405</b>	<b>724,885</b>	<b>746,111</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Governmental Transfers	1,200	25,000	25,000	30,000	30,000	30,000
Transfers from Government of Canada	120,933	136,615	106,032	139,933	146,233	156,050
Other Revenue	11,843	11,870	12,690	14,005	14,065	14,125
<b>MINISTRY REVENUE</b>	<b>133,976</b>	<b>173,485</b>	<b>143,722</b>	<b>183,938</b>	<b>190,298</b>	<b>200,175</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	14,635	13,622	13,622	15,945	15,945	15,945
Services to Children and Families:						
Program Support Services	39,614	31,851	33,491	37,924	37,691	37,691
Child Welfare	359,726	365,789	364,970	373,332	374,474	377,894
Services to Children with Disabilities	63,437	62,069	63,725	72,409	72,409	72,409
Child Care	59,598	60,276	58,700	62,498	67,369	75,225
Early Intervention	30,815	51,230	46,230	50,394	58,594	67,044
Prevention of Family Violence	12,767	11,161	14,000	15,376	15,376	15,376
Protection of Children involved in Prostitution	4,228	5,622	5,622	5,622	5,622	5,622
Other	2,306	2,343	2,200	2,220	2,220	2,220
Family and Community Support:						
Family and Community Support Services	42,240	57,476	57,476	60,786	63,286	64,786
Community Capacity Building	5,530	11,501	11,501	10,399	10,399	10,399
Valuation Adjustments and Other Provisions	2,836	1,500	1,500	1,500	1,500	1,500
<b>MINISTRY EXPENSE</b>	<b>637,732</b>	<b>674,440</b>	<b>673,037</b>	<b>708,405</b>	<b>724,885</b>	<b>746,111</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(503,756)</b>	<b>(500,955)</b>	<b>(529,315)</b>	<b>(524,467)</b>	<b>(534,587)</b>	<b>(545,936)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	133,976	173,485	143,722	183,938	190,298	200,175
<i>Inter-ministry consolidation adjustments</i>	(1,589)	(25,230)	(25,676)	(30,670)	(30,670)	(30,670)
<b>Consolidated Revenue</b>	<b>132,387</b>	<b>148,255</b>	<b>118,046</b>	<b>153,268</b>	<b>159,628</b>	<b>169,505</b>
Ministry Program Expense	637,732	674,440	673,037	708,405	724,885	746,111
<i>Inter-ministry consolidation adjustments</i>	(389)	(230)	(676)	(670)	(670)	(670)
<b>Consolidated Program Expense</b>	<b>637,343</b>	<b>674,210</b>	<b>672,361</b>	<b>707,735</b>	<b>724,215</b>	<b>745,441</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(504,956)</b>	<b>(525,955)</b>	<b>(554,315)</b>	<b>(554,467)</b>	<b>(564,587)</b>	<b>(575,936)</b>





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# Community Development

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Gene Zwozdesky, *Minister of Community Development*  
March 19, 2003

## INTRODUCTION

The Alberta Community Development 2003-06 Business Plan is aligned with the Government of Alberta's three core businesses of *People, Prosperity and Preservation*, and directly supports the realization of four government-wide goals presented in the Government of Alberta Business Plan.

The order of presentation of ministry divisions and entities, core businesses, goals and strategies does not reflect any priority ranking.

## THE MINISTRY

Alberta Community Development is a diverse ministry that includes the Department of Community Development and encompasses the following divisions: Community and Citizenship Services, Community Support Systems, Cultural Facilities and Historical Resources, Parks and Protected Areas, and Ministry Support Services, as well as the Francophone Secretariat. The following reporting agencies, boards and commissions are also part of the ministry:

- Alberta Foundation for the Arts;
- The Alberta Historical Resources Foundation;
- Alberta Human Rights and Citizenship Commission;
- Alberta Sport, Recreation, Parks and Wildlife Foundation;
- The Government House Foundation;
- Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee;
- Persons with Developmental Disabilities Boards;
- Premier's Council on the Status of Persons with Disabilities; and
- The Wild Rose Foundation.

Each of the ministry's reporting agencies and foundations produces its own separate detailed plan. A summary of the Persons with Developmental Disabilities Provincial Board business plan for 2003-06 is included.

## VISION

A vibrant province where Albertans experience fair opportunity and the quality of life to which they aspire.

## MISSION

To preserve and present Alberta's cultural and natural heritage, and promote community development, fairness and an inclusive society.

## MINISTRY VALUES

The ministry is committed to a process of strategic business planning, which includes an ongoing review of the relevance of all strategies and performance measures, and the evaluation of results achieved in order to improve performance and help guide decision-making within the ministry. The following values help guide the ministry's activities:

**Personal and Ethical:** respect, recognition, honesty, integrity, impartiality

**Professional:** innovation, commitment, leadership, teamwork, collaboration with stakeholders

**Results Based:** provision of quality services, accountability for the use of public resources

## MINISTRY CORE BUSINESSES

The ministry organizes delivery of its programs and services around the following three core businesses:

1. Support individuals and organizations through community development;
2. Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans; and
3. Preserve, protect and present Alberta's history, culture, and provincial parks and protected areas.

Achievement of these core businesses is realized through, though not limited to, the following diverse range of activities.

### **Support individuals and organizations through community development**

- Providing organizational assistance, skill development training, consultation, facilitation and financial support services to develop and advance the voluntary sector and local resources;
- Providing financial and consultative support for the development of arts and culture, sport, recreation and active living education programs;
- Classification of films;
- Furthering a province-wide library system and information network through financial assistance and collaborative and consultative services;
- Serving as a liaison between the government and the Francophone community in the province; and
- Supporting the operation of the following: Alberta Foundation for the Arts; Alberta Sport, Recreation, Parks and Wildlife Foundation; and The Wild Rose Foundation.

### **Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans**

- Protecting human rights through the resolution and adjudication of human rights complaints made to the Alberta Human Rights and Citizenship Commission under the *Human Rights, Citizenship and Multiculturalism Act*;
- Fostering equality, promoting the benefits of diversity, and supporting the reduction of discrimination and barriers to full participation in society through the provision of information and public education resources and programs, consultation services, research and policy initiatives;
- Supporting organizations engaged in human rights and diversity work by providing consultation and financial assistance through the Human Rights, Citizenship and Multiculturalism Education Fund;
- Supporting the activities of the Persons with Developmental Disabilities Boards to ensure the development, maintenance and delivery of quality programs and services to persons with developmental disabilities;
- Protecting adult Albertans in care by investigating allegations of abuse in publicly funded care facilities under the *Protection for Persons in Care Act*, and recommending actions to prevent further incidents; and
- Promoting the inclusion and participation of persons with disabilities in community life and providing associated advice on policy development and evaluation.

**Preserve, protect and present Alberta's history, culture, and provincial parks and protected areas**

- Operating, in consultation and/or partnership with cooperating societies, provincial historic sites, museums and interpretive centres; the Provincial Archives of Alberta; and the Northern and Southern Alberta Jubilee Auditoria;
- Delivering public programs and exhibits and conducting applied research to increase public knowledge of Alberta's past;
- Identifying, preserving and acquiring historical, cultural and natural resources of significance to Alberta;
- Acquiring and preserving significant private and government records and making them available for research purposes;
- Regulating land-based development activity to preserve significant historical resources;
- Providing professional and technical advice and funding assistance through the Alberta Historical Resources Foundation to parties involved in historical preservation and presentation;
- Preserving a network of provincial parks and protected areas that represents the diversity of the province's natural heritage and related cultural heritage; and
- Providing opportunities for Albertans and visitors to explore, understand and appreciate the province's natural heritage through nature and heritage based recreation and tourism opportunities, facilities and services.

## **STRATEGIC ISSUES: CHALLENGES AND OPPORTUNITIES**

The service issues, major needs, trends and opportunities that define the environment in which the ministry operates provide guidance in developing the ministry's goals and strategies. Environmental issues that impact the strategic direction of the ministry include:

1. Increasing demands generated by community needs within the arts and culture, sport and recreation, and voluntary sectors;
2. Rising expectations of Albertans for equitable access to the public library system from anywhere in Alberta in support of their work, leisure and learning goals;
3. Increasing complexity of human rights and diversity issues, and the need for programs and services that contribute to building a more inclusive society;
4. Increasing needs generated by the aging of persons with developmental disabilities and their parents/guardians;
5. Needs to strengthen safeguards for vulnerable adults in care;
6. Lack of a legislative framework to support innovative, cost-effective and coordinated services for persons with disabilities;
7. Increasingly high expectations for up-to-date and sophisticated exhibits at provincial historic sites, museums and interpretive centres, which continue to attract over one million local and international visitors annually;
8. Balancing the public's expectations for outdoor recreation opportunities against their expectations for the protection and preservation of Alberta's natural heritage, as provincial parks and protected areas continue to attract over eight million visitors annually;
9. Effective management, protection and monitoring of all Alberta parks and protected areas, given the expansion of 13 existing parks and protected areas and the creation of 81 new ones as a result of the Special Places program;
10. Integrating new information technologies within the ministry's operations to optimize the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas;

11. Needs to upgrade and renew the aging infrastructure for provincial historic sites, museums, interpretive centres, parks and protected areas; and
12. New revenue generation alternatives and flexible financial partnerships to facilitate the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas.

## STRATEGIC PRIORITIES

The following key strategic priorities are of primary importance in focusing the ministry on achieving its goals:

1. Fostering equality, strengthening community inclusion for persons with disabilities, and supporting the reduction of discrimination and barriers to full participation in society;
2. Upgrading, renewing and maintaining infrastructure for provincial historic sites, museums, interpretive centres, and parks and protected areas; and
3. Increasing local capacity for self-reliance in the arts and culture, film, sport and recreation, library and voluntary sectors.

## GOALS, STRATEGIES AND PERFORMANCE MEASURES

The ministry's core businesses are linked to goals that reflect the desired results of programs and services delivered by the ministry. Specific strategies outline how the ministry aims to achieve each goal. The ministry's success in achieving these goals is measured through a range of performance measures. Where appropriate, targets for the measures have been set as an average of the last three years' results, plus a 1% stretch factor.

CORE  
BUSINESS  
ONE

### Support individuals and organizations through community development

- GOAL 1.1** Support a high quality of life in Alberta by working in collaboration with individuals, organizations and communities to increase local capacity for self-reliance in the arts and culture, sport and recreation, library and voluntary sectors.

#### Strategies

- 1.1.1 Build capacity in the voluntary sector, government ministries, boards and commissions by assisting members of these groups to achieve their self-defined community development goals.
- 1.1.2 Support the development of arts and culture in Alberta by providing financial assistance and consultative services.
- 1.1.3 Assist Albertans in making informed motion picture viewing choices by providing film classification services.
- 1.1.4 Ensure the long term viability of Alberta's public libraries through the provision of ongoing consultation, legislative review, financial assistance, research and a strategic planning process.
- 1.1.5 Encourage healthy recreational and physical activity in communities, schools and workplaces through partnerships with recreation, active living and sport organizations, and the provision of information, financial support and consultative assistance.
- 1.1.6 Contribute to the athletic achievement of young Albertans through partnerships with communities, sport organizations and other provinces and the provision of financial and consultative assistance.
- 1.1.7 Encourage the preservation and recreational use of natural environments and community recreational areas by providing educational materials, consultative services and financial assistance.
- 1.1.8 Foster the development of the Francophone community by implementing the Federal/Provincial Cooperation Agreement.

Performance Measures	Results 1999-2000	Results 2000-01	Results 2001-02	Target
1.1a Level of community volunteerism	72.1%	75.2%	69.5%	73%
1.1b Participation in sport and recreational activities by adult Albertans	89.5%	86.1%	84.5%	88%
1.1c Usage of public library services by adult Albertans	53.2%	53.8%	52.0%	54%
1.1d Participation in arts and cultural activities by adult Albertans	89.6%	89.7%	88.9%	90%
1.1e Customer satisfaction with community development services	–	–	98.5%	98%
1.1f Impact of the support provided by the Alberta Film Development Program:				
i. Number of film production employment opportunities for Albertans	1,156	2,583	2,377	2,400
ii. Value of film production by Albertans in Alberta (\$ millions)	19.2	39.1	52.6	53

CORE  
BUSINESS  
TWO

## 2 Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

**GOAL 2.1** Increase understanding and awareness of diversity, foster equality and reduce discrimination so all Albertans have the opportunity to participate in the social, economic and cultural life of the province.

### Strategies

- 2.1.1 Deliver high-quality compliance and regulatory services in resolving and adjudicating complaints of alleged discrimination.
- 2.1.2 Continue to work collaboratively with clients and stakeholders to develop policy, programs and services that contribute to building a society respectful of human rights and diversity, and to ensure workplaces are free of discrimination.
- 2.1.3 Continue to support educational activities that help foster equality, promote fairness and encourage access for all Albertans through the Human Rights, Citizenship and Multiculturalism Education Fund.

Performance Measure	Results 1999-2000	Results 2000-01	Results 2001-02	Target
2.1a Adult Albertans' perception of the effectiveness of protection of human rights in Alberta	83.2%	84.3%	85.7%	85%

**GOAL 2.2** Ensure that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse.

**Strategies**

- 2.2.1 Support the interests of Albertans with disabilities and vulnerable adults in care, by supporting community governance in the delivery of services to persons with disabilities and assessing the performance of government with respect to persons with disabilities and vulnerable adults in care.
- 2.2.2 Develop public policy alternatives and a long-term action plan to address the needs of persons with disabilities.
- 2.2.3 Support Government of Alberta collaboration with federal/provincial/territorial governments to address issues arising from the Social Union Framework Agreement's *In Unison 2000: Persons with Disabilities in Canada*.
- 2.2.4 Provide leadership in the development of programs and services for persons with disabilities by coordinating interdepartmental work on issues relating to the Alternative Communications Strategy, and the outcomes of the Gaps in Service Project and *Building Better Bridges - Final Report on Programs and Services in Support of Persons with Developmental Disabilities*.
- 2.2.5 Continue to develop and support service coordination and outreach for persons with acquired brain injury.
- 2.2.6 Strengthen and initiate consultations with Albertans regarding the needs of persons with disabilities and vulnerable adults in care.
- 2.2.7 Provide leadership in safeguarding vulnerable adults in care by developing educational initiatives related to prevention of abuse and a comprehensive provincial abuse prevention strategy.
- 2.2.8 Protect persons in care from abuse and improve the life of adult Albertans in care by implementing the results of the legislative review of the *Protection for Persons in Care Act*.

Performance Measures	Results 1999-2000	Results 2000-01	Results 2001-02	Target
2.2a Satisfaction, by persons with developmental disabilities, with PDD-funded services	–	93.9%	Biannual survey	91%
2.2b Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services	–	90.2%	Biannual survey	91%

## 3 Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

**GOAL 3.1** Preserve, protect, present, research and promote appreciation for Alberta's historical resources and culture and provide opportunities for heritage tourism.

### Strategies

- 3.1.1 Work with Alberta Infrastructure to a) complete the rehabilitation and relocation of the new home of the Provincial Archives of Alberta, b) develop appropriate storage solutions for the province's heritage collections, c) review and update specific recapitalization requirements for provincially owned and operated historic sites and cultural facilities in need of renewal, d) conduct temporary refitting of exhibit areas at The Provincial Museum of Alberta, e) undertake planning for a new Provincial Museum of Alberta, and f) improve access to the province's modern heritage facilities for persons with disabilities.
- 3.1.2 Coordinate Alberta's 2005 Centennial program in partnership with other ministries, foundations, communities, non-profit organizations, municipalities and the federal government to provide opportunities for Albertans to participate in the celebrations and leave a legacy for future generations.
- 3.1.3 Initiate implementation of an electronic records preservation strategy to facilitate the acquisition, preservation and access of primary records.
- 3.1.4 Increase the efficiency, effectiveness and quality of existing historical resource management programs by continuing to work with stakeholders and other government entities.
- 3.1.5 Further the preservation of heritage properties by working with the Department of Canadian Heritage on the Federal Government's new Cross-Canada Heritage Places Initiative.
- 3.1.6 Continue to develop the Collections and Exhibits Infrastructure Management System (CEIMS) and explore alternative approaches to infrastructure management system development.
- 3.1.7 Investigate, identify and implement steps to increase self-generating revenues for facility/program reinvestment partnerships to facilitate the preservation, protection and presentation of Alberta's history and culture.
- 3.1.8 Review data collection methods at provincial historic sites, museums and interpretive centres to ensure consistent performance measurement and reporting.

Performance Measures		Results 1999-2000	Results 2000-01	Results 2001-02	Target
3.1.a	Satisfaction of visitors with experiences at provincial historic sites, museums and interpretive centres	98.3%	98.5%	98.6%	98%
3.1.b	Knowledge gained of Alberta history by visitors to provincial historical sites, museums and interpretive centres	91.1%	90.2%	87.9%	91%
3.1.c	Economic impact of provincial historic sites, museums and interpretive centres (\$ millions):				
	i. Value-added impact	42.7	54.5	—	55
	ii. Taxation revenue returned to three levels of government	16.5	21.8	—	22



**GOAL 3.2** Maintain Alberta’s provincial parks and protected areas to preserve the province’s natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism.

**Strategies**

- 3.2.1 Develop and advance a reinvestment strategy for Alberta’s provincial parks, major recreation areas, and protected areas to recapitalize and sustain basic facilities and services, ensure public health and safety, and maintain Alberta’s biodiversity.
- 3.2.2 Develop an updated parks system plan and strategic direction for the management and protection of Alberta’s provincial parks and protected areas.
- 3.2.3 Develop, consolidate and update legislation and regulations to provide a sound basis for the management and protection of Alberta’s provincial parks and protected areas.
- 3.2.4 Develop and implement a revitalization strategy for heritage appreciation that includes education and interpretive and marketing strategies to increase Albertans’ awareness and appreciation for Alberta’s provincial parks and protected areas.
- 3.2.5 Increase opportunities for volunteer involvement and new partnerships to enhance research, monitoring and the provision of services at provincial parks and protected areas.
- 3.2.6 Enhance the Alberta Natural Heritage Information Centre’s ability to provide quality natural heritage data to support effective management and protection of Alberta’s provincial parks and protected areas and to provide natural heritage data to clients and partners in other provincial and federal agencies, universities, industry, and national and international conservation organizations.
- 3.2.7 Identify biophysical resource inventory and management planning priorities for the 2003-06 timeframe and complete biophysical resource inventories and management plans for priority parks and protected areas.
- 3.2.8 Set strategic direction for contracting facility operations to improve the operation and provision of services in provincial parks and protected areas.

Performance Measure	Results 1999-2000	Results 2000-01	Results 2001-02	Target
3.2a Satisfaction of visitors with experiences at provincial parks and recreation areas	–	–	New measure	–

## CORPORATE INITIATIVES

The following corporate initiatives will be pursued:

1. Finalize development of a ministry-wide business resumption plan to ensure continuity of services under the responsibility of Community Development in the event of service interruptions.
2. Pursue accessibility goals for persons with disabilities across the ministry’s divisions and agencies.
3. Assess the recommendations arising from the ministry review of the report *Review of Agencies, Boards and Commissions and Delegated Administrative Organizations*, with respect to grant flow-through agencies, for possible implementation within the ministry.

## REGULATORY REVIEW

The ministry will continue to review its regulations and regulatory processes, and take appropriate action consistent with its Regulatory Review Work Plan.

# CROSS-MINISTRY PRIORITY POLICY INITIATIVES

The ministry will participate in, and provide support and/or facilitative services for, the following priority policy initiatives:

## 1. Aboriginal Policy Initiative

Supported through:

- repatriating ceremonial and sacred objects and developing *Ceremonial Object Repatriation Regulations*;
- participation in the development of government policy for unregistered burials;
- working with Aboriginal people to preserve, protect and present Aboriginal culture;
- assisting in the development of Aboriginal tourism opportunities and heritage/cultural centres;
- participating in the Aboriginal Consultation Initiative regarding resource development;
- finalizing the development and implementation of the First Nations Development Fund;
- partnerships to further Alberta's participation in the 2005 North American Indigenous Games; and
- Alberta's Future Leaders Program and Arts Camps for Aboriginal youth.

## 2. Alberta Children and Youth Initiative

Supported through:

- Youth Leadership Programs and the creation of a Provincial Youth Facilitation Team to deliver Make Contact workshops;
- the Schools Come Alive program and sport and recreation programs;
- the provision of curriculum-based and family-oriented learning opportunities at provincial historic sites, museums, interpretive centres and major provincial parks; and
- participation on committees, including the Partnering Deputies Committee, Key Contacts Committee, and Performance Measures Committee.

## 3. Economic Development Strategy

Supported through:

- the operation of provincial heritage and cultural facilities and preservation of a network of provincial parks and protected areas that provide nature and heritage-based tourism opportunities;
- participation in the development of Alberta's tourism policy and programs through the Strategic Tourism Marketing Council; and
- leveraging opportunities provided by funding film development, the arts, sport and recreation, volunteer, human rights and library sectors.

## 4. Health Sustainability Initiative

Supported through:

- the Active Living and the sport and recreation programs that promote and provide opportunities for an active lifestyle that leads to longer-term health benefits; and
- participation on related committees, including the Healthy Alberta Prevention and Promotion Policy Framework Working Group, the Health Information and Education Campaign Working Group, and the Non-Financial Incentives Sub-Committee.

# PERSONS WITH DEVELOPMENTAL DISABILITIES PROVINCIAL BOARD

The Persons with Developmental Disabilities (PDD) Provincial Board, through six regional Community Boards provides supports to approximately 8,300 adults with developmental disabilities and their families/guardians. As a Provincial Corporation, the PDD Provincial Board, which reports directly to the Minister of Community Development, prepares a separate business plan. The following are the strategic elements that create the framework for that plan.

## Vision

An Alberta that honours and respects the dignity and equal worth of persons with developmental disabilities.

We see people with developmental disabilities:

- living and participating in communities as full citizens;
- having control and choice in the activities of their daily lives; and
- participating with other citizens in ordinary life activities of working, socializing and conducting daily affairs.

We see:

- supports and systems that enable people to reach their goals;
- highly valued staff providing outstanding service; and
- a governance system that is responsive to individuals, families, guardians and their community.

## Mission

To create an Alberta where adults with developmental disabilities are included in community life.

## Core Businesses

1. To enable adults with developmental disabilities to sustain quality lives.
2. To recognize and strengthen communities' ability to include persons with developmental disabilities in community life.
3. To ensure the community governance system is responsive and accountable to individuals with developmental disabilities, their families/guardians and their communities.

## Goals

1. Adults with developmental disabilities are living quality lives as full citizens in their communities.
2. Adults with developmental disabilities and their families/guardians are the primary voice in setting the direction of PDD.
3. The community rehabilitation service sector is supported and valued.
4. PDD community governance is effective and accountable.
5. Community capacity to include individuals with developmental disabilities is strengthened through the PDD Boards' work with other jurisdictions and organizations.

## Priorities

In the next three years, the Persons with Developmental Disabilities Provincial Board will continue to strengthen community inclusion for persons with developmental disabilities by focusing on:

- Homes in the community for persons with developmental disabilities;
- Employment in the community for persons with developmental disabilities; and
- Supporting and strengthening the persons with developmental disabilities service sector.

## Performance Measures

The Persons with Developmental Disabilities (PDD) Provincial Board has a number of performance measures associated with the delivery of its programs and services, including the performance measures listed under goal 2.2 of the ministry's business plan. Other PDD measures are identified in the PDD Provincial Board's business plan.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Support Individuals and Organizations through Community Development	82,441	80,759	78,478	98,816	139,049	139,083
Protect Human Rights, Promote Fairness and Access, and Support the Protection, Inclusion and Participation of All Albertans	386,619	418,576	418,494	458,098	471,173	490,176
Preserve, Protect and Present Alberta's History, Culture and Provincial Parks and Protected Areas	87,973	84,031	85,148	90,444	89,651	84,658
<b>MINISTRY EXPENSE</b>	<b>557,033</b>	<b>583,366</b>	<b>582,120</b>	<b>647,358</b>	<b>699,873</b>	<b>713,917</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	100,741	58,256	56,291	76,160	116,060	116,060
Transfers from Government of Canada:						
Canada Health and Social Transfer	15,921	17,791	11,279	14,642	14,626	14,421
Other	375	1,535	590	1,455	700	700
Investment Income	1,572	1,365	1,357	1,484	1,559	1,559
Premiums, Fees and Licences	7,684	9,911	9,001	9,797	9,757	9,797
Other Revenue	11,166	8,661	11,390	7,324	6,777	6,767
<b>MINISTRY REVENUE</b>	<b>137,459</b>	<b>97,519</b>	<b>89,908</b>	<b>110,862</b>	<b>149,479</b>	<b>149,304</b>
<b>EXPENSE</b>						
<b>Program</b>						
Support Individuals and Organizations through Community Development	80,854	78,856	76,585	96,671	136,900	136,930
Protect Human Rights, and Promote Fairness and Access Support the Protection, Inclusion and Participation of All Albertans	379,732	412,818	412,568	451,699	464,771	483,771
Preserve, Protect and Present Alberta's History and Culture	44,566	35,067	41,347	36,322	35,114	35,078
Preserve, Protect and Present Alberta's Provincial Parks and Protected Areas	37,418	41,779	36,657	46,025	46,428	41,455
Ministry Support Services	8,333	10,280	10,221	11,613	11,632	11,655
Department Valuation Adjustments and Other Provisions	418	217	217	217	217	217
<b>MINISTRY EXPENSE</b>	<b>557,033</b>	<b>583,366</b>	<b>582,120</b>	<b>647,358</b>	<b>699,873</b>	<b>713,917</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	(137)	2,320	(8,074)	1,179	6,279	2,266
<b>NET OPERATING RESULT</b>	<b>(419,711)</b>	<b>(483,527)</b>	<b>(500,286)</b>	<b>(535,317)</b>	<b>(544,115)</b>	<b>(562,347)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	137,459	97,519	89,908	110,862	149,479	149,304
<i>Inter-ministry consolidation adjustments</i>	(100,741)	(58,256)	(56,291)	(76,160)	(116,060)	(116,060)
<b>Consolidated Revenue</b>	<b>36,718</b>	<b>39,263</b>	<b>33,617</b>	<b>34,702</b>	<b>33,419</b>	<b>33,244</b>
Ministry Program Expense	557,033	583,366	582,120	647,358	699,873	713,917
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>557,033</b>	<b>583,366</b>	<b>582,120</b>	<b>647,358</b>	<b>699,873</b>	<b>713,917</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	(137)	2,320	(8,074)	1,179	6,279	2,266
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(520,452)</b>	<b>(541,783)</b>	<b>(556,577)</b>	<b>(611,477)</b>	<b>(660,175)</b>	<b>(678,407)</b>



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# Economic Development

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Mark Norris, *Minister of Economic Development*  
March 21, 2003

## SITUATIONAL CONTEXT

Economies worldwide are striving to adjust to the immense challenges of this past year. Security concerns, weakness in the technology sector, climate change, and resource sustainability issues are among the key trends affecting our province.

Identifying and understanding these and other key trends is an essential first step to ensuring the province's continued prosperity. The globalization of markets, constant and rapid changes in technology, shortages of qualified labour, and increasing regional economic disparities are more relevant now than ever. In the face of these challenges, Alberta must take the next step and prepare for both the anticipated and unexpected events.

Alberta Economic Development's (AED) business plan addresses the global trends that are relevant to our province. It provides an overall direction, as well as the goals and strategies that are critical to Alberta's success. The elements of the business plan reflect the development of a Strategic Economic Development Framework. The development of the Framework is a way of providing a coordinated and integrated response across government to addressing Alberta's key opportunities and constraints to ensure that the province's economy is stable, diversified, and competitive.

In addition to the department, the Ministry of Economic Development also includes the Alberta Economic Development Authority and the Strategic Tourism Marketing Council (including the Travel Alberta Secretariat).

## VISION

*Alberta is the best place in the world to live and do business.*

## MISSION

To facilitate business and community prosperity.

## VALUES

We value a facilitative, collaborative, and effective team-based approach. We are opportunity and client value-driven. We strive to build a leadership team that directs and empowers our future success. We foster an environment of entrepreneurship and commitment to learning. We encourage the creation and sharing of information and knowledge among colleagues to enhance our overall effectiveness. We achieve credibility with our clients and each other through competent and accountable actions. We value our key product: the delivery of the right information in the right timeframe to impact industry investment decisions.

### CLIENT FOCUS

Our primary clients include: leaders of organizations, governments, and communities interested in and capable of participating in a globally competitive economy. ("Organizations" include small, medium, or large enterprises.)

## STRATEGIC PRIORITIES

The following represent the ministry's key strategic priorities for the 2003-06 business plan period.

### Alberta's Strategic Economic Development

AED leads Alberta's strategic planning in support of the Alberta Advantage. There is an opportunity to set a long-term strategic direction for Alberta's economic development by focusing government's overall efforts at maintaining and enhancing the Alberta Advantage. AED will play a lead role in a cross-ministry effort to prepare a strategic economic development framework to improve the planning and integration of economic development policies. The framework will help lead to greater balance and a more stable economic environment into the future.



Alberta Economic Development also champions the Economic Development Strategy Cross-Ministry Initiative with Alberta Agriculture, Food and Rural Development, Alberta Learning and Alberta Human Resources and Employment. AED also participates in the Aboriginal Policy and Health Sustainability Cross-Ministry Initiatives.

Three key priorities of AED's cross-ministry work are:

### **Value-added Strategy**

AED leads the development of a Value-added Strategy which will serve to accelerate Alberta's continued transition to a broader, more diverse, innovative, knowledge based and globally competitive economy.

### **Rural Development Strategy**

The Rural Development Strategy, led by Alberta Agriculture, Food and Rural Development (AAFRD) with support from AED, is a holistic approach to rural development that includes people, prosperity, and preservation to support a shared rural vision.

### **Aboriginal Economic Development**

AED will provide support for the implementation of the Aboriginal Policy Cross-Ministry Initiative.

### **Tourism Marketing and Development**

The department continues to improve tourism marketing and the growth and expansion of marketable tourism product.

### **International Marketing and Representation**

In consultation with other ministries, AED has prepared *Alberta's International Marketing Strategy (AIMS) 2003 - Targeting Tomorrow*, which sets out the government strategy to refine our international trade and investment activities.

## **CORE BUSINESSES**

CORE  
BUSINESS  
ONE

### **1 Strategic Economic Leadership** **Provide strategic policy and planning input for Alberta's economic development**

AED provides strategic policy, planning and intelligence input that identify, assess, and provide options to address constraints to and opportunities for economic sustainability. Working with other government departments and agencies, such as the Alberta Economic Development Authority (AEDA), AED coordinates and develops policy options, strategies and frameworks to facilitate the development of a stable, diversified, and competitive economy. AED also strategically maps out markets and sectors that make the greatest difference to Alberta's current and future economic performance. Cross-ministerial issues that AED helps address include: workforce and skill shortages; a competitive global marketplace; competing land uses; resource limitations; intense competition for investment and access to equity capital; regional economic development; rural development; and Aboriginal economic development.

### **Value-added Strategy**

The Future Summit identified diversification as a key to the province's future prosperity. The Value-added Strategy will serve to accelerate the growth of a competitive, export driven, sustainable and more diversified value-added goods and services industry. Strategies will focus on the following key issues: innovation in research and development, technology adoption and commercialization; networks for supply chains, alliances and cluster development; human resource development focusing on labour availability, labour training, and development of management capacity; and strengthening

small to medium sized enterprises and entrepreneurs through mentoring and access to capital markets. The strategy is being coordinated by AED with cross-ministry participation and will work closely with a broad range of stakeholders for successful implementation.

The department's work is carried out in partnership with AEDA. The Authority, which consists of over 90 Albertan volunteers from the private sector, acts as a high-level policy advisory group to the government concerning key economic development and industry competitiveness issues. This unique relationship with the private sector ensures AED's goals are achieved in partnership with business and industry.

The department's efforts to support the marketing of Alberta's agri-food products and services are advised and assisted by the AED Agri-food Industry Advisory Committee composed of private sector members.

CORE  
BUSINESS  
TWO

## **2 Strategic Intelligence that Drives Industry Development Facilitate industry growth, trade and investment**

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AED provides strategic and market intelligence to:

- Facilitate business contacts, relationships, and networks within Alberta and in our international markets to promote increased trade, investment, and growth;
- Identify business and market opportunities for Alberta companies to encourage expansion and improve competitiveness, and
- In collaboration with Alberta communities, support regional alliances and economic clusters, which attract investment and sustain and retain economic activity.

### **International Marketing and Representation**

AED's international marketing and representation activities endeavor to expand the economy by taking advantage of the many international opportunities for Alberta goods and services. Our international marketing efforts seek to provide accurate information to our clients, within the appropriate timeframe, to assist them in making trade and investment decisions in response to international market opportunities. In consultation with other ministries, AED has prepared *AIMS 2003 - Targeting Tomorrow*, which articulates the sector opportunities and geographic markets in both trade development and investment attraction.

AED's strategic intelligence services are delivered and coordinated through a network of international and Alberta-based offices. AED is continually working to strengthen its strategic intelligence processes and capabilities to deliver market driven information and intelligence to our clients. Our goal is to help facilitate access to international markets, create networks, and generate a positive business climate. AED's internet website, [www.alberta-canada.com](http://www.alberta-canada.com), plays a key role in the dissemination of this market intelligence.

For all key sectors AED utilizes a sector team approach to promote industry development and to work closely with industry clients, associations, and other agencies. We identify and address issues affecting productivity and industry competitiveness, in order to develop key industry and business marketing strategies.

## Positioning and Promoting Alberta for Tourism, Trade and Investment

### Market experiences and develop opportunities

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As the “marketing arm of the Alberta Government,” the ministry is responsible for coordinating the government’s efforts related to:

- Tourism marketing;
- Investment attraction;
- Export promotion, and
- Film industry promotion.

#### Tourism Marketing

AED is responsible for tourism marketing. Tourism marketing is delivered through the Strategic Tourism Marketing Council’s three year Strategic Tourism Marketing Plan and the Travel Alberta Secretariat. The mandate of the volunteer Council is to advise the Minister on measures to maximize the effectiveness of Alberta tourism marketing investments. AED delivers marketing support services including a website, [www.travelalberta.com](http://www.travelalberta.com), visitor information centres, and a contact centre.

*Tourism is a significant component of Alberta’s economy led by AED’s efforts in tourism development and marketing.*

AED will continue to fund tourism marketing and development through a tourism framework which will:

- Promote and market Alberta as a must see destination for international visitors, national visitors and Albertans;
- Facilitate the development and improvement of Alberta’s private and public sector tourism products and assets, and
- Deliver visitor information and facilitate the continued development of supporting tourism infrastructure.

#### Investment Attraction and Export Promotion

AED markets Alberta both domestically and internationally as a desirable location for increased trade, investment, locating/re-locating businesses, and attracting skilled workers in targeted sectors. The ministry provides information to companies and individuals who may be interested in expanding or locating in Alberta and assists them with services designed to attract them to the province. AED continues to develop new electronic information products to service requests related to export marketing, investment and business location inquiries.

AED is also responsible for planning, organizing and coordinating Team Canada, Premier and ministerial trade missions. AED works closely with AEDA in identifying priority markets for future business missions.

#### Film Industry Promotion

AED, in partnership with Alberta Community Development, operates the Alberta Film Office (AFO). The AFO is a central point of contact for film industry investors and producers considering Alberta as a location for film, television, and video production.

## CORPORATE SERVICES

The Ministry's core businesses are enabled by an infrastructure of essential services that support department staff and business processes including: strategic information and knowledge management, strategic planning, finance, human resources, and administrative services. Some key initiatives that will be undertaken include:

- Implementing a long-term strategic framework that integrates and coordinates the ministry's activities toward the attainment of its vision;
- Providing the skills, processes, and technology/tools to enhance the collection of information, creation of intelligence, management and sharing of knowledge within the ministry, and to support strategic consultation with our clients;
- Providing reliable, secure information technology service to meet the business needs of the ministry, including enhanced capabilities for international offices and during employee travel;
- Implementing innovative and responsive human resource programs and services to ensure the availability of a highly competent workforce in the ministry and workforce capacity to respond to organizational changes and business plan priorities;
- Implementing the ministry's comprehensive performance measurement framework;
- Developing, maintaining, and testing a business resumption plan to ensure timely continuation of critical ministry business activities and functions after a major disruptive event affecting ministry premises, and
- Ensuring that the implementation of the ministry's information technology is aligned with government-wide standards and architectural direction.

## SECTOR TEAMS

To better integrate the activities, knowledge, and expertise across government and within AED, sector teams were established beginning in July 2000. Sector teams develop strategies and activities that address industry needs including: business growth and expansion, investment attraction, and information/intelligence. Another key activity of the sector teams is developing policy recommendations to support future industry growth. AED continues to sign and develop Memorandums of Understanding with other government ministries to deliver sector team results where the mandate resides with those ministries.

Key sector teams include:

- Architecture/Engineering/Construction (AEC);
- Aerospace;
- Agriculture and Agri-food;
- Building Products and Value-added Wood;
- Chemicals and Petrochemicals;
- Environmental Products and Services;
- Health and Bio-Industries;
- Information and Communications Technologies (ICT);
- Industrial Machinery and Equipment, and
- Tourism.

## LINKAGES TO THE GOVERNMENT BUSINESS PLAN

AED contributes to all three core businesses of the Government of Alberta: People, Prosperity and Preservation, with a primary focus on Prosperity. Specifically, AED contributes to the following:

**Goal 2: Albertans will be well prepared for lifelong learning and work.**

AED contributes to the work being done by Alberta Learning and Alberta Human Resources and Employment in this area.

**Goal 7: Alberta will have a prosperous economy.**

AED provides strategic information and planning input for Alberta's economy and facilitates a coordinated approach to address Alberta's economic challenges in collaboration with other government ministries.

**Goal 9: Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.**

The Value-added Strategy will transition Alberta to a more diversified, globally competitive, innovative, and knowledge based sustainable economy.

# GOALS, OBJECTIVES AND KEY STRATEGIES

GOAL ONE

## 1 Sustainable Economic Growth and Diversification in Alberta

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### Objective

1. **To facilitate economic growth and diversification through collaborative strategic planning and policy.**

### Key Strategies

- Lead the implementation of the Economic Development Strategy Cross-Ministry Initiative and participate in other cross-ministry initiatives that influence the province's prosperity.
- With participation from other ministries, lead the implementation of an industry driven, Value-added Strategy for the further expansion and diversification of industry in Alberta.
- Provide support to the Alberta Economic Development Authority and its committees.
- Ensure integrated policies are developed to maintain the Alberta Advantage.
- Provide longer-term strategic input to the development of policy to support a sustainable and diversified economy in Alberta.
- Implement the accepted recommendations from the Future Summit report.

### Objective

2. **Provide client-driven economic and business information and intelligence.**

### Key Strategies

- Assess the drivers of Alberta's competitive position.
- Monitor and communicate the impact of long-term trends for the Alberta economy.
- Provide business and economic information in a timely fashion to support our clients in their decision-making processes.

### Objective

3. **Increase participation of Alberta communities in regional economic development.**

### Key Strategies

- Based upon the priorities of Alberta communities, facilitate the creation of new regional economic development alliances, strengthen existing regional alliances throughout Alberta, and provide information and advice to other regional partnerships and project-specific initiatives in the major metropolitan regions.
- Lead the Economic Development Strategy Cross-Ministry Initiative to develop a collaborative approach to regional economic development that builds on regional goals, priorities, and strengths and the Regional Development Strategy.
- Encourage the adoption of best practices in economic development within Alberta's communities through partnerships with the Economic Development Association of Alberta, Alberta First.com, and others.
- Provide information and services that assist the development of small Alberta businesses through innovative means such as the Edmonton Business Link, Calgary Business Information Centre, and SuperNet.
- In partnership with Aboriginal organizations, encourage small business development formation.

**Objective****Key Strategies**

- 1. Increase exports of Alberta value-added<sup>1</sup> goods and services.**
  - Provide strategic and competitive intelligence, market information, and knowledge to support companies in identifying and accessing marketing opportunities within global target markets.
  - Create partnerships, networks and alliances to increase Alberta-based companies' leverage in target markets.
  - Support market entry by Alberta exporters by showcasing Alberta abroad.
  - Encourage the development of capabilities, products, and services of export-ready Alberta businesses in international markets.
  - Support Alberta companies pursuing capital projects financed by International Financial Institutions (IFIs) by promoting an awareness of Alberta within IFIs, providing market intelligence on IFI opportunities, and building industry awareness of IFIs' role in investment and trade.
  - Collaborate and partner with appropriate government agencies (federal, provincial and municipal) to effectively leverage ministry resources in assisting Alberta companies to increase their export trade capabilities.
  - Reinforce market presence in industries where Alberta is internationally established, such as oil and gas and agri-food products, and enable market penetration of closely related sectors, such as engineering services or environmental goods and services.
  - Facilitate the growth of companies (new and existing) in emerging sectors, such as ICT, Health, and Bio-Industries, and build market presence.

**Objective****Key Strategies**

- 2. Increase the competitiveness of Alberta's value-added sectors.**
  - Facilitate and encourage the development, acquisition or application of business improvement practices and new technology to increase innovation within Alberta.
  - Provide industrial and competitive intelligence to assist Alberta companies in becoming globally competitive.
  - Facilitate partnerships, networks, and alliances to support industry in expanding their capabilities and competencies.
  - Service the growing needs of the ICT sector and other advanced technologies sectors through a co-funding relationship with Alberta Innovation and Science.
  - Identify policy challenges facing Alberta's value-added industries and organizations.
  - Promote improved effectiveness of the distribution of products and services to domestic and international markets.
  - Provide strategic intelligence to support Alberta companies with decision-making in response to global issues such as climate change policy.

**Objective****Key Strategies**

- 3. Facilitate the growth and expansion of marketable tourism product.**
  - Provide information and expertise to facilitate the development/enhancement of new and expanded tourism products.
  - Encourage a policy, regulatory and development approval framework that supports the growth of the tourism industry.
  - Position land as a strategic asset for tourism industry investment and development.
  - Raise the profile of tourism as a significant contributor to the Alberta economy.
  - In cooperation with Alberta Community Development, identify a wider range of uses within Provincial Parks/Recreation Areas to include certain types of tourism business opportunities compatible with the size and management intent of the land parcel.
  - Coordinate provincial government input and involvement on national parks issues.

<sup>1</sup> Value-added includes manufactured products and professional, scientific and technical services.

## 3 Alberta is Viewed by Those in Our Primary Markets as an Attractive Place to Live, Visit, Invest and Do Business

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### Objective

1. **Increase Alberta's share of visitors and revenue from targeted Canadian and international tourism markets.**

### Key Strategies

- Develop and partner marketing programs in Alberta, nationally and internationally, through Travel Alberta that support the Strategic Tourism Marketing Plan developed by the Strategic Tourism Marketing Council.
- Establish and/or manage cost-effective contracts through Travel Alberta to deliver marketing programs in Alberta, and nationally/internationally as required.
- Develop and maintain an effective customer-focused Alberta tourism website(s).
- Deliver value-added support services to the tourism industry through:
  - travel counseling and influencing travel behavior;
  - dissemination of tourism information;
  - providing tourism research and images;
  - training and product knowledge support for contact centre and visitor information centre staff, and
  - support for the development of publications and website content.

### Objective

2. **Increase the awareness of Alberta to potential investors, including targeted companies, capital investors, and economic immigrants (skilled workers and business entrepreneurs) in our primary international markets.**

### Key Strategies

- Market Alberta as a preferred location for new and expanded investment.
- Generate and service investment<sup>2</sup> leads within targeted sectors and markets. Facilitate linkages between Alberta communities and investment leads.
- Target multi-national enterprises (MNE's) with existing investment in Alberta.
- Identify and target companies with no existing investment in Alberta, including MNE's.
- Increase the number of skilled workers through the Provincial Nominee Program and market Alberta as a destination for economic immigrants (skilled workers and business immigrants).
- Target foreign venture capitalists for direct and indirect investment.
- Target investment intermediaries to deliver the Alberta Advantage message.
- Support the promotion of Alberta as a film friendly location for film production and investment.

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<sup>2</sup> Agriculture-related investment attraction is within the mandate of AAFRD.



## PERFORMANCE MEASURES

Alberta Economic Development has developed a performance measurement framework to increase accountability and demonstrate how ministry activities contribute to its goals and objectives. The framework distinguishes between three types of measures: *output measures* monitor immediate deliverables of ministry activities, *outcome measures* monitor desired results of the activities, and *impact measures* monitor related economic indicators. The table below links the performance measures to business plan goals and objectives and also identifies the type of measure. The table is followed by targets for each measure.

Goal	Objective	Performance Measure	Type of Measure	
Sustainable economic growth and diversification in Alberta	To facilitate growth and diversification through collaborative strategic planning and policy	1.1 Gross Domestic Product	Impact	
		1.2 Employment in Value-added Sectors	Impact	
		1.3 Cost Competitiveness	Impact	
	Provide client-driven economic and business information and intelligence.	1.4 Satisfaction with Publications	Outcome	
		Increase participation of Alberta communities in regional economic development	1.5 Population Included in Regional Alliances and Partnerships	Output
			1.6 Regional Alliance Satisfaction with AED Staff Support	Outcome
Alberta's organizations are globally competitive	Increase exports of Alberta value-added good and services	2.1 Manufacturing and Service Exports	Impact	
		2.2 Effectiveness of Outgoing Trade Shows and Missions	Outcome	
	Increase the competitiveness of Alberta's value-added sectors	2.3 Manufacturing Shipments	Impact	
	Facilitate the growth and expansion of marketable tourism product	Contributes to measures 3.1 and 3.2 below		
Alberta is viewed by those in our primary markets as an attractive place to live, visit invest, and do business	Increase Alberta's share of visitors and revenue from targeted Canadian and international tourism markets	3.1 Tourism Industry Revenue	Impact	
		3.2 Share of Overnight Visitors	Impact	
		3.3 Tourism Industry Leveraging	Outcome	
		3.4 Dissemination of Tourism Information	Output	
	Increase the awareness of Alberta to potential investors, including target companies, capital investors and economic immigrants (skilled workers and business entrepreneurs) in our primary international markets	3.5 Manufacturing and Services Industry Investment	Impact	
		(Supports several objectives)	3.6 Effectiveness of International Offices	Output

## GOAL 1 Sustainable Economic Growth and Diversification in Alberta

**1.1 Impact Measure: Gross Domestic Product (GDP)** – The constant-dollar GDP for Alberta (1997 dollars).

Business Plan	Actual 2001	Forecast 2002	Target 2003	Target 2004	Target 2005
Real GDP (\$billions)	122.2	125.1	130.1	135.3	140.7
Percent Growth	2.0	2.4	4.0	4.0	4.0

**1.2 Impact Measure: Employment in Value-added Sectors** – Percent of total annual employment in manufacturing and professional, scientific and technical services.

Business Plan	Actual 2001	Actual 2002	Target 2003	Target 2004	Target 2005
Percent of total employed	16.2	16.1	16.8	17.2	17.6

**1.3 Impact Measure: Cost Competitiveness** - International ranking of cost competitiveness of Alberta cities based on a comparative cost model.<sup>3</sup>

Sectors/Subsectors	Actual 2001-02		Actual 2002-03		Target 2003-06	
	Calgary	Edmonton	Calgary	Edmonton	Calgary	Edmonton
Food Processing	2	1	N/A		Target: To maintain or improve ranking	
Health Care Products & Services						
• Pharmaceuticals	2	1				
• Medical Devices	2	1				
• Biomedical R&D	3	1				
Information, Communication and Technology (ICT)						
• Advanced Software	2	1				
• Electronics Assembly	2	1				
• Electronic Product Development/Testing	3	1				
Industrial Machinery/Metal Components	4	2				
Plastic Products	4	3				
Specialty Chemicals	2	1				

**1.4 Outcome Measure: Satisfaction with Publications (biennial).**

Business Plan	Actual 2000-01	Actual 2002-03	Target 2004-05
Percent subscribers satisfied with AED publications	95	N/A	95

<sup>3</sup> These rankings are based on the KPMG custom cost model developed for evaluating the cost competitiveness of business locations. For consistency with the previous comparisons used in the model, six Canadian cities (Calgary, Edmonton, Vancouver, Toronto, Ottawa, and Montreal) and seven U.S. cities (Boise, Boston, Colorado Springs, Minneapolis, Phoenix, San Jose, and Seattle) were included for the purpose of this performance measure. The following factors are included in the model: initial capital costs for land acquisition and building construction; total annual labour costs, including all benefits; office lease and occupancy costs; electricity costs; transportation costs; telecommunications costs; interest and depreciation charges; federal, regional, and local taxes levied on corporations, including significant non-discretionary tax incentives; and additional discretionary tax and financial incentives. The ranking integrates the factors and is based on total costs.

N/A: Not available.

**1.5 Output Measure: Population Included in Regional Alliances and Partnerships** – Assesses the scope of the regional alliances and partnerships.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Population (\$ millions – 2000 data)	2.4	2.5	2.6	2.65	2.7

**1.6 Outcome Measure: Regional Alliance satisfaction with AED staff support.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Percent satisfied with AED support	N/A	N/A	To be determined from baseline data collected in 2002-03.		

## **GOAL 2 Alberta's Organizations are Globally Competitive**

**2.1 Impact Measure: Manufacturing and Service Exports** – The value of Alberta's international (outside Canada) exports of manufactured goods and services.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Exports (\$billions)	22.1	20.6	22.2	24.2	26.4
Percent Growth	(5.7)	(6.8)	8.0	9.0	9.0

**2.2 Outcome Measure: Effectiveness of Outgoing Trade Shows and Missions.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Percent of companies who indicated AED was helpful to them in achieving their goals	99	N/A	95	95	95
Percent of companies satisfied with the quality of business contacts	85	N/A	85	85	85

**2.3 Impact Measure: Manufacturing Shipments** – Total annual value of all manufacturing shipments by Alberta companies to other provinces, countries and within Alberta.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Shipments (\$billions)	42.4	41.0	43.9	47.2	50.7
Percent Growth	(0.4)	(3.3)	7.0	7.5	7.5

N/A: Not available.

### GOAL 3 Alberta is Viewed by Those in Our Primary Markets as an Attractive Place to Live, Visit, Invest, and Do Business

**3.1 Impact Measure: Tourism Industry Revenue** – The annual value of all tourism industry revenues in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces, and residents of Alberta.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Total tourism revenue (\$billions)	4.8	5.0	5.2	5.4	5.7
Alberta revenue as a percent of total Canadian tourism revenue	13	13	14	14	14

**3.2 Impact Measure: Share of Overnight Visitors** – Alberta's market share of Canadian international overnight visitors from Europe, Asia, and the United States.

<b>Business Plan</b>	<b>Actual* 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Europe (percent)	10.9	15.0	16.0	16.5	16.7
Asia-Pacific (percent)	18.5	16.5	17.0	18.0	18.5
United States (percent)	6.0	6.0	6.2	6.6	6.7

\* Preliminary

**3.3 Outcome Measure: Tourism Industry Leveraging** – Industry partner's contribution to product marketing with Travel Alberta.

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
In-Province Leveraging Ratio	1.7:1	1.5:1	1.5:1	1.5:1	1.5:1
National/International Leveraging Ratio	2.9:1	2.5:1	2.5:1	2.5:1	2.5:1

**3.4 Output Measure: Dissemination of Tourism Information** – Volume of information requests by telephone, facsimile, mail, e-mail, and website inquiries; and information packages mailed in response to these requests.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Call Centre Telephone Inquiries Handled <sup>4</sup>	90,328	73,000	76,000	80,000	80,000
Other Methods of Contact <sup>5</sup>	63,356	55,000	65,000	75,000	85,000'
Number of tourism information packages distributed	102,096	86,400	90,000	100,000	110,000
Number of website visitor sessions	357,901	450,000	550,000	650,000	700,000

4 Call center inquiries are anticipated to decrease as website activity increases.

5 Other methods of contact include facsimile, mail, e-mail and website.

**3.5 Impact Measure: Manufacturing and Service Industry Investment** – The value of new capital expenditures on construction, machinery, and equipment in Alberta’s manufacturing and service industries.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Investment (\$billions)	10.8	11.3	11.9	12.5	13.1
Percent Growth <sup>7</sup>	(6.4)	4.8	5.0	5.0	5.0

**3.6 Output Measure: Effectiveness of International Offices.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Total number of business introductions	882	750	800	850	900
Total number of qualified trade and investment leads	551	360	400	430	460
Percent of client satisfaction with the services of international offices (biennial)	87	89	–	90	–

<sup>7</sup> The significant decline in this investment growth represents the ‘winding down’ of several multi-billion dollar capital investment projects initiated over the past five years.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Strategic Economic Leadership	3,304	3,568	3,546	3,478	3,488	3,488
Strategic Intelligence that drives Industry Development Positioning and Promoting Alberta for Tourism, Trade and Investment	24,848	25,553	25,391	27,409	26,402	26,402
	22,744	22,256	26,440	24,047	21,944	21,944
<b>MINISTRY EXPENSE</b>	50,896	51,377	55,377	54,934	51,834	51,834

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	-	14,100	14,100	14,100	14,100	14,100
Transfers from Government of Canada	214	29	29	-	-	-
Other Revenue	343	150	150	150	150	150
<b>MINISTRY REVENUE</b>	557	14,279	14,279	14,250	14,250	14,250
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	3,927	4,173	4,173	4,185	4,085	4,085
Strategic Intelligence	22,912	23,478	23,478	25,321	24,321	24,321
Positioning and Promoting	20,972	20,448	24,448	22,215	20,215	20,215
Strategic Economic Leadership	3,046	3,278	3,278	3,213	3,213	3,213
Valuation Adjustments and Other Provisions	39	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	50,896	51,377	55,377	54,934	51,834	51,834
Gain (Loss) on Disposal of Capital Assets	(14)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	(50,353)	(37,098)	(41,098)	(40,684)	(37,584)	(37,584)

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	557	14,279	14,279	14,250	14,250	14,250
<i>Inter-ministry consolidation adjustments</i>	-	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)
<b>Consolidated Revenue</b>	557	179	179	150	150	150
Ministry Program Expense	50,896	51,377	55,377	54,934	51,834	51,834
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	50,896	51,377	55,377	54,934	51,834	51,834
Gain (Loss) on Disposal of Capital Assets	(14)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	(50,353)	(51,198)	(55,198)	(54,784)	(51,684)	(51,684)

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# Energy

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Murray Smith, *Minister of Energy*  
March 21, 2003

## INTRODUCTION

Albertans own their oil, natural gas, and mineral resources. The Ministry of Energy manages the development of these resources in a responsible manner, within a framework of sustainable development, that maximizes investment in resource development and benefits for Albertans.

The Ministry of Energy contributes significantly to the Alberta government's three core businesses of People, Prosperity and Preservation:

**People** – The department is a significant generator of provincial revenues, which support the provision of programs and services in priority areas. Over the past 20 years annual non-renewable resource revenues have averaged approximately \$3.5 billion, with annual non-renewable resource revenues contributing between 14% and 42% of total government revenues. Global and North American price volatility and production levels are primary factors affecting revenues.

**Prosperity** – The oil and gas industry is a cornerstone of Alberta's economy and a major contributor to the current and future prosperity of Albertans. The Ministry maintains a competitive fiscal and regulatory regime to encourage continued investment in Alberta's energy resources. Oil and gas industry investment reached record levels in 2001, with \$14.7 billion invested in conventional oil and gas development and \$5.9 billion in oil sands development. Investment is a key driver of job creation, business opportunities and overall prosperity for Albertans. In 2001, there were approximately 98,000 people directly employed in Alberta's upstream oil, gas and mining industries. In 2001, energy exports, valued at \$45.8 billion, accounted for 50% of the value of all Alberta exports.

**Preservation** – The Ministry works within the government's framework of sustainable development to ensure access to, development and production of energy resources occurs in a responsible manner that protects the environment and public safety. The Ministry maintains a fair and responsible regulatory framework for the energy and utility sectors that is based on the public interest of all Albertans.

The Ministry consists of the Department of Energy (the Department), and the Alberta Energy and Utilities Board (EUB). Business plan details for each of these organizations are presented below.

## DEPARTMENT OF ENERGY

### VISION

Alberta's competitive environment attracts investment in its energy and mineral resources, for the benefit of present and future Albertans.

### MISSION

Optimize the sustained contribution from Alberta's energy and mineral resources in the interests of Albertans.

### CORE BUSINESSES

The Department has responsibility for a diverse resource development portfolio that includes natural gas, conventional oil, oil sands, petrochemicals, electricity, coal, and minerals.

The Department's core businesses are:

#### **Securing Benefits for Albertans**

Secure Albertans' share and benefits from energy and mineral resource development.

#### **Resource Development**

Ensure Alberta's energy and mineral resources remain competitive, and attractive to investment and development.



**Awareness and Understanding**

Inform Albertans about energy and mineral resource development and related policies, and the significance of these resources to Alberta's economy.

**Energy for Albertans**

Ensure Alberta consumers have a choice of reliable and competitively priced energy.

The Department has responsibility for a diverse resource development portfolio that includes natural gas, conventional oil, oil sands, petrochemicals, electricity, coal, and minerals. To effectively manage the development of these commodities, the department has organized itself around eight business lines. This structure builds knowledge and strengthens communication between Alberta Energy business areas, and Alberta's resource industries. Importantly, this structure also allows for the direct allocation of resources and fiscal accountability by each business line and the direct linkage of department spending with revenues generated by each of the business lines.

The department's business lines are:

- Natural Gas
- Oil
- Oil Sands
- Petrochemicals
- Coal and Minerals
- Electricity
- Tenure
- Resource Land Access and Aboriginal Affairs

## PERFORMANCE MEASURES

The department's business plan focuses on outcome measures. This is consistent with Government's direction of shifting from measuring the activities of government, to measuring outcomes or effects related to its activities. Department outcomes are the desired collective effect of our actions, processes, programs and outputs on the Alberta public – the owners of Alberta's resources – and the energy and mineral industries who develop the resources on their behalf. The department's performance measures track our progress towards achieving these outcomes.

While the department does not directly control outcomes, it does attempt to achieve desired results through the actions and outputs of its various programs. External factors outside the department's influence, such as market prices for commodities, will affect the department's ability to achieve some outcomes.

## ORGANIZATIONAL CAPACITY AND EFFECTIVENESS

The department recognizes the challenge and importance of maintaining and building organizational capacity to respond to changing future business and economic circumstances affecting the development of Alberta's energy and mineral resources. A separate Department Organizational Capacity goal has been established to address this requirement.

## STRATEGIC PRIORITIES

**Climate Change Action Plan**

Implementation of the Kyoto Protocol by the Federal Government will continue to be a concern for the department. Significant progress has been made to ensure Alberta, and the energy sector in this province will not be unfairly burdened by federal actions. Alberta will continue to implement its action plan on climate change. As part of this plan, the department of Energy will participate in a number of activities, including the negotiation of sectoral agreements for the energy sector.

**Aboriginal Relations**

The department continues to focus on developing consultation guidelines and on fostering capacity building in Aboriginal communities to ensure they are able to participate in, and benefit from, energy resource development.

## **Land Access**

The Western Sedimentary Basin (WSB) is becoming a mature basin from a conventional oil and gas perspective. As a result, pool sizes are becoming smaller and harder to find. To sustain future production we need to encourage exploration and development in areas which, to date, have seen limited development. The department will complete a review of opportunities for new exploration and development in the eastern slopes (front ranges) and consult with tenure holders to encourage new energy development, as well as to reduce or manage barriers to energy development.

## **Resource Development Regulatory Review**

A cross Ministry review of the environment, energy and resource regulatory framework used by the Government of Alberta to develop and manage Alberta's natural resources is underway. Revisions to Alberta's regulatory approval framework will be aimed at improving delivery of regulations, improving Alberta's business climate, and reducing costs of regulatory requirements for all parties over time, while maintaining Alberta's high environmental standards. The current review includes regulatory and administration processes delivered by Alberta Energy, the Energy and Utilities Board, and the Ministries of Environment and Sustainable Resource Development.

## **Royalty Review**

The department reviews its royalty systems to ensure Albertans continue to receive a fair share of the maximized value of commodities over the next two decades. These reviews examine changes in resource quality and cost trends, effectiveness of fiscal regimes, fair share under different future scenarios, markets, changes required to effectively maximize value and capture a fair share, and comparisons with other jurisdictions. Alberta's royalty systems are designed to maximize and capture a fair share of the value of mineral and energy resources for the benefit of Albertans. It is government practice to promote fiscal regime stability so that changes are made only when necessary and only when in the interest of Albertans.

## **Electricity and Natural Gas Customer Choice**

Government is pursuing structural changes to enhance electricity market operations and to ensure that there is a level-playing field for all market participants. The electricity and gas industries and government are committed to providing a retail market framework that benefits consumers and eliminates barriers to entry. The government will continue to assess the functioning of the gas and electricity markets, to encourage competitive market conditions that benefit Albertans.

# **DEPARTMENT OF ENERGY - CORE BUSINESSES, GOALS, STRATEGIES AND PERFORMANCE MEASURES**

The following goals, strategies and performance measures have been established for each of the Department's core businesses.

CORE  
BUSINESS  
ONE

1

## **Securing benefits for Albertans**

**Secure Albertans' share and benefits from energy and mineral resource development.**

### **GOAL 1.1**

**Optimize Albertans' resource revenue share and benefits from the development of their energy and mineral resources over the long term.**

## Key Strategies

- Ensure Albertans continue receiving their share of resource revenue within a fiscal regime (royalties, bonuses, taxes, rentals) that responds to changing industry, government, public and economic conditions.)
- Ensure Alberta's royalty regime is competitive and provides predictability and certainty to industry to encourage continued investment in, and development of, Alberta's resources.
- Directly develop, manage and support, in-house, those department information management systems that are critical to ensuring that Albertans continue to receive their share of resource revenues.
- Ensure business continuity through development, testing, and maintenance of plans for the resumption of all business processes and associated personnel, information, infrastructure, and equipment.

## Performance Measures

- **Sharing the Profits from Resource Development** - Target: 20% to 25% of industry's annual net operating revenue

Alberta's resource development system is intended to capture a fair share of the revenue from the development of resources, for the benefit of Albertans, while encouraging continued investment in and development of Alberta's resources. For oil and natural gas, an indicator of this balance is the portion of industry's annual net operating revenue that is paid to the Crown as royalty.

	1996 Actual	1997 Actual	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002-06 Target
<b>Crown Revenue Share</b> (Three-year moving average – calendar year)	23%	23%	22%	21%	22%	24%	20-25%

**Source:** Developed from information in *Energy Update* published by ARC Financial Corp.

- **Crown Revenue Assurance** - Target: To ensure the completeness and accuracy of Albertans resource revenues - audit adjustments to be less than 2.0%.

The department audits Crown resource revenues and allowable costs to ensure these are complete, accurate and fairly valued. As a result of these audits, adjustments may be made resulting in a refund or the assessment of additional revenue. This performance measure expresses the annual total dollar value of audit adjustments as a percentage of reported Department of Energy resource revenues. It is a measure of industry's understanding of, and compliance with, Alberta's resource revenue regime.

Indicator	1998-99 Actual	1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-06 Target
<b>Audit Adjustments</b> as a percentage of Department resource revenues (three-year moving average)	2.0%	2.2%	1.7%	1.6%	Less than 2.0%

**Source:** Compliance and Assurance, Alberta Department of Energy

**Notes:** Resource revenues are based on the fiscal revenues as reported in the externally audited Annual Report. Audit adjustments are accumulated on the basis of completed audits in the current year. These audits consist of prior year's filings subject to the limitations of the *Mines and Minerals Act*.

## 2 Resource Development

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**Ensure Alberta's energy and mineral resources remain competitive, and attractive to investment and development.**

**GOAL 2.1 Maintain the competitiveness of Alberta's energy and mineral resources.**

### Key Strategies

- Work with Alberta Environment and industry to implement Alberta's action plan for climate change. As part of this plan, the department of Energy will participate in the negotiation of sectoral agreements for the energy sector.
- Advocate nationally and internationally for Alberta's interests and rights to develop and manage energy and mineral resources, including related emissions.
- Work with Aboriginal communities, resource developers, stakeholders and other levels of government to implement the Aboriginal Policy Framework and create opportunities for Aboriginal people to participate equitably in the resource economy of Alberta. [CM - Aboriginal Policy Initiative]\*
- Implement Oil and Gas Consultation Guidelines for resource development on Crown land in areas of traditional use by aboriginal people.
- Work with Alberta Environment, Alberta Sustainable Resource Development and others to streamline regulatory processes for resource development, while maintaining Alberta's high environmental standards.
- Assess the current and future state of Alberta's resource commodities, identify development opportunities, encourage industry integration and maximize resource value to Albertans. [CM - Economic Development Strategy]
- Position and market Alberta as the 'hub' for moving northern gas transportation to markets.
- Advocate and encourage resource-upgrading opportunities in Alberta. [CM - Economic Development Strategy]
- Advocate for optimal tolls, tariffs and access to pipelines and wires that transport Alberta energy resources to North American markets.
- Work with industry and other departments to implement the Mineral Development Strategy.

**GOAL 2.2 Secure future energy supply and benefits for Albertans, within a growing and competitive global energy marketplace.**

### Key Strategies

- Work with other ministries to develop Alberta's natural resources in a sustainable, integrated, and environmentally responsible manner through the water strategy and through Integrated Resource Management (IRM) initiatives for the Front Range and Southern Alberta.
- Ensure full energy and mineral resource development opportunity costs are considered in land use decisions.
- Expand our natural gas reserves by encouraging exploration in areas which have not received sufficient evaluation to date (e.g., front range).
- Analyze economics and implement changes, where appropriate, to the fiscal and tenure regimes to encourage further development of conventional and non-conventional resources. [CM - Economic Development Strategy]
- Complete a consultation process with stakeholders to identify issues and appropriate strategies for future development of Alberta's coalbed methane resource.
- Provide strategic research direction to the Alberta Energy Research Institute (AERI) and other research institutions aimed at improving recovery from conventional energy resources or enabling development of non-conventional and alternative energy sources.

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\* Ministry involvement in a current cross-ministry priority policy initiative is denoted by "CM" followed by the name of the initiative.

- Encourage field demonstration projects, and technology applications aimed at improving the economic recovery of energy resources, reducing emissions, and geologic storage of CO2.
- Work with other ministries and industry to ensure the security of Alberta's energy resources and infrastructure.

## Performance Measures

- **Resource Development** - *Target: Annual industry investment in the upstream oil and gas industry will be equal to or greater than, \$15 billion.*

Alberta Energy maintains a fiscal regime whose aim, over the long term, is to generate continued development of Alberta's energy resources and collect a fair share of resource development profits. Fair share is presently a department performance measure. The department's fiscal regimes are adjusted for each different commodity to recognize specific development needs and circumstances, as well as the department's current objectives for development of the commodity. For example, in recognition of the capital investment costs of oil sands projects, and to encourage development of this important future resource, the current oil sands fiscal regime encourages investment while deferring royalties.

Continued investment in Alberta's energy sector demonstrates the competitiveness and attractiveness of resource development in Alberta. Investment by the oil and gas industry is affected by a number of considerations: accessibility to the raw resource, finding and development costs, royalty rates, approval processes, corporate tax rates, environmental impact, work force, infrastructure (highways, housing, education, health, etc.), accessibility to refining and upgrading, pipelines and markets. The department has the ability to influence industry's decisions through the royalty and tax regime, approval processes, land and market access, and regulatory environment. Industry levels of investment will also vary due to factors such as available cash flow and commodity prices, over which the department has no influence.

	1993-2000 Baseline	2001 Actual	2002-06 Target
<b>Upstream Industry Investment*</b>	\$15 billion**	\$20.6 billion	Equal to or greater than \$15 billion

\* Upstream investment includes expenditures made during the exploration and development of the resource. These costs include geological and geophysical, land, drilling, field equipment, enhanced oil recovery, plants and miscellaneous development expenses.

\*\* Based on the average of 8 years 1993 to 2000 (inclusive). All in constant, year 2000, Canadian dollars. Target is conservative to allow for effect of unknown price volatility. Target will be reviewed annually.

**Source:** Canadian Association of Petroleum Producers

- **Energy Resource Portfolio Diversification** - *Target: Diversification of energy production*

This measure reflects the need for increasing diversification of Alberta's energy resource portfolio to meet future energy demands. To increase supply will require utilization of a full range of conventional and non-conventional fossil energy resource assets and the development of alternative energy sources of supply. This will mean development of non-conventional sources such as coal bed methane, as well as the application of new technologies to improve the rate of recovery of existing conventional oil. Diversification of energy sources will be largely market driven. The department can influence development through the adoption of specific royalty features that encourage commodity development or the application of new technologies. Increasing diversification reflects the opportunities industry has seized to diversify Alberta's energy resource base.

	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Estimate</b>	<b>2003 Target</b>	<b>2004 Target</b>	<b>2005 Target</b>	<b>2010* Outlook</b>
<b>Oil Production</b>							
Conventional	50%	48%	44%	37%	33%	30%	16% *
Non-conventional (oil sands, pentanes / condensate)	50%	52%	56%	63%	67%	70%	84% *
<b>Natural Gas Production</b>							
Conventional	100%	100%	99.7%	99.5%	99.0%	98.5%	92% *
Non-conventional (coal bed methane)	0%	0%	0.3%	0.5%	1.0%	1.5%	8% *
<b>Electricity Production**</b>							
Coal	56.0%	53.2%	51.1%***	45.1%	44.4%	51.6%	N/A
Natural Gas (cogeneration)	21.5%	24.3%	26.7%***	27.8%	27.6%	25.0%	N/A
Natural Gas (conventional)	13.0%	13.0%	12.4%***	15.7%	16.6%	13.6%	N/A
Renewable Sources	9.5%	9.5%	9.8%***	11.4%	11.4%	9.8%	N/A

**Note:** Percentage indicates proportion of each individual commodity's total production.

\* Source: Alberta's Reserves 2000, Supply and Demand Outlook 2010, Alberta Energy and Utilities Board

\*\* Electricity targets based on industry projects planned or under development.

\*\*\*Actuals for 2002.

# 3 Awareness and Understanding

**Inform Albertans about energy and mineral resource development and related policies, and the role these resources play in Alberta's economy.**

**GOAL 3.1 Increase public awareness about Alberta's energy and mineral sectors.**

**Key Strategies**

- Work with industry and the education sector to increase awareness of Alberta's energy and mineral resources, industry practices and the importance and economic significance of the energy and mineral sectors, today and in the future.
- Inform Albertans about the opportunities for a continuing supply of Alberta's energy and mineral resources from conventional and non-conventional sources.
- Work with the Alberta electricity industry to increase consumer understanding of Alberta's competitive electricity marketplace.

**Performance Measures**

- **Albertans' Understanding of Alberta's Energy and Mineral Resources and their Economic Significance** - *Target: To increase Albertans' awareness and understanding of energy resources.*

As resource owners Albertans need to be aware of Alberta's supply of energy and mineral resources and the importance of these resources to Alberta's economy and society. Alberta Energy will focus on improving Albertans knowledge through improved communication and information.

	<b>2001-02 Baseline</b>	<b>2002-03 Target</b>	<b>2003-04 Target</b>	<b>2004-06 Target</b>
<b>Albertans' overall knowledge of the role of energy and mineral resources in Alberta's economy</b>	39%*	Increasing over time		60% or higher
<b>The provincial government is doing a good or very good job providing Albertans with energy information</b>	62%	Increasing over time		70% or higher

\* This represents the overall average response to five questions pertaining to Albertan's understanding of energy and mineral resource matters.

**Source:** IPSOS Reid Survey, September 2001

**Note:** The baseline calculation has been adjusted at the recommendation of the Office of the Auditor General (OAG) to separate the results of a sixth question. The sixth question asked respondents to assess whether the provincial government was doing a fairly good or very good job at providing Albertans with energy information (result was 62%). The OAG felt this question did not relate to public awareness and biased the baseline upwards. Removal of the sixth question resulted in the knowledge baseline dropping from 46% to 39%. The sixth question has been included as a separate element within the measure to track how well the department is doing in providing energy information.

# 4 Energy for Albertans

**Ensure Alberta consumers have a choice of reliable and competitively priced energy.**

**GOAL 4.1**                      **Establish a competitive market framework that provides Albertans with competitively priced and reliable electricity and natural gas.**

**Key Strategies**

- Enable and foster a competitive retail market for electricity and natural gas to provide Alberta consumers with choice, innovative services and competitive prices.
- Provide consumers, industry and other government agencies with clear and timely communication of changes in the natural gas and electric industries.
- Develop and implement effective legislation, policy and processes to ensure predictability and certainty to industry, and reliable supply to consumers.
- Ensure that the electricity transmission and distribution systems are reliable, and sufficient, and provide fair and open access.
- Work with other ministries, industry and the education sector to encourage energy conservation, and the choice of a range of energy sources, including renewable and non-renewable.

**Performance Measures**

- **New Power Generation** - *Target: Alberta's net supply of electricity will increase through industry investment.*

Growth in electricity capacity is an indication of investor confidence in the new competitive market. Additional electricity supply will be needed to meet Alberta's growing demand.

Indicator	2000	2001	2002	2003	2004		2005		2006		
	Actual	Actual	Actual	Target	Target	Target	Target	Target	Target	Target	
	Total	Total	Total	Total	Average Annual Growth	Total	Average Annual Growth	Total	Average Annual Growth	Total	Average Annual Growth
Installed Capacity* (MW)	10,032	10,640	10,801	11,440	400	11,840	400	12,240	400	12,640	400
Peak Demand** (MW)	7,785	7,934	8,570	8,834	250	9,084	250	9,334	250	9,584	250
Margin (MW)	2,247	2,706	2,231	2,606	150	2,756	150	2,906	150	3,056	150

\* Installed Capacity: The sum of the maximum continuous ratings of all electricity generation facilities that are connected to the Alberta interconnected electric system, excluding the capacity of the interties with British Columbia and Saskatchewan, which totals 950 MW.

\*\* Peak Demand: The highest recorded system demand (in Megawatt-hours/hour) in a year as recorded by the System Controller at the Power Pool of Alberta. These numbers have been adjusted upward by 400 MW to reflect a change in reporting of demand by the Power Pool of Alberta, effective June 17, 2002. The Power Pool now reports on-site industrial load in their calculation of total system load. This increases the reported load by approximately 400 MW. This has not affected the actual growth in peak demand.

Source: Alberta Department of Energy, August 2002. MW = Megawatts



- **Electricity Restructuring** - *Target: Alberta will remain a leader in implementing a competitive marketplace for electricity.*

The RED (Retail Electricity Deregulation) Index compiled by the Center for the Advancement of Energy Markets (CAEM), ranked Alberta as first in Canada, fifth in North America and sixth in the world as of March 2002 for electric industry restructuring performance. A total of 64 U.S. and Canadian jurisdictions were assessed in 2001 and 2002. CAEM continues to refine its Red Index methodology. In 2002, changes were made to the characterization and weights assigned to some of its measured attributes. Changes to the methodology and progress made in other jurisdictions affect Alberta's ranking.

	2001 Actual	2002 Actual	2003 Target	2004 Target	2005 Target
<b>CAEM - Red Index</b>					
Ranking of Alberta's Restructuring in North America	1	5	Top 10	Top 10	Top 10

- **Annual Residential Natural Gas Price** - *Target: Annual average residential natural gas price for Alberta is less than the annual average national residential price.*

This measure compares the price Albertans are paying for natural gas with other jurisdictions by comparing the annual average Alberta Residential Natural Gas Price (ARGP) with the annual average National Residential Natural Gas Reference Price (NRGRP). To remain competitive, Alberta's price should not exceed the national price.

The ARGP is determined using an average of the delivered cost of natural gas from the major utilities to Alberta residents. The average cost is determined annually and excludes taxes and franchise fees. The NRGRP excludes Alberta and is determined using an average of the delivered cost of natural gas, excluding taxes and franchise fees, from utilities serving the cities of Toronto, Sarnia, Winnipeg, Regina, and Vancouver.

	2001 Actual	2002 Actual	2003 Target	2004 Target	2005 Target	2006 Target
<b>Alberta Annual Average ARGP (\$/GJ)</b>	8.92	6.11	Annual ARGP not to exceed Annual NRGRP			
<b>National Annual Average NRGRP (\$/GJ)</b>	10.89	9.21	Annual ARGP not to exceed Annual NRGRP			

**Source:** Alberta Department of Energy

**Note:** Numbers are quoted in \$/GJ and are inclusive of gas cost recovery rates (commodity charge), variable and fixed delivery rates. Rates include various rate riders (i.e. company owned storage and production rate riders). Rates exclude GST, PST, franchise fees, government rebates and proceeds from sale of ATCO's producing properties. This measure is calculated on a calendar year basis using a simple average of monthly rates and annual consumption of 150GJ. Information for the chart was obtained from utility company Web pages. The method used to calculate this measure was changed this year to include fixed delivery charges. The 2001 numbers have been restated to reflect this change.

## Organizational Capacity and Effectiveness

**GOAL 5.1** Build an organizational environment for success.

### Key Strategies

- **Fiscal** - Align the department's organization, processes and budget with the strategic direction of our business.
- **Resources:**
  - Implement human resource and workforce planning strategies that enable us to retain, attract and develop our employees resulting in improved staff knowledge, competencies and skill sets.
  - Safeguard the department's staff and physical assets through development, testing and maintenance of plans for emergency preparedness, prevention, response, and evaluation.
- **Knowledge and Information:**
  - Ensure easier access and exchange of information required by industry and government.
  - Continued enhancement to information management through the implementation of increased electronic service delivery (e-Business) processes.
- **Stakeholder Consultation:**
  - Continue to provide clear communication and consultation with industry on business rules and processes.

### Performance Measures

- **Industry Satisfaction** - *Target: Industry satisfaction 80% or higher.*

The department monitors industry satisfaction to identify opportunities for improvement and ensure services keep pace with changing requirements in the resource sectors. Industry satisfaction is an indication of staff competence, knowledge, satisfaction and service. The department applies the Government of Alberta's service excellence framework, focusing on courteous, competent and timely service to clients. In 2001-02 the department reached its target of "80% by 2003" two years early. Results were based on annual industry surveys. As a result, the department has now set a target of maintaining its high level of industry satisfaction. Surveying will now be conducted every second year.

	1998 Actual	1999 Actual	2000 Actual	2001 Target	2003 Target	2005 Target	2007 Target
<b>Average satisfaction</b>	75%	79%	76%	81%		80% or higher	

**Source:** Environics West surveys. The survey reliability is based on a confidence interval of 95% +/- 4.5%.

**Note:** In 1998, a Citizens First survey was conducted by Erin Research Inc. to establish a benchmark of Canadian public and private sector services. The average general rating for public sector services was 47% and 60% for private sector services.

- **Information Management (IM)** - *Target: Maintain the level of industry satisfaction with e-business conducted with the department.*

In an increasingly global business environment, where partnerships and information sharing is a key to success, effective use of information technology to deliver business products/services and manage information is essential to competitiveness. The department will monitor industry satisfaction with electronic information management including: systems availability, accuracy, timeliness of information, security, and ease of use of services. Surveying will be conducted every two years.

	2001 Baseline	2003 Target	2005 Target	2007 Target
<b>Industry satisfaction with energy and mineral development information management</b>	92%		90% or higher	

# ALBERTA ENERGY AND UTILITIES BOARD

## INTRODUCTION

The Alberta Energy and Utilities Board (EUB) is an independent, quasi-judicial agency of the Government of Alberta with responsibility to regulate the safe, responsible, and efficient development of Alberta's energy resources. The EUB regulates oil, natural gas, oil sands, coal, electrical energy development, and the associated infrastructures - pipelines, transmission lines and distribution services that move the resources to market. The EUB regulates rates and terms of service of investor-owned gas, electric, and water utility services in Alberta, as well as the major intra-Alberta gas transmission system.

The EUB is continuing to focus on seven strategic areas, which further build, reinforce and strengthen our business. These strategic areas are Landowner and Industry Relations, Applications and Hearing Processes, Information Management, Investing in People, Public Safety and Compliance, Utility Regulation, and Conservation.

## VISION

The EUB's vision is to have a regulatory framework that inspires public confidence.

## MISSION

To ensure that the discovery, development and delivery of Alberta's energy resources and utilities services takes place in a manner that is fair, responsible and in the public interest.

## CORE BUSINESSES

The EUB's core businesses are:

### Adjudication and Regulation

The EUB adjudicates and regulates matters related to energy and utilities within Alberta to ensure that the development, transportation and monitoring of the province's energy resources are in the public interest. In addition, the EUB balances the interests of customers and investor-owned utilities in establishing rates, terms and conditions of services. The EUB provides this assurance through its activities in the application and hearing process, standards setting and regulation, monitoring, and surveillance and enforcement.

### Information and Knowledge

The information and knowledge responsibility of the EUB includes the collection, storage, analysis, appraisal, dissemination and stakeholder awareness of information. Open access to information develops awareness, understanding, and responsible behavior and allows the EUB and stakeholders to make informed decisions about energy and utility matters.

## PERFORMANCE MEASURES

The EUB utilizes a tier system of measures. The first level focuses on outcome measures. This is consistent with Government's direction of shifting from measuring the activities of government, to measuring the outcomes or effects of its activities. EUB outcomes are the desired collective effect of our actions, processes, programs and outputs on the Alberta public - the owners of Alberta's energy resources. The EUB's performance measures track our progress towards achieving these outcomes.

While the EUB does not directly control outcomes, it does attempt to achieve desired results through the actions and outputs of its various programs. External factors outside the EUB's control may affect the achievement of the outcome.

The second level of measures (supplemental measures) focuses on the EUB's efficiency in meeting its responsibilities. These measures are of interest to Albertans and are available on the EUB website at [www.eub.gov.ab.ca](http://www.eub.gov.ab.ca). Supplemental measures include: Application Turnaround Time for Routine Energy Facility Applications; Progress Reports on Incorporation of Public Safety and Sour Gas Recommendations; Surficial Map Coverage per year for the Northern Half of the Province.

## ORGANIZATIONAL CAPACITY AND EFFECTIVENESS

The EUB recognizes the challenge and importance of maintaining and building organizational capacity to respond to changing future business and economic circumstances affecting the development of Alberta's energy, utility and mineral resources. A separate EUB Organizational Capacity section has been established to address this requirement.

## STRATEGIC PRIORITIES

Increased activity levels, rising public expectations, regulatory changes and a broadening client base place different, and additional, demands on the EUB. The EUB's key business initiatives in 2003-2006 focus on challenges that are considered of greatest need. These strategic priorities are:

### Public Safety and Compliance

Public safety and compliance is a priority for the citizens of Alberta and the EUB. We will continue to address public safety and compliance concerns through continued incorporation of the recommendations of the Provincial Advisory Committee on Public Safety and Sour Gas and continued compliance and enforcement operations.

### Utility Regulation

With the restructuring of Alberta's electric industry to a deregulated market, the EUB will continue to fulfill additional regulatory responsibilities regarding municipal utilities and the Market Surveillance Administrator function.

### Application and Hearing Process

The scale and pace of the development of Alberta's oil sands resource has increased dramatically in recent years. Industry estimates it will invest up to \$85 billion over the next decade. The EUB must respond to this industry activity in an effective and timely manner.

### Investing in People

The EUB recognizes the need to attract and retain well-qualified staff in a very competitive market.

## ALBERTA ENERGY AND UTILITIES BOARD - CORE BUSINESSES, GOALS, STRATEGIES AND PERFORMANCE MEASURES

CORE  
BUSINESS  
ONE

# 1 Adjudication and Regulation

**Adjudicate and regulate on matters relating to the development, transportation and monitoring of energy resources and utility rates and services.**

**GOAL 1.1 A fair and responsible regulatory framework for the energy and utility sectors.**

### Key Strategies

- Ensure energy and utility hearings are efficient, effective and open to broad public participation.
  - Conduct an internal review on a sample of decisions for communication quality.
  - Examine the use of a "public interest advocates" model.

- Review appropriateness of intervener funding, including possible implementation of a means test for utility hearings.
- Ensure responsible applications are advanced through the use of appropriate economic incentives.
- Work with stakeholders to implement Appropriate Dispute Resolution (ADR).
- Review innovative incentive ratemaking approaches for utilities, including Performance Based Regulations (PBR).
- Continue to review existing regulations and requirements for continued relevance and streamlining opportunities. This includes the regulatory review program and application guide reviews.
- Continue to work with other Alberta government departments on gaps, overlaps and inconsistencies in the regulatory process.
- Develop and implement appropriate regulation for emerging issues.
  - Continue incorporation of recommendations of the Provincial Advisory Committee on Public Safety and Sour Gas and complete by 2005.
  - Review EUB's roles regarding the regulation of oil and gas development on First Nations land. [CM - Aboriginal Policy Initiative]
  - Oil sands initiatives.
  - Municipal utilities and Market Surveillance Administrator.
  - Continue to support movement to greater customer choice in the deregulation of natural gas.

## **GOAL 1.2**

### **Industry complies with energy and utility regulatory requirements.**

#### **Key Strategies**

- Continue focus on high-risk operations, problem operators and areas of intense development, to address public concerns with energy operators.
  - Conduct investigations on all high risk pipeline failures and ensure adequate corrosion mitigation programs are in place.
- Develop mechanisms for effective monitoring of the financial and service performance of regulated utilities.
  - Refine quality of service standards for electric utilities and develop standards for gas utilities.
  - Enhance financial scrutiny of electric utilities through annual reporting.
  - Develop auditing procedures to monitor financial and service performance of utilities, and compliance with Codes of Conduct.
  - Explore appropriate enforcement measures for non-compliance, including potential licensing of utilities.
- Develop and implement surveillance information management and compliance reporting systems (FIS) to ensure compliance, cost effective and efficient surveillance by September 2003.
- Ensure industry has effective response plans in place to appropriately respond to emergencies by developing an emergency response planning guide and updating internal processes and regulatory requirements.
- Continue to refine and apply our enforcement processes on non-compliant operators to effect continuous improvement.
- Continue to conduct well control and abandonment operations as needed, for safety, environmental and resource conservation reasons.

**GOAL 1.3**

**Prompt and appropriate resolution of landowner, public and industry conflicts.**

**Key Strategies**

- Continue to focus on the EUB’s facilitative role to improve landowner/public/industry relations. This includes working with stakeholders to implement Appropriate Dispute Resolution (ADR).
- Ensure customer complaints respecting utility rates and service are adequately addressed.
  - Ensure adequate resourcing of the Board’s internal complaint function.
  - Track and identify issues which need to be rectified by the EUB.

**Performance Measures**

- **Timeliness of Hearing Decisions** - *Target: Maintain at least 95% of decisions issued in 90 days or less from the end of the hearing.*

This indicator measures the timeliness of the decision making process providing consistent timeline expectations to affected parties.

	2001-02 Actual	2002-03 Estimate	2003-04 Target	2004-05 Target	2005-06 Target
<b>Percent of decisions issued in 90 days or less from the end of the hearing</b>	99%	95%	95%	95%	95%

- **Reduction in Percentage of Incidents of Regulatory Non-Compliance** - *Target: Maintain less than 3.5% major and serious unsatisfactory incidents of regulatory non-compliance as identified by field inspections.*

This indicator measures our ability to monitor industry’s compliance with regulatory requirements to ensure public safety and environmental protection.

A major unsatisfactory inspection is a contravention of regulation(s) that an operator has failed to address and is causing or may cause a significant impact on the public and/or environment. A serious unsatisfactory inspection is a major unsatisfactory inspection where the operator has shown a total disregard for regulation(s). Field inspections cover drilling and service rigs, oil and gas production facilities, pipeline, spill, waste management facilities, and drilling waste. Total number of inspections for 2001-2002 was 8,343. Total number of inspections for 2002-2003 is projected to be more than 8,500.

	2001-02 Actual	2002-03 Estimate	2003-04 Target	2004-05 Target	2005-06 Target
<b>Percent of major and serious unsatisfactory incidents of non-compliance related to field inspection results</b>	4.4%	3.5%	3.5%	3.5%	3.5%

- **Flaring and Venting Reduction** - *Target: Reduction in solution gas flared and vented in accordance with current and future Clean Air Strategic Alliance (CASA) recommendations.*

This measure demonstrates the effectiveness of regulatory requirements and industry practices in achieving an appropriate degree of conservation of solution gas by reducing flaring and future flaring and venting thus ensuring public safety and environmental protection. Targets established by CASA are on a calendar year basis.

In June 2002 CASA released new recommendations to help further reduce solution gas flaring and venting. The Board issued a General Bulletin (GB 2002-05) requiring evaluation of larger solution gas vent sources over the next 2 years and subsequent conservation where these are shown to be economic.

	2001 Actual	2002 Target	2003 Target	2004 Target	2005 Target
Reduction in solution gas flared (base year 1996)	53%	50%		Minimum 50%	
				-under review by CASA	
Reduction in solution gas vented (base year 2000)	15%	Targets to be set - under review by CASA			

- **Percent of Applications Filed Without Landowner/Public Objections** - *Target: Maintain at least 95% of applications filed without objections related to new facilities.*

Maintain the percentage of applications filed without objections relating to new energy and utility facilities and resource development applications. This measure is an indicator of the EUB's ability to facilitate and resolve landowner, public and industry conflict before applications are filed.

The application process includes processing and ruling on new applications for energy and utility activities or amending existing approvals. A basic requirement of the EUB's application process is that significant and meaningful public consultation takes place between the applicant and residents/landowners who may be directly impacted by the applicant's energy development project. If residents and landowners have concerns or questions following discussions with the company, matters may be resolved with EUB assistance.

	2001-02 Actual	2002-03 Estimate	2003-04 Target	2004-05 Target	2005-06 Target
Percent of applications filed without landowner/ public objections	Not available	95%	95%	95%	95%

## 2 Information and Knowledge

**Ensure the collection and accessibility of energy, mineral resource and utility information.**

**GOAL 2.1**      **Ensure accurate, comprehensive and current information is readily available to stakeholders.**

**Key Strategies**

- Increase the use of technology to convey information.
  - Enhance the collection and dissemination of information to stakeholders through secure electronic service delivery (e-business) processes.
  - Enhance capabilities to access information using Geographic Information Systems (GIS) technology.
  - Continue to evaluate information delivery strategies and methods to best align with the Service Alberta initiative.
- Provide a complete picture of reserves, supply and demand to support applications and long term planning. [CM - Economic Development Initiative]
  - Develop and maintain credible energy resources and reserves estimates of ultimate potential and annual supply/demand forecasts for coal, bitumen, natural gas, oil sands and crude oil.
  - Ensure oil sands reserves information is accurately communicated to relevant international bodies by presenting information/papers at seminars and conferences and meeting with individuals in other jurisdictions.
- Provide information to stakeholders to enhance the understanding of Alberta's energy and mineral resource base. [CM - Economic Development Initiative]
  - Complete a mineral mapping plan of northern Alberta for stakeholders' use.

- Work with other government agencies offering programs and services aimed at youth to provide public safety awareness associated with energy development to youth in high energy activity regions of the province. [CM - Children and Youth Services Initiative]\*
- Continue to inform Albertans on the key issues surrounding energy and utility development to include continued open house sessions in Alberta.
- Ensure continued compliance with information requirements.

#### Performance Measures

- **Increase Stakeholders' Satisfaction with EUB Information** - *Target: Increase the business value of information to stakeholders.*

This indicator measures our ability to provide useful and reliable information to stakeholders to aid in making more informed decisions about energy and utility matters. Information includes free and for-fee information available to stakeholders, such as energy resource reports on Ultimate Gas Potential, Crude Bitumen Atlas & Reserves Supply/Demand. Elements to be assessed include availability, accuracy, timeliness of information, and ease of use of services.

	2002-03	2003-04 Target	2004-05 Target	2005-06 Target
Stakeholder satisfaction with EUB information	Establish baseline	To be set once baseline established		

### Organizational Capacity and Effectiveness

#### GOAL 3.1 Build an organizational environment for success.

##### Key Strategies

- Ensure administration, management, and accountability mechanisms are in place to enable the EUB to effectively manage and continually improve its business.
- Prepare and complete the Business Resumption Plan to support the Government of Alberta Crisis and Consequences Management Plans.
- Ensure a quality workforce that meets the EUB needs now and into the future by implementing leadership process plans, staffing and compensation strategies. [CM - Aboriginal Policy Initiative]
- Continue to revise delivery processes to improve services focused on information technology projects and infrastructure.
- Continue to examine shared information management opportunities within Government.

#### Performance Measures

- **Staff Retention** - *Target: By 2005-2006 contain the level of regrettable turnover to 150 person years annually.*

The goal is to contain the level of regrettable staff turnover to ensure that the required appropriate resources are retained by the organization. Regrettable turnover is defined as all terminations other than retirements, board initiated terminations, resignation of individuals with current performance issues where documentation of the issue is in place, and resignations or terminations of individuals in positions targeted for downsizing. The year 2001-2002 was an exceptionally low year compared to previous years' regrettable turnover when the EUB lost many mid-career technical staff.

	2001-02 Actual	2002-03 Estimate	2003-04 Target	2004-05 Target	2005-06 Target
Person years of regrettable turnover	122	150	150	150	150

\* Ministry involvement in a current cross-ministry priority policy initiative is denoted by "CM" followed by the name of the initiative.



## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Securing Benefits for Albertans	31,098	41,799	41,715	40,762	41,262	41,762
Resource Development	20,030	19,507	18,971	22,004	22,504	23,004
Awareness and Understanding	2,202	1,522	1,450	1,678	1,678	1,678
Energy for Albertans	11,140	11,453	13,580	11,790	10,790	9,790
Adjudication and Regulation	50,022	53,113	57,373	63,967	62,947	63,547
Information and Knowledge	31,981	33,958	38,248	42,534	41,554	41,954
Orphan Well Abandonment	2,622	4,000	8,000	8,000	8,000	8,000
<b>MINISTRY EXPENSE</b>	<b>149,095</b>	<b>165,352</b>	<b>179,337</b>	<b>190,735</b>	<b>188,735</b>	<b>189,735</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
<b>Non-Renewable Resource Revenue</b>						
Natural Gas and By-Products Royalty	4,029,611	2,573,000	4,584,000	3,480,000	2,658,000	2,408,000
Crude Oil Royalty	986,788	469,000	1,120,000	502,000	358,000	272,000
Synthetic Crude Oil and Bitumen Royalty	185,019	78,000	135,000	103,000	107,000	141,000
Bonuses and Sales of Crown Leases	969,644	609,000	539,000	679,000	561,000	541,000
Rentals and Fees	148,171	142,000	156,000	144,000	142,000	138,000
Coal Royalty	16,745	12,000	11,000	11,000	13,000	13,000
Alberta Royalty Tax Credit	(108,453)	(169,000)	(117,000)	(143,000)	(130,000)	(125,000)
<b>Total Non-Renewable Resource Revenue</b>	<b>6,227,525</b>	<b>3,714,000</b>	<b>6,428,000</b>	<b>4,776,000</b>	<b>3,709,000</b>	<b>3,388,000</b>
Freehold Mineral Rights Tax	319,116	127,000	196,000	214,000	161,000	150,000
Investment Income	1,550	1,400	1,400	1,250	1,250	1,250
Industry Levies and Licences	60,336	65,991	71,991	70,511	70,511	70,511
Other Revenue	21,146	5,773	9,302	9,498	6,498	6,498
<b>MINISTRY REVENUE</b>	<b>6,629,673</b>	<b>3,914,164</b>	<b>6,706,693</b>	<b>5,071,259</b>	<b>3,948,259</b>	<b>3,616,259</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	2,748	2,383	2,383	2,355	2,355	2,355
Resource Development and Management	61,051	71,863	73,298	73,844	73,844	73,844
Energy Regulation	82,003	87,071	95,621	106,501	104,501	105,501
Orphan Well Abandonment	2,622	4,000	8,000	8,000	8,000	8,000
Valuation Adjustments and Other Provisions	671	35	35	35	35	35
<b>MINISTRY EXPENSE</b>	<b>149,095</b>	<b>165,352</b>	<b>179,337</b>	<b>190,735</b>	<b>188,735</b>	<b>189,735</b>
Gain (Loss) on Disposal of Capital Assets	-	-	253	-	-	-
<b>NET OPERATING RESULT</b>	<b>6,480,578</b>	<b>3,748,812</b>	<b>6,527,609</b>	<b>4,880,524</b>	<b>3,759,524</b>	<b>3,426,524</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	6,629,673	3,914,164	6,706,693	5,071,259	3,948,259	3,616,259
<i>Inter-ministry consolidation adjustments</i>	-	-	(530)	-	-	-
<b>Consolidated Revenue</b>	<b>6,629,673</b>	<b>3,914,164</b>	<b>6,706,163</b>	<b>5,071,259</b>	<b>3,948,259</b>	<b>3,616,259</b>
Ministry Program Expense	149,095	165,352	179,337	190,735	188,735	189,735
<i>Inter-ministry consolidation adjustments</i>	-	-	(530)	-	-	-
<b>Consolidated Program Expense</b>	<b>149,095</b>	<b>165,352</b>	<b>178,807</b>	<b>190,735</b>	<b>188,735</b>	<b>189,735</b>
Gain (Loss) on Disposal of Capital Assets	-	-	253	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>6,480,578</b>	<b>3,748,812</b>	<b>6,527,609</b>	<b>4,880,524</b>	<b>3,759,524</b>	<b>3,426,524</b>

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# Environment

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Lorne Taylor, *Minister of Environment*  
March 21, 2003

## VISION

Alberta's environment sustains a high quality of life.

Albertans value their environment for the ecological, economic and aesthetic benefits it provides now and will continue to provide in the future. They realize Alberta's ecosystems bestow life-sustaining services. They expect their water to be safe, their air to be clean, their land to be productive and careful decisions to be made to ensure public safety and a healthy environment for generations to come.

## MISSION

Steward the use of and ensure the protection of our diverse environment to sustain natural ecosystems, healthy Albertans, strong communities and a prosperous economy.

## STRUCTURE

The Ministry of Environment includes the Department of Environment and the Environmental Appeal Board. Delegated Administrative Organizations (i.e., the Tire Recycling Management Association of Alberta, the Beverage Container Management Board and the Alberta Used Oil Management Association) report directly to the Minister and are delegated to operate with separate board governance and financial management.

## PREAMBLE

Albertans enjoy a high quality of life. Sustainability draws attention to the need to ensure future generations also have a high quality of life and choices to meet their environmental, economic and societal aspirations (refer to the Alberta government's "People, Prosperity and Preservation"). Sustainability is the challenge of this century. Albertans face challenges around the issues of water and climate change. We will only make progress on these pressing issues through shared governance with all citizens, industries and communities. Sustainable environmental management is everyone's business.

Through our leadership role in sustainable development, Alberta Environment is helping to lay the groundwork for a clean environment, strong economy, self-reliant communities and a positive legacy to pass onto future generations. Alberta Environment, however, is only one of a number of provincial ministries that partner to promote sustainable development. These partnerships support the integration of social, economic and environmental goals to ensure the sustainability of the development process that Alberta has chosen.

We believe that good environmental management and practices provide a competitive advantage for industry, communities, and Alberta. We support management practices with public information systems so that industry, communities and Albertans can make informed decisions that are good for the environment.

### Preservation

Alberta's communities will be assured self-reliance through good stewardship of the environment and natural resources.

### People

Albertans will sustain their health and well being by making informed environmental decisions.

### Prosperity

Alberta industry will have a competitive advantage through good environmental practices.

Our Ministry's strong emphasis on sustainable development also supports the Cross-Ministry Initiatives of Health Sustainability, Aboriginal Policy, Alberta Children and Youth, and the Economic Development Strategy.

## CORE BUSINESSES

To achieve our mission, the Ministry has the following core businesses: Environmental Leadership, Environmental Assurance, Environmental Stewardship, and Hazard and Risk Management.

The Ministry's commitment to environmental protection and sustainability is supported by strategic business services related to human resources, finance, information-communication technology, environmental law, freedom of information and protection of privacy, and public information services.

## ALBERTA ENVIRONMENT'S BUSINESS PLAN

During the past year the Ministry developed the first Business Plan Strategy Map within the Alberta government. The Strategy Map displays the key elements of the business plan on one page. It is available in paper or web formats. Last year, over 5,000 copies were distributed throughout Alberta and are part of the Ministry's transparency goal and the desire of Albertans for information in easy-to-use formats.

This business plan outlines the direction the Ministry will follow over the next three years. It is not intended to describe exhaustively everything that the Ministry does.

Our plan is organized around the following six key strategic priorities:

- Water
- Air
- Land
- Climate Change
- Integrated Resource Management
- Regulatory Systems

By clearly listing these key priorities under our core environmental businesses of Leadership, Assurance, Stewardship (Partnerships and Education), and Hazard and Risk Management, Albertans will be able to see our current policy emphasis. We will maintain strength in Environmental Assurance and Hazard and Risk Management, while we demonstrate an increased emphasis on shared Environmental Leadership and Environmental Stewardship. Sharing means strengthening partnerships to engage more people and sectors to move beyond compliance and further enhance sustainable development and environmental protection. At all times, our core businesses are derived from our mandate set out in Alberta's *Environmental Protection and Enhancement Act* and *Water Act*.

## CORE BUSINESSES, GOALS, STRATEGIES AND PERFORMANCE MEASURES

Alberta Environment uses a tier system of indicators and measures. We focus our performance on achieving outcomes and results. This year we are expanding our Management Checkpoint measures to include effectiveness and efficiency measures to demonstrate our accomplishments of the core businesses goals. With the addition of "land" to the key strategic priorities we are developing measures that will be used to determine if the outcome is being achieved.

First, *Environmental Indicators* (e.g., Air Quality Index, Surface Water Quality Index) measure key aspects of Alberta's environment. While the Ministry may not control these results, we do work with all Albertans to influence positive results. However, as a Ministry, we are still broadly accountable for societal environmental outcomes.

Second, *Behavioural Indicators* measure Albertans' interaction with the environment.

Third, *Management Checkpoints* measure departmental performance and are concerned about our efficiency in meeting our goals.

Brief descriptions of our *Environmental* and *Behavioural Indicators* are referenced at the end of this Business Plan and are reported in our *Annual Report* and *Measuring Up*. The Ministry uses the latest data available. It should be noted that some environmental data comes from outside the Ministry and are not available at time of publication of the Business Plan.

CORE  
BUSINESS  
ONE

# 1 Environmental Leadership

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The Ministry builds and enhances proactive relationships with Albertans to ensure environmental quality for present and future generations. Alberta Environment's leadership vision is expressed through sustainable development policy and long-term adaptive management.

## **GOAL 1 Alberta Environment is a leader in proactive environmental protection.**

### **Key Strategies**

#### **Water**

- Implement *Water for Life: Alberta's Strategy for Sustainability*.
- Influence inter-provincial, national and international water initiatives and agreements to protect Alberta's water resources.

#### **Air**

- Develop and implement better approaches for air quality management.
- Develop an emissions trading system for air management.

#### **Land**

- Develop a long-term strategy for waste management.
- Develop a strategy for the conservation, remediation and reclamation of disturbed land.

#### **Climate Change**

- Influence national and international climate change strategies and agreements.
- Make the government a leader in energy efficiency improvements and other CO<sub>2</sub> reduction strategies.
- Lead the implementation of *Albertans and Climate Change: Taking Action*.

#### **Integrated Resource Management**

- Develop comprehensive strategies within the sustainability framework that integrates related initiatives.

#### **Regulatory Systems**

- Implement a comprehensive review and restructuring of the energy, environmental and resource management regulatory system.

### **Key Outcome Measures**

- Environmental Indicators: Surface Water Quality Index; Air Quality Index.
- Behavioural Indicators: Drinking Water Indicator; Action by Alberta Organizations to reduce Greenhouse Gases; Reduction of Municipal Solid Waste to Landfills; Government Action to Reduce Greenhouse Gas Emissions

## Core Business Measures

- Alberta Environment is aligning its output measures with its new structure and core businesses. Baseline numbers will be reported on in the coming year.

## Supplemental Measures and Checkpoints

- Management Checkpoints: Client satisfaction levels; Market penetration of IRM activities; Evaluation of high quality IRM projects and programs in accordance with IRM principles.

CORE  
BUSINESS  
TWO

# 2 Environmental Assurance

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The Ministry provides certainty to Albertans that the environment is being managed in a safe and sustainable manner in the present and for the future. The Ministry provides this certainty through its activities in science, standards setting, monitoring, regulation and enforcement.

## GOAL 2 Sound environmental rules and regulations are in place and enforced.

### Key Strategies

#### Water

- Maintain Alberta's drinking water to the highest standards in Canada.
- Manage and sustain Alberta's water and water infrastructure for its multiple uses.

#### Air

- Work through the Canadian Council of Ministers of the Environment to develop standards for substances of national interest.
- Expand and enhance provincial air monitoring.

#### Land

- Ensure that disturbed land is effectively and efficiently conserved, remediated and reclaimed.
- Maintain Alberta's high standards for waste management.

#### Climate Change

- Implement sector performance expectations for GHG emission reductions with an emissions trading option.
- Implement reporting and registry system for GHG emissions and offsets.

#### Integrated Resource Management

- Develop regional management systems that include a cumulative effects management framework.

#### Regulatory Systems

- Accelerate the move to codes of practice wherever appropriate.
- Reduce approval duplication, overlap, unnecessary steps and unwarranted costs without reducing Alberta's high level of environmental protection.

### Key Outcome Measures

- Environmental Indicators: Surface Water Quality Index; Air Quality Index.
- Behavioural Indicators: Drinking Water Indicator; Action by Alberta Organizations to reduce Greenhouse Gases; Reduction of Municipal Solid Waste to Landfills; Government Action to Reduce Greenhouse Gas Emissions.

## Core Business Measures

- Alberta Environment is aligning its output measures with its new structure and core businesses. Baseline numbers will be reported on in the coming year.

## Supplemental Measures and Checkpoints

- Management Checkpoints: Citizen satisfaction based upon the drivers of citizen satisfaction; i.e., timeliness, knowledge/competence, fairness, access and outcome. Benchmarked against Citizens' First surveys.

CORE  
BUSINESS  
THREE

# 3

## Environmental Stewardship

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The Ministry actively encourages and develops awareness, understanding, environmentally responsible behaviour and decision-making by individuals, communities and industries. Decision-making that produces a healthy environment is achieved through innovation, partnerships, collaboration and education.

### **GOAL 3**                      **Environmental protection is practiced as a collaborative effort through partnerships.**

#### Key Strategies

##### **Water**

- Collaborate with Albertans to achieve watershed protection.
- Work with partners to determine the state of Alberta's groundwater.

##### **Air**

- Support the Clean Air Strategic Alliance's plans for air quality improvements.
- Support development of a comprehensive network of airshed alliances.

##### **Land**

- Develop partnerships to monitor land quality.
- Implement the *Alberta Waste Action Plan*.
- Collaborate with Albertans to ensure the future sand and gravel needs of Alberta are met.

##### **Climate Change**

- Support the work of Climate Change Central in establishing an Energy Efficiency Office.
- Partner with citizens, industry and other governments on practical climate change solutions.

##### **Integrated Resource Management**

- Work with industry and other stakeholders to reduce the cumulative effect of human activity on the environment.

##### **Regulatory Systems**

- Expand the use of delegated administrative organizations to cut waste, enhance recycling and promote conservation.

#### Key Outcome Measures

- Environmental Indicators: Surface Water Quality Index; Air Quality Index.
- Behavioural Indicators: Drinking Water Indicator; Action by Alberta Organizations to reduce Greenhouse Gases; Reduction of Municipal Solid Waste to Landfills; Government Action to Reduce Greenhouse Gas Emissions; Amount of Biochemical Oxygen Demand Substances Discharged.



### **Core Business Measures**

- Alberta Environment is aligning its output measures with its new structure and core businesses. Baseline numbers will be reported on in the coming year.

### **Supplemental Measures and Checkpoints**

- Management Checkpoint: Total number of partnerships against value of activities and initiatives to achieving the goal.

## **GOAL 4                      Improve environmental public education and communication.**

### **Key Strategies**

#### **Water**

- Provide open, online reporting on the state of Alberta's water.
- Educate Albertans on key issues of maintaining water quality and supply.
- Promote water conservation awareness.

#### **Air**

- Improve management and public availability of timely, specific air quality information.
- Increase public understanding of air quality issues and influence public behaviour to affect air quality.

#### **Land**

- Encourage best practices for land uses and waste management.

#### **Climate Change**

- Ensure Albertans are well informed about the need and opportunities to take action on climate change.
- Increase understanding of Alberta's climate change position.

#### **Integrated Resource Management**

- Inform Albertans about sustainability and Alberta's integrated approach to sustainable development.

#### **Regulatory Systems**

- Ensure that changes to the regulatory systems are well communicated.
- Increase the use of communication technology to convey information.

### **Key Outcome Measures**

- Environmental Indicators: Surface Water Quality Index; Air Quality Index.
- Behavioural Indicators: Drinking Water Indicator; Action by Alberta Organizations to reduce Greenhouse Gases; Reduction of Municipal Solid Waste to Landfills; Government Action to Reduce Greenhouse Gas Emissions; Amount of Biochemical Oxygen Demand Substances Discharged.

### **Core Business Measures**

- Alberta Environment is aligning its output measures with its new structure and core businesses. Baseline numbers will be reported on in the coming year.

### **Supplemental Measures and Checkpoints**

- Management Checkpoint: Impact of the Ministry's website on Albertans' knowledge of environmental issues.

# 4 Hazard and Risk Management

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The Ministry ensures that public notification and response systems are in place to provide prompt and effective responses to environmental emergencies. The Ministry is proactively engaged in environmental risk management to anticipate issues and opportunities that may arise so Alberta is ready for both expected and unexpected events.

## **GOAL 5 Alberta Environment ensures quick and competent responses to emergencies.**

### **Key Strategies**

#### **Water**

- Maintain capacity to effectively manage the impact of drought, flood and toxic spills.
- Provide data that enables Albertans to have greater responsibility for flood risk avoidance.

#### **Air**

- Improve capacity to respond to air-pollution events.
- Reduce air pollutants.

#### **Land**

- Refine tools for managing environmental risks associated with industrial land disturbances and waste management.
- Develop prevention initiatives for contamination issues.

#### **Climate Change**

- Incorporate climate change considerations into existing planning and management processes.

#### **Integrated Resource Management**

- Use innovative planning approaches to anticipate issues and opportunities so Alberta is ready for both expected and unexpected events.

#### **Regulatory Systems**

- Ensure rapid, coordinated responses to environmental emergencies.

### **Key Outcome Measures**

- Environmental Indicators: Surface Water Quality Index; Air Quality Index.
- Behavioural Indicators: Drinking Water Indicator; Reduction of Municipal Solid Waste to Landfills.

### **Core Business Measures**

- Alberta Environment is aligning its output measures with its new structure and core businesses. Baseline numbers will be reported on in the coming year.

### **Supplemental Measures and Checkpoints**

- Management Checkpoints: Reduction of risk to people and property due to drought and flood hazards; Protection of the environment, the public, ecosystems and their inhabitants; Number of incidents of non-compliance reported.

**GOAL 6**      **Ensure the Ministry’s commitment to environmental protection and sustainability is supported by its practices in strategic business services.**

**Key Strategies**

- Ensure the strategic use of information communication technology resources to support the sustainable development goals of the Ministry.
- Ensure access to information, both within the Ministry and by the public.
- Align human resource strategies to enhance employee capability, organizational effectiveness, leadership capacity and human resource requirements to support the Ministry.
- Strategic financial services ensures best value is obtained for Ministry resources.
- Achieve office ecology goals through the efficient use of space and equipment.

**Supplemental Measures and Checkpoints**

- Management Checkpoints: Skill Capacity to pursue Plan Goals and Objectives; Leadership Development of Employees; Integration of IT Systems; Hardware and Software Needs Completed; Business Resumption Plan.

**ENVIRONMENTAL INDICATORS**

**Air Quality Index**

**Description**

The Air Quality Index is a measure of outdoor concentrations of five major pollutants (carbon monoxide, dust and smoke, nitrogen dioxide, ozone and sulphur dioxide) monitored at nine stations (three in both Edmonton and Calgary and one station in each of Red Deer, Fort Saskatchewan and Beaverlodge) across the province.

**Target**

Maintain “good” air quality days equal to or greater than 97 per cent of the time, with no “poor” days.

**Report and Analysis**

On average, over the last five years the Index has annually rated air quality ‘good’ 98 per cent (357 days) of the time. The other days were rated ‘fair’. There have been no days reported as ‘poor’ or ‘very poor’.

Year	Rating			
	Good	Fair	Poor	Very Poor
1997	359	6	0	0
1998	354	11	0	0
1999	357	8	0	0
2000	359	7	0	0
2001	357	8	0	0

## Surface Water Quality Index

### Description

This measure is based on the average of index values calculated for four groups of water quality variables: metals, nutrients, bacteria, and pesticides, which are collected over the course of a fiscal year. Variables in the first three groups are compared to guidelines listed in "Surface Water Quality Guidelines for Use in Alberta" (Alberta Environment 1999). Variables in the fourth group (pesticides) are evaluated based on whether they can be detected in a water sample. This measure shows water quality at two locations in each of the province's six major river systems. In most cases, the two sites represent conditions upstream and downstream from areas of significant human activity.

### Target

Bring river water quality downstream of developed areas in line with upstream conditions, while maintaining overall river water quality.

### Report and Analysis

Overall, the water quality of Alberta's major rivers is "excellent" to "fair"; however, water quality tends to be lower downstream of areas with significant urban, industrial or agricultural development. Water quality is generally better in the west, near its mountain source. The index values vary naturally from site to site and from year to year, often related to changes in flow volume.

Category	Index Scores	Description - Guidelines are:
Excellent	96-100	Almost always met
Good	81-95	Occasionally not met, but usually by small amounts
Fair	66-80	Sometimes not met by moderate amounts
Marginal	46-65	Often not met, sometimes by large amounts
Poor	0-45	Almost always not met by large amounts

SITE	1997-98	1998-99	1999-00	2000-01
<b>Bow River</b>				
Upstream of Calgary	100	97	97	99
Downstream of Calgary	87	82	84	89
<b>North Saskatchewan River</b>				
Upstream of Edmonton	97	93	86	89
Downstream of Edmonton	71	80	81	85
<b>Oldman River</b>				
Upstream of Lethbridge	83	89	97	95
Downstream of Lethbridge	84	80	86	91
<b>Red Deer River</b>				
Upstream of Red Deer	n/a	83	87	90
Downstream of Red Deer	n/a	81	75	87
<b>Smoky/Peace River</b>				
At Watino	83	91	90	93
At Fort Vermilion	89	94	86	93
<b>Athabasca River</b>				
At Athabasca	92	90	91	97
At Old Fort	90	95	91	94

## BEHAVIOURAL INDICATORS

Behavioural Indicators report on the way we behave toward the environment in terms of waste. The amount of waste and emissions directly impacts the quality of Alberta's natural systems. Alberta Environment, through its approvals and enforcement mandate, works with communities, industry and individuals to reduce and mitigate these impacts and thereby ensure compliance with the *Environmental Protection and Enhancement Act* and the *Water Act*.

### Drinking Water Quality Indicator

#### Description

A new measure to be included in the behavioural indicators is the drinking water quality indicator. The key target of this measure is maintenance of a safe supply of potable water for the population served by waterworks systems approved by Alberta Environment. This indicator includes both the potable water treatment plant design and the performance of these treatment plants to produce safe drinking water.

### Reduction of Municipal Solid Waste to Landfills

#### Description

This measure indicates Alberta's progress towards meeting a continuous reduction in municipal solid waste disposed in landfills on a per capita basis.

#### Target

The waste reduction target for Alberta is to reduce municipal solid waste disposal to landfills to 0.5 tonnes per capita by 2010.

#### Report and Analysis

The amount of material going to landfills increased as a result of greater economic activity and associated construction, renovation and demolition. The Ministry is collaborating with Albertans to achieve the 2010 target.

### Reduction of Municipal Solid Waste to Landfills

Year	1997	1998	1999	2000	2001
Tonnes per Capita	0.82	0.79	0.75	0.74	0.77

### Amount of Biochemical Oxygen Demand Substances Discharged

#### Description

Certain substances in pulp mill wastewater require oxygen in their breakdown. This breakdown may decrease the amount of oxygen available to aquatic organisms. An excess amount of these substances could cause a shortage in the oxygen necessary to keep an aquatic ecosystem healthy. Alberta's average maximum allowable biochemical oxygen demand (BOD) (3 kg/tonne of pulp for most mills) is based on criteria for both water quality and best available demonstrated technology.

#### Target

BOD discharged for 2003 does not exceed 1.0 kilogram/Air Dried Tonne of Pulp.

#### Report and Analysis

A dramatic drop in BOD occurred in the early 1990s and since then, even though pulp production has been showing moderate increases, the BOD releases have been at the same levels or show small decreases. The target of 1 kg is a stretch target even beyond Alberta's regulated standard of 3 kg. The industry is meeting the challenge.

## Amount of Discharge

Year	1997	1998	1999	2000	2001
BOD (kg/tonne)	0.83	0.80	0.82	0.77	0.83

## Government of Alberta Greenhouse Gas Emission Profile

### Description

The Government of Alberta demonstrates leadership in improving energy use through its actions to reduce emissions from government operations. The measure aims to promote activities that improve the energy efficiency of Alberta government operations through energy retrofits of government buildings, improved operation of government vehicles, reduction in government waste and energy productivity targets for departments.

### Target

The new target is to reduce GHG emissions 26 per cent below 1990 levels by the year 2005. In 1990, emissions were 549 kilotonnes of CO<sub>2</sub> equivalent. The new target is 406 kilotonnes of CO<sub>2</sub> equivalent by 2005.

### Report and Analysis

The Alberta government continues to reduce its overall emissions and has consistently exceeded its annual targets. In fiscal year 2000-01 emissions of CO<sub>2</sub> equivalent were 433 kilotonnes (or 22 per cent) below 1990 levels. These reductions exceed our 2000-01 target by 46 kilotonnes. The Alberta Government has submitted a new Action Plan under the VCR Inc. for continued efficiency actions to be achieved by 2005. In addition to the Alberta government's new targets and measures in the new plan, the Alberta government will be participating in the VCR Inc. *Champions in Action* initiative. This initiative will place additional rigour on climate change reporting.

## Alberta Government Baseline, Targets, and Actual Figures for Greenhouse Gas Emissions.

*Kilotonnes of CO<sub>2</sub> Equivalent*

	1996	1997	1998	1999	2000	2001
<b>Baseline</b>	545	539	540	540	540	540
<b>Target</b>	531	513	502	491	479	427
<b>Actual</b>	502	475	457	444	433	

## Alberta Organizations Energy Productivity Improvements

### Description

The number of Action Plans registered by Alberta organizations with the National Voluntary Challenge and Registry Program (VCR Inc.) indicates success in obtaining voluntary action to reduce greenhouse gas emissions.

### Target

Continued increase in the number of registered plans.

### Report and Analysis

As the data indicates, this is a mature measure that is showing similar results over the last three years. New climate change policies for the Alberta government will capture the information of this measure in the new Greenhouse Gas Emissions Intensity Measure in the future.

	1997	1998	1999	2000	2001
<b>Number of Cumulative Alberta Action Plans in VCR</b>	103	132	161	161	157

## Greenhouse Gas Emissions Intensity Indicator

### Description

A new measure to be included in 2003 - 06 is the greenhouse gas emissions intensity indicator. The key target of this measure is to track our performance on *Albertans and Climate Change: Taking Action* and the associated objective of cutting the greenhouse gas emissions intensity of the Alberta economy in half by 2020 (which equates to an absolute reduction of 60 million tonnes of CO<sub>2</sub> equivalent from business as usual levels). This indicator will track emissions intensity improvements by comparing total annual greenhouse gas emissions across the Alberta economy to total provincial gross domestic product (GDP) generated in Alberta since 1990. This indicator will also assess performance against emission intensity and absolute reduction benchmarks at 2010. Specifically:

- Emissions intensity improvement of 22% over 1990 levels by 2010
- Absolute reduction of 20 million tonnes of CO<sub>2</sub> equivalent from business as usual levels by 2010

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Environmental Leadership	24,991	10,446	13,183	15,373	16,556	16,177
Environmental Assurance	76,616	73,068	70,359	75,921	72,947	72,207
Environmental Stewardship	13,166	13,730	15,852	15,880	16,802	16,921
Hazard and Risk Management	9,057	12,645	9,745	14,486	10,991	10,911
<b>MINISTRY EXPENSE</b>	<b>123,830</b>	<b>109,889</b>	<b>109,139</b>	<b>121,660</b>	<b>117,296</b>	<b>116,216</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	4,016	7,250	4,500	6,600	4,430	4,350
Transfers from Government of Canada	224	-	-	-	-	-
Premiums, Fees and Licences	1,947	2,108	2,074	2,318	2,306	2,306
Other Revenue	1,042	733	759	875	879	879
<b>MINISTRY REVENUE</b>	<b>7,229</b>	<b>10,091</b>	<b>7,333</b>	<b>9,793</b>	<b>7,615</b>	<b>7,535</b>
<b>EXPENSE</b>						
<b>Program</b>						
Environmental Leadership	24,973	10,435	13,169	15,358	16,541	16,162
Environmental Assurance	76,557	73,003	70,297	75,865	72,891	72,151
Environmental Stewardship	13,157	13,717	15,836	15,866	16,788	16,907
Hazard and Risk Management	9,052	12,635	9,738	14,472	10,977	10,897
Valuation Adjustments and Other Provisions	91	99	99	99	99	99
<b>MINISTRY EXPENSE</b>	<b>123,830</b>	<b>109,889</b>	<b>109,139</b>	<b>121,660</b>	<b>117,296</b>	<b>116,216</b>
Gain (Loss) on Disposal of Capital Assets	(20)	-	-	(68)	-	-
<b>NET OPERATING RESULT</b>	<b>(116,621)</b>	<b>(99,798)</b>	<b>(101,806)</b>	<b>(111,935)</b>	<b>(109,681)</b>	<b>(108,681)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	7,229	10,091	7,333	9,793	7,615	7,535
<i>Inter-ministry consolidation adjustments</i>	(4,016)	(7,250)	(4,500)	(6,600)	(4,430)	(4,350)
<b>Consolidated Revenue</b>	<b>3,213</b>	<b>2,841</b>	<b>2,833</b>	<b>3,193</b>	<b>3,185</b>	<b>3,185</b>
Ministry Program Expense	123,830	109,889	109,139	121,660	117,296	116,216
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Expense</b>	<b>123,830</b>	<b>109,889</b>	<b>109,139</b>	<b>121,660</b>	<b>117,296</b>	<b>116,216</b>
Gain (Loss) on Disposal of Capital Assets	(20)	-	-	(68)	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(120,637)</b>	<b>(107,048)</b>	<b>(106,306)</b>	<b>(118,535)</b>	<b>(114,111)</b>	<b>(113,031)</b>



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# Executive Council

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Ralph Klein, *Premier*  
March 21, 2003

## THE MINISTRY

Programs within the Ministry of Executive Council that report to the Premier include Executive Council, Office of the Premier and the Public Affairs Bureau.

## **OFFICE OF THE PREMIER / EXECUTIVE COUNCIL**

The Office of the Premier/Executive Council will continue to provide responsive support to the Premier and Executive Council, while maintaining open communication with Albertans. Programs for senior international visitors, provincial government ceremonial events, and protocol advice through the Protocol Office will continue to be provided. Support for policy coordination, business and strategic long-term planning will also be provided. In addition, administrative support will be provided to Executive Council, its Members and Committees, the Alberta Order of Excellence Council and the Office of the Lieutenant Governor with a focus on efficiency, effectiveness and economy.

### **PUBLIC AFFAIRS**

#### **PAB Vision**

The Public Affairs Bureau strives to be a centre of communications excellence and one of Albertans' preferred choices for news and information about their government's policies, programs and services.

#### **PAB Mission**

The mission of the Public Affairs Bureau is to help the government in its ongoing dialogue with Albertans by providing quality, coordinated and cost-effective communications services.

#### **PAB Strategic Priorities**

The strategic priorities identified in this plan will increase the coordination and efficiency of communications from the government as a whole and ensure Albertans enjoy quick and convenient access to the information they need. A key priority is the development of a corporate communications approach to ensure Albertans receive timely and coordinated information from their government. The Bureau will also begin to revise the corporate visual identity for government, updating a visual signature that is over 30 years old. Other initiatives include ensuring Albertans have access to information in all priority areas, improving electronic access to government information and further developing available e-communications resources such as Alberta Connects and the Alberta Government Home Page. We will also review Queen's Printer Bookstore operations to ensure full public access to legislation while maintaining efficiency and cost-effectiveness.

## PAB Core Businesses

This chart outlines how the Bureau's three core businesses link with its goals and measures.



\*1 - Supply professionals to ministries to develop and implement communications programs; provide communications planning and consulting to government; coordinate communications for priority initiatives and during public emergencies; provide specialized writing and editing services; help ministries purchase advertising and graphic design services

\*2 - Operate the Service Alberta Call Centre; manage the Alberta Government Home Page; manage the Alberta Connects program; distribute government news releases; provide technical support for major government news conferences and announcements

\*3 - Publish and sell Alberta's laws and other government materials; operate the Queen's Printer Bookstores in Edmonton and Calgary

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Office of the Premier / Executive Council	4,671	4,871	4,871	4,947	4,947	4,947
<b>Public Affairs Bureau</b>						
Help Government Ministries Communicate with Albertans	6,817	7,338	7,338	8,315	8,315	8,315
Provide Albertans with Two-way Access to Government	2,828	2,916	2,916	3,264	3,264	3,264
Publish and Sell Alberta's Laws and Other Material	2,388	1,919	1,919	1,509	1,509	1,509
<b>MINISTRY EXPENSE</b>	<b>16,704</b>	<b>17,044</b>	<b>17,044</b>	<b>18,035</b>	<b>18,035</b>	<b>18,035</b>

### Link to Government Business Plan and Cross Ministry Priority Initiatives

Due to the nature of the organization, with staff assigned to all ministries, the Bureau has a communications role to play in all government business plan goals. Bureau staff further assist ministry clients in communications work on cross ministry priority initiatives, including the Health Sustainability Initiative, the Aboriginal Policy Initiative, the Economic Development Strategy and the Alberta Children and Youth Initiative. The Bureau also contributes to the goals and targets set out in key administrative initiatives including the Alberta Corporate Service Centre Initiative, the Corporate Human Resource Development Strategy, the Corporate Information Management/Information Technology Strategy and the Service Alberta Initiative. This includes the development of Bureau Human Resource and Information Technology plans that correspond to related cross ministry initiatives.

# GOALS, KEY STRATEGIES AND PERFORMANCE MEASURES

CORE  
BUSINESS  
ONE

## 1

### Help government ministries communicate with Albertans

#### Goal 1 Increase communications with Albertans in the areas they identify as top priorities

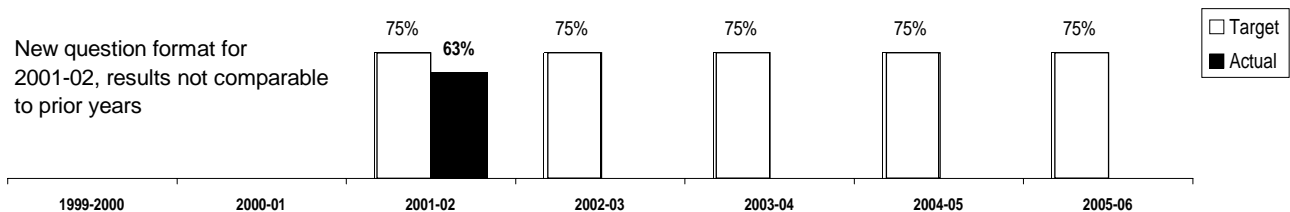
##### Key Strategies

- Begin work to develop a government-wide corporate communications approach to ensure priority communications reach as many Albertans as possible in the most coordinated, efficient and accessible manner possible. Elements of the strategy will include modernizing the Government of Alberta visual signature (logo), developing a corporate advertising strategy, and developing strategies to better communicate with diverse Alberta audiences.
- Increase public access to priority information through Alberta Connects e-mail and telephone services. This includes developing a campaign to increase public awareness of the services and improving the speed and coordination of responses through the system.
- Ensure that communications branches across government are working to support the communications needs and priorities of ministry clients and Albertans. The branches will provide strategic communications advice and support to key programs and initiatives across government, including all priority cross ministry initiatives. This includes communications for a wide range of areas, such as: Aboriginal programs; support for farmers; services for children, youth and families; community and cultural programs, economic and fiscal updates; electricity and natural gas prices; environmental issues such as the government's climate change plan and water strategy; gaming programs, consumer protection initiatives; health reform; infrastructure, roads and capital spending; workplace safety; science and technology; federal/provincial relations; crime and safe communities; K-12 and post-secondary learning; municipal programs; seniors programs; security issues and emergency preparedness; and parks and sustainable resources.

##### Performance Measures

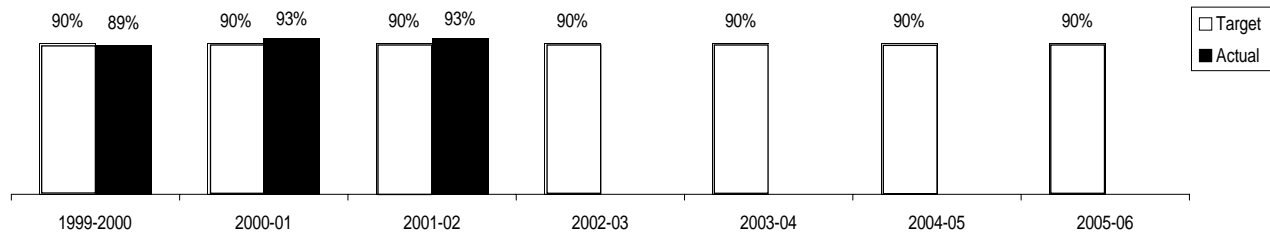
- **Public satisfaction with government communications in priority areas**

This measure rates overall public satisfaction with information received, either directly from the government or through other sources, in areas Albertans identify as priorities.



- **Government client satisfaction**

This measure rates government client satisfaction with the communications support they receive from Bureau staff in their communications with Albertans.



- **Alberta Connects efficiency**

<New Measure>

This will measure the efficiency of responses to public questions received through the Alberta Connects e-mail service. Initial results will be reported in the Executive Council 2002-03 Annual Report.

## 2

### Provide Albertans with two-way access to government

#### Goal 2

#### Make government information more accessible to Albertans

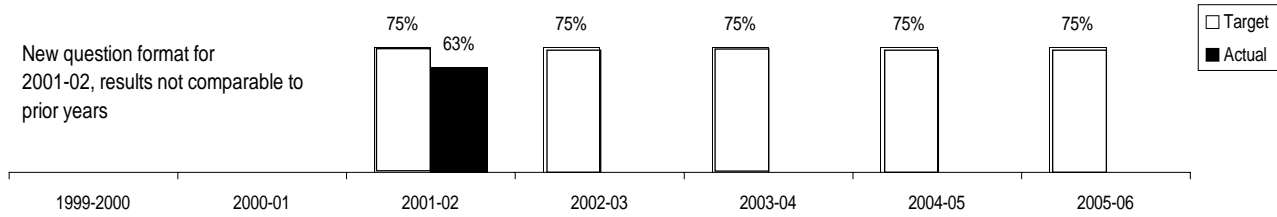
#### Key Strategies

- Develop and improve Internet information resources available to Albertans through the Government Home Page and provide communications support to client ministries working to improve public access to online information.
- Continue to assist in the development of the Service Alberta (formerly RITE) call centre by enhancing public services and improving the centre's technology. Work on this initiative will be coordinated with Government Services and Innovation and Science.
- Add a facility to the Alberta Government Home Page that provides consolidated listings of public consultations taking place across the province so that Albertans can learn about, and participate in, consultation opportunities.
- Develop and communicate Government of Alberta Internet standards through the Cross Government Internet Committee. Committee initiatives will include improving access to Alberta Government Web pages for the visually-impaired, establishing standards for content duplication between government department Web sites and developing standards for accessibility and use of plain language.
- Continue to improve the Government of Alberta online and print telephone directories to ensure Albertans have quick and convenient access to the most up-to-date government listings.

**Performance Measures**

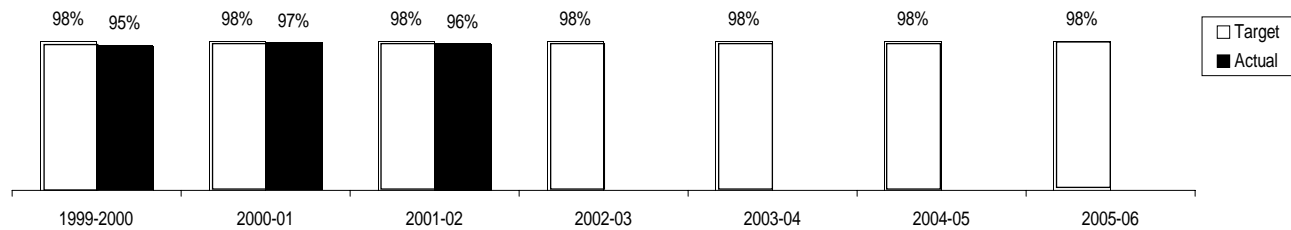
- **Public satisfaction with access to government information**

This measure rates public satisfaction with access to provincial government information.



- **Public satisfaction with the Service Alberta Call Centre**

This measure rates public satisfaction with the agent services received through the Service Alberta Call Centre (formerly RITE). The measure has been revised somewhat from the 2002-05 Business Plan. Results were previously reported in combination with public satisfaction ratings with the Queen's Printer Bookstore.



- **User satisfaction with the Alberta Government Home Page**

*<New Measure>*

This new measure rates overall public satisfaction with the Alberta Government Home Page. Initial results will be reported in the Executive Council 2002-03 Annual Report.

# 3

## Publish and sell Alberta's laws and other materials

### Goal 3 Deliver products and services that allow us to meet customer needs and revenue projections

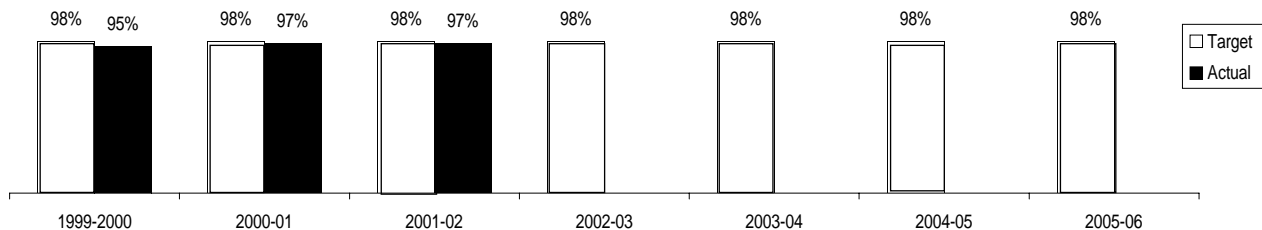
#### Key Strategies

- Review Queen's Printer Bookstore operations to ensure full public access to Alberta Government legislation while maintaining revenues at a cost-recovery level.
- Introduce new features to the Queen's Printer Internet site to improve access to Alberta Government legislation for public and legal community users.
- Work to provide free Internet access to the Alberta Gazette while reducing expenses. Steps will include reviewing the Queen's Printer Regulation (44/70) and working toward new publication processes, such as providing free online access to the Alberta Gazette.

#### Performance Measures

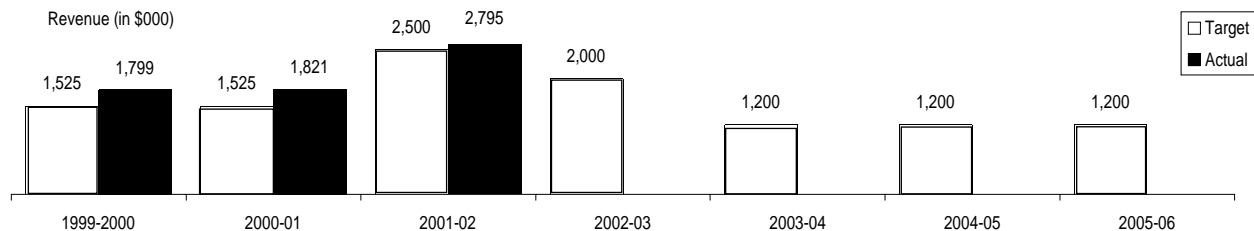
- **Customer satisfaction with the Queen's Printer Bookstore**

This measure rates customer satisfaction with Bookstore products and services. The measure has been revised somewhat from the 2002-05 Business Plan. Results were previously reported in combination with public satisfaction ratings with the Service Alberta Call Centre (formerly RITE).



- **Maintain Queen's Printer Bookstore revenue**

This measure offers a comparison of revenue targets with results actually achieved.



## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Other Revenue	2,799	2,000	2,000	1,200	1,200	1,200
<b>MINISTRY REVENUE</b>	2,799	2,000	2,000	1,200	1,200	1,200
<b>EXPENSE</b>						
<b>Program</b>						
Office of the Premier / Executive Council	4,707	4,871	4,871	4,947	4,947	4,947
Public Affairs	12,002	12,173	12,173	13,088	13,088	13,088
Valuation Adjustments and Other Provisions	(5)	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	16,704	17,044	17,044	18,035	18,035	18,035
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	(13,905)	(15,044)	(15,044)	(16,835)	(16,835)	(16,835)

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	2,799	2,000	2,000	1,200	1,200	1,200
<i>Inter-ministry consolidation adjustments</i>	(349)	(200)	(200)	(150)	(150)	(150)
<b>Consolidated Revenue</b>	2,450	1,800	1,800	1,050	1,050	1,050
Ministry Program Expense	16,704	17,044	17,044	18,035	18,035	18,035
<i>Inter-ministry consolidation adjustments</i>	(349)	(200)	(200)	(150)	(150)	(150)
<b>Consolidated Program Expense</b>	16,355	16,844	16,844	17,885	17,885	17,885
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	(13,905)	(15,044)	(15,044)	(16,835)	(16,835)	(16,835)



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# Finance

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Patricia L. Nelson, *Minister of Finance*  
March 21, 2003

## THE MINISTRY

The Ministry of Finance includes the **Department of Finance**, the **Alberta Capital Finance Authority (formerly Alberta Municipal Financing Corporation)**, **Alberta Pensions Administration Corporation**, **ATB Financial (Alberta Treasury Branches)**, the **Alberta Insurance Council**, and the **Credit Union Deposit Guarantee Corporation** and its subsidiaries. The Ministry of Finance also includes the activities of a number of companies in wind-up.

The Department of Finance has four main areas: Office of Budget and Management; Pensions, Insurance and Financial Institutions; Treasury Management; and Corporate Support.

The Finance Business Plan incorporates all the entities reporting to the Minister into an integrated strategic plan that focuses on the key priorities for the Ministry. The following plan does not include the day-to-day activities of the Ministry.

## VISION

*A province that is innovative and globally competitive with a fiscally sustainable and accountable government.*

## MISSION

Develop and implement the government's fiscal framework and financial policies.

## CORE BUSINESSES

- Fiscal Planning and Financial Management
- Regulation of Provincial Financial Institutions
- Pensions Policy, Regulation and Administration
- Financial Services

## GOALS

### Fiscal Planning and Financial Management

- Goal 1 A Financially Strong, Sustainable and Accountable Government.
- Goal 2 A Fair and Competitive Provincial Tax System.
- Goal 3 Effective Management of Financial Assets, Liabilities and Risk.

### Regulation of Provincial Financial Institutions

- Goal 4 Confidence in Provincially Regulated Financial Institutions and Insurance Companies.

### Pensions Policy, Regulation and Administration

- Goal 5 Pensions That Deliver on Promises.

### Financial Services

- Goal 6 Financial Services Available to Albertans and Alberta Municipalities.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Fiscal Planning and Financial Management	815,618	659,647	623,707	543,094	515,871	541,124
Regulation of Provincial Institutions	4,092	4,724	4,814	5,156	4,936	4,959
Pension Policy, Regulation and Administration	17,504	22,482	23,559	28,131	23,053	24,267
Financial Services	339,952	331,644	340,848	315,938	298,170	277,779
<b>MINISTRY EXPENSE</b>	<b>1,177,166</b>	<b>1,018,497</b>	<b>992,928</b>	<b>892,319</b>	<b>842,030</b>	<b>848,129</b>

## STRATEGIC PRIORITIES 2003-06

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### **Re-engineering Alberta's Fiscal Framework**

**Linkage: Goals 1, 2 & 3**

The Financial Management Commission (FMC) was appointed to review the government's fiscal framework and to make recommendations for possible improvements. The government accepted in principle 22 of 25 recommendations. The government's new fiscal framework is designed to provide predictability, sustainability and continued discipline to prepare Alberta for the challenges that lie ahead, while maintaining a competitive tax environment. Finance will work with other ministries to implement the accepted recommendations, risk analysis, 3-year capital plans, alternative mechanisms for capital project financing, capitalization and amortization of assets, and continued refinements to the government reporting entity.

### **Kyoto Protocol**

**Linkage: Goal 1**

Alberta is committed to addressing the issue of global warming, however, the province is concerned about market uncertainty associated with the implementation of the Kyoto Protocol and the potential negative impacts on the Alberta and Canadian economies. Alberta Finance will work with other ministries to address the challenge of global climate change and to assess the economic impacts on Alberta.

### **Enterprise-Wide Risk Management**

**Linkage: Goal 3**

An enterprise the size and scope of the Alberta government faces risks from a variety of sources. The concept of enterprise risk management is to identify the sources of risk to all major components of the province's revenues and expenses and to use the collective strength of the enterprise to manage those risks with a comprehensive, cost-effective strategy. Finance will develop an enterprise risk management framework and provide recommendations for government consideration.

### **Automobile Insurance**

**Linkage: Goal 4**

The costs of automobile (commercial and personal) insurance are rising steeply throughout Canada and this trend is making its way to Alberta. Finance will assess the issues facing the automobile insurance industry including a review of compensation for automobile injury claims and related premium increases. The department will seek input from the insurance community and Albertans.

### **Pension Plan Governance and Regulation**

**Linkage: Goal 5**

Pensions involve long-term promises. Finance will continue to monitor the financial health of pension plans. One of the elements of long-term sustainability is good board governance. After many years, the independence of the Local Authorities Pension Plan (LAPP) remains unresolved given difficulties in achieving a sound governance model. The Minister of Finance, as trustee of LAPP, must be assured that plan members, pensioners and taxpayers would be protected under an independent model. Over the coming business plan cycle, Finance will resolve whether the plan should become independent. The governance of the other public sector plans, for which the Minister of Finance is also the trustee, will be reviewed as well.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE

# 1

## A Financially Strong, Sustainable and Accountable Government

**What it means** Maintaining Alberta's strong financial position requires the government to keep the budget on a sustainable course for the future. Strategic fiscal planning and prudent economic forecasting are required to meet today's priorities and to sustain essential programs and services over the longer term. The government will continue to balance the budget every year in accordance with the Financial Management Commission (FMC) framework and to reduce the province's existing debt as scheduled. The *Government Accountability Act* is the government's legislated commitment to be accountable to Albertans. It requires that the government publish three-year consolidated fiscal plans, quarterly fiscal updates and annual performance reports including audited financial statements.

### Key Strategies

- Oversee cross-government implementation of accepted recommendations of the FMC. Finance will concentrate on developing a new fiscal framework, establishing a sustainability fund, assisting in the development of the capital plan and assessing expansion of the government's reporting entity to include other entities.
- Work with other Alberta government ministries on climate change initiatives.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
Alberta's credit rating.	AAA	AAA	AAA	AAA
Value of assets in the Sustainability Fund	new	\$2.5 billion	\$2.5 billion	\$2.5 billion
Accumulated debt.	\$5.3 billion*	\$4.8 billion	\$4.8 billion	\$4.8 billion
Percentage of Albertans who think they get enough information on the government's financial performance.	new**	establish baseline	–	–
Percentage of FMC accepted recommendations implemented.	–	32%	64%	96%

\* Less cash set aside and to be transferred.

\*\* Survey question revised from previous year.

## A Fair and Competitive Provincial Tax System

**What it means** Taxes are necessary to provide the revenue that government needs to fund its programs and services. The tax system must be fair and promote self-reliance. Our taxes must also be competitive with those in other provinces and other countries with which Alberta competes. This attracts the investments, jobs and skilled workers necessary to keep our economy performing well. On January 1, 2001, Alberta introduced a single rate personal income tax of 10% and by far the highest personal and spousal exemptions in Canada. On April 1, 2001 Alberta began implementing its plan to reduce corporate income taxes. Alberta remains the only province without a retail sales tax.

### Key Strategies

- As affordable, implement the Business Tax Plan to reduce tax rates from 13% to 8% for large businesses and from 4.5% to 3% for small businesses.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
Provincial tax load for a family of four.	Lowest in Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada
Provincial tax load on businesses.	Second lowest in Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada
Total tax load in Alberta as a percentage of GDP.	30% (1999)	29%	29%	29%

## Effective Management of Financial Assets, Liabilities and Risks

**What it means** The Government of Alberta has annual cash flows nearing \$300 billion. These cash flows must be managed to optimize returns and to ensure cash availability to meet Alberta's obligations. In addition, the Minister of Finance is responsible for managing several billion dollars in liabilities as well as certain assets. Through prudent management of the liabilities and assets, the Ministry endeavors to minimize debt service costs and maximize investment returns. The complexity of the entire government enterprise gives rise to many potential risks. Identification and management of these risks across government was identified by the Financial Management Commission (FMC) as an important issue. The recommendations of the FMC regarding alternate forms of capital financing may have major implications.

### Key Strategies

- Establish and manage prudently a sustainability fund and capital account.
- Investigate and recommend alternative mechanisms for capital project financing for government consideration.
- Develop an enterprise-wide risk management program for government consideration.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
Return on Sustainability Fund (benchmark to be established 2003-04).	–	Greater than the approved benchmark	Greater than the established benchmark	Greater than the established benchmark
All in cost of debt issued compared to an issue of comparable term in the Canadian public debt market.	\$1.5 million Lower	Lower	Lower	Lower
Return on Debt Retirement Account compared to the cost of the debt on the day the investment is made.	Greater	Greater	Greater	Greater
Return on Consolidated Cash Investment Trust Fund compared to ScotiaMcLeod 91 day Treasury Bill Index.	Greater by 32 basis points	Greater by over 10 basis points	Greater by over 10 basis points	Greater by over 10 basis points
Government decision on enterprise risk management program.	–	Completed	–	–

## 4 Confidence in Provincially-Regulated Financial Institutions and Insurance Companies

**What it means** To foster confidence, Alberta's regulatory environment for financial services must be fair and efficient to encourage the availability of comprehensive, reliable and competitive products and services. Financial service providers are responsible for ensuring that Albertans receive fair value for the services they have purchased. Alberta Finance sets the legislative and regulatory framework, and with its delegated regulatory organizations, regulates the credit union, insurance, loan and trust industries in Alberta, in the interests of depositors, insurance policy holders, investors, insurance intermediaries and the companies themselves. Together, this competition and oversight leads to a financial sector marketplace in which Albertans can have confidence.

### Key Strategies

- Carry out a review of issues facing the automobile insurance industry including compensation for automobile injury claims and related premium increases.
- Work with industry and consumer stakeholders to complete phase 2 of the *Insurance Act* dealing with contractual provisions.
- Work with stakeholders to harmonize financial sector legislation while ensuring that Alberta law is efficient, effective and does not create unnecessary regulation.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
Automobile Insurance Review.	–	Completed and implemented	–	–
Revision of <i>Insurance Act</i> .	Phase 1 completed	–	–	Phase 2 completed
Stakeholder satisfaction with harmonization of financial sector policy and regulation.	–	Set baseline	TBD*	TBD*

\* TBD = To be determined.

# 5 Pensions That Deliver on Promises

**What it means** Pension Plan members need to be assured that their benefits are secure. Employers and other plan sponsors need to know that pension regulation is fair and even-handed. The Superintendent of Pensions focuses on assessing private sector plan compliance with legislative standards and ensuring that ‘at risk’ plans take action to comply with regulations. The Minister of Finance is the trustee of most of Alberta public pension plan assets. The department provides advice to the Finance Minister on the soundness of the public plans and governance arrangements. Alberta Pensions Administration Corporation (APA) provides administration services and member benefit and contribution calculations.

## Key Strategies

- In consultation with public sector pension boards and stakeholders, facilitate the improvement of pension governance frameworks including the management of boards’ recommendations for policy changes.
- Work with stakeholders of the Local Authorities Pension Plan to determine, subject to meeting established principles and requirements, if the plan should be independent.
- Work with stakeholders and other jurisdictions across Canada to harmonize and streamline private pension legislation and regulatory processes.
- Develop a risk assessment system and plan examination process to help identify private pension plans needing special attention and provide assistance to help ensure plan viability.
- Work with the federal government and the other provinces to help ensure the sustainability of the Canada Pension Plan and, at the same time, explore other alternatives to allow Albertans the opportunity to secure their retirement income.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
Improved governance frameworks developed and implemented.	–	In progress	Implemented	–
Local Authorities Pension Plan independence resolved.	–	In progress	Achieved	–
Percentage of APA client members and employers satisfied or very satisfied with products and services.	95%	95%	95%	95%
Percentage of private sector plans that meet minimum funding requirements.	–	98%	98%	98%
Stakeholder satisfaction with Canada-wide harmonization of private pension legislation and regulatory processes.	–	Set baseline	TBD*	TBD*

\* TBD = To be determined.



# 6 Financial Services Available to Albertans and Alberta Municipalities

**What it means** Alberta's dynamic economy and entrepreneurial spirit requires readily accessible and technologically advanced financial services and products. ATB Financial (Alberta Treasury Branches) and the Alberta Capital Finance Authority (ACFA) are key components of the financial servicing sector. ATB Financial is a full-service financial institution providing services to individuals, small businesses, the commercial and energy sectors, and the agri-industry in 240 communities in Alberta, through the largest branch network of any financial services provider in the province. ACFA provides financing to a variety of local authorities (municipalities, towns, counties, hospitals, schools and post-secondary institutions) throughout the province for capital projects. The province's triple A credit rating allows ACFA to pass along low borrowing costs to its clients.

## Key Strategies

- ATB Financial will develop wealth management and commercial banking capacity.
- Modernize regulatory frameworks for ATB Financial to ensure that it continues to operate in a prudent and secure environment and on a level playing field with banks and other businesses offering similar services.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
ATB Financial				
Loan loss provisions as a percentage of average total loans.	0.21%	0.25%	0.30%	0.35%
Expenses to operating revenue.	61.65%	65.34%	65.51%	64.27%
Return on average assets (before tax).	1.29%	1.06%	0.99%	0.98%
Local authorities' cost of borrowing from ACFA relative to borrowing costs of other Canadian municipalities within the viability of the Corporation.	lowest	lowest	lowest	lowest
Percentage of local authorities satisfied with lending policies and efficiency of ACFA (biennial survey).	83%	–	85%	–

## RISK ANALYSIS

Maintaining a strong and sustainable financial position faces future challenges. The Kyoto Protocol on greenhouse gases and the lack of clarity by the federal government on implementation have the potential to be costly to the Alberta and Canadian economies. The continued decline of high royalty rate conventional oil revenues will need to be replaced in the long term. Wage pressures in health and education add to base spending and create long-term funding pressures. Health sustainability is a particular concern given an ageing population, technological improvements and public expectations. If world capital markets stay weak for an extended period of time, funding pressures will be placed on pension plans. The new Sustainability Fund will help manage risks from energy and other revenues, and disasters and emergencies.

## LINKAGE TO THE GOVERNMENT BUSINESS PLAN

Alberta Finance links to the Government Business Plan are primarily to a financially stable, open and accountable government and a strong intergovernmental position in Canada (Goal 9) and the goal to have a prosperous economy (Goal 7). As well, Finance links to the government's goals of an effective, responsive and well-managed local government sector (Goal 6) and Aboriginal Communities will be effective and self-reliant (Goal 5).

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	153,376	319,830	334,330	95,679	242,156	227,621
Other Taxes	1,014	400	800	600	600	600
Transfers from Government of Canada	4,434	4,030	4,055	4,030	4,030	4,030
Investment Income	569,487	498,339	530,777	504,311	471,986	461,152
Premiums, Fees and Licences	18,402	21,753	21,562	26,582	28,544	31,287
Net Income from Commercial Operations	165,200	121,722	204,150	156,660	165,219	181,256
Other Revenue	20,970	123,038	124,765	28,313	23,134	24,247
<b>MINISTRY REVENUE</b>	<b>932,883</b>	<b>1,089,112</b>	<b>1,220,439</b>	<b>816,175</b>	<b>935,669</b>	<b>930,193</b>
<b>EXPENSE</b>						
<b>Program</b>						
Fiscal Planning and Accountability	7,160	8,276	8,157	10,088	9,900	9,869
Treasury Management	71,060	71,009	70,971	71,887	72,367	72,438
Financial Sector Operations	3,822	4,425	4,541	4,881	4,642	4,675
Public Sector Pension Policy and Administration	16,688	21,532	22,586	27,068	22,008	23,243
Financing to Local Authorities	339,634	331,287	340,483	315,518	297,738	277,365
Ministry Support Services	4,336	4,912	4,924	5,074	5,054	4,983
Valuation Adjustments and Other Provisions	(33,078)	350	(440)	300	300	300
<b>Total Program Expense*</b>	<b>409,622</b>	<b>441,791</b>	<b>451,222</b>	<b>434,816</b>	<b>412,009</b>	<b>392,873</b>
<b>Debt Servicing Costs</b>						
Department Voted	80,463	70,706	70,706	61,503	53,021	45,256
Department Statutory	687,081	506,000	471,000	396,000	377,000	410,000
<b>Ministry Debt Servicing Costs</b>	<b>767,544</b>	<b>576,706</b>	<b>541,706</b>	<b>457,503</b>	<b>430,021</b>	<b>455,256</b>
<b>MINISTRY EXPENSE</b>	<b>1,177,166</b>	<b>1,018,497</b>	<b>992,928</b>	<b>892,319</b>	<b>842,030</b>	<b>848,129</b>
Gain (Loss) on Disposal of Capital Assets	(16)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(244,299)</b>	<b>70,615</b>	<b>227,511</b>	<b>(76,144)</b>	<b>93,639</b>	<b>82,064</b>

\* Subject to the *Fiscal Responsibility Act*. Program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. The annual increases (decreases) in the Ministry of Finance's unfunded pension obligations are:

(9,560)	(7,000)	(8,000)	(6,000)	(6,000)	(8,000)
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## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	932,883	1,089,112	1,220,439	816,175	935,669	930,193
<i>Inter-ministry consolidation adjustments</i>	(221,094)	(398,630)	(416,254)	(174,274)	(326,142)	(316,167)
<b>Consolidated Revenue</b>	<b>711,789</b>	<b>690,482</b>	<b>804,185</b>	<b>641,901</b>	<b>609,527</b>	<b>614,026</b>
Ministry Program Expense	409,622	441,791	451,222	434,816	412,009	392,873
<i>Inter-ministry consolidation adjustments</i>	(256)	(167)	(149)	(196)	(196)	(196)
<b>Consolidated Program Expense</b>	<b>409,366</b>	<b>441,624</b>	<b>451,073</b>	<b>434,620</b>	<b>411,813</b>	<b>392,677</b>
Ministry Debt Servicing Costs	767,544	576,706	541,706	457,503	430,021	455,256
<i>Inter-ministry consolidation adjustments</i>	(99,478)	(96,487)	(89,629)	(95,394)	(99,778)	(103,155)
<b>Consolidated Debt Servicing Costs</b>	<b>668,066</b>	<b>480,219</b>	<b>452,077</b>	<b>362,109</b>	<b>330,243</b>	<b>352,101</b>
<b>Consolidated Expense</b>	<b>1,077,432</b>	<b>921,843</b>	<b>903,150</b>	<b>796,729</b>	<b>742,056</b>	<b>744,778</b>
Gain (Loss) on Disposal of Capital Assets	(16)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(365,659)</b>	<b>(231,361)</b>	<b>(98,965)</b>	<b>(154,828)</b>	<b>(132,529)</b>	<b>(130,752)</b>



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# Gaming

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Ron Stevens, QC, *Minister of Gaming*  
March 20, 2003

## THE MINISTRY

The Ministry of Gaming includes the Department of Gaming, the Alberta Gaming and Liquor Commission, the Alberta Lottery Fund, the Alberta Gaming Research Council and responsibility for the *Horse Racing Alberta Act*.

The Ministry is responsible for ensuring the integrity of the gaming and liquor industries in Alberta and maximizing the benefits to Albertans from these activities. The Ministry contributes primarily to two of the goals in the Government Business Plan: Goal 7 – Alberta will have a prosperous economy; and Goal 12 – Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas.

Gaming activities contribute to Albertans' quality of life by providing opportunities for charitable groups to raise funds directly for their valuable work, by providing entertainment options to adults in Alberta, and by providing funding used by government to support community and volunteer initiatives. More than \$200 million was earned by charitable and religious organizations in 2001-02 through licensed gaming activities under Alberta's unique charitable gaming model. In addition, over \$1 billion was provided to volunteer groups and public and community-based initiatives through the Alberta Lottery Fund.

Alberta's unique privatized liquor industry has more than 900 stores and retails over 18,000 listed liquor products at some of the lowest prices in the country.

## **DEPARTMENT OF GAMING**

The Department's primary responsibilities are strategic services, communications, and administering various lottery funded programs, including the Community Facility Enhancement Program and the Community Initiatives Program. The Department benefits from services provided by the Alberta Gaming and Liquor Commission in the areas of human resources and information technology and other administrative services provided through the Alberta Corporate Service Centre.

## **ALBERTA GAMING AND LIQUOR COMMISSION**

The Alberta Gaming and Liquor Commission (AGLC), a commercial enterprise within the Government of Alberta, consists of a Board and a Corporation. The Corporation acts as the operational arm of the organization, while the Board is responsible for reflecting Government's direction through policy and regulatory matters. The Commission ensures that gaming and liquor activities in Alberta are conducted honestly, openly, and with the highest level of integrity. The Commission also endeavours to maximize the economic benefits of gaming and liquor activities in the province to the benefit of Albertans. The AGLC administers the Alberta Lottery Fund under the provisions of the *Gaming and Liquor Act*.

## **ALBERTA LOTTERY FUND**

The Alberta Lottery Fund, established in 1989, comprises the government's portion of revenue from provincial lotteries (ticket lotteries, slot machines and video lottery terminals). Expenditures from the fund are voted on in the Legislature and support programs, projects and foundations administered by various ministries. The Ministry of Gaming oversees the Alberta Lottery Fund budget and administers lottery-funded programs.

## **ALBERTA GAMING RESEARCH COUNCIL**

The Alberta Gaming Research Council is a broad-based advisory group to the Minister of Gaming. The Council is made up of six public representatives and one representative from each of the following organizations: Alberta Alcohol and Drug Abuse Commission (AADAC), Alberta Health and Wellness, and Alberta Gaming. The Council was established to help direct the research activities of the Alberta Gaming Research Institute. The Institute is an independent consortium of the Universities of Alberta, Calgary and Lethbridge that conducts research into various aspects of gaming, including the social and economic aspects of gaming, emerging gaming trends and problem gambling prevention and treatment.

## **HORSE RACING ALBERTA ACT**

The Minister of Gaming is responsible for the *Horse Racing Alberta Act*. The legislation places responsibility for management and regulation of the horse racing industry in Alberta on a private, not-for-profit organization - Horse Racing Alberta. The Minister also appoints members to the Racing Appeal Tribunal.

## KEY STRATEGIC INITIATIVES

Alberta Gaming continues to identify and work on major strategic initiatives related to gaming and liquor in the province. These initiatives include:

- managing the changing landscape of the maturing gaming industry as a result of the Gaming Licensing Policy Review;
- implementing and managing the policy related to gaming facilities on First Nations land;
- developing policies to ensure that the gaming and liquor industries continue to operate in a socially responsible manner; and
- building awareness of the Alberta Lottery Fund so that Albertans understand how the Fund benefits volunteer groups and public and community-based initiatives.

## MINISTRY'S VISION

A province that strives to balance choice and responsibility in its gaming and liquor industries, uses revenues derived from these activities for the benefit of Albertans, and provides opportunity for competition and enhanced service in its liquor and gaming industries.

## MINISTRY'S MISSION

To ensure integrity and accountability in Alberta's gaming and liquor industries, and to achieve the maximum benefit for Albertans from gaming and liquor activities.

## GUIDING PRINCIPLES

The Ministry has adopted the following guiding principles for gaming and liquor in Alberta. These guiding principles are subject to ongoing review, to ensure they continue to reflect Albertans' values.

1. The integrity of gaming and liquor activities will be ensured.
2. Gaming and liquor policies will reflect a commitment to social responsibility.
3. Gaming and liquor policies will be supported by sound research and consultation with the public and stakeholders.
4. The collection and use of gaming and liquor revenue will be open and accountable.
5. Gaming activities will meet standards of quality to protect the integrity of gaming activities, provide gaming entertainment value to consumers and help to keep gaming dollars in Alberta.
6. Alberta's liquor industry will continue to be among the most progressive and competitive in the country and continue to lead the nation in terms of supply, distribution, pricing and customer service.
7. The financial return to eligible groups from charitable gaming and from provincial lotteries is to be maximized for the benefit of Albertans.

## CORE BUSINESSES, GOALS, STRATEGIES AND PERFORMANCE MEASURES

The Ministry of Gaming has three core businesses.

1. Develop provincial gaming and liquor legislation and policy, and regulate the gaming and liquor industries in accordance with legislation and policy.
2. Manage the Alberta Lottery Fund and administer designated lottery-funded programs to support Alberta communities.
3. Support leading-edge research on gaming and liquor issues in Alberta and partner to build awareness of the social aspects of gaming and liquor.

## 1 Develop provincial gaming and liquor legislation and policy, and regulate the gaming and liquor industries in accordance with legislation and policy.

The Ministry is committed to developing gaming and liquor legislation and policy that strike a balance between choice and responsibility in gaming and liquor activities in Alberta. The Ministry ensures the regulation of the gaming and liquor industries through the provisions of the *Gaming and Liquor Act* and Regulation.

### GOAL 1.1 Alberta gaming and liquor policy balances social responsibility and economic benefit to Albertans.

#### Key Strategies

- Monitor the gaming and liquor industries to identify emerging issues and trends, and, where necessary, develop policies to address the social and economic implications of these issues.
- Monitor gaming and liquor policies in other jurisdictions and establish benchmarks and best practices.
- Continue to research aspects of social responsibility and economic benefit to influence policy development.
- Ensure Albertans are aware of gaming and liquor policy and are consulted with respect to major policy initiatives.
- Implement and manage First Nations gaming policies and ensure policies are consistent with the charitable gaming model and the government's Aboriginal Policy Framework.

### GOAL 1.2 The gaming and liquor industries operate in compliance with legislation and policy.

#### Key Strategies

- License and regulate liquor activities in the province.
- License and regulate charitable gaming activities.
- Conduct and manage provincial gaming activities in accordance with the *Criminal Code of Canada*, provincial legislation and policy.
- Provide opportunities for community input during the licensing process of gaming and liquor activities.
- Ensure the accountability of Horse Racing Alberta with respect to its delegated responsibilities and funding provided through the Racing Industry Renewal Initiative.

#### Performance Measures

	2001-02 Target	2001-02 Result	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of Albertans surveyed who are satisfied with the conduct of the liquor business in Alberta.	70%	80%	75%	80%	80%	80%
Percentage of Albertans surveyed who are satisfied with the conduct of legal gaming in Alberta.	65%	69%	70%	70%	70%	70%



## 2 Manage the Alberta Lottery Fund and administer designated lottery-funded programs to support Alberta communities.

All provincial government gaming revenue is directed to the Alberta Lottery Fund and identified for use in specific volunteer groups, and public and community-based initiatives. The Department of Gaming coordinates development of the Lottery Fund budget and administers designated lottery-funded programs. The Alberta Gaming and Liquor Commission (AGLC) is responsible for administration of the Alberta Lottery Fund, including collection of revenues and disbursement of revenues according to an *Appropriation Act*. Alberta Lottery Fund expenditures support programs, projects and foundations administered by various ministries.

### GOAL 2.1 Lottery funds support volunteer groups and public and community-based initiatives.

- Key Strategies**
- Allocate Alberta Lottery Fund proceeds according to government policy.
  - Provide Community Facility Enhancement Program (CFEP) matching grants to improve Alberta's public-use facilities.
  - Provide support to project-based initiatives through the Community Initiatives Program (CIP).
  - Provide support to the Racing Industry Renewal Initiative.
  - Implement the government's commitment to directed use of lottery funds (e.g., Electronic Bingo).

### GOAL 2.2 Albertans are aware of the initiatives supported by the Alberta Lottery Fund.

- Key Strategies**
- Implement an information and awareness campaign about the Alberta Lottery Fund and how it is used to benefit Albertans.
  - Continue to use the Internet as a key information source about the Alberta Lottery Fund and the initiatives it supports.
  - Work with other ministries to enhance awareness of lottery-funded initiatives.

#### Performance Measures

	2001-02 Target	2001-02 Result	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of Alberta Lottery Fund disbursements committed to supporting volunteer groups, and public and community-based initiatives.	100%	100%	100%	100%	100%	100%
Percentage of administration costs of lottery-funded programs administered by the Department of Gaming.	Less than 2% of program disbursements	1.2%	Less than 2% of program disbursements	Less than 2% of program disbursements	Less than 2% of program disbursements	Less than 2% of program disbursements
Percentage of Albertans who are aware that the Alberta Lottery Fund supports volunteer groups, and public and community-based initiatives.	Establish baseline	44%	Increase over 2001-02 baseline	46%	48%	50%
Percentage of Albertans who are satisfied with how the Alberta Lottery Fund is used.	N/A	N/A	Establish baseline	Increase over 2002-03 baseline	Increase over 2003-04 target	Increase over 2004-05 target

## 3 Support leading-edge research on gaming and liquor issues in Alberta and partner to build awareness of the social aspects of gaming and liquor.

Alberta is committed to being a key partner in supporting gaming and liquor related research. The Ministry established the Alberta Gaming Research Council to help direct the research activities of the Alberta Gaming Research Institute - a consortium of the Universities of Alberta, Calgary and Lethbridge. The Institute is funded through the Alberta Lottery Fund to conduct research into various aspects of gaming, including the social and economic aspects of gaming, emerging gaming trends and problem gambling prevention and treatment.

Through legislation, policy and partnerships, the Ministry also enables the responsible use and enjoyment of alcohol and gaming entertainment.

### **GOAL 3.1      Leading-edge gaming and liquor research supports policy development.**

- Key Strategies**
- Collaborate with the Alberta Gaming Research Institute and the Alberta Gaming Research Council to identify priority research needs.
  - Support research into the priority areas of the various aspects of gaming and liquor.
  - Use available research in policy development.

### **GOAL 3.2      Albertans understand the responsible use and enjoyment of alcohol and gaming entertainment.**

- Key Strategies**
- In partnership with the Alberta Alcohol and Drug Abuse Commission, the gaming and liquor industries, and others, ensure consumers of alcohol and gaming products are aware of prevention and treatment programs for problem gambling and alcohol abuse.

#### **Performance Measures**

	<b>2001-02 Target</b>	<b>2001-02 Result</b>	<b>2002-03 Target</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of partners who are satisfied with level of support and cooperation for research, prevention and treatment programs.	Establish baseline	86%	Increase over 2001-02 baseline	90%	90%	90%
Percentage of Albertans surveyed who are aware of prevention and treatment programs for problem gambling and alcohol abuse.	Establish baseline	86%	Increase over 2001-02 baseline	90%	90%	90%

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Develop Legislation, Regulations and Policy for the Gaming and Liquor Industries	1,359	1,382	1,382	1,633	1,700	1,735
Manage the Alberta Lottery Fund and administer Designated Lottery Programs	1,034,877	1,113,017	1,118,517	1,099,638	1,209,031	1,208,992
Support Gaming and Liquor Research	1,738	1,784	1,784	1,829	1,839	1,843
<b>MINISTRY EXPENSE</b>	<b>1,037,974</b>	<b>1,116,183</b>	<b>1,121,683</b>	<b>1,103,100</b>	<b>1,212,570</b>	<b>1,212,570</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
<b>Net Income from Commercial Operations</b>						
Net Gaming and Lottery Revenue	1,039,868	1,107,206	1,112,206	1,093,229	1,202,699	1,202,699
Net Liquor and Related Revenue	489,194	538,178	533,178	545,899	549,589	549,589
<b>Investment Income</b>						
Lottery Fund Interest Revenue	9,553	6,000	6,000	6,000	6,000	6,000
<b>Other Revenue</b>						
Various	5,175	-	-	-	-	-
<b>MINISTRY REVENUE</b>	<b>1,543,790</b>	<b>1,651,384</b>	<b>1,651,384</b>	<b>1,645,128</b>	<b>1,758,288</b>	<b>1,758,288</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	1,761	1,787	1,787	2,118	2,206	2,250
Gaming Research	1,551	1,600	1,600	1,600	1,600	1,600
Lottery Funded Programs	113,649	94,759	120,259	146,601	146,513	146,469
Lottery Fund Payments to Other Ministries	921,013	1,018,037	998,037	952,781	1,062,251	1,062,251
<b>MINISTRY EXPENSE</b>	<b>1,037,974</b>	<b>1,116,183</b>	<b>1,121,683</b>	<b>1,103,100</b>	<b>1,212,570</b>	<b>1,212,570</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>505,816</b>	<b>535,201</b>	<b>529,701</b>	<b>542,028</b>	<b>545,718</b>	<b>545,718</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	1,543,790	1,651,384	1,651,384	1,645,128	1,758,288	1,758,288
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>1,543,790</b>	<b>1,651,384</b>	<b>1,651,384</b>	<b>1,645,128</b>	<b>1,758,288</b>	<b>1,758,288</b>
Ministry Program Expense	1,037,974	1,116,183	1,121,683	1,103,100	1,212,570	1,212,570
<i>Inter-ministry consolidation adjustments</i>	(921,013)	(1,018,037)	(998,037)	(952,781)	(1,062,251)	(1,062,251)
<b>Consolidated Program Expense</b>	<b>116,961</b>	<b>98,146</b>	<b>123,646</b>	<b>150,319</b>	<b>150,319</b>	<b>150,319</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>1,426,829</b>	<b>1,553,238</b>	<b>1,527,738</b>	<b>1,494,809</b>	<b>1,607,969</b>	<b>1,607,969</b>

# **ALBERTA GAMING AND LIQUOR COMMISSION BUSINESS PLAN 2003-06**

The Alberta Gaming and Liquor Commission (AGLC), a commercial enterprise within the Government of Alberta, consists of a Board and a Corporation. The Corporation acts as the operational arm of the organization while the Board is responsible for policy and regulatory matters. The Board consists of a Chairman and six members. The responsibilities of the Board of the Alberta Gaming and Liquor Commission are defined in the *Gaming and Liquor Act*. These responsibilities are:

1. Ensuring that the operations of the Commission are carried out in accordance with the legislation and Board direction.
2. Establishing policies for the operations of the Commission. The Board also takes policy direction from the Minister and develops strategies and plans for that policy direction to be implemented effectively.
3. Reviewing and approving liquor and gaming licences and registrations.
4. Conducting hearings into matters involving licences and registrations and breaches of legislation.

The Corporation consists of administrative and operational units responsible for the day-to-day functioning of the Commission.

## **AGLC VISION**

The AGLC, an agent of the Government of Alberta, works to achieve the vision of the Ministry of Gaming, namely:  
*A province that strives to balance choice and responsibility in its gaming and liquor industries, uses revenues derived from these activities for the benefit of Albertans, and provides opportunity for competition and enhanced service in its liquor and gaming industries.*

## **AGLC MISSION**

To ensure that gaming and liquor activities in Alberta are conducted with integrity and social responsibility and to maximize long term economic benefits for Albertans.

## **AGLC VALUES**

The AGLC is committed to operating according to the following values. We will:

1. Act with integrity and in a fair and impartial manner;
2. Strive to balance social and economic responsibilities to the people of Alberta;
3. Foster clear, open and courteous communications and consultations with stakeholders;
4. Achieve excellence in customer service;
5. Nurture a working environment that is characterized by teamwork, collaboration, and open communication;
6. Be an innovative and adaptable organization that focuses on continuous improvement in the quality, effectiveness, and efficiency of our products, services and business processes; and
7. Be responsible stewards of assets entrusted to us, maintaining our accountability to the Province of Alberta.

## **AGLC CORE BUSINESSES**

The AGLC has three core businesses:

1. License and regulate liquor activities.
2. License and regulate charitable gaming activities.
3. Conduct and manage provincial gaming activities.

The AGLC is also responsible through a memorandum of understanding (MOU) with Alberta Revenue to provide enforcement and investigative services with respect to the *Tobacco Tax Act* and for Criminal Code investigations of theft and fraud in relation to the *Tobacco Tax Act* and the *Fuel Tax Act*.

## CORE BUSINESSES, GOALS, KEY STRATEGIES AND PERFORMANCE MEASURES OF THE AGLC

The AGLC licenses, registers, regulates and monitors all liquor activities in the province according to the Gaming and Liquor Act and Regulation, other provincial and federal legislation, and AGLC policies.

CORE  
BUSINESS  
ONE

# 1 License and regulate liquor activities.

**GOAL 1.1**      **Liquor policy and licensing activities comply with the *Gaming and Liquor Act* and Regulation.**

**Key Strategies**

- Ensure integrity of liquor activities through regular reviews of policy, Terms and Conditions and Operating Guidelines.
- Assess applications in accordance with legislation, policies and procedures.
- Educate licensees and registrants about the legislation, operating guidelines and policies related to licenses and registrations.

**GOAL 1.2**      **The manufacture, importation, distribution, sale and consumption of liquor products comply with legislation, regulation and policy.**

**Key Strategies**

- Ensure compliance with federal customs and excise legislation.
- Ensure all liquor revenues are collected and distributed according to legislation and Board policy.
- Conduct inspections of licensed premises and investigate all complaints concerning liquor activities.
- Work in collaboration with communities, the liquor industry, police organizations and AADAC to develop new campaigns and initiatives that encourage the responsible sale and consumption of liquor.
- Ensure beverage container management within the liquor industry is conducted according to the Beverage Container Recycling Regulation.

**Performance Measures**

	2001-02 Target	2001-02 Result	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Licensees comply with legislation, regulations and policy.	85%	98%	87%	90%	95%	95%
Percentage of licenses and registrations approved within established timeframes.	95%	99.8%	97%	98%	98%	98%
Percentage of liquor industry clients who are satisfied with the level of service provided by AGLC.	Establish baseline	95%	Increase over 2001-02 baseline	95%	95%	95%

## 2 License and regulate charitable gaming activities.

Alberta is a leader with its unique charitable gaming model for casino, pull ticket, raffle and bingo events. These gaming activities only occur when eligible religious and charitable organizations apply for and receive licenses to conduct gaming activities. Alberta's charitable gaming model ensures proceeds from gaming activities provide a benefit to the community.

**GOAL 2.1**      **Gaming policy and activities comply with the *Criminal Code of Canada* and the *Gaming and Liquor Act* and Regulation.**

- Key Strategies**
- Ensure policy, Terms and Conditions and Operating Guidelines are designed to protect the integrity of gaming activities through the regular review of policies.
  - Ensure due diligence in the licensing process related to eligibility and use of proceeds by charitable organizations.
  - Ensure due diligence in the licensing process including complete criminal and financial background reviews for Licensed Facility Operators and Gaming Suppliers.
  - Educate licensees and registrants on gaming legislation, policy, Terms and Conditions and Operating Guidelines.
  - Work closely with First Nations during the licensing process to ensure First Nations gaming policy provides an opportunity for First Nations casinos to operate within the charitable gaming model.

**GOAL 2.2**      **All gaming activities are conducted in accordance with legislation, regulation and policy.**

- Key Strategies**
- Maintain the charitable gaming model and ensure compliance with respect to casino, bingo, raffle, and pull ticket events.
  - Manage changes in charitable gaming policy arising from the implementation of the Gaming Licensing Policy review.
  - Manage new policy on eligibility criteria and use of proceeds by charitable organizations.
  - Ensure charities receive all funds to which they are entitled and that proceeds received from licensed gaming activities are used for purposes consistent with the requirements of the Criminal Code and Board policy.
  - Conduct inspections and audits of gaming licensees and activities.
  - Investigate all complaints and alleged violations concerning gaming activities.
  - Increase sharing of information among enforcement agencies and stakeholders.

**Performance Measures**

	2001-02 Target	2001-02 Result	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Charitable gaming activities are conducted in accordance with legislation, regulations and policy.	80% to 90%	93% to 99%	92%	95%	95%	95%
Percentage of licenses and registrations completed within established timeframes.	95%	98%	97%	98%	98%	98%
Percentage of gaming industry clients who are satisfied with level of service provided by AGLC.	Establish baseline	95%	Increase over 2001-02 baseline	95%	95%	95%



## Conduct and manage provincial gaming activities.

The AGLC is responsible for the conduct and management of electronic gaming in Alberta under the authority of the *Criminal Code of Canada*, provincial legislation and policy. The AGLC owns and operates video lottery terminals and electronic bingo in licensed premises, and slot machines in casino facilities and racing entertainment centres. The AGLC, in partnership with the Western Canada Lottery Corporation (WCLC), also conducts and manages ticket lotteries and Keno in the province.

**GOAL 3.1 All provincial gaming activities are conducted in accordance with legislation and policy.**

- Key Strategies**
- Ensure the availability of gaming products and activities is consistent with consumer demand and community standards.
  - Reduce the number of video lottery terminal retail sites by 10% to 15%.
  - Assess and incorporate effective responsible gaming features to electronic gaming terminals.
  - Implement electronic gaming in First Nation casinos in accordance with First Nations Gaming policy.
  - Monitor Internet gaming and update the longer-term strategy regarding the use of the Internet to facilitate gaming activities.
  - Develop and implement responsible gaming programs for all provincial lotteries in partnership with AADAC and gaming industry stakeholders.
  - Ensure the regular review of policies, Terms and Conditions and Operating Guidelines for provincial gaming activities to maintain integrity.

**GOAL 3.2 Gaming operations are efficient and effective.**

- Key Strategies**
- Upgrade the video lottery network by replacing terminals and central monitoring system.
  - Implement an asset management strategy for all electronic gaming equipment.
  - Ensure the integrity of electronic gaming equipment through tracking key performance indicators and responding to anomalies.
  - Implement the recommendations from the casino security review to ensure the integrity of gaming operations.
  - Review and reformulate the roles and responsibilities of the AGLC and the WCLC to ensure efficiencies.

**GOAL 3.3 The return to charitable gaming is enhanced by the introduction of provincial gaming.**

- Key Strategies**
- Examine future opportunities to provide electronic gaming to enhance the charitable gaming model.
  - Work in collaboration with charities to implement new provincial gaming activities within the charitable gaming model.

**Performance Measures**

	2001-02 Target	2001-02 Result	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Retailer satisfaction with AGLC services related to VLTs, slot machines and ticket lotteries.	80%	98%	90%	92%	95%	95%
Percentage of gaming integrity issues resolved within established timeframes.	80%	82%	85%	90%	90%	90%

## **SUPPORTING CORE BUSINESSES AND CORPORATE OBJECTIVES**

The strategies and actions that are undertaken to carry out the core businesses are supported by services in human resources, information systems and finance and administration. The AGLC is reviewing opportunities to use the Alberta Corporate Service Centre where a business case supports this action.

### **HUMAN RESOURCE DEVELOPMENT STRATEGIES**

The AGLC cares about its employees' health, their professional and personal development and the contribution they make to the community. The human resource strategy includes ensuring that the knowledge, skills and abilities are in place to meet current business objectives and future challenges.

Key strategies include:

- continuing alignment of human resource strategies with those of the government's Corporate Human Resource Development Strategy,
- developing and implementing succession planning to address issues such as the overall aging of the public service,
- attracting, motivating and retaining the right skill mix to achieve the organization's business objectives,
- providing opportunities for employees to develop a healthy balance between their professional commitments and their personal lives by continuing to examine workload issues.

### **INFORMATION SYSTEMS STRATEGIES**

The AGLC is an innovative user of current technology in support of our business requirements. Key information system strategies include:

- protecting revenue streams by maintaining all gaming systems with the highest level of availability, security and integrity;
- investigating emerging technologies to ensure that our systems meet the growing and changing business requirements of the organization;
- implementing, where appropriate, electronic service delivery; and
- support skills development among staff to ensure the tools are being used effectively and efficiently, and
- continuing to review alternative service delivery mechanisms for various functions such as equipment maintenance and data processing.

### **FINANCE AND ADMINISTRATION**

The AGLC is committed to efficient and effective management of resources entrusted to it. The finance and administration functions encompass revenue collection and banking, financial reporting and payments, purchasing and product pricing, property and asset management, warehouse management and information security. These support areas combine effective controls, timely reporting and budgeting to assist other units in achieving the overall goal of meeting operating expense budgets and revenue projections. Overall financial management and control will be enhanced through the continued development and evolution of the following areas:

- business resumption planning;
- facility provisioning;
- financial transaction processing; and
- casino liaison for slot anomalies.



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# Government Services

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

David C. Coutts *Minister of Government Services*  
March 21, 2003

## THE MINISTRY

Government Services ensures that Albertans can conveniently register their vehicle, buy a house, start a business, get a loan, and conduct various other every-day transactions through the strategic use of technology. Our legislation is key to the effective regulation, enforcement, and promotion of fair business practices in the marketplace and development of consumer confidence in Alberta. We also provide support and guidance to various government and local public bodies to ensure that Albertans are able to access information while at the same time protecting their privacy.

In delivering these services, the Ministry has developed a tradition of service excellence. Our achievements can be attributed to a team of highly skilled, flexible staff who are committed to meeting customer needs. As well, the continued application of technology allows us to serve as a leader in improving service delivery.

Our commitment to service excellence also involves promoting the corporate goals and strategic directions of the provincial government. Specifically, we are the champion for two of the provincial government's key administrative initiatives. One is Service Alberta, which aims to improve how Albertans are able to access government information and programs. Another is the Alberta Corporate Service Centre, the province's shared services model (see attached plan). The business priorities that we identify today must be aligned with the Alberta Government's priorities for tomorrow, and developed through strategic partnerships that will benefit all of our clients and stakeholders.

### Strategic Priorities

While there are many operational activities that are vital for successfully *managing* the day-to-day activities of our business, we have a number of mission-critical priorities aimed at *moving* the business to higher levels of effectiveness and service excellence:

#### **Continuing the renewal of our registry systems.**

These systems support a diverse set of government programs and policies, that are often subject to change in order to meet the needs of Albertans. Renewing these systems will enhance our ability to improve services, as well as continue to safeguard the vital information contained in the registries, and provide the access our stakeholders need.

#### **Developing a new, secure driver's licence.**

The Alberta driver's licence is a key piece of identification used by law enforcement and society in general. A new driver's licence that is secure against fraud and identification theft is vital to protecting the public interest. The new technology employed by this initiative will also be available to other ministries.

#### **Strengthening consumer legislation.**

Our legislation promotes fair, ethical business practices between consumers and businesses. The *Residential Tenancies Act*, which promotes a framework for the rights and obligations of both tenants and landlords, will be reviewed to ensure that it continues to meet the needs of all involved stakeholders.

#### **Championing the growth of the Service Alberta initiative.**

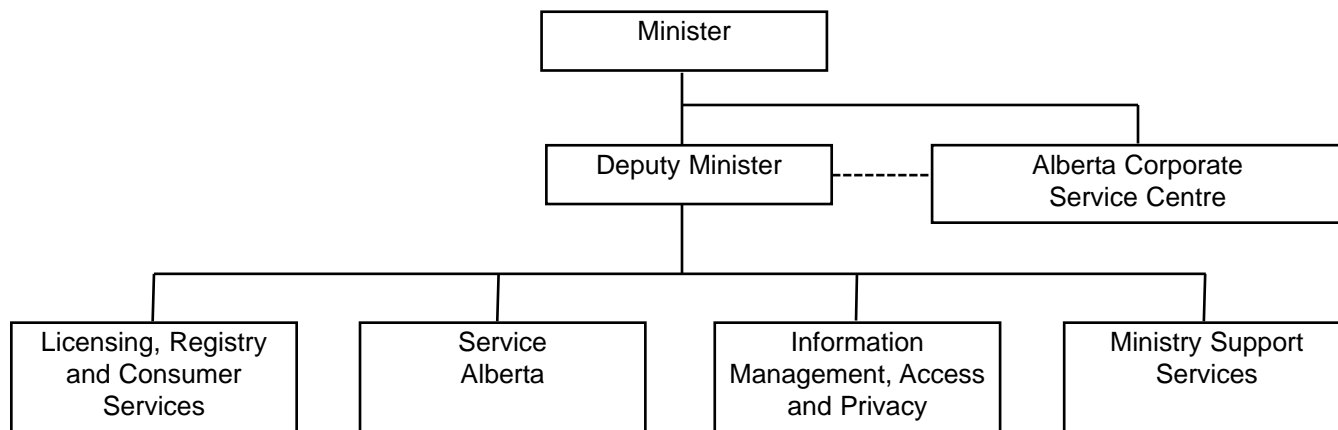
This initiative provides Albertans with improved access to Government of Alberta information and services. Progressing from initial implementation stages into fully functioning, integrated service delivery channels will require extensive coordination and commitment across government. Progress will be dependent upon available resources.

#### **Developing private sector privacy legislation for Alberta.**

Government Services will ensure that private sector privacy legislation will promote a prosperous Alberta, yet respect the privacy of our citizens.

Successfully addressing these strategic priorities will ensure the Ministry can continue to provide the high level of service that Albertans have come to expect.

## ORGANIZATIONAL STRUCTURE



## SUPPORT OF GOVERNMENT OF ALBERTA GOALS

Our Ministry plays a key role in achieving the goals of the Government of Alberta.

<b><i>Government of Alberta Goal</i></b>	<b><i>Ministry Services</i></b>
<b>Alberta will have a prosperous economy.</b>	<ul style="list-style-type: none"> <li>Facilitating over 13 million common business transactions for Albertans (e.g. transporting goods, acquiring a vehicle or land, incorporating a business, securing a loan) through registry services.</li> <li>Providing legislative support for the growth of e-commerce.</li> <li>Promoting consumer confidence by establishing and enforcing the legislative framework for fair and ethical business practices.</li> <li>Developing private sector privacy legislation that balances our citizens' right to privacy with appropriate business needs.</li> </ul>
<b>Alberta will be a fair and safe place to work, live and raise families.</b>	<ul style="list-style-type: none"> <li>Delivering consumer awareness and protection programs targeted to those who are most vulnerable to fraud.</li> <li>Developing a secure new driver's licence to prevent fraud, counterfeiting, and identity theft.</li> <li>Maintaining the Motor Vehicles registry for Alberta Transportation and law enforcement agencies to use in implementing the <i>Traffic Safety Act</i> and promoting road safety initiatives.</li> </ul>
<b>Alberta's children will be supported in reaching their potential.</b>	<ul style="list-style-type: none"> <li>Providing expertise in strategic initiatives being undertaken for the betterment of Alberta's children (i.e. children's identification program).</li> <li>Supporting the maintenance enforcement program for children and families through the provision of registry services.</li> <li>Ensuring accurate documentation allows children to obtain services (e.g. birth certificates).</li> </ul>
<b>Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.</b>	<ul style="list-style-type: none"> <li>Championing the Service Alberta initiative (improve Albertans' access to government information and services) and the Alberta Corporate Service Centre initiative (create a shared services model for the provincial government).</li> <li>Providing support and advisory services for public bodies in the administration of Freedom of Information &amp; Protection of Privacy (FOIP) and records management legislation.</li> <li>Leading the development of a provincial Information Management Framework which sets out standards/policies for electronic records.</li> </ul>

## MINISTRY CHALLENGES

The Ministry operates in a dynamic and challenging environment with many associated risks and opportunities. This business plan has been developed to address the following challenges:

### **Changing Technology**

As the Government of Alberta moves towards common approaches to service delivery and access, it is important that our renewal of information technology is aligned with government standards. We must ensure that we address client needs, as well as consider business and technology drivers in developing our systems. This includes addressing security issues, while maximizing the efficiency and effectiveness of our service delivery. The balance between enhanced security and protection of privacy will be demonstrated by the implementation of a new driver's licence that is secure against fraud and counterfeiting.

### **A Growing Economy**

Alberta has the youngest provincial population and more people are moving to our province. Construction is increasing and many new businesses are being established. While this brings prosperity, it also increases the need for our products/services, and places significant pressure on the systems and resources that support the land titles, motor vehicles, and personal property registries. Effective human resource development and information system renewal strategies are necessary to maintain high client satisfaction rates, generate revenue, support law enforcement activities, and continue to ensure the security and integrity of personal information.

### **Privacy Legislation**

Another important challenge is the introduction of FOIP legislation for the private sector. Federal legislation will automatically become law in our province unless Alberta develops its own comparable legislation. Our Ministry will ensure that "made in Alberta" legislation is developed that harmonizes with that of other provinces and balances the individual's right to privacy with the legitimate information needs of business.

### **Service Alberta**

Future enhancements to Service Alberta will maximize Albertans' convenient, timely, and secure access to government information, products, and services. Service Alberta is a long-term strategic partnership with all ministries to improve service delivery while respecting citizens' privacy. It continues to be implemented on an incremental basis while seeking opportunities to interface and partner with the private sector and other levels of government.

### **Resourcing**

Finally, our ability to resource initiatives is another challenge. We must seek creative ways to secure resources to ensure that high-quality, convenient and affordable services continue to be delivered to Albertans.

## VISION

Albertans served with excellence through innovative leadership.

## CLIENTS AND STAKEHOLDERS

Our vision involves delivering services to both internal and external clients. Our primary external clients are Alberta consumers and businesses. However, we also work closely with industry groups, non-profit organizations, law enforcement agencies, external service providers, other government entities, and a network of registry agents across Alberta. Internally, other government ministries access our advice and support in administering FOIP legislation and records management services, and also partner with us in developing and implementing the Service Alberta initiative.

## MISSION

Serving Albertans by providing effective access to government information and services, protecting privacy and promoting a fair marketplace.

## CORE BUSINESSES

To achieve our mission, we engage in two core businesses:

1. Support a fair and effective marketplace in Alberta by providing licensing and registry services, and promoting consumer protection.
2. Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans' access to government, ensure protection of privacy, and promote advancements in information management.

## SERVICE EXCELLENCE VALUES AND PRINCIPLES

We are a team of skilled, confident, and competent staff who deliver quality services for the benefit of our clients. To succeed in our mission, we embrace the following values and principles in our planning and day-to-day operations:

<b>Use of Technology</b>	Our organization depends on the effective use of technology to operate our business, communicate with our clients and stakeholders and ensure security and confidentiality.
<b>Client Driven</b>	We seek input from our clients and stakeholders regarding decisions that affect their personal and business activities. This ensures services are designed and delivered to be responsive to their needs.
<b>Accessibility</b>	Clients can access government information and services when they need to and in a manner of their choice. Service Alberta is focused on enhancing this access.
<b>Protection of Privacy and Access</b>	With the growth of technology and electronic service delivery, we understand that Albertans expect governments at all levels to protect their personal information. We ensure that the services provided by the Government of Alberta and other stakeholders include a guarantee that privacy is protected and access to records is available in accordance with the <i>Freedom of Information and Protection of Privacy Act</i> .

**Accountability**

We understand and take responsibility for our scope of authority to make decisions. We set performance standards and measure the quality of our results. Quality management systems are in place for services we deliver directly or through external service providers.

**Partnership**

We recognize that effective and efficient service delivery can be achieved through partnership with the private sector and other government agencies. This approach is pursued where it helps to maximize our operational efficiency by sharing resources while delivering services of greater or equal value and reducing duplication and cost.

**Innovation and Creativity**

Through effective leadership, we implement new ideas and work processes. Access to information and services is improved through a focus on continuous improvement, best practices, and leading edge service delivery.

**Accuracy and Professionalism**

We provide timely and accurate information and services in a secure environment based on respect, honesty, and integrity.

**Human Resource Management**

We are respected for our knowledge and skills, and our effective implementation of public policy.

## GOALS AND OBJECTIVES

Core Businesses	Goals	Objectives
<p>1. Support a fair and effective marketplace in Alberta by providing licensing and registry services, and promoting consumer protection.</p>	<p><b>Goal 1</b> - Efficient licensing and registration services.</p> <ul style="list-style-type: none"> <li>• motor vehicles</li> <li>• land titles</li> <li>• other land-related</li> <li>• personal property</li> <li>• vital statistics</li> <li>• corporate registry</li> <li>• consumer business licenses</li> </ul>	<ul style="list-style-type: none"> <li>• Quality information and services are accessible, secure, accurate, and reasonably priced.</li> <li>• Legislation meets ever-changing needs.</li> </ul>
	<p><b>Goal 2</b> - Informed consumers and businesses, and a high standard of marketplace conduct.</p>	<ul style="list-style-type: none"> <li>• Strong legislative framework that supports a fair and growing marketplace.</li> <li>• Legislation supports consumer and business confidence and contributes to a prosperous economy.</li> <li>• Consumers and businesses are informed and empowered to help themselves.</li> </ul>
	<p>2. Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans' access to government, ensure protection of privacy, and promote advancements in information management.</p>	<p><b>Goal 3</b> - A service environment that enables Albertans to access government information and services in a manner of their choice.</p>
	<p><b>Goal 4</b> - Effective management of and access to information, and protection of privacy.</p>	<ul style="list-style-type: none"> <li>• Freedom of Information and Protection of Privacy legislation is effective and support is provided to those administering the Act.</li> <li>• Private sector privacy legislation will be in effect for Alberta businesses.</li> <li>• Information management and regulatory frameworks guide ministries in delivering their programs.</li> </ul>

# GOALS, OBJECTIVE AND STRATEGIES

Objectives are identified for each goal to indicate **what** we expect to achieve. The strategies provide information on **how** we will achieve our goals and objectives.

## GOAL ONE

# 1 Efficient Licensing and Registration Services

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- Objective**      **Quality information and services are accessible, secure, accurate, and reasonably priced.**
- Strategies**
- Ensure the effective management and delivery of the Ministry's wide-range of services.
  - Continue renewal of the registry systems to accommodate increasing service volumes, improve client access and convenience, and enable service delivery concepts for Service Alberta.
  - Manage the registry systems to address increasing business demand. (Approximately 35 million transactions per year for the general public, law enforcement and other government agencies/programs.)
  - Explore opportunities for innovative service delivery and improved security.
  - Develop and implement, in partnership with other governments and stakeholders, initiatives to ensure secure identity and personal information of Albertans (i.e. birth certificates, change of name).
  - Implement a new secure driver's licence for Alberta.
  - Manage the Ministry's comprehensive accountability framework including service standards, performance evaluation, and continuous improvements.
  - Continue to ensure our fees are competitive.
  - Implement the motor vehicle access standards.
- Objective**      **Legislation meets ever-changing needs.**
- Strategies**
- Review and amend legislation such as the *Change of Name, Marriage and Vital Statistics Acts*, *Business Corporation Act*, and *Law of Property Act*.
  - Investigate the need to develop legislation that will permit the creation of unlimited liability companies.

## GOAL TWO

# 2 Informed Consumers and Businesses, and a High Standard of Marketplace Conduct

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- Objective**      **Strong legislative framework that supports a fair and growing marketplace.**
- Strategies**
- Monitor the marketplace and recommend legislative strategies to respond to emerging consumer issues (e.g. life lease issues).
  - Review and amend the following legislation:
    - *Residential Tenancies Act/Mobile Home Sites Tenancies Act*.
    - *Fair Trading Act*.
    - *Cemeteries and Funeral Services Acts*.
  - Continue to work with other Canadian jurisdictions on consumer measures related to the Agreement On Internal Trade (i.e. promoting harmonized legislation across Canada).



- Objective**            **Legislation supports consumer and business confidence and contributes to a prosperous economy.**
- Strategies**
- Apply a targeted investigative strategy to focus on the most serious violations (e.g. deceptive marketing practices and offenses that target vulnerable consumers causing significant loss).
  - Review marketplace practices and conduct periodic inspections of regulated businesses and trust accounts to ensure compliance with legislation.
  - Initiate proactive enforcement activities (e.g. test shopping to determine if a business is complying with legislation, informative-sting websites to promote consumer awareness about fraudulent practices, and department-initiated investigations on growing trends in the marketplace such as misleading advertising).
  - Participate in national and international cooperative enforcement and consumer protection initiatives.
  - Support and monitor regulatory agencies that administer consumer legislation (i.e. Real Estate Council of Alberta, Alberta Funeral Services Regulatory Board, Alberta Motor Vehicle Industry Council, and Credit Counselling Services of Alberta).

- Objective**            **Consumers and businesses are informed and empowered to help themselves.**
- Strategies**
- Respond to Albertans’ concerns and requests for marketplace information.
  - Provide effective, accessible, and plain language information about marketplace issues and legislation.
  - Partner with government, consumer groups, and business associations on consumer education and marketplace awareness.

GOAL THREE

**3 A Service Environment that Enables Albertans to Access Government Information and Services in a Manner of Their Choice**

- Objective**            **Albertans’ service needs and expectations are addressed in a positive manner, based on choice, respect, and timeliness.**
- Strategies**
- Implement strategies to increase the number of Albertans who are aware of Service Alberta.
  - Provide Albertans with access to additional information and transactions through the Service Alberta website and contact centre.
  - Develop a long-term plan, with actions and accountabilities, for enhancing the service excellence culture across the Alberta public service.
  - Undertake customer feedback processes to ensure services continue to meet Albertans’ needs.
- Objective**            **Albertans exchange information and conduct transactions in a secure environment that protects their privacy and confidentiality.**
- Strategies**
- Update the Service Alberta accountability framework to reflect current roles and responsibilities, including those for individual employees, and communicate this to stakeholders.
  - Collaborate with Innovation and Science to implement the commonly accepted authentication scheme for the Government of Alberta.
  - Consult with Albertans to ensure they are satisfied that their privacy is protected when accessing government services.

**Objective** Albertans receive seamless and consistent service across all delivery channels.

- Strategies**
- Commence implementation of strategies that provide greater integration between ministry contact centres and the Service Alberta contact centre.
  - Work with ministries to further develop the Service Alberta architecture, consistent with the Government of Alberta Enterprise Architecture, including common applications.
  - Commence implementation of recommendations approved for over-the-counter service integration.

GOAL FOUR

## 4 Effective Management of and Access to Information, and Protection of Privacy

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**Objective** Freedom of Information and Protection of Privacy legislation is effective and support is provided to those administering the Act.

- Strategies**
- Implement the Select Special FOIP Act Review Committee's recommendations through legislative amendments and policy development.
  - Provide advice, training and cross-ministry co-ordination to promote the effective application and a greater understanding of FOIP.

**Objective** Private sector privacy legislation will be in effect for Alberta businesses.

- Strategies**
- Introduce private sector privacy legislation in Alberta that is harmonized with other provinces and minimizes the implementation requirements of the private sector.
  - Gather and analyze feedback on the new legislation.
  - Develop a communication plan for implementation.

**Objective** Information management and regulatory frameworks guide ministries in delivering their programs.

- Strategies**
- Partner with Innovation and Science to implement the recommendations of the Information Management Framework for Government (e.g. policies/standards for electronic records).
  - Promote awareness, and implementation, of an enhanced records management framework.
  - Partner with other ministries to deliver an information management training program.
  - Manage the regulatory review process.
  - Provide support, as required, to the Government Rules Review Committee in its evaluation of provincial government rules and policies.

## MINISTRY SUPPORT ACTIVITIES

In order to maximize the operational performance of the Ministry, staff engage in the following support activities:

- Maximizing our technology infrastructure while aligning with Government of Alberta information and communication standards and initiatives.
- Maintaining current emergency preparedness strategies and business resumption plans, to ensure that the Ministry has an effective crisis management model.
- Promoting accurate, concise, and timely communication with our clients and stakeholders.
- Providing expertise and leadership in planning, research, financial management, and administration.
- Promoting employee development, results recognition, and succession planning in alignment with the provincial government's Corporate Human Resource Development Strategy.
- Providing legal advice and guidance in support of Ministry programs and services.

# PERFORMANCE MEASURES

GOAL	PERFORMANCE MEASURE	SOURCE	HISTORICAL	TARGET
<b>Goal 1:</b> Efficient licencing and registration services.	Percentage of Ministry Call Centre clients who are "satisfied overall" with the quality of service provided to them.	External research company.	<ul style="list-style-type: none"> <li>• 2000-01: 75% (baseline).</li> <li>• 2001-02: 80%.</li> <li>• 2002-03: TBA.</li> </ul>	80%.
	Percentage of customers who are "satisfied overall" with services provided by the Registry Agents, Registries On-line Services, and Land Titles Office.	External research company.	<ul style="list-style-type: none"> <li>• 2000-01: Registry Agents: 94%. Registries On-line: 87%. Land Titles: 92%.</li> <li>• 2001-02: Registry Agents: 88%. Registries On-line: 89%. Land Titles: 85%.</li> <li>• 2002-03: TBA.</li> </ul>	<ul style="list-style-type: none"> <li>• Registry Agents: 80%.</li> <li>• Registries On-line: 85%.</li> <li>• Land Titles: 80%.</li> </ul>
	Comparison of the cost of services between Alberta and other provinces: <ul style="list-style-type: none"> <li>• Renew registration of a Ford Taurus sedan.</li> <li>• Renew a driver's licence.</li> <li>• Register a \$150,000 house with a \$140,000 mortgage.</li> <li>• Register a collection agency.</li> <li>• Register a direct selling business.</li> </ul>	Internal data collection.	<ul style="list-style-type: none"> <li>• Based on 2001-02 survey, Alberta is: 22% below the national average for a vehicle registration renewal. 31% below for a driver's licence renewal. 83% below to register a house. 26% below for a collection agency licence. 29% below for a direct selling licence.</li> <li>• 2002-03: TBA</li> </ul>	Total cost to obtain services in Alberta is competitive with national average.
<b>Goal 2:</b> Informed consumers and businesses and a high standard of marketplace conduct.	Percentage of Ministry Call Centre clients who are "satisfied overall" with the quality of service provided to them.	External research company.	<ul style="list-style-type: none"> <li>• 2000-01: 80% (baseline).</li> <li>• 2001-02: 79%.</li> <li>• 2002-03: TBA.</li> </ul>	80%.
	Percentage of clients who are "satisfied overall" with the quality of investigative services provided to them.	External reseach company.	<ul style="list-style-type: none"> <li>• 2000-01: 87%.</li> <li>• 2001-02: 85%.</li> <li>• 2002-03: TBA.</li> </ul>	80%.
	Percentage of clients receiving consumer tip sheets who are "satisfied" with the overall quality of the information.	External research company.	<ul style="list-style-type: none"> <li>• 2001-02: 94%.</li> <li>• 2002-03: TBA.</li> </ul>	85%.

GOAL	PERFORMANCE MEASURE	SOURCE	HISTORICAL	TARGET
<b>Goal 3:</b> A service environment that enables Albertans to access government information and services in a manner of their choice.	Number of additional transactional services offered to citizens and businesses through Service Alberta.	Internal project records and data collection.	<ul style="list-style-type: none"> <li>• 2001-02: 8 transactional based services.</li> <li>• 2002-03: TBA.</li> </ul>	15 additional transactional-based services.
	Percentage of Albertans who are satisfied with their access to Government of Alberta information and services.	External research company.	<ul style="list-style-type: none"> <li>• Based on surveys conducted in May and June 2002 among Albertans accessing government services in the past 6 months, satisfaction rates are: 73% Internet services, and 96% contact centre services.</li> <li>• 2002-03: TBA.</li> </ul>	Baseline on which target is set will be available in March 2003.
<b>Goal 4:</b> Effective management of and access to information, and protection of privacy.	Percentage of FOIP requests completed by government public bodies within 60 days or less.	Internal tracking system.	<ul style="list-style-type: none"> <li>• 2000-01: 93%.</li> <li>• 2001-02: 94%.</li> <li>• 2002-03: TBA.</li> </ul>	90%.
	Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.	Internal tracking system and data from the Office of the Information and Privacy Commissioner.	<ul style="list-style-type: none"> <li>• 2000-01: 95%.</li> <li>• 2001-02: 94%.</li> <li>• 2002-03: TBA.</li> </ul>	90%.

\* Note that this data was collected prior to the official launch of Service Alberta. Results are preliminary, and methodology is subject to a detailed audit in the 2002-03 Annual Report.

## POTENTIAL FUTURE MEASURES

A critical component of our service excellence commitment is to effectively measure and track the Ministry's performance. We will investigate potential future measures for:

- expanding cost comparisons for licenses issued by a government regulatory body (e.g. register a real estate agent),
- deterring potential and repeat offenders in the marketplace, and
- implementing a framework that guides the management of information resources.

If we can develop the methodology to reliably track these measures in a cost effective manner, we will incorporate them into our formal performance measurement framework.

# ALBERTA CORPORATE SERVICE CENTRE (ACSC) BUSINESS PLAN 2003-06

## VISION

A globally recognized leader of shared services.

## MISSION

To provide unparalleled, quality support services to the Government of Alberta in an environment that values our customers and our employees.

## VALUES AND PRINCIPLES

ACSC embraces the fundamental principles of honesty, fairness, professionalism, and collaboration, while maintaining a primary focus on exceptional service for our customers. We value our staff and their contributions to innovation, creativity, open communication, accountability and pride in service delivery. These elements are key in achieving our vision.

## OUR CORE BUSINESS

ACSC's business is service delivery, providing shared services in the areas of administration, finance, human resources, and information technology. ACSC's core business activity supports the vision and mission.

## STRATEGIC PRIORITIES

Over the next three years, ACSC will be facing a number of challenges – some ongoing and some new. ACSC's success in effectively supporting the Government of Alberta's administrative needs lies in developing more consistent standards of service, being absolutely customer focused and accountable to the individual and the collective customer base, while striving for continuous improvement.

Stakeholders and customers recognize the potential benefits of a shared services environment. A successful shared services delivery model requires a carefully staged, committed approach to implementation over several years to achieve maximum results. The ACSC business plan for the next three years addresses the challenge of building the most effective service delivery model and putting in place plans and strategies to respond to our customers' priorities, as well as our organizational requirements. ACSC has a number of critical priorities aimed at achieving success through:

### **Integrating service delivery.**

This initiative will provide the Government of Alberta with services and information through a single contact. Progressing from initial implementation stages into fully functioning, integrated service delivery channels will require coordination and commitment across government.

### **Developing and implementing a pricing model for services.**

This will enhance our ability to improve accountability by ensuring that ministries have a clear understanding of the cost of services received from ACSC.

### **Reducing service costs.**

Through facilitating more effective supply arrangements, strategic sourcing and consistently applied standards, ACSC will reduce costs in relationship to the value of services received.

### **Streamlining and standardizing processes.**

ACSC will focus upon consistency, effectiveness and cost efficiency in processes, while ensuring that services meet our customers' needs.

**Developing and implementing business systems redesign.**

A framework for the identification and implementation of significant improvements in how ACSC does business is key to significantly improving service delivery, customer service, and reducing service costs to the Government of Alberta.

Successfully addressing these strategic priorities will ensure that ACSC can continue to provide a high level of service.

**SUPPORT OF GOVERNMENT OF ALBERTA PRIORITIES**

ACSC is a key administrative priority of the Government of Alberta. By providing cost effective, standardized shared services to all Government of Alberta ministries, it supports a financially stable, open and accountable government.

**OUR MAJOR CUSTOMERS AND STAKEHOLDERS**

ACSC’s major customers are the Government of Alberta ministries and associated agencies, boards and commissions. The stakeholders that the ACSC consults and works with are:

- Government-wide Councils for administration, finance, information technology and human resources, and
- Business partners integral to ongoing activities.

**GOALS AND OBJECTIVES**

Core Businesses	Goals	Objectives
<p><b>1.</b> Shared support services: administration, finance, human resources, and information technology.</p>	<p><b>Goal 1</b> - Financial benefit to our customers through the provision of shared services.</p>	<ul style="list-style-type: none"> <li>• Reduce cost of service provision.</li> <li>• Facilitate well-managed customer demand for services.</li> <li>• A well-managed supply chain for the provision of services and products.</li> </ul>
	<p><b>Goal 2</b> - Value-added service for our customers.</p>	<ul style="list-style-type: none"> <li>• Customer satisfaction with results.</li> <li>• Customer satisfaction with service relationship.</li> </ul>
	<p><b>Goal 3</b> - Leader in shared services.</p>	<ul style="list-style-type: none"> <li>• Champion corporate thinking within the GOA and develop a strong internal culture with a focus on sharing.</li> </ul>

## GOALS, OBJECTIVES AND STRATEGIES

Objectives are identified for each goal to indicate **what** ACSC expects to achieve. The strategies provide information on **how** ACSC will achieve the goals and objectives.

### GOAL ONE

## 1 Financial Benefit to Our Customers Through the Provision of Shared Services

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**Objective** Reduce cost of service provision.

**Strategies**

- Undertake process streamlining and standardization focusing upon consistency, effectiveness and cost efficiency.
- Develop and implement process and service redesign in order to significantly improve service delivery, customer service, and reduce costs to GOA.
- Facilitate effective supply arrangements through strategic sourcing and consistently applied standards to create reduced service costs.
- Realign the regional service delivery network to optimize value and cost.

**Objective** Facilitate well-managed customer demand for services.

**Strategies**

- Develop and implement a pricing model for services delivered.
- Implement agreed upon service definitions and standards, as well as technological standards in cooperation with Councils.
- Obtain understanding of customers' business needs as a basis for providing informed advice on appropriate service delivery practices.
- Realign service contracts to optimize value and cost.
- Identify opportunities to benefit ABCs through the shared services initiative.

**Objective** A well-managed supply chain for the provision of services and products.

**Strategies**

- Effectively deploy resources and skills across government.
- Refine corporate planning, budgeting, forecasting and reporting practices.
- Develop a system for identifying, validating and reporting cost reductions.
- Improve internal employee performance management practices.
- Improve alignment of human resource base with customer requirements.

### GOAL TWO

## 2 Value-added Service for Our Customers

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**Objective** Customer satisfaction with results.

**Strategies**

- Develop a performance measurement and reporting system with demonstrable links between activities and outcomes.
- Develop and prepare employees to meet immediate and anticipated customer service expectations with innovation and service excellence through systematic information sharing and issues management between ACSC and the customer.
- Identify potential service improvement opportunities through best practices research.
- Identify emerging trends, opportunities and demands to ensure responsiveness and promote innovative cross-government solutions.

**Objective**                    **Customer satisfaction with service relationship.**

- Strategies**
- Manage service delivery with professionalism and continuous improvement.
  - Inform and educate customers and staff about ACSC goals, strategies, activities and achievements.
  - Refine service definitions, service standards and technological standards in cooperation with Councils.
  - Foster and maintain partnerships with clients and stakeholders.

GOAL THREE



**Leader in Shared Services**

**Objective**                    **Champion corporate thinking within the GOA and develop a strong internal culture with a focus on sharing.**

- Strategies**
- Review the effectiveness of the shared services model.
  - Promote the ACSC shared services model.
  - Promote interdepartmental cooperation and participation on cross government strategies and/or opportunities.

**PERFORMANCE MEASURES**

GOAL	PERFORMANCE MEASURE	SOURCE	HISTORICAL	TARGET
<b>Goal 1:</b> Financial benefit to our customers through the provision of shared services.	Dollar savings achieved.	Internal tracking system.	<ul style="list-style-type: none"> <li>• 2001-02: \$15.7 million (exceeded target of \$13 million).</li> <li>• 2002-03: TBA (\$4.2 million target).</li> </ul>	2003-04: TBA. 2004-05: TBA. 2005-06: TBA.
<b>Goal 2:</b> Value-added services for our customers.	Stakeholder/customer satisfaction.	External research company.	<ul style="list-style-type: none"> <li>• 2002-03: 83% satisfaction.</li> </ul>	2003-04 - 83% satisfaction.
	Percentage of performance targets in service level agreements that are met.	Internal tracking system.	<ul style="list-style-type: none"> <li>• No historical data is currently available.</li> </ul>	75% of performance targets achieved.
<b>Goal 3:</b> Leader in shared services.	Staff satisfaction.	Corporate Employee Survey.	<ul style="list-style-type: none"> <li>• 83% satisfaction.</li> </ul>	ACSC (80%)*

\* Change in Methodology



## **INTERNAL CORPORATE SUPPORT SERVICES**

- Corporate Services** Provides strategic leadership and guidance, and coordinates corporate activities to deliver ACSC initiatives in an effective, timely and consistent manner. This entity is responsible for business planning including environmental scanning and performance measurement; legislative planning; information access and privacy protection for the ACSC initiative.
- Financial Services** Manages the budget and approval process, prepares economic and fiscal forecasts, and provides research, analysis and recommendations on ACSC's fiscal policies. Financial Services is responsible for intergovernmental fiscal relations and for providing statistical information about ACSC. Financial Services also proposes and prepares accounting and financial control policies, budget documents, quarterly budget updates, and annual financial statements.
- Human Resources** Provides support in the human resource function to management and staff in achieving ACSC and business plan priorities. Coordinates the development and implementation of the human resource plan and the strategies for employee development, performance management, recruitment and retention, succession, employee relations, and health and wellness.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Consumer and Registry Services:						
Fair and Effective Market Place	8,466	7,976	8,169	8,760	8,711	8,711
Licensing and Registration	39,022	46,683	53,254	58,616	58,957	58,265
Service Improvement Initiatives:						
Service Alberta	995	1,007	1,048	1,307	1,307	1,307
Government Support	2,216	2,274	2,349	2,626	2,426	2,426
Alberta Corporate Service Centre	152,609	161,774	161,515	155,923	155,419	155,152
<b>MINISTRY EXPENSE</b>	<b>203,308</b>	<b>219,714</b>	<b>226,335</b>	<b>227,232</b>	<b>226,820</b>	<b>225,861</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Premiums, Fees and Licences	266,326	305,078	297,864	317,909	323,520	329,908
Other Revenue	143,191	150,436	150,877	144,586	144,031	143,762
<b>MINISTRY REVENUE</b>	<b>409,517</b>	<b>455,514</b>	<b>448,741</b>	<b>462,495</b>	<b>467,551</b>	<b>473,670</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	20,856	22,337	22,304	23,750	23,650	23,650
Licensing, Registry and Consumer Services	27,727	32,968	39,893	44,886	45,178	44,486
Service Alberta	496	531	531	580	580	580
Government Support Services	1,808	1,815	1,884	2,004	1,904	1,904
Alberta Corporate Service Centre	152,101	161,514	160,755	155,663	155,159	154,892
Statutory Programs and Valuation Adjustments	320	549	968	349	349	349
<b>MINISTRY EXPENSE</b>	<b>203,308</b>	<b>219,714</b>	<b>226,335</b>	<b>227,232</b>	<b>226,820</b>	<b>225,861</b>
Gain (Loss) on Disposal	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>206,209</b>	<b>235,800</b>	<b>222,406</b>	<b>235,263</b>	<b>240,731</b>	<b>247,809</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	409,517	455,514	448,741	462,495	467,551	473,670
<i>Inter-ministry consolidation adjustments</i>	(142,298)	(149,669)	(149,704)	(143,859)	(143,355)	(143,088)
<b>Consolidated Revenue</b>	<b>267,219</b>	<b>305,845</b>	<b>299,037</b>	<b>318,636</b>	<b>324,196</b>	<b>330,582</b>
Ministry Program Expense	203,308	219,714	226,335	227,232	226,820	225,861
<i>Inter-ministry consolidation adjustments</i>	(141,747)	(149,669)	(149,806)	(143,859)	(143,355)	(143,088)
<b>Consolidated Program Expense</b>	<b>61,561</b>	<b>70,045</b>	<b>76,529</b>	<b>83,373</b>	<b>83,465</b>	<b>82,773</b>
Gain (Loss) on Disposal	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>205,658</b>	<b>235,800</b>	<b>222,508</b>	<b>235,263</b>	<b>240,731</b>	<b>247,809</b>

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# Health and Wellness

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Gary Mar, *Minister of Health and Wellness*  
March 21, 2003

## INTRODUCTION

The Ministry of Health and Wellness is pleased to present its Business Plan for the three year period ending March 31, 2006. This business plan is a record of changes and improvements anticipated in the three years ahead, rather than an exhaustive inventory of all activities essential to the operation of the Ministry and our public health system.

The Ministry comprises the department of Health and Wellness and the Alberta Alcohol and Drug Abuse Commission (AADAC). Our two core businesses, four goals and associated strategies encompass the activities of both the department and AADAC. More detailed information about the strategies and performance measures for AADAC is found in its Business Plan. The financial information for the department and AADAC is consolidated in the attached income statement.

A vision for today's provincial health system is presented in this plan. From this vision, goals and strategic directions emerge which can serve to stimulate dialogue among the public and stakeholders in search of a shared, collaboratively derived approach to establishing a sustainable, public system for the future.

The 2003-04 Annual Report for Alberta Health and Wellness will report the progress made on the commitments contained in this Business Plan.

For reference, a more detailed description of how the health system in Alberta works today can be found on our Web site [http://www.health.gov.ab.ca/public/document/health\\_system\\_works.htm](http://www.health.gov.ab.ca/public/document/health_system_works.htm).

## VISION

The Government of Alberta's vision for the province is

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

The **vision** of Alberta Health and Wellness is

*“Citizens of a healthy Alberta achieve optimal health and wellness.”*

The health and wellness of a population is determined by much more than access to quality health services. Education, employment, income and the environment are key among the factors widely recognized as determinants of health. Public policy across government seeks to provide Albertans with a supportive environment through which they can realize their full health potential and enjoy a high quality of life. Alberta Health and Wellness contributes to that effort by ensuring Albertans have equitable access to effective and appropriate health and wellness services when required.

The achievement of this vision is a collaborative effort that begins with individuals taking responsibility for their own health. Partners with Albertans in this effort include not only the Ministry and providers of health services, but also other Ministries, other levels of government and the private sector. While optimal health is an end in itself, a healthy well-educated workforce is also a critical ingredient for the province's economic development strategy. An effective collaboration is reflected in the slogan: "Healthy Albertans in a healthy Alberta."

## ISSUES AND CHALLENGES

Publicly funded health services are organized and delivered to meet the priority needs of Albertans. Those needs, and the ways in which they can be best met, keep changing and the system is challenged to adapt. The major forces of change are:

### Demographics

- Alberta's population is increasing and aging
- As a consequence, demands on the health system and on informal caregivers continue to increase
- As the health workforce ages, skill shortages are predicted to occur in key health professions
- A well educated population will have high expectations for services and want to be better informed about their health and wellness choices and decisions

### Technology

- Advancements change not only our expectations about what services can or should be delivered by whom and how, but also our capacity to improve access, quality and client safety. New technologies include new procedures, drugs, diagnostic tools and treatment equipment, and improved communication (for example, Telehealth and Wellnet)
- With these advancements come associated costs for financing and training

The major challenge is sustaining the population's optimal health and wellness over time

- The increasing costs of drugs, technology and provider compensation, along with higher utilization, cause the total cost of the service delivery system to rise faster than the combined effects of population growth and inflation
- New ways of achieving the same or better health outcomes, including system redesign and a greater focus on health promotion, protection and disease and injury prevention, continue to be pursued so that overall costs can be kept within the capacity of available funding, while accessibility, quality and accountability continue to be ensured

A reform and redesign of the public health system in Alberta is underway. Anchored by a renewed focus on 'staying healthy', the system for service delivery will be redesigned so that the needs of the population can be addressed in more innovative, appropriate and efficient ways.

## VALUES, MISSION AND CORE BUSINESSES

Like all Canadians, Albertans highly value their public health care system and the principles upon which it was founded, as described in the *Canada Health Act*:

- accessibility - medically necessary physician and hospital services are available without user fees, extra billing or other barriers to reasonable access
- comprehensiveness - all medically necessary physician and hospital services are insured
- portability - Canadians are covered for insured services received in another province or territory
- public administration - the health care insurance plan is operated on a non-profit basis by a public authority
- universality - all Canadians are entitled to public health insurance for medically necessary hospital and physician services

In addition to these principles, the Ministry of Health and Wellness is committed to an Alberta health system that:

- demonstrates excellence - high standards and best practices are achieved through research, education and information
- provides for equitable access by all Albertans to a comprehensive range of integrated health services
- provides quality services and effective outcomes
- builds on shared responsibility and decision-making among users and providers
- ensures accountability at all levels for outcomes
- is cost-effective and sustainable in the long term

The **mission** of the Ministry is

*“To maintain and improve the health and wellness of Albertans by leading and working collaboratively with citizens and stakeholders.”*

Across the health system, collaboration with Albertans and stakeholders is essential to realize intended outcomes. The implementation of the recommendations arising from the Premier’s Advisory Council on Health requires close collaboration with key stakeholders, particularly regional health authorities. To be successful at ‘staying healthy’, citizens will need support in the form of information and incentives from government, as well as service providers and agencies within their communities.

To achieve our mission, the Ministry engages in two **core businesses**:

**1. lead and support a system for the delivery of quality health services**

A system of quality health services is in place to meet the needs of Albertans who are medically fragile, injured or ill, or who may need diagnosis, treatment or support. While the responsibility for delivering those services rests with health authorities, agencies and individual practitioners, the Ministry demonstrates leadership in setting direction, policy and provincial standards, which ensure quality services. Key Ministry roles are to set priorities based on health needs, determine the scope of financial, capital and human resources required, and measure and report on the performance of the system.

**2. encourage and support healthy living**

A primary focus of the health system is to support and encourage the wellness and health of Albertans, not just to diagnose and treat the ill and injured. Health promotion and protection programs, along with disease and injury prevention programs, address risks to health where knowledge or early intervention can make a difference. Through health authorities and provincial agencies, programs for the promotion of wellness, as well as the prevention of disease and injury, enable Albertans to make informed decisions about their health. In acknowledgement of the wide array of factors that have an impact on health, the Ministry is engaged in cross-ministry initiatives to effectively address challenges to the health and wellness of the population.

The proposed expenditures for Alberta Health and Wellness for the three year period have been allocated between the two core businesses, as well as identified by program in the Statement of Operations.

Alberta Health and Wellness continues, in partnership with Alberta Seniors and Alberta Finance, to lead the cross-ministry Health Sustainability Initiative in 2003-04 by pursuing a government-wide strategic framework to enhance the sustainability of the health care system into the future. Acknowledging the importance of health and health services to Albertans, government ministries (Alberta Infrastructure, Learning, Human Resources and Employment, Children’s Services, Aboriginal Affairs and Northern Development, Municipal Affairs, Public Affairs Bureau) will strengthen collaboration, integration and co-ordination among themselves and among stakeholders in the interest of the population’s health.

## LINKAGES TO GOVERNMENT CORE BUSINESSES AND GOALS

### GOVERNMENT CORE BUSINESSES

#### People...

improving the quality of life in Alberta for individuals and their families through the government's priorities for health, education, our children, those in need, and Aboriginal Albertans.

#### Prosperity...

protecting the quality of life in Alberta through the government's priorities for our economy, local government sector, transportation and utilities infrastructure, and the province's financial, fiscal and intergovernmental position.

#### Preservation...

reflect the government's priorities for community safety, our renewable resources, the environment, and our natural, historical and cultural resources.



### -----Government Goals relating to health-----

Albertans will be healthy.  
Albertans will be well prepared for lifelong learning and work.  
Alberta's children will be supported in reaching their potential.  
Albertans will be self-reliant and those unable to provide for their basic needs will receive help.  
Aboriginal communities in Alberta will be effective and self-reliant.  
Alberta will have a prosperous economy.  
Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.  
Alberta will be a fair and safe place to work, live and raise families.  
The high quality of Alberta's environment will be sustained.



### -----Core Businesses for Alberta Health and Wellness-----

Lead and support a system for the delivery of quality health services.  
Encourage and support healthy living.

### -----Goals for Alberta Health and Wellness-----

Accessible, effective, quality health services are delivered to Albertans who need them.  
*(Core business #1)*  
The optimal health and wellness of Albertans is supported through health protection and promotion, and disease and injury prevention.  
*(Core business #2)*  
An integrated, sustainable and accountable system for health is supported and promoted.  
*(Core businesses #1 & 2)*  
The Ministry's effectiveness is optimized.  
*(Core businesses #1 & 2)*

## STRATEGIC PRIORITIES

An overriding strategic priority for Alberta Health and Wellness is fundamental reform of the public health system to ensure its sustainability for generations to come. Anchored by a focused emphasis on wellness and ‘staying healthy’, the department will strive to provide leadership in realigning the service delivery system.

Within an over-arching provincial accountability framework, the key strategic directions and deliverables over the next three years comprise:

- new models of service delivery, provider practice and compensation to improve system performance, complemented by access standards and service standards which assure Albertans they will receive high quality care,
- implementation of a province-wide electronic health record system and expansion of Health Link, innovative applications of technology to optimize access to diagnosis and treatment, as well as patient safety, and
- strategies to support Albertans in taking greater personal responsibility for their own health and their health care decisions.

In championing the Health Sustainability Initiative, Alberta Health and Wellness will strive to optimize and integrate the essential contributions of government ministries towards the ultimate goal of a sustainable, public health system for Albertans.

## GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE

### **1 Accessible, effective, quality health services are delivered to Albertans who need them.**

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The responsibility for service delivery rests primarily with health authorities and individual practitioners. The delivery of health services is designed to address the needs of Albertans, meet high standards of quality, and achieve positive outcomes. Continuous improvement and innovation ensure that those services are as effective, efficient and appropriate as possible. To ensure accessibility, and the optimal utilization of health professionals, the Ministry collaborates closely with health authorities, agencies and other stakeholders. The Ministry also works with health authorities to ensure appropriate investment and management of provincial resources through review and approval of multi-year performance agreements and capital plans. The Ministry administers registration of Albertans for health care insurance and operation of the payment system for health practitioners, aids to daily living suppliers, ambulance operators and other services.



## Key Performance Measures

	Actual	Target
1.A Waitlist and/or waiting times for joint replacement, heart surgery, cancer therapy, MRI, and long-term care.		
a. hip or knee replacement	5 months*	4 months (2004-05)
b. heart surgery, angioplasty:		1 to 6 weeks depending on urgency (2004-05)
urgent in-patient	1.0 weeks*	
urgent outpatient	17.4 weeks*	
planned outpatient	14.9 weeks*	
c. cancer radiation therapy:		4 weeks (2004-05)
breast cancer	9.5 weeks*	
prostate cancer	11.5 weeks*	
d. MRI	8,993 individuals*	decreased wait list (2004-05)
e. long-term care facility admission:		
in acute care hospital	351 individuals*	decreased wait list (2003-04)
urgent in community	377 individuals*	
1.B Ratings of ease of access to hospital and physician services – Per cent of Albertans reporting access is ‘easy’ or ‘very easy’.		
a. physician services	84% (2002)	85% (2004)
b. hospital services	73% (2002)	75% (2004)
1.C Ratings of quality of care received – Per cent who report that quality of care personally received is ‘excellent’ or ‘good’.		
a. overall quality of care	86% (2002)	90% (2004)
b. hospital quality of care	81% (2002)	85% (2004)
1.D Per cent of persons, who have received a service, who are satisfied with the way the service was provided.	86% (2002)	90% (2004)

\* Figures reported for 4th quarter of 2001-02 fiscal year.

## Key Strategies

- 1.1 Implement Government directions emerging from follow-up on the Premier’s Advisory Council on Health report:
  - Committee on Collaboration and Innovation
  - Expert Advisory Panel to review Publicly Funded Health Services
  - Integration of mental health services into the regions
- 1.2 Identify appropriate wait times for selected services and implement the posting of wait times, centralized booking, electronic health records and other measures to provide Albertans with access to services when and where they are needed.
- 1.3 Implement new models of care, with an emphasis on primary health care:
  - Health Link province-wide
  - Health Care Transition Fund projects
  - Alternate Payment and Funding Plans for physician services
- 1.4 Enable Albertans to ‘age in place’ with improved access to appropriate care through the continuing care reform process.

## The optimal health and wellness of Albertans is supported through health protection and promotion, and disease and injury prevention.

The health and wellness of individuals is determined by a number of factors. Key factors include genetic endowment, early childhood development, education, environment and employment status, as well as personal decisions about lifestyle behaviours. Promotion, protection and prevention services provide a supportive environment for Albertans in their personal pursuit of health and wellness. These services include early childhood development and major prevention strategies aimed at tobacco reduction, suicide prevention, tuberculosis, HIV and other blood-borne pathogens, sexually transmitted diseases, environmentally associated diseases, vaccine preventable diseases, injury and selected chronic diseases such as diabetes. With access to accurate and timely information, Albertans can make wise choices, whether in the prevention of disease or injury, or in safeguarding their own health, wellness and quality of life. Staying healthy should be a priority for all Albertans.

### Key Performance Measures

	Actual	Target
2.A Self-reported health status.		
Per cent reporting		
'excellent, very good or good' (age 18-64)	88% (2002)	90% (2004)
'excellent, very good or good' (age 65+)	78% (2002)	80% (2004)
2.B Mortality rates for injury and suicide.		
Age standardized mortality rates due to injury and suicide (per 100,000 people)	48 (2000)	45 (2004)
2.C Screening rate for breast cancer.		
Per cent of women age 50-69 receiving mammograms every two years	71% (2000-01)	75% screened (2003-04)
2.D Childhood immunization coverage rates. Per cent of two-year old children who have received the recommended immunizations.		
Diphtheria, pertussis and tetanus (DPT)	79% (2000)	88% (2005) moving to 98%*
Measles, mumps and rubella (MMR)	90% (2000)	98%* (2005)
Pneumococcal and meningococcal	(new)	97% (2005)
2.E Per cent of seniors who have received the recommended annual influenza (flu) vaccine.		
Per cent of all persons 65 years and over	68% (2001-02)	75% (2004-05)

\* National and provincial target for immunization coverage.

## Key Strategies

- 2.1 Provide a supportive environment which enables Albertans to stay healthy and to make appropriate and responsible use of health services:
  - Implement the Healthy Alberta Promotion and Prevention Policy Framework
  - Continue to implement Tobacco Reduction Strategy
  - Implement Alberta Diabetes Strategy
  - Implement a provincial Cervical and Breast Cancer Screening Program
  - Provide timely and easy public access to health information.
- 2.2 Protect Albertans from diseases transmitted in air, water, food and physical environments through interventions supported by education, environmental monitoring, regulations and enforcement measures.
- 2.3 Protect Albertans against communicable diseases through disease control and prevention measures, including immunization.
- 2.4 Reduce the incidence and burden of disease and injury through education, information and targeted interventions (e.g. diabetes strategy).

GOAL THREE

## **An integrated, sustainable and accountable system for health is supported and promoted.**

The health system is complex, and the province-wide infrastructure is a major reason for its effectiveness. While some agencies have a province-wide mandate, a regional orientation predominates. It is acknowledged that more emphasis on prevention and promotion holds the potential to reduce the future demand for expensive diagnosis and treatment services and so make the system more sustainable. As well, with numerous stakeholders involved in the process of organizing and delivering services to citizens, it is a continuous challenge to ensure their efforts are effectively co-ordinated. Towards this end, effective communication, accountability and information systems are essential, as is leadership in addressing emerging system-wide challenges in an integrated fashion. Two critical challenges include ensuring the sustainability of the publicly funded system for health and the confidentiality of Albertans' health information.

Key Performance Measures	Actual	Target
3.A Per cent of the public who rate their knowledge of health services available as 'excellent' or 'good'.	62% (2002)	70% (2004)
3.B Per cent of stakeholders reporting easy access to information.	(measure under development)	Improvement (2004)

## Key Strategies

- 3.1 Seek sustainability for a system for health through the integrated application of strategies focussing on expenditures, revenues, expectations and evidence-based innovation:
  - Implement consolidated regional health authority boundaries
  - Implement directions arising from the Committee to Develop a Rural Health Strategy for Alberta
  - Implement directions arising from MLA Review of Ambulance Services Delivery Committee
  - Implement legislative review to support reform.
- 3.2 Develop and implement an integrated information system (specifically the implementation of the electronic health record by March 31, 2004) to support and improve clinical and management decision-making, and support research (e.g. AHFMR).

- 3.3 Improve Albertans' knowledge of the health system through meaningful engagement, effective communication and access to relevant and understandable information.
- 3.4 In collaboration with the Health Services Utilization and Outcomes Commission, ensure health services utilization outcomes are assessed and reported annually to Albertans.
- 3.5 Collaborate with the Alberta Alcohol and Drug Abuse Commission (AADAC) to ensure that addiction information, prevention and treatment services are available to Albertans on a province-wide basis.

GOAL FOUR

## 4 The Ministry's effectiveness is optimized.

To be as effective and efficient as possible in the service of its mission, the Ministry must keep pace with new knowledge and use its human, financial and technological resources in an optimal fashion. Internally, the Ministry must foster the culture of a learning organization. Externally, the Ministry commits to collaboration with key stakeholders and particularly other government departments in support of cross-government initiatives.

Key Performance Measure	Actual	Target
4.A Per cent of Albertans reporting their inquiries to the department were handled satisfactorily.	85% (2002)	85% (2003)
4.B Per cent of department staff who 'agree' or 'agree strongly' that they know or understand how their work contributes to the achievement of the Ministry business plan.	83% (2002)	95% (2003)
4.C Satisfaction rating among other Ministries with Alberta Health and Wellness' contribution to cross-ministry initiatives.	84% (2002)	86% (2003)

### Key Strategies

- 4.1 Enhance the department's internal capacity through supportive work environments and strong and effective teams (e.g. Business Resumption Plan, Regulatory Review Plan).
- 4.2 Create and support effective collaborative processes and structures to engage key stakeholders, with roles and accountabilities clearly delineated.
- 4.3 Provide staff, stakeholders and citizens with ready access to better information.
- 4.4 Ensure cross-ministry initiatives benefit from the department's leadership, and contribution of high quality, timely and effective resources.
- 4.5 Improve information quality and access by operationalizing the Information Management Framework and adopting/developing system-wide standards.
- 4.6 Lead the Health Sustainability Initiative to strengthen collaboration, integration and co-ordination across government ministries to enhance the sustainability of the public health care system.
- 4.7 Provide leadership in Federal/Provincial/Territorial and other collaborative, cross-jurisdictional engagements pertaining to health and health care.

Note: Alberta Health and Wellness collects a wide range of statistical information about the health of Albertans and the performance of our health system. From this wide array of information, the Ministry selects its key performance measures. Additional information about the health of Albertans and health system performance is reported in numerous publications, including: the *Ministry Annual Report, Measuring Up, Health Trends*, the *Report on the Health of Albertans*, the *Alberta Health Care Insurance Plan Statistical Supplement*, and the annual report on *Province-Wide Services*. Many factors and influences external to the Ministry will have an impact on the performance of the health system for which measures are included in this plan.

## **ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION (AADAC)**

The Alberta Alcohol and Drug Abuse Commission (AADAC) is mandated by the *Alcohol and Drug Abuse Act* to operate and fund services addressing alcohol, other drug and gambling problems, and to conduct related research.

AADAC is an agency of the Government of Alberta reporting to the Minister of Health and Wellness. The Commission is governed by a Board of up to 12 Commissioners, appointed by the Lieutenant Governor in Council. The Chair is a Member of the Legislative Assembly. The Commission Board provides policy direction for AADAC's programs and services. AADAC's goals and strategies are linked to the government's core businesses through Alberta Health and Wellness' Business Plan, Goal 3, Strategy 3.5.

### **VISION**

AADAC's vision is: *"A healthy society that is free from the harmful effects of alcohol, other drugs and gambling."*

### **MISSION**

AADAC's mission is: *"Making a difference in people's lives by assisting Albertans to achieve freedom from the harmful effects of alcohol, other drugs and gambling."*

## **CORE BUSINESSES, GOALS, STRATEGIES AND PERFORMANCE MEASURES**

### ***Strategic Priorities***

For 2003-2006, the following strategic priorities will guide the delivery of AADAC's core businesses. AADAC will:

- ensure the ongoing sustainability of its information, prevention and treatment services as part of the Alberta Health Sustainability Initiative.
- reduce tobacco consumption in Alberta.
- continue to emphasize youth programs in support of the Alberta Children and Youth Initiative.
- enhance research and evaluation to support program planning and performance measurement.

### **Core Business 1: Information**

AADAC provides Albertans with current and accurate information on alcohol, other drugs and gambling. Information management and dissemination creates greater awareness of addiction issues and AADAC services, and is required to support the development and delivery of prevention and treatment programming. Information and resource materials are available through AADAC offices and clinics and are accessible on the AADAC website at [www.aadac.com](http://www.aadac.com).

### ***Goal***

To inform Albertans about alcohol, other drug and gambling issues and AADAC services.

### **Key Strategies**

1. Disseminate results from the *Alberta Youth Experience* school survey and the *Substance Abuse and Gambling in the Workplace* study.
2. Initiate an adult illicit drug prevalence study.
3. Continue to enhance the *ASIST* client information system.
4. Review problem gambling intervention training for gaming vendors/operators.

### **Key Performance Measures**

	<b>Actual</b>	<b>Target</b>
1. Percentage of Albertans who are aware of AADAC services.	66% (2000)	70% (2003-04)
2. Number of visitors to AADAC websites.	114,390 (2001-02)	Increase 5% (2003-04)

### **Core Business 2: Prevention**

AADAC provides programs and services that are designed to prevent alcohol, other drug and gambling problems, and reduce the harms associated with substance abuse and problem gambling. Prevention strategies are intended to increase protective factors and reduce risk factors for the population as a whole, and within specific groups.

### **Goal**

To prevent the development of and reduce the harms associated with alcohol, other drug and gambling problems.

### **Key Strategies**

1. Increase education and early intervention services for youth in schools.
2. Enhance prevention services for pregnant women as part of the Early Childhood Development Initiative.
3. In collaboration with the Brewer's Association of Canada, support the *YA!* project to reduce alcohol consumption among rural youth.
4. Implement a tobacco reduction campaign targeted to youth.

### **Key Performance Measures**

	<b>Actual</b>	<b>Target</b>
1. Prevalence of smoking among Alberta youth.	17.9% (2000-01)	16% (2003-04)
2. Percentage of Alberta women who consumed alcohol during pregnancy.	4.0% (2000)	3.8% (2003-04)

### **Core Business 3: Treatment**

AADAC offers a broad continuum of treatment services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems. Treatment is aimed at adults, youth, and their families who are displaying significant problems. Services include community-based outpatient counselling, day programs, crisis and detoxification services, short and long-term residential treatment, and overnight shelter. Specialized programs are available for youth, women, Aboriginal Albertans, business and industry referrals, and persons with opiate dependency or cocaine addiction.

#### **Goal**

To provide treatment programs and services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems.

#### **Key Strategies**

1. Evaluate consolidation of AADAC help-line services through the provincial Health Link.
2. Continue to collaborate with Regional Health Authorities to support delivery of addiction treatment services in health care settings.
3. Continue to partner with service providers for tobacco cessation programs.
4. Support access to the Opiate Dependency Program.

#### **Key Performance Measures**

	<b>Actual</b>	<b>Target</b>
1. Percentage of clients who are satisfied with AADAC treatment services.	95% (2002-03)	95% (2003-04)
2. Percentage of clients reporting they were improved following treatment.	94% (2002-03)	93% (2003-04)

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Deliver Quality Health Services	6,071,741	6,535,650	6,559,746	7,042,141	7,357,665	7,798,876
Encourage and Support Healthy Living	249,653	297,126	298,126	308,321	311,465	314,411
<b>MINISTRY EXPENSE</b>	<b>6,321,394</b>	<b>6,832,776</b>	<b>6,857,872</b>	<b>7,350,462</b>	<b>7,669,130</b>	<b>8,113,287</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Governmental Transfers	84,065	104,987	104,987	196,380	203,573	212,108
Transfers from Government of Canada:						
Canada Health and Social Transfer	1,091,777	1,147,716	952,858	1,112,809	1,179,902	1,235,307
Canada Health and Social Transfer - 2003 Supplement	-	-	-	99,200	99,300	49,700
Health Reform Fund	-	-	-	99,200	148,900	347,800
Diagnostic/Medical Equipment Fund	-	-	-	49,600	49,600	49,700
Other	51,671	23,861	16,263	36,363	18,688	16,164
Premiums, Fees and Licences	730,344	891,063	919,570	934,459	948,195	962,327
Other Revenue	77,745	58,975	61,948	65,452	65,452	65,452
<b>MINISTRY REVENUE</b>	<b>2,035,602</b>	<b>2,226,602</b>	<b>2,055,626</b>	<b>2,593,463</b>	<b>2,713,610</b>	<b>2,938,558</b>
<b>EXPENSE</b>						
<b>Program</b>						
Regional Health Services	3,671,545	3,866,623	3,866,623	4,112,038	4,270,175	4,385,033
Province-Wide Services	389,948	391,474	391,474	414,962	431,560	448,822
Total Regional and Province-Wide Health Services	4,061,493	4,258,097	4,258,097	4,527,000	4,701,735	4,833,855
Physician Services	1,226,803	1,439,383	1,429,383	1,516,183	1,577,361	1,640,986
Non-Group Health Benefits	363,667	367,423	412,743	416,519	416,519	432,381
Extended Health Benefits	23,505	-	-	-	-	-
Allied Health Services	62,509	64,515	64,515	75,358	82,759	92,378
Protection, Promotion and Prevention	154,816	166,287	167,322	169,795	169,395	168,895
Human Tissue and Blood Services	104,000	120,000	117,000	130,000	137,000	144,350
Other Provincial Programs	144,829	147,310	137,510	167,475	174,629	184,743
Alberta Alcohol and Drug Abuse Commission	43,865	58,147	58,647	59,963	59,256	60,441
Health Reform	-	38,845	36,338	121,726	189,083	392,066
Ministry Support Services	97,717	107,878	106,988	108,927	108,879	109,728
Systems Development	7,779	23,528	23,528	16,153	11,151	12,101
Health Care Insurance Premiums Revenue Write-Offs	32,328	41,363	45,801	41,363	41,363	41,363
Valuation Adjustments and Other Provisions	(1,917)	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	<b>6,321,394</b>	<b>6,832,776</b>	<b>6,857,872</b>	<b>7,350,462</b>	<b>7,669,130</b>	<b>8,113,287</b>
Gain (Loss) on Disposal and Write Up of Capital Assets	7,858	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(4,277,934)</b>	<b>(4,606,174)</b>	<b>(4,802,246)</b>	<b>(4,756,999)</b>	<b>(4,955,520)</b>	<b>(5,174,729)</b>



## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	2,035,602	2,226,602	2,055,626	2,593,463	2,713,610	2,938,558
<i>Inter-ministry consolidation adjustments</i>	(84,065)	(104,987)	(104,987)	(196,380)	(203,573)	(212,108)
<b>Consolidated Revenue</b>	<b>1,951,537</b>	<b>2,121,615</b>	<b>1,950,639</b>	<b>2,397,083</b>	<b>2,510,037</b>	<b>2,726,450</b>
Ministry Program Expense	6,321,394	6,832,776	6,857,872	7,350,462	7,669,130	8,113,287
<i>Inter-ministry consolidation adjustments</i>	(200)	(200)	(200)	(200)	(200)	(200)
<b>Consolidated Program Expense</b>	<b>6,321,194</b>	<b>6,832,576</b>	<b>6,857,672</b>	<b>7,350,262</b>	<b>7,668,930</b>	<b>8,113,087</b>
Gain (Loss) on Disposal and Write Up of Capital Assets	7,858	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(4,361,799)</b>	<b>(4,710,961)</b>	<b>(4,907,033)</b>	<b>(4,953,179)</b>	<b>(5,158,893)</b>	<b>(5,386,637)</b>



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# Human Resources and Employment

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Clint Dunford, *Minister of Human Resources and Employment*  
March 19, 2003

## THE MINISTRY

The Ministry of Alberta Human Resources and Employment (AHRE) consists of five major entities: the Department of Human Resources and Employment (HRE), the Personnel Administration Office (PAO), the Alberta Labour Relations Board (ALRB), the Workers' Compensation Board (WCB) and the Appeals Commission for Alberta Workers' Compensation (Appeals Commission). Since the WCB is an independent employer-funded organization, its five-year Strategic Plan is not included with the Ministry's Business Plan. The Ministry's consolidated plan is composed of four components: Part I-Department of HRE, Part II-PAO, Part III-ALRB, and Part IV-Appeals Commission.

# DEPARTMENT OF HUMAN RESOURCES AND EMPLOYMENT

## VISION

Alberta works because we invest in people.

## MISSION

To provide a continuum of services and information that enables individuals to succeed in the changing workforce, fosters safe and healthy workplaces, and assists people in need.

## VALUES AND BELIEFS

### Recognition of potential

- We see opportunity for everyone

### Respect

- We treat everyone as we would like to be treated

### Caring

- We want everyone to do well

### Learning

- We always strive to improve

### Stewardship

- We use public resources wisely

### Commitment

- We believe our work makes a difference

### Self-determination

- We believe people should make their own decisions

## STRATEGIC PRIORITIES

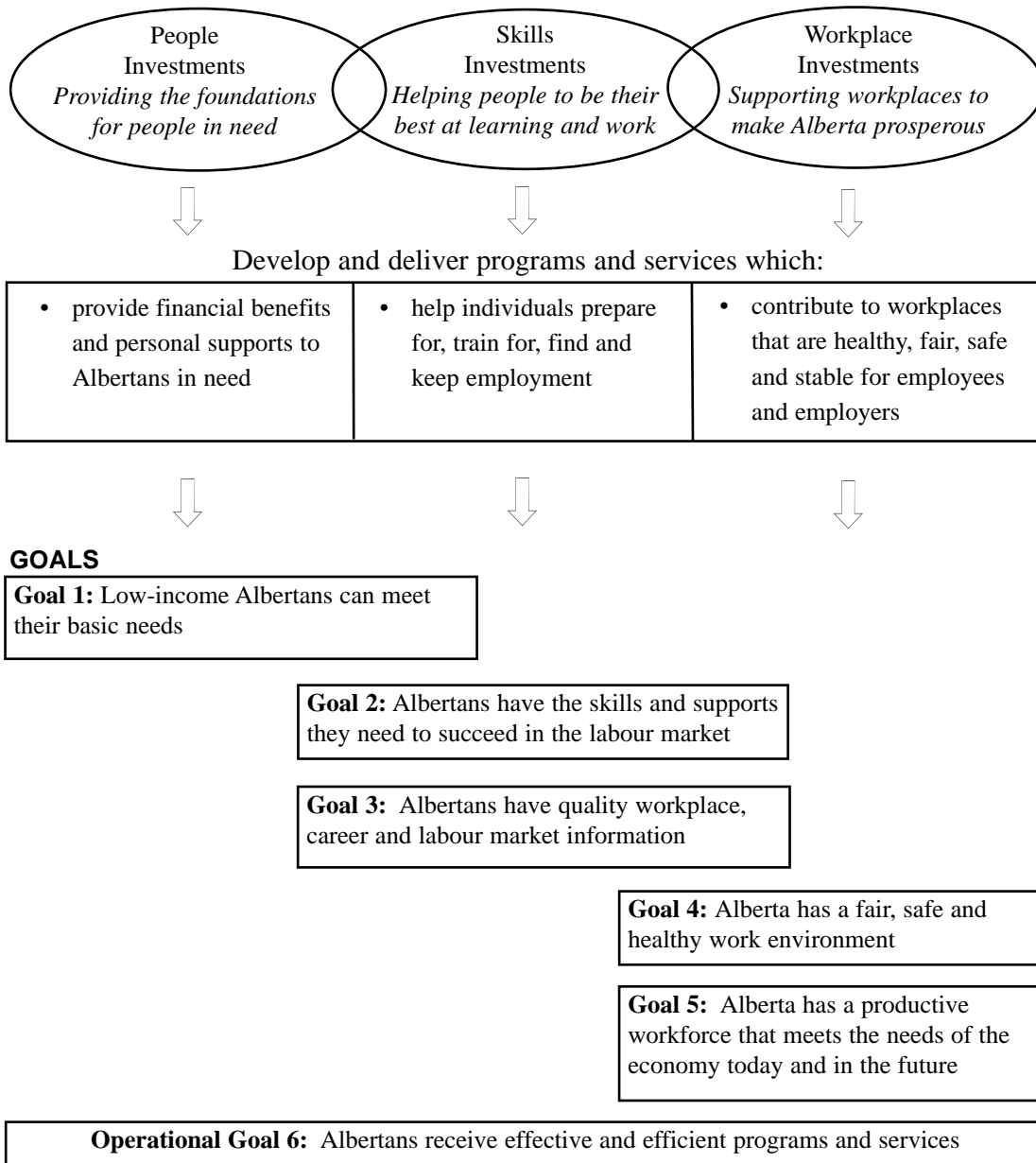
Human Resources and Employment is committed to investing in people and fostering safe and productive workplaces. As people's needs change and the workplace continues to evolve, the department will continue to offer the quality programs and services Albertans deserve.

HRE identifies four key strategic priorities which will be addressed over the next three years:

- A. Low-income Albertans are finding it harder to meet their basic needs. The MLA Committee to Review Low-Income Programs put forward a number of recommendations to address issues relating to low-income Albertans. HRE will be implementing the recommendations that are possible within the Department's budget through a comprehensive system of supports to enable Albertans to live secure, independent and productive lives.
- B. Assured Income for the Severely Handicapped (AISH) caseloads are increasing rapidly both in number and in cost per case as a result of a growing and aging population as well as increasing medical costs. HRE will be working to ensure investments in people achieve a balance between social and fiscal responsibility, securing the long-term sustainability of the program.
- C. Globalization and rapid technological change are transforming Alberta's economy. Alberta is experiencing a tight labour market which is causing a shortage of skilled workers in many occupations. Unemployment rates in some occupations have declined to as low as 0.3%. The challenge is to maximize labour force participation to ensure the inclusion of groups such as people with disabilities, Aboriginal peoples, immigrants and youth. HRE will continue to develop programs and services that ensure under-represented groups have an increased opportunity to acquire the skills they need to be a part of Alberta's labour force.
- D. Continued reduction in workplace injury rates remains a challenge particularly in a period of economic prosperity. A tighter labour market means more new and inexperienced workers are entering the workforce. HRE will be developing strategies to ensure Alberta continues to be among the safest places in the world to work and conduct business.

## CORE BUSINESSES

Human Resources and Employment invests in people and workplaces. We help Albertans meet their basic needs and encourage them to become as self-reliant as possible through employment. We help ensure workplaces are healthy, fair, safe and stable. Our three core businesses are People, Skills and Workplace Investments.



## LINK TO GOVERNMENT OF ALBERTA BUSINESS PLAN

The goals of Human Resources and Employment also support the People, Prosperity and Preservation core businesses of the Government of Alberta and the various corporate cross-ministry initiatives.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE

## 1

### Low-income Albertans can meet their basic needs

**Desired Result 1.1** Low-income Albertans are able to support themselves and their families

- Strategies**
- .1 Provide financial benefits and services to meet the basic needs of Albertans who are eligible to receive income support
  - .2 Provide services to enhance the independence of low-income Albertans who do not receive income support
  - .3 Review funding and delivery of social services for First Nations in Alberta, both on and off reserve
  - .4 Extend the Family Maintenance Program to clients of the Skills Development Program and other programs as approved

- Key Initiatives**
- .1 Implement approved recommendations from the MLA Committee to Review Low-Income Programs
  - .2 Implement approved changes to the Assured Income for the Severely Handicapped (AISH) program to ensure its long-term sustainability

**Key Performance Measures**

**1.1 Relationship between clients receiving financial assistance and the Market Basket Measure (MBM) low-income thresholds.** (Under development)

**1.2 Percentage of Family Maintenance clients with potential for child support who have a child support order or agreement when the Family Maintenance file closes.\*** (*New Measure*)

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of clients with child support order or agreement.	No historical data	No historical data	65%	80%	80%	80%

\* Family Maintenance files typically close when the client no longer receives Supports for Independence (SFI).

**1.3 Percentage of parents whose children have medical coverage under the Alberta Child Health Benefit (ACHB) program who indicate this coverage helped them obtain or maintain employment.** (Under development)

**1.4 Percentage of individuals receiving the Adult Health Benefit (AHB) who indicate this coverage helped them obtain or maintain employment.** (Under development)

## Supplemental Information

### 1.1 Caseloads (monthly average)

	2001-02 Actual	2002-03 Forecast	2003-04 Forecast	2004-05 Forecast	2005-06 Forecast
Supports for Independence (SFI)	27,009	28,000	27,000	26,400	26,400
Assured Income for the Severely Handicapped (AISH)	28,586	30,330	30,700	31,300	31,955
Alberta Child Health Benefit (ACHB)	66,293	69,000	76,000	80,000	80,000
Widows' Pension	2,241	2,050	1,970	1,870	935
Family Maintenance	6,752	7,000	6,750	6,600	6,600

GOAL TWO

## Albertans have the skills and supports they need to succeed in the labour market

### Desired Result 2.1 Albertans have the skills and supports they need to obtain and maintain employment

#### Strategies

- .1 Provide programs and services to help Albertans manage their careers and adapt to the changing labour market
- .2 Provide employment preparation and support programs for underemployed and unemployed low-income Albertans
- .3 Develop options for low-income Albertans to access part-time training, integrated training and training related to skills shortages

#### Key Initiative

- .1 Implement the Skills Investment Strategy to support the development and maintenance of a skilled workforce, and to address labour shortages in Alberta

### Desired Result 2.2 Albertans who face barriers to employment are able to find work

#### Strategies

- .1 Continue to provide effective programs and services to assist older workers, youth, immigrants, Aboriginal peoples and persons with disabilities to increase their labour force participation, with emphasis on:
  - a) Implementing the approved recommendations of the Minister's Employability Council
  - b) Implementing partnership approaches with industry, training providers and Aboriginal communities
  - c) Supporting the integration of immigrants into the labour force

### Key Performance Measure

#### 2.1 Percentage of participants employed post-intervention.

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of participants employed post-intervention.	75%	74%	70%	70%	70%	70%

## Supplemental Information

### 2.1 Continued

	Number of participants in employment/training programs and services		Percentage of participants employed post-intervention by special group type	
	2000-01 Actual	2001-02 Actual	2000-01 Actual	2001-02 Actual
<b>All Participants</b>	<b>41,768</b>	<b>41,112</b>	<b>75%</b>	<b>74%</b>
Youth	22,045	16,961	81%	80%*
Aboriginal	6,321	5,373	58%	47%*
Persons with Disabilities	2,259	1,933	68%	59%*
Older Workers	7,361*	n/a	73%	67%*

\* Numbers are preliminary and subject to refinement, and refer to only those clients in employment/training programs and services.

GOAL THREE

## 3 Albertans have quality workplace, career and labour market information

**Desired Result 3.1**     **Albertans have access to quality information on workplace and labour market needs and opportunities**

### Strategies

- .1 Provide Albertans with current and quality career and labour market information
- .2 Partner with business, industry, communities and other jurisdictions to share information about the knowledge and skills that will be required in the workplace
- .3 Provide workers and employers with access to workplace health and safety and employment standards information

### Key Performance Measure

**3.1**     **Percentage of clients satisfied with workplace, career and labour market information.**

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Labour Market Information Centre Services	97%	95%	95%	95%	95%	95%
Customer Satisfaction with Information	*	96%	*	95%	*	95%
Materials and Tools*						
Career Information Hotline*	*	96%	*	95%	*	95%
Career Development Workshops	88%	89%	85%	85%	85%	85%
ALIS Web Site*	No historical data		85%	*	85%	*
Job Order Bank Services (JOBS)*	88%	*	85%	*	85%	*
Workplace Health and Safety Call Centre		No historical data		85%	85%	85%
Employment Standards Call Centre*		No historical data		85%	*	85%

\* Satisfaction survey completed every two years.



## Supplemental Information

### 3.1 Use of workplace, career and labour market information services.

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Career and Employment Counselling Sessions (formerly Career Counselling Sessions)	36,035	36,275	37,000	37,800	38,500	39,300
Group Workshop Participants	37,932	39,018	39,000	40,100	40,700	41,300
Labour Market Information Centre (LMIC) Visits	830,003	1,005,246	1,000,000	1,100,000	1,200,000	1,300,000
Career Information Hotline Requests	30,063	30,374	30,400	30,700	31,000	31,300
Canada-Alberta Job Order Bank Services (JOBS)	54,864	52,392	55,000	55,000	57,000	60,000
Employment Standards Call Centre	184,097	178,284	185,000	185,000	185,000	185,000
Workplace Health and Safety Call Centre (launched January 2001)	6,341	27,663	34,000	38,000	39,000	40,000
Workplace Health and Safety Website page requests (launched January 2001)	95,825	577,759	950,000	1,000,000	1,100,000	1,200,000
ALIS Web Site User Sessions	944,519	1,238,965	1,200,000	1,300,000	1,400,000	1,500,000
Number of Career-Related Products Distributed*	665,441	638,347	575,000	550,000	500,000	450,000

\* The decrease forecasted in printed resources is due to increasing use of the ALIS website.

## GOAL FOUR

# 4

## Alberta has a fair, safe and healthy work environment

### Desired Result 4.1 Alberta workplaces are safe and healthy

#### Strategies

- .1 Introduce and implement regulatory changes under the *Occupational Health and Safety Act*
- .2 Target poor health and safety performers for inspection, and investigate incidents and reported complaints

#### Key Initiative

- .1 Implement the “*Work Safe Alberta*” strategy to improve workplace safety in Alberta

### Desired Result 4.2 Labour and management are able to resolve disputes effectively

#### Strategies

- .1 Assist employer and employee groups in further developing positive relationships through dispute resolution methods
- .2 Provide mediation services to unions and employers in resolving collective bargaining disputes
- .3 Implement approved recommendations of the review of ground ambulances concerning the designation of ambulance workers as an essential service
- .4 Implement approved recommendations of the MLA Labour Relations Code Review Committee

### Desired Result 4.3 Alberta employees and employers benefit from fair and balanced employment standards and practices

#### Strategies

- .1 Investigate and resolve registered complaints
- .2 Target businesses with poor compliance histories and implement strategies to improve compliance

### Desired Result 4.4 Professional and occupational associations in Alberta govern themselves in the public interest

#### Strategies

- .1 Consult with professional and occupational associations and stakeholders to ensure governing legislation is updated and maintained to provide effective professional standards and practices
- .2 Promote equitable access to employment opportunities by reducing or eliminating labour mobility barriers

## Key Performance Measures

### 4.1 Lost-Time Claim Rate: number of lost time claims per 100 person-years worked.

Calendar Year	2000 Actual	2001 Actual	2002 Target	2003 Target	2004 Target	2005 Target
Number of lost time claims per 100 person-years worked.	3.4	3.2	3.0 or lower	2.5 or lower	2.0 or lower	2.0 or lower

### 4.2 Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout).

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout).	98.3%	98.2%	99.0%	98.0%	98.0%	98.0%

### 4.3 Number of employment standards complaints registered for investigation as a percentage of Alberta's eligible workers.

Calendar Year	2000 Actual	2001 Actual	2002 Target	2003 Target	2004 Target	2005 Target
Number of employment standards complaints as a percentage of Alberta's eligible workers registered for investigation.	0.33%	0.30%	0.50% or lower	0.50% or lower	0.50% or lower	0.50% or lower

## Supplemental Information

- 4.1 Percentage change in the lost-time claim rate for targeted employers - employers with a poor health and safety record. (Under development)
- 4.2 Percentage of the public aware of workplace health and safety. (Under development)
- 4.3 Percentage change in the number of Certificate of Recognition (COR) holders. (Under development)

GOAL FIVE

# 5 Alberta has a productive workforce that meets the needs of the economy today and in the future

## Desired Result 5.1 Alberta employers have the skilled workforce they need

### Strategies

- .1 Identify, and advise stakeholders on, significant labour market trends and issues
- .2 Promote employer participation and investment in workforce development
- .3 Continue to implement *Prepared for Growth: Building Alberta's Labour Supply*
- .4 Promote workforce effectiveness (work-life balance, lifelong learning, workplace values)
- .5 Develop alliances at the local, provincial, national and international level that will contribute to human resource development

### Key Performance Measure

#### 5.1 Number of occupational groupings that are in a skill shortage situation as defined by an unemployment rate that is below 3%.

	2001 Actual	2002 Actual	2003 Target	2004 Target	2005 Target	2006 Target
Number of occupational groups in a skill shortage situation.	26*	22	22	20	18	Under development

\* Annual average data based on calendar year. Method of reporting changed to be consistent with Statistics Canada's Labour Force Survey data.

## 6 Albertans receive effective and efficient programs and services (Operational Goal)

### Desired Result 6.1 Albertans receive quality department programs and services

#### Strategies

- .1 Continue to provide quality support for the design and delivery of the Department's programs and services
- .2 Continue to improve internal and external communication regarding HRE's programs and services
- .3 Continue to implement the Department's Human Resource Plan, Information Management and Technology Plan and the Internal Financial Control Strategy
- .4 Maintain accessible, timely and effective appeals processes for department clients
- .5 Evaluate HRE programs and services regularly using an evidence-based approach

### Desired Result 6.2 The Department contributes effectively to cross-ministry initiatives

#### Strategies

- .1 Continue to support the four Government cross-ministry priority policy initiatives: Health Sustainability, Aboriginal Policy, Children and Youth, and Economic Development Strategy
- .2 Continue to support other cross-ministry initiatives including the four Key Administrative Initiatives: Corporate Human Resource Development Strategy, Alberta Corporate Service Centre, Corporate Information Management/Information Technology Strategy and Service Alberta
- .3 Provide opportunities for the Department's external stakeholders' input into initiatives

### Key Performance Measures

#### 6.1 Satisfaction of individuals who have used selected departmental programs and services.

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Employment/Training Programs	92%	93%	90%	95%	95%	95%
Career and Employment Assistance Services	82%	86%	85%	85%	85%	85%
Supports for Independence (SFI)	70%	79%	85%	85%	85%	85%
Alberta Child Health Benefit recipient families*	92%	*	95%	*	95%	*
Employment Standards*		No historical data		85%	*	85%
Workplace Health and Safety		No historical data		85%	85%	85%

\* Satisfaction survey completed every two years.

#### 6.2 Other government departments' satisfaction with the department's contribution on key initiatives.

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Other government departments' satisfaction with the department's contribution on key initiatives.	83%	94%	85%	90%	90%	90%

# PERSONNEL ADMINISTRATION OFFICE BUSINESS PLAN 2003-06

## 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

PAO – Building a strong public service.

### MISSION

To provide corporate human resource strategies, policy frameworks and strategic support services that enable departments to fulfill their business plans and achieve government's preferred future of the Alberta public service.

### STRATEGIC PRIORITIES

As an employer, the Government of Alberta operates in a competitive labour market and must effectively attract and retain talent to ensure that Albertans continue to receive quality, affordable services. The Corporate Human Resource Development Strategy, a cross-ministry initiative, is the strategic priority for the Personnel Administration Office. Initiatives under the strategy are focused on enhancing leadership capacity at all levels, attracting and developing talent and, ensuring the management of human resources continues to be aligned with government goals and priorities.

### CORE BUSINESS

Providing strategic direction and services for human resource management in the Alberta public service.

### LINK TO GOVERNMENT OF ALBERTA BUSINESS PLAN

PAO supports the government's core businesses of People, Prosperity and Preservation.

### GOALS

#### Strategic Leadership

- A corporate approach to human resource management that positions the Alberta public service as an employer of choice.

#### Alignment/Commitment

- A workforce that contributes to and supports government goals.

#### Well-being

- A safe work environment and support to the well-being of employees.

#### Competence/Versatility

- A workforce with the knowledge, skills and abilities to meet current and future needs.

## 1 Strategic Leadership: A corporate approach to human resource management that positions the Alberta public service as an employer of choice.

### Desired Result 1.1 Integrated and effective human resource management

#### Strategies

- .1 Lead the development of the annual corporate human resource plan including the Corporate Human Resource Development Strategy and work with departments to guide implementation
- .2 Coordinate the use of the Corporate Human Resource Research and Development Fund to support priority human resource needs
- .3 Provide support to cross-ministry initiatives

### Desired Result 1.2 Increased ability for departments to meet their diverse human resource needs

#### Strategies

- .1 Seek out and use information technology to enhance human resource management
- .2 Provide expert human resource consulting
- .3 Develop and maintain human resource policies, directives and regulations to ensure they are current and relevant

#### Performance Measures\*

	1999-2000 Actual	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-06 Target
Client satisfaction with human resource strategies and policy frameworks.	81% (1998-99 survey)	77%	survey not conducted	80%	80%
Client satisfaction with working relationships with PAO.	96% (1998-99 survey)	90%	survey not conducted	90%	90%

\* Source: client satisfaction survey.

## 2 Alignment / Commitment: A workforce that contributes to and supports government goals.

### Desired Result 2.1 Effective performance management

#### Strategies

- .1 Partner with departments to enhance performance management practices
- .2 Work with departments to promote recognition of employee contribution to business plan goals
- .3 Promote and recognize business excellence through the Premier's Award of Excellence program

### Desired Result 2.2 An effective and relevant total compensation strategy

#### Strategies

- .1 Develop and review strategies to compensate and reward employees
- .2 Implement the new non-management classification plan using a phased-in approach
- .3 Conduct collective bargaining

#### Performance Measures\*

	1999-2000 Actual	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-06 Target
% of employees who understand how their work contributes to their department's business plan.	81%	78%	81%	82%	82%
% of employees who report their organization helps them know and understand how well they are performing.	66%	68%	67%	70%	70%

\* Source: corporate employee survey.

## 3 Well-being: A safe work environment and support to the well-being of employees.

### Desired Result 3.1 Support employees in managing their own well-being

- Strategies**
- .1 Deliver an employee assistance program for public service employees
  - .2 Promote targeted workplace health initiatives in the Alberta public service

### Desired Result 3.2 Reduce health related time lost

- Strategies**
- .1 Work with departments to promote and implement their occupational health and safety programs
  - .2 Work with departments to implement the Partnerships in Health and Safety program
  - .3 Develop and enhance disability management initiatives

#### Performance Measures\*

Calendar Year	1999 Actual	2000 Actual	2001 Actual	2002 Target	2003-06 Target
Work days lost (per 100 person years worked).	Methodology revised	Methodology revised	53.8**	53.8	48.5
Lost time claims rate (per 100 person years worked).	New measure	New measure	1.7**	1.7	1.6
	1999-2000 Actual	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-06 Target
Time lost due to general illness (average number of days lost per employee).	4.7	4.4	4.2	4.2	4.0
Long Term Disability (LTD) incidence rate (number of new claims per 1,000 employees).	14.2	13.9	11.8	11.8	11.5

\* Sources: IMAGIS database, WCB, department data, PAO, Great-West Life.

\*\* Preliminary data.

## 4 Competence / Versatility: A workforce with the knowledge, skills and abilities to meet current and future needs.

### Desired Result 4.1 The Alberta public service is positioned to respond to emerging and diverse human resource needs

- Strategies**
- .1 Develop and enhance strategies to attract and retain talent
  - .2 Work with departments to enhance employee capacity to deliver excellent service to Albertans
  - .3 Develop and enhance strategies to foster continuous learning and build leadership capacity for all employees
  - .4 Provide a corporate search program to attract and recruit executive managers and senior officials; assist departments in facilitating internal and external executive mobility; and provide search consulting for senior positions with significant agencies, boards and commissions

#### Performance Measure\*

	1999-2000 Actual	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-06 Target
% of managers who report their employees have the skills to meet current and future needs.	93%	92%	90%	90%	90%
	(current)	(current)	(current)	(current)	(current)
	81%	81%	80%	80%	84%
	(future)	(future)	(future)	(future)	(future)

\* Source: corporate employee survey.

# ALBERTA LABOUR RELATIONS BOARD BUSINESS PLAN 2003-06

The Labour Relations Board is an independent and impartial tribunal. It is responsible for the day-to-day application and interpretation of the legislation and its own rules and also processes the various applications required by the statutes.

The Labour Relations Board oversees four labour relations statutes:

- *The Labour Relations Code*
- *The Public Service Employee Relations Act*
- *The Police Officers Collective Bargaining Act*
- *The Management Exclusion Act*

Alberta's labour relations laws ensure employees have the right to seek collective bargaining with their employers through a trade union of their choice. This legislation describes how a trade union obtains status as a representative organization and the framework for collective bargaining. Rules of fair play govern trade unions, employers, and employees in their labour relations activities.

Board activities are largely client and caseload driven. The Board maintains tight control over its case handling and vote mechanisms. The Board recognizes that the timely resolution of labour relations differences involves the interests of the public as a whole as well as the interests of the parties directly involved in the difference.

The *Labour Relations Code* encourages parties to settle their disputes, wherever possible, through honest and open communication. The Board offers informal settlement options to the parties, but it also has inquiry and hearing powers to make binding rulings whenever necessary.

## VISION

A fair and equitable labour relations climate in Alberta.

## MISSION

To administer, interpret and enforce Alberta's collective bargaining laws in an impartial, knowledgeable, efficient, timely and consistent way. It will do this by:

1. Educating the labour relations community and the public of their statutory rights and obligations;
2. Developing policies and processes that will assist the parties to prevent disputes or resolve their differences over these rights and obligations without resorting to litigation; and
3. Providing timely, appropriate, impartial resolution of those differences.

## STRATEGIC PRIORITIES

The Board will continue to meet the challenge of ensuring that Alberta's labour relations community is aware of the processes that are available to them, that these processes are communicated in an understandable manner and that these processes are carried out in a consistent and timely manner.

## CORE BUSINESSES

The two core businesses are 1) Labour Relations - Adjudication and 2) Labour Relations - Investigations/Mediation. The Board's core businesses arise from the responsibilities placed on it by the labour relations legislation it oversees. The key activities are:

- Investigating, processing, and determining applications made to the Board by parties in Alberta's collective bargaining regime;

- Adjudicating issues arising out of the application/complaint process;
- Mediating differences to limit the need for formal adjudication and help build mutually beneficial relationships between parties;
- Educating Alberta's labour community in the interpretation of Alberta's labour relations legislation and the Board's rules, policies and procedures; and
- Developing formal and informal consultative processes with the province's labour relations community to ensure that Board policies and procedures are sensitive to the current realities in the community.

## LINK TO GOVERNMENT OF ALBERTA BUSINESS PLAN

The Labour Relations Board actively consults with the labour relations community to provide better working environments and opportunities for increased productivity.

GOAL ONE

# 1 The Alberta labour relations community receives timely, effective and efficient services

It is important from a labour relations perspective that all matters brought before the Board be dealt with as quickly as possible to ensure these situations don't grow into larger, more complicated issues.

**Desired Result 1.1**      **Reduced number of days from the acceptance of an application to the date of the first hearing**

**Strategies**              .1 Investigate applications in a timely and accurate manner to ensure early resolution of differences

**Performance Measure\***

	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
1.1 Average number of days from the acceptance of an application to the date of the first hearing.	65 days	65 days	60 days

\* Note: This measure has been changed from previous year measures for two reasons. The previous methodology tracked the timeliness of applications from the date of application to the rendering of the final decision. This duplicated, in the decision writing area, the measures in goal number three. It also covered the time from the beginning of the hearing process to its conclusion. This is a period of time where the Board has little control over timelines as it is the availability of the parties and their legal counsel which are the main determinants in the scheduling of hearings. The new methodology will now be a measure of the efficiency of the investigative and administrative processes of the Board.



## Promote use of Alternative Dispute Resolution methods to solve issues before reaching formal hearings

In many applications before the Board, there is an opportunity for officials of the Board, during the process, to help settle disputes before they get to hearing. These types of facilitated settlements help build effective relationships.

### Desired Result 2.1 Use of Alternate Dispute resolution is successful

**Strategies** .1 Ensure that Board officials develop and maintain the proper facilitation skills required and that these techniques and skills are applied to all appropriate applications

### Performance Measure\*

	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
2.1 Percentage of applications, with Board involvement, settled before reaching a formal hearing.	55%	51%	51%	53%	55%

\* Note: Certifications and Revocations are not included as they are mandated to go to hearing if applicant demonstrates sufficient statutory requirements. However, it is common for the numerous and sometimes complicated issues relating to these applications to benefit from Board settlement efforts.

## Make clear and timely decisions for the parties to quickly implement the resolution

### Desired Result 3.1 Minimize the length of time that parties await decisions

**Strategies** .1 Decisions are rendered within 90 calendar days from the completion of the hearing  
 .2 All decisions to be rendered within 180 calendar days from the completion of the hearing(s)

### Performance Measure

	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
3.1 Percentage of decisions rendered within the prescribed number of calendar days from the completion of the hearing(s).	84%	85%	85%	85%	85%
3.2 Percentage of decisions rendered within 180 calendar days from the completion of the hearing ( <i>New Measure</i> ).			100%	100%	100%

# APPEALS COMMISSION FOR ALBERTA WORKERS' COMPENSATION (APPEALS COMMISSION) BUSINESS PLAN 2003-06

The Appeals Commission is an administrative tribunal providing a final level of appeal for workers' compensation matters in the Province of Alberta.

## VISION

The Leader in Innovative Appeal Services.

## MISSION

To provide a timely, fair and independent appeals process consistent with legislation, policy and the principles of natural justice.

## VALUES

### Respect

- We respect all persons treating them with honesty and integrity.

### Excellence

- We are committed to excellence in service through quality and consistency.

### Fairness

- We achieve fairness through being impartial and unbiased.

### Co-operation

- We achieve co-operation through sincere, open communication and teamwork.

## STRATEGIC PRIORITIES

The Appeals Commission has opportunities to improve understanding and openness of the appeal system through education and provision of information. The challenge is to provide a timely appeal service while maintaining an uncompromised fairness of process.

## CORE BUSINESS

The core business is providing appeal services for workers' compensation matters. The key activities are:

- Informing and educating workers and employers of the appeal process and the Appeals Commission rules and procedures.
- Identifying, gathering and sharing of information regarding appeal matters through a pre-hearing unit process.
- Examining, inquiring into, hearing and determining all matters arising under the *Workers' Compensation Act* and Regulations on appeals of decisions of the Workers' Compensation Board.
- Communicating the interpretation and application of legislation and Workers' Compensation Board policy through publication of decisions.

GOAL ONE

## 1 To provide a timely appeal service

**Desired Result 1.1 Improved appeal process and timelines as per set standards**

**Strategies** .1 Reduce the length of time to process an appeal

### Performance Measures

	2001 Actual*	2002-03 Target**	2003-04 Target**	2004-05 Target**	2005-06 Target**
1.1 Average number of days from appeal to decision issued.	149	141	134	130	128
1.2 Average number of days from hearing to decision issued.	36	35	33	30	30
1.3 Percent of initial appeals processed within 125 days.	44%	47%	57%	67%	75%
1.4 Percent of initial decisions issued within 30 days of hearing.	62%	65%	75%	80%	85%

\* Denotes calendar year

\*\* Denotes fiscal year April 1-March 31

## 2

**To provide fair decisions consistent with legislation and policy****Desired Result 2.1 Increased number of results upheld on review**

**Strategies** .1 Increase number of Appeals Commission decisions upheld on review

**Performance Measures**

	2001 Actual*	2002-03 Target**	2003-04 Target**	2004-05 Target**	2005-06 Target**
2.1 Number of decisions sent back by the Courts for the Appeals Commission to rehear.	2	3	0	0	0
2.1 Number of decisions sent back by the Ombudsman to the Appeals Commission with recommendations to correct procedural deficiencies or rehear.	6	4	3	2	1
2.3 Number of times the Appeals Commission reconsiders its own decision ("own motion").	8	6	4	3	2
2.4 Number of decisions clarified by the Appeals Commission at the request of a party.	10	9	8	6	4

\* Denotes calendar year

\*\* Denotes fiscal year April 1-March 31

## 3

**To provide accessible and transparent appeal services based on our values of respect, excellence, fairness and co-operation****Desired Result 3.1 Stakeholders are satisfied with the appeal services and processes**

**Strategies** .1 Continue to develop the expertise and knowledge base of the Commission  
.2 Develop and implement services and processes that satisfy the needs of stakeholders

**Performance Measures**

	2001 Actual*	2002-03 Target**	2003-04 Target**	2004-05 Target**	2005-06 Target**
3.1 Satisfaction with accessibility of information and services.	N/A		Under Development		
3.2 Satisfaction with transparency of procedures and policies used.	N/A		Under Development		
3.3 Satisfaction with expertise, skills, knowledge and competencies.	N/A		Under Development		
3.4 Satisfaction with courtesy and respect perceived when dealing with the Commission.	N/A		Under Development		

\* Denotes calendar year

\*\* Denotes fiscal year April 1-March 31

**EXPENSE BY CORE BUSINESS**

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
People Investments	701,749	741,677	739,066	756,658	759,230	763,895
Skills Investments	269,503	262,087	287,316	272,030	271,754	271,620
Workplace Investments	18,624	19,506	19,676	22,648	22,186	22,182
Human Resource Management	7,242	8,086	10,686	10,935	10,935	10,935
Labour Relations - Adjudication	1,009	1,257	1,291	1,473	1,365	1,365
Labour Relations - Investigations/Mediation	1,330	1,070	1,100	1,255	1,163	1,163
Workers' Compensation Appeals	-	6,000	4,237	6,350	6,350	6,350
<b>MINISTRY EXPENSE</b>	999,457	1,039,683	1,063,372	1,071,349	1,072,983	1,077,510

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	442,912	442,258	335,584	385,787	384,476	377,086
Premiums, Fees and Licences	177	165	165	104	110	114
Other	16,439	18,725	20,312	18,420	18,050	18,050
<b>MINISTRY REVENUE</b>	<b>459,528</b>	<b>461,148</b>	<b>356,061</b>	<b>404,311</b>	<b>402,636</b>	<b>395,250</b>
<b>EXPENSE</b>						
Program						
Supports for Independence	253,182	248,134	259,238	263,189	257,609	257,713
Assured Income for the Severely Handicapped	325,562	359,237	349,637	357,099	364,039	371,735
Widows' Pension	7,879	8,100	7,450	6,900	6,800	3,800
Alberta Child Health Benefit	17,243	19,266	18,266	20,972	21,972	21,972
Alberta Adult Health Benefit	1,261	2,080	2,200	3,500	3,700	3,900
Income Support - Program Support/Delivery	80,723	86,965	86,355	87,122	87,208	86,912
Career Information	40,271	40,755	42,473	39,170	39,170	39,170
Work Foundations	109,764	91,683	115,202	101,078	101,077	101,077
Training for Work	81,829	89,308	89,578	90,455	90,455	90,455
Workforce Partnerships	4,436	4,379	4,343	3,988	3,988	3,988
Skills Investment - Support	27,188	29,631	29,546	30,921	30,665	30,587
Workplace Relationships	1,982	2,076	1,900	2,297	2,197	2,197
Workplace Health and Safety	9,873	9,536	11,065	13,347	12,997	12,997
Employment Standards	5,268	4,953	4,669	5,099	5,099	5,099
Workplace Investments - Support	1,085	2,473	1,623	1,371	1,371	1,371
Labour Relations and Adjudication	2,339	2,327	2,391	2,728	2,528	2,528
Personnel Administration Office	7,042	8,051	8,051	8,300	8,300	8,300
Workers' Compensation Appeals	-	6,000	4,237	6,350	6,350	6,350
Ministry Support Services	22,093	24,670	22,489	24,804	24,799	24,700
Valuation Adjustments and Other Provisions	437	59	2,659	2,659	2,659	2,659
<b>MINISTRY EXPENSE</b>	<b>999,457</b>	<b>1,039,683</b>	<b>1,063,372</b>	<b>1,071,349</b>	<b>1,072,983</b>	<b>1,077,510</b>
Gain (Loss) on Disposal of Capital Assets	(29)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(539,958)</b>	<b>(578,535)</b>	<b>(707,311)</b>	<b>(667,038)</b>	<b>(670,347)</b>	<b>(682,260)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	459,528	461,148	356,061	404,311	402,636	395,250
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>459,528</b>	<b>461,148</b>	<b>356,061</b>	<b>404,311</b>	<b>402,636</b>	<b>395,250</b>
Ministry Program Expense	999,457	1,039,683	1,063,372	1,071,349	1,072,983	1,077,510
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>999,457</b>	<b>1,039,683</b>	<b>1,063,372</b>	<b>1,071,349</b>	<b>1,072,983</b>	<b>1,077,510</b>
Gain (Loss) on Disposal of Capital Assets	(29)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(539,958)</b>	<b>(578,535)</b>	<b>(707,311)</b>	<b>(667,038)</b>	<b>(670,347)</b>	<b>(682,260)</b>

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# Infrastructure

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Ty Lund, *Minister of Infrastructure*  
March 21, 2003

## OUR VISION

Alberta has innovative, quality, and sustainable public facilities.

## OUR MISSION

Through leadership and technical expertise, provide effective, efficient, innovative and timely infrastructure and services.

## STRATEGIC PRIORITIES

- implementing the government's capital plan for long-term sustainable building infrastructure;
- preserving taxpayer investment in infrastructure;
- balancing preservation and growth needs;
- ensuring health and safety in government facilities; and
- improving timelines and access to services.

## CORE BUSINESSES

1. Working with partners to provide cost-effective, innovative and sustainable building infrastructure to support the delivery of government services.
2. Managing government owned and operated facilities.
3. Providing realty services for government facilities.
4. Managing government air and vehicle fleets.

## SCOPE OF OUR OPERATIONS

Alberta Infrastructure's responsibilities are wide-ranging, from the provision of policy direction, planning expertise and capital funding for schools, post-secondary institutions, health care facilities, and seniors' lodges (referred to as supported infrastructure), to building and managing facilities that support government operations (referred to as owned infrastructure). The ministry also provides and monitors operation and maintenance funding to schools. Leasing, property acquisition and disposal, space planning for government facilities and air and vehicle fleet management services also fall within the ministry's mandate.

## PLANNING FOR THE FUTURE

### *Pressures*

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#### **Infrastructure Debt**

- The outstanding backlog of renovation and upgrading required in existing building infrastructure must be eliminated if taxpayer investment is to be protected. As of February 2003, the backlog of unfunded work is in the order of \$2.4 billion. The government's new capital plan includes funding to address some of the most urgent capital needs. However, ongoing funding for facility preservation and maintenance must continue in the long term to ensure the sustainability of facilities.

#### **Economic Pressures**

- An active, robust economy continues in Alberta, resulting in high growth in some areas, particularly resource development areas like Fort McMurray. In addition, growth in new urban developments and reduced populations in rural communities and inner city areas of Edmonton and Calgary have created a mismatch between the supply and demand for schools. Increased enrolment in post-secondary institutions and the demand for life-long learning also result in a need for facilities.

- The ratification of the Kyoto Protocol by the federal government will have a significant impact on Alberta's economy. It will cost significantly more for Alberta Infrastructure to operate existing facilities due to higher energy and operating costs.

## **Challenges**

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### **Environmental**

- Ensuring healthy indoor air quality in government owned and supported facilities is becoming increasingly important as buildings age. Higher federal and provincial environmental standards increase the cost of land reclamation. Additionally, the need for environmental impact assessments has increased overall infrastructure costs.

### **Changing Demographics**

- Alberta's population continues to grow. As of June 2002, over 3.1 million people reside in Alberta, an increase of over one-half million in ten years. Alberta's seniors population is also growing and by 2026 it is projected that one in five Albertans will be age 65 or older. Increased population results in the need for more learning and health facilities, seniors' lodges, and government services. As well, the demand for improved accessibility for persons with disabilities and seniors impacts building design. Alberta Infrastructure continues to work with partners to balance these needs effectively and to ultimately design multi-purpose facilities that allow flexibility for the future.

### **Labour and Skills Availability**

- Alberta's workforce is aging. A shortage of trades people and professionals exists in both industry and government, resulting in increased labour costs for infrastructure projects.

## **Opportunities**

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### **Technology**

- New technology can improve building design standards and materials and make facilities more efficient in energy usage and operating costs. State-of-the-art equipment and technology systems in health care and learning facilities have the potential to provide Albertans with faster access to more efficient services.

### **New Options for Program Delivery**

- Virtual learning is becoming a reality in Alberta as electronic access to learning facilities is more readily available. With new government strategies to provide Albertans with one-window access to government services, the future will bring new opportunities for alternative service delivery options that are cost-effective and could potentially reduce the need for bricks and mortar.

### **Alternative Procurement and Service Delivery Options**

- Alternative financing and procurement opportunities for new facilities are considered where feasible and cost-effective, and overall an increasing number of partnerships are being implemented. Alberta Infrastructure will continue to pursue such opportunities

## GOALS AND STRATEGIES

### GOAL ONE

## **1 Improve planning of government owned, leased and supported infrastructure to ensure value for investment.**

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### Strategies

- 1.1 In partnership with Alberta Finance and Alberta Transportation, co-sponsor the cross-ministry Capital Planning Initiative: to implement infrastructure management systems; develop a priority ranking system for all capital projects across government; develop a policy framework for alternative service delivery and financing options; and measure performance.
- 1.2 Work with school boards, health authorities, post-secondary institutions, government ministries and other stakeholders to update and maintain long-term capital plans.
- 1.3 Continue to monitor deferred maintenance in buildings and provide adequate long-term funding to preserve existing buildings and ensure the facilities are kept in good or fair condition.
- 1.4 Work with stakeholders to identify opportunities for alternative procurement, sustainable development and multi-purpose facilities. (e.g. follow-up from Minister's Symposium on Schools and supporting the Health Sustainability Initiative.)
- 1.5 Expand the use of the business case criteria for assessing capital project proposals to include health and learning capital projects.

### GOAL TWO

## **2 Provide leadership to deliver effective and efficient facilities in support of life-long learning.**

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### Strategies

- 2.1 Balance the need for preserving existing facilities, eliminating excess space, and expanding facilities in areas of enrollment growth.
- 2.2 Measure performance and monitor school board use of operating and maintenance program funding provided for school buildings.
- 2.3 Address the issues identified in the 2002 facilities audit of post-secondary institutions.
- 2.4 In conjunction with post-secondary institutions, conduct a utilization study of all college, university and technical institute facilities.

### GOAL THREE

## **3 Provide leadership in the development and upgrading of effective, efficient health care and seniors' facilities.**

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### Strategies

- 3.1 Support Alberta Health and Wellness and health authorities in planning and implementing the Health Sustainability Initiative.
- 3.2 Facilitate future planning to address major maintenance needs.
- 3.3 Work with Alberta Seniors and lodge foundations to develop infrastructure management systems that will enhance their planning of future capital and maintenance needs.



## **4 In partnership with all ministries, manage government owned and leased facilities to achieve a safe and healthy environment and support the delivery of government programs.**

### **Strategies**

- 4.1 Develop and maintain accommodation plans for government clients.
- 4.2 Maintain and monitor indoor air quality standards and processes.
- 4.3 Develop and implement emergency response plans for all facilities.
- 4.4 Implement an international standards Environmental Management System that can be applied to manage hazardous materials in construction, renovation, demolition and site remediation projects, as appropriate.
- 4.5 Ensure accessibility needs for persons with disabilities are fully considered in ministry design standards, policies, programs and projects.
- 4.6 Seek innovative methods of project financing and delivery for major projects, such as the Calgary Law Courts Facility.
- 4.7 Monitor energy efficiency and operating costs of government owned and leased facilities and make cost-effective improvements.
- 4.8 Manage government facilities by setting standards and monitoring performance of private sector and public service providers.

## **5 Manage land requirements to support the delivery of government programs and maintain effective environmental stewardship of existing sites.**

### **Strategies**

- 5.1 Continue to sell or divest surplus and underutilized properties.
- 5.2 Determine client departments' property needs and acquire, lease or dispose of property as appropriate.
- 5.3 Plan, develop and administer the Edmonton and Calgary transportation and utility corridors.
- 5.4 Implement a program to address environmental concerns at highway maintenance yards.

## **6 Efficiently manage the government's air and vehicle fleets to provide safe, reliable and responsive service.**

### **Strategies**

- 6.1 Ensure the safety of passengers through ongoing efficient maintenance of the air fleet.
- 6.2 Continue to work with the private-sector vehicle fleet service provider to meet the transportation needs of government departments, boards and agencies, and effectively plan for future retirement or replacement of vehicles.

## **7 Improve client service and ensure cost-effective, quality administration is in place.**

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### **Strategies**

- 7.1 Continue to streamline and improve procedures and processes.
- 7.2 Implement the Building and Land Infrastructure Management System to improve planning of capital projects and client and department access to facility and project identification information, and track deferred maintenance needs.
- 7.3 Improve communication with stakeholders by providing meaningful opportunities for input into decision making.

## **8 Support economic growth and diversification to maintain prosperity and quality of life for Albertans.**

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### **Strategies**

- 8.1 Over time and in concert with the government's capital plan, eliminate the existing infrastructure debt and add needed infrastructure in areas of high growth.
- 8.2 Support the government's strategy to enhance research and development capacity in Alberta through projects such as the development of the new Health Research Innovation Centres at the Universities of Calgary and Alberta.
- 8.3 Provide input regarding schools and health care facilities into the new Rural Development Strategy to create an integrated approach to rural development and help rural communities capitalize on Alberta's economic activity.
- 8.4 Continue to work with industry and educational institutions to attract, train and develop members of the construction and consulting industries and the public service, through initiatives such as the Internship Program.
- 8.5 Contribute to the cross-ministry Aboriginal Policy Initiative through participation in the Alberta Aboriginal Apprenticeship Project.

## SUPPORTING GOVERNMENT PRIORITIES

The Government of Alberta's (GOA) activities are focused on three core businesses: People, Prosperity and Preservation. Goals have been developed for each core business to clearly define the government's priorities for protecting the quality of life in Alberta while maintaining a commitment to fiscal responsibility. Ministry linkages to the GOA goals are noted below.

Government of Alberta Goals	Government of Alberta Performance Measures	Supporting Ministry Goals
<ul style="list-style-type: none"> <li>• Goal 1 - Albertans will be healthy.</li> <li>• Goal 2 - Albertans will be well prepared for lifelong learning and work.</li> <li>• Goal 4 - Albertans will be self-reliant and those unable to provide for their basic needs will receive help.</li> <li>• Goal 9 - Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.</li> <li>• Goal 10 - Alberta will be a safe place to work, live and raise families.</li> <li>• Goal 12 - Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Physical Condition of Health Facilities</li> <li>• Physical Condition of Educational Institutions</li> <li>• Condition of Government Owned and Operated Buildings (over 1,000 m<sup>2</sup>)</li> </ul>	<ul style="list-style-type: none"> <li>• Goals 1, 3 and 8</li> <li>• Goals 1, 2 and 8</li> <li>• Goals 3 and 4</li> <li>• Goals 4, 5 and 6</li> <li>• Goal 4</li> <li>• Goal 4</li> </ul>

## LINKING OUR CORE BUSINESSES AND GOALS

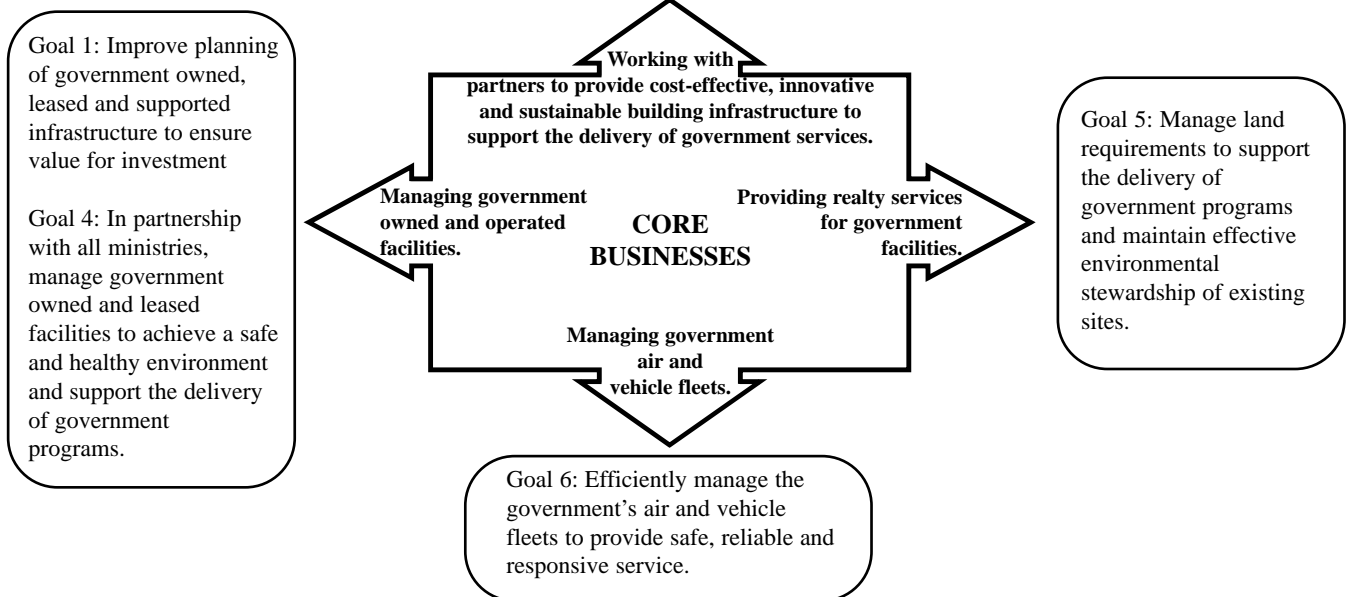
Goal 1: Improve planning of government owned, leased and supported infrastructure to ensure value for investment.

Goal 2: Provide leadership to deliver effective and efficient facilities in support of life-long learning.

Goal 3: Provide leadership in the development and upgrading of effective, efficient health care and seniors' facilities.

Goal 7: Improve client service and ensure cost-effective, quality administration is in place.

Goal 8: Support economic growth and diversification to maintain prosperity and quality of life for Albertans.



# PERFORMANCE MEASURES

## Measure 1 - Condition, Utilization and Functional Adequacy of Buildings

In support of our strategic direction of preserving existing infrastructure and protecting taxpayer investment, we monitor the condition, utilization and functional adequacy of supported building infrastructure. Our long-term aim is to ensure that the condition of facilities does not deteriorate, that the facilities are effectively utilized and that they provide adequate services to Albertans.

The following outlines targets for our key measures which support the cross-ministry Capital Planning Initiative. Targets for the condition measures are based on current budget levels as outlined in this business plan. The Capital Planning Initiative describes physical condition as the percentage of infrastructure in good, fair and poor condition, with good and fair ratings considered acceptable. Good is defined as adequate for intended use and expected to provide continued service life with average maintenance. Fair condition means components are aging and nearing the end of their life cycle, requiring additional expenditures for renewal or refurbishing. Poor means the facilities require upgrading to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

Utilization is defined as the percentage of infrastructure that is within targeted capacity. The percentage is calculated on specific criteria depending on the type of facility. Utilization measures for health and post-secondary facilities are currently under development.

Functional adequacy is the percentage of infrastructure that provides acceptable functional service. This measure is under development for health, schools and post-secondary facilities.

Schools (K-12)	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
<i>Condition</i>					
% in good condition	47%	50%	53%	56%	56%
% in fair condition	44%	42%	40%	39%	39%
% in poor condition	9%	8%	7%	5%	5%
<i>Utilization</i>					
Student enrolments as a % of school building capacity	76%	76%	74%	72%	72%
<i>Functional Adequacy</i>					
% that provide adequate functional service	Measure under development.				

Health Facilities	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
<i>Condition</i>					
% in good condition	55%	57%	60%	64%	64%
% in fair condition	37%	35%	33%	30%	30%
% in poor condition	8%	8%	7%	6%	6%
<i>Utilization</i>					
% within targeted capacity	Measure under development.				
<i>Functional Adequacy</i>					
% that provide adequate functional service	Measure under development.				

Post-Secondary Institutions	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
<i>Condition</i>					
% in good condition	47%	47%	45%	45%	45%
% in fair condition	45%	45%	46%	46%	46%
% in poor condition	8%	8%	9%	9%	9%
<i>Utilization</i>					
% within targeted capacity			Measure under development.		
<i>Functional Adequacy</i>					
% that provide adequate functional service			Measure under development.		

Government owned and operated facilities (over 1,000 m <sup>2</sup> )	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
<i>Condition</i>					
% in good condition	57%	56%	55%	54%	53%
% in fair condition	40%	41%	42%	43%	44%
% in poor condition	3%	3%	3%	3%	3%
<i>Utilization</i>					
% within targeted capacity	89%	89%	89%	89%	89%
<i>Functional Adequacy</i>					
% that provide adequate functional service	79%	79%	79%	79%	79%

## Measure 2 - Number of Seniors' Lodges Upgraded

This measure reflects the number of seniors' lodges for which upgrading has been completed under the Lodge Upgrading Program. A total of 121 lodges were selected for upgrading under this program which will be completed by the 2004-05 fiscal year.

	2001-02 Results	2002-03 Target	Business Plan	
			2003-04 Target	2004-05 Target
Number of seniors' lodges completed	103	114	119	121

## Measure 3 - Operating cost per square metre for government owned and operated facilities

This measure compares the operating cost of government owned and operated facilities to the industry average.

	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
Average operating cost per m <sup>2</sup> of all office buildings owned and operated by Alberta Infrastructure	\$75.78		Ministry target for each year is to not exceed the annual industry average.		
Results of industry survey (for comparison purposes only)	\$99.68				

#### Measure 4 - Energy Consumption per square metre in government owned and operated facilities

This measure shows the average energy consumption in government owned and operated facilities over a 12-month period and is an indicator of how efficiently energy, including natural gas and electricity, is being used by the facilities.

	2001-02 Baseline	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
Energy consumption in owned and operated facilities (megajoules per m <sup>2</sup> )	1,760*	1,779	1,775	1,775	1,775

\* Due to deregulation of electricity, changes in industry practices resulted in incomplete data.

#### Measure 5 - Client Satisfaction Survey

To determine our clients' level of satisfaction with the services we provide, client satisfaction survey is undertaken every second calendar year.

	2001 Baseline	2002 Target	Business Plan		
			2004 Target	2006 Target	2008 Target
Average rating for overall quality of service (based on a scale of 1 to 6)	4.6	4.6	4.7	4.7	4.8

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Working with partners to provide cost-effective, innovative and sustainable building	1,855,159	482,770	467,480	824,881	687,371	548,180
Managing government-owned and operated facilities	513,814	327,391	354,325	364,500	337,663	337,826
Providing realty services for government facilities	8,947	7,623	8,771	8,400	8,404	8,422
Managing government air and vehicle fleets	6,333	6,815	7,023	7,784	7,787	7,797
<b>MINISTRY EXPENSE</b>	<b>2,384,253</b>	<b>824,599</b>	<b>837,599</b>	<b>1,205,565</b>	<b>1,041,225</b>	<b>902,225</b>

## CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>CAPITAL INVESTMENT</b>						
<b>Core Business</b>						
Managing government-owned and operated facilities	20,385	8,562	19,663	24,822	126,296	124,009
Providing realty services for government facilities	10,329	3,432	5,931	19,537	9,105	8,692
Managing government air and vehicle fleets	1,339	1,016	1,016	1,907	1,898	1,899
<b>MINISTRY CAPITAL INVESTMENT</b>	<b>32,053</b>	<b>13,010</b>	<b>26,610</b>	<b>46,266</b>	<b>137,299</b>	<b>134,600</b>

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	345,000	105,000	105,000	145,000	115,000	130,000
Investment Income	7,422	4,000	9,000	4,000	4,000	4,000
Premiums, Fees and Licences	2,668	2,000	2,000	2,700	2,000	2,000
Other Revenue	91,199	28,740	46,540	26,740	26,358	26,358
<b>MINISTRY REVENUE</b>	<b>446,289</b>	<b>139,740</b>	<b>162,540</b>	<b>178,440</b>	<b>147,358</b>	<b>162,358</b>
<b>EXPENSE</b>						
<b>Program</b>						
<b>Infrastructure Operations</b>						
School Facilities Operations	309,056	323,743	323,743	331,543	329,543	331,543
Property Operations	107,906	115,629	119,129	123,816	121,850	120,935
Leases	83,280	84,370	91,320	99,946	100,700	100,700
Swan Hills Treatment Plant	26,204	26,000	26,000	26,000	11,000	11,000
<b>Sub-total</b>	<b>526,446</b>	<b>549,742</b>	<b>560,192</b>	<b>581,305</b>	<b>563,093</b>	<b>564,178</b>
<b>Infrastructure Preservation</b>						
Health Care Facilities	199,808	25,110	29,360	122,714	108,636	57,000
School Facilities	356,551	31,051	44,148	48,059	81,755	74,588
Post-Secondary Facilities	132,195	14,860	2,360	24,800	28,800	36,034
Seniors' Lodges	22,415	10,942	10,942	3,130	3,120	2,000
Capital and Accommodation Projects	17,632	13,107	22,707	21,881	11,348	13,900
Government Facilities	16,348	9,675	9,675	9,675	9,675	9,675
Site Environmental Services	3,213	1,650	1,650	1,650	1,650	1,650
<b>Sub-total</b>	<b>748,162</b>	<b>106,395</b>	<b>120,842</b>	<b>231,909</b>	<b>244,984</b>	<b>194,847</b>
<b>Infrastructure Expansion</b>						
Health Care Facilities	268,287	34,090	2,340	97,733	10,490	-
School Facilities	356,041	27,479	30,682	67,580	86,809	6,251
Post-Secondary Facilities	197,168	1,540	1,540	100,000	-	-
Seniors' Lodges	942	1,300	8,600	2,170	3,010	-
Capital and Accommodation Projects	1,659	1,758	1,758	2,400	2,800	1,100
Land Services	1,564	2,100	2,900	2,100	2,100	2,100
Centennial Projects	86	5,000	7,550	500	-	-
Centennial Projects - Legacy Grants	-	-	-	12,500	12,500	-
<b>Sub-total</b>	<b>825,747</b>	<b>73,267</b>	<b>55,370</b>	<b>284,983</b>	<b>117,709</b>	<b>9,451</b>
<b>Ongoing Commitments</b>						
Air Transportation Services	2,981	2,796	2,796	3,443	3,443	3,443
Vehicle Services	410	413	413	422	422	422
Support Services	37,105	32,826	38,826	43,503	43,574	43,884
<b>Sub-total</b>	<b>40,496</b>	<b>36,035</b>	<b>42,035</b>	<b>47,368</b>	<b>47,439</b>	<b>47,749</b>
<b>Other</b>						
Financing Cost	-	-	-	-	8,000	26,000
Energy Rebates	201,472	-	-	-	-	-
<b>Sub-total</b>	<b>201,472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,000</b>	<b>26,000</b>
<b>Non-Cash</b>						
Amortization	39,519	51,560	51,560	52,500	52,500	52,500
Nominal Sum Disposals	-	5,000	5,000	5,000	5,000	5,000
Consumption of Inventories	2,809	2,500	2,500	2,500	2,500	2,500
Valuation Adjustments and Other Provisions	(398)	100	100	-	-	-
<b>Sub-total</b>	<b>41,930</b>	<b>59,160</b>	<b>59,160</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>
<b>MINISTRY EXPENSE</b>	<b>2,384,253</b>	<b>824,599</b>	<b>837,599</b>	<b>1,205,565</b>	<b>1,041,225</b>	<b>902,225</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	17,152	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(1,920,812)</b>	<b>(684,859)</b>	<b>(675,059)</b>	<b>(1,027,125)</b>	<b>(893,867)</b>	<b>(739,867)</b>



## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	446,289	139,740	162,540	178,440	147,358	162,358
<i>Inter-ministry consolidation adjustments</i>	(351,319)	(109,665)	(109,665)	(148,665)	(118,665)	(133,665)
<b>Consolidated Revenue</b>	<b>94,970</b>	<b>30,075</b>	<b>52,875</b>	<b>29,775</b>	<b>28,693</b>	<b>28,693</b>
Ministry Program Expense	2,384,253	824,599	837,599	1,205,565	1,041,225	902,225
<i>Inter-ministry consolidation adjustments</i>	(6,319)	(4,665)	(4,665)	(3,665)	(3,665)	(3,665)
<b>Consolidated Program Expense</b>	<b>2,377,934</b>	<b>819,934</b>	<b>832,934</b>	<b>1,201,900</b>	<b>1,037,560</b>	<b>898,560</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	17,152	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(2,265,812)</b>	<b>(789,859)</b>	<b>(780,059)</b>	<b>(1,172,125)</b>	<b>(1,008,867)</b>	<b>(869,867)</b>

## CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

Program	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Swan Hills Treatment Plant	3,457	2,000	2,000	2,000	2,000	2,000
Capital and Accommodation Projects	7,489	4,000	4,000	12,000	94,000	97,361
Land Services	9,408	3,300	5,800	19,080	8,721	8,300
Centennial Projects	7,712	2,300	13,400	9,909	29,528	23,864
Site Environmental Services	57	-	-	-	-	-
Air Transportation Services	374	500	500	850	850	850
Vehicle Services	857	500	500	1,000	1,000	1,000
Support Services	2,699	410	410	1,427	1,200	1,225
<b>CAPITAL INVESTMENT</b>	<b>32,053</b>	<b>13,010</b>	<b>26,610</b>	<b>46,266</b>	<b>137,299</b>	<b>134,600</b>



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# Innovation and Science

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Victor Doerksen, *Minister of Innovation and Science*  
March 21, 2003

## INVESTING TODAY IN ALBERTA'S FUTURE

Over the past year, a number of reports have emphasized the need for Alberta to be more innovative in order to be competitive and to enhance quality of life. A common theme that pervades the Premier's Advisory Council on Health, the Future Summit and the Financial Management Commission's reports, and most recently, Alberta's response to the Kyoto Protocol, is the need to strengthen Alberta's capability to develop and apply innovative technologies. Investing in science and technology today is critical to ensuring tomorrow's prosperity and quality of life. This fact is true in Alberta and around the globe.

Alberta's abundant natural resources have helped place the province's economy among the world's strongest. The global, knowledge-intensive economy is evolving, and regions are increasing investments in technology, research and innovation. Alberta must maintain its competitive position by building on its strengths in energy, information and communications technology, and life sciences, and by increasing the rate of technology development and adoption.

## OUR VISION

*Alberta prospers through the application of science and research and the innovative use of technology.*

Partnership, strategic investment and facilitation are cornerstones of the Ministry's approach to achieving its vision. The Alberta Science and Research Authority and its research institutes, comprised of industry, government and university representatives, provide strategic advice to the Minister on science and research. Several committees on information and communications technology, also comprised of private and public sector members, advise the Minister on the strategic direction for information and communications technology. The goals and strategies of the Ministry are based on this valuable input from government, industry, and Alberta's research community.

To achieve its business goals, the Alberta Government is committed to being a model user of information and communications technology. As a model user, the government will effectively manage technology investments and use technology to reduce the costs of government operations while providing innovative and improved services to the public.

## THE MINISTRY OF INNOVATION AND SCIENCE

The Ministry of Innovation and Science provides leadership and makes strategic investments to enhance Alberta's position in the knowledge-intensive economy to contribute to the sustainable development of the provincial economy and make the province increasingly competitive in global markets.

The Ministry includes:

- Department of Innovation and Science
- Alberta Science and Research Authority
  - Alberta Agricultural Research Institute
  - Alberta Energy Research Institute
  - Alberta Forestry Research Institute
  - Alberta Research Council Inc.
  - iCORE Inc. (Alberta Informatics Circle of Research Excellence)

The Minister of Innovation and Science is responsible for legislation pertaining to:

- Alberta Heritage Foundation for Medical Research
- Alberta Heritage Foundation for Science and Engineering Research (operating under the trade name "Alberta Ingenuity Fund")

# 1 Research and Development

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## Mission

*To enhance the contribution of science, research, development and commercialization for the sustainable prosperity and quality of life of all Albertans.*

Innovation is the process by which economic value is extracted from knowledge through generating, developing and implementing ideas to produce new or improved products, processes and services.

Alberta is well known for innovation. From technological and financial success in the oil sands to breakthrough diabetes treatments, Albertans have been at the forefront of discoveries that are strengthening the economy and changing lives.

In Alberta's future, innovation will continue to provide a competitive advantage in the global knowledge-intensive economy. Research is the key to developing new ideas and discoveries that can lead to innovation. The ultimate benefit from these ideas and discoveries is obtained when they are translated into new and improved products, processes or services in the marketplace.

Building a critical mass of research excellence also creates an environment which attracts skilled people and investment to our province. This provides a foundation for business growth, job creation, a sustainable economy and a better quality of life for Albertans.

## Strategic Priorities

Move forward the

- Energy Research Strategy,
- Life Sciences Strategy,
- Information and Communications Technology Strategy, and
- Technology Commercialization Strategy

in support of the Government of Alberta's directions regarding climate change, agriculture, economic development, water, health, and environment.

## Linkages to Government Business Plan

Ministry efforts under this core business contribute to the achievement of broader Government of Alberta (GOA) business plan goals, particularly goals related to:

- Alberta's economic prosperity (GOA goal 7)
- Building a skilled workforce (GOA goal 2)
- Government's financial stability and accountability (GOA goal 9)

Efforts under this core business also support the achievement of government goals related to the:

- Health of Albertans (GOA goal 1)
- Quality of Alberta's environment (GOA goal 11)

**GOAL 1**

**To enhance the capability and capacity of Alberta's research system that underlines our goals in areas of strategic priority.**

**Objectives**

- A skilled workforce to support research and innovation
- Internationally recognized research capabilities in areas of strategic priority for long-term growth
- Albertans recognize the importance of research and innovation
- An environment that encourages innovation, collaboration, and networks

**Strategies****Investing in People**

- 1: Provide support for the recruitment and retention of key scientific personnel at Alberta universities
- 2: Work with the Alberta Heritage Foundation for Medical Research and the Alberta Ingenuity Fund to support the recruitment of key scientific personnel to Alberta

**Investing in Research Infrastructure**

- 3: Provide strategically targeted support for Alberta public research infrastructure

**Investing in Strategically Aligned Initiatives**

- 4: Make investments that strengthen Alberta's science capability to support energy, ICT and life sciences, including investments in nanotechnology, bio-informatics/bio-medical, genomics/proteomics, and wireless communications technologies

**Fostering Innovation**

- 5: Work to leverage research funding from industry and federal sources
- 6: Develop a mechanism to encourage greater investment in Alberta research and innovation from industry and federal government sources
- 7: Increase collaboration and coordination among research performers, funders, and users
- 8: Work with Alberta Learning and public institutions to co-ordinate research-related policies and programs
- 9: Promote science and technology awareness
- 10: Encourage youth to enter careers in science and technology

**Key Performance Measures**

1. Government of Alberta (GoA) Expenditures on Research and Development (ERD) as a percent of Total Government of Alberta Expense

\$ millions	1999-00 Actual	2000-01 Actual	2001-02 Estimate	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Total GoA ERD	\$173.2	\$198.1	\$199.9	\$215	\$230	\$245	\$260
Total GoA Expense	\$17,292	\$19,038	\$20,948	\$19,156	\$19,676	\$20,075	\$20,075
GoA ERD as a % of Total GoA Expense	1.00%	1.04%	0.95%	1.12%	1.17%	1.22%	1.30%

**Sources:** Scientific Activities of the Government of Alberta 2000-2001 and 2001-2002e Survey Results (Statistics Canada), Government of Alberta Annual Reports, and Budget 2002.

2. Alberta's research capability: the success of Alberta's research universities in attracting sponsored research funding (by source)

(\$millions)	1998-99 Baseline	1999-00 Actual	2000-01 Actual	2001-02 Target	2001-02 Estimate	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
<b>Federal</b>	86	119	132	142	190	157	171	186	200
<b>Industry</b>	45	43	60	63	51	70	76	83	90
<b>Non-Profit and Other</b>	31	38	47	47	54	50	53	56	61
<b>Other Government</b>	4	8	12	13	16	16	20	22	24
<b>Sub-Total</b>	166	208	251	265	311	293	320	347	375
<b>Provincial</b>	65	92	119	130	126	135	140	145	150
<b>Total</b>	231	300	370	395	437	428	460	492	525

Source: Research Funding at Alberta Universities 2001-2002 Report, November 2002, Alberta Innovation and Science.

**GOAL 2**                    **To support energy research that will contribute to Alberta's sustainable prosperity and quality of life.** This goal and the accompanying strategies reflect the initial stages of implementation of a long-term Energy Research Strategy.

### Objectives

- Internationally recognized research capabilities in energy areas of strategic importance
- Implement the technology component of the Climate Change Action Plan
- An environment that encourages innovation and collaboration in energy research
- Increased collaboration and coordination among energy research performers and energy producers
- Increased joint investments in energy research by industry, the federal government and Alberta

### Strategies

#### Investing in People

- 1: Develop a plan to attract world-class energy researchers to Alberta through a strong university and provincial research organization-based program that will attract industry and federal government investment in new technologies in Alberta

#### Investing in Research Infrastructure

- 2: Support industry field pilot projects and the development of Centres of Innovation to demonstrate novel clean energy technologies
- 3: Support the development of a fuel cell demonstration facility and other infrastructure for the emerging fuel cell and hydrogen technologies

#### Investing in Strategically Aligned Initiatives

- 4: Work with partners to support programs in CO<sub>2</sub> sequestration and water management
- 5: Develop new technologies for oil sands upgrading and value-added petrochemicals
- 6: Support feasibility studies and pilot projects related to clean coal
- 7: Work with partners to develop the technology and field pilots to improve recovery methods of oil, using CO<sub>2</sub>
- 8: Support research into alternative sources for energy such as bioenergy, hydrogen and fuel cells

#### Fostering Innovation

- 9: Develop a network linking provincial, national and global research activities in clean energy
- 10: Coordinate and align the clean energy research activities of the universities, and federal and provincial labs

- 11: Maintain close working relationships with and promote industry collaborative work through such associations as the Petroleum Technology Alliance of Canada, the Canadian Clean Power Coalition, the Canadian Oil Sands Network for Research and Development, the Canadian Energy Research Institute, and Climate Change Central
- 12: Work with industry and other government ministries to promote technology advances in energy and help rationalize the energy programs with other providers within Canada and the U.S.
- 13: Develop a collaborative approach to energy research and development funding in Canada

## Performance Measure

1. Leveraged research projects aligned with the goals of the Alberta Energy Research Strategy

(thousands of dollars)	CO <sub>2</sub> and Water Management	Oil Sands Upgrading and Value-Added	Clean Coal	Recovery	Alternative Energy	Total
<b>2001-2002 Actual</b>						
Total AERI Investment <sup>1</sup>	\$1,067	\$2,465	\$740	\$2,040	\$540	\$6,852
Number of Projects <sup>2</sup>	20	16	6	24	8	74
<b>2002-2003 Estimate</b>						
Total AERI Investment <sup>1</sup>	\$357	\$1,630	\$220	\$3,923	\$419	\$6,549
Number of Projects <sup>2</sup>	14	10	5	23	5	57
<b>2003-2004 Target</b>						
Total AERI Investment <sup>1</sup>	\$1,831	\$2,064	\$2,759	\$3,873	\$1,413	\$11,940
Number of Projects <sup>2</sup>	8	8	8	20	5	49
<b>2004-2005 Target</b>						
Total AERI Investment <sup>1</sup>	\$2,331	\$2,814	\$2,759	\$4,623	\$2,413	\$14,940
Number of Projects <sup>2</sup>	7	6	8	10	8	39
<b>2005-2006 Target</b>						
Total AERI Investment <sup>1</sup>	\$2,831	\$4,064	\$3,259	\$5,873	\$3,913	\$19,940
Number of Projects <sup>2</sup>	7	6	10	10	12	45

**Source:** Strategic Research Investments, database, Alberta Innovation and Science

1. For every dollar invested by AERI, \$2 or more will be leveraged from a combination of federal and industry sources. Federal and industry funding is projected to increase from \$20.4 million in 2001-02 to \$45 million in 2005-06.
2. The number of consortia programs is expected to increase from 4 in 2001-02 to 10 in 2005-06. The total number of projects is projected to decline because of a greater emphasis on collaborative programs and larger scale pilot and demonstration projects.

## GOAL 3 To foster excellence in information and communications technology (ICT) research that contributes to Alberta's continued prosperity.

### Objectives

- A skilled workforce to support ICT research and innovation
- Internationally recognized research capabilities in areas of strategic importance
- An environment that encourages innovation, collaboration and networks in ICT research

### Strategies

#### Investing in People

- 1: Recruit and fund the best researchers in ICT segments where Alberta can be a global leader. These segments include broadband networks including wireless, high performance computing, and new computational models to support emerging technologies (genomics, nanotechnology, bioinformatics, etc.)
- 2: Encourage industry to fund Research Chairs at Alberta universities



- 3: Collaborate with government partners to increase the number of Alberta graduates from ICT-related fields of study

#### **Investing in Research Infrastructure**

- 4: Invest strategically in infrastructure such as wireless test beds that makes Alberta globally competitive

#### **Fostering Innovation**

- 5: Increase collaboration between public research institutions, industry, academia and the public and private sector in Alberta and those in other jurisdictions in targeted strategic technologies
- 6: Encourage industry to invest in research projects at public research institutions
- 7: Provide support to the ASRA ICT Task Force focused on strategic advice on government investments and infrastructure related to ICT in Alberta

#### **Key Performance Measure**

1. Number of world-class ICT researchers and graduate students attracted to (or retained at) Alberta universities by iCORE Inc.

<b>Year</b>	<b>Total Research Chairs (Major Awards)</b>	<b>Total Graduate Students</b>
<b>2000-2001 Actual</b>	6	60
<b>2001-2002 Actual</b>	10	95
<b>2002-2003 Target</b>	12	110
<b>2003-2004 Target</b>	15	135
<b>2004-2005 Target</b>	17	135
<b>2005-2006 Target</b>	17	135

Source: iCORE Inc. 2002-2010 Strategic Plan, Table 3 (Flat Funding and Table 4 - Performance Measures).

**GOAL 4**      **To foster excellence in life sciences research that contributes to Alberta’s continued prosperity.**  
 This goal and the accompanying strategies reflect the initial stages of implementation of a long-term Life Sciences Strategy.

#### **Objectives**

- A skilled workforce to support life sciences research
- Internationally recognized research capabilities in areas of strategic importance
- Research that contributes to a more technologically advanced and sustainable agriculture and food sector
- Research that increases the global competitiveness and sustainability of Alberta’s forestry sector
- Life sciences development that harmonizes with Albertan values and goals
- An environment that encourages innovation and collaboration networks in life sciences research

#### **Strategies**

##### **Investing in People**

- 1: Develop a human resource plan and resulting programs in partnership with relevant government ministries, AHFMR, the Alberta Ingenuity Fund, research organizations and the life sciences industry to attract and retain highly-skilled researchers and meet the human resource needs of the agriculture and forestry research and technology development systems

##### **Investing in Research Infrastructure**

- 2: Participate with government ministries to develop a long-term infrastructure plan to support life sciences research and innovation

- 3: In cooperation with partners, make strategic investments to enhance Alberta's agricultural and forestry life sciences research capability

#### **Investing in Strategically Aligned Initiatives**

- 4: Align and co-ordinate research and innovation activity and funding within each of the four areas: agriculture, forestry, environment, and health
- 5: Develop and implement a communications plan to increase international awareness of Alberta's strengths in the life sciences
- 6: Work with partners to increase investments in high-quality agricultural research and technology development through strategic research networks in the priority areas of agri-health and value-added food, bio-products, and sustainable production (which identifies new areas of research and investment leading to key outcomes essential to achieve industry goals)
- 7: Commence investments in high-quality forestry research and technology development through programs aligned with AFRI's strategic directions including sustainable forest management, new products and processes, and enhancing the value-chain

#### **Fostering Innovation**

- 8: Continue to work with other government ministries, industry and the universities to refine and implement the Life Sciences Strategy
- 9: Increase the magnitude and scope of life sciences education and engagement initiatives involving the public, government and industry
- 10: Work with other organizations funding research in agricultural related life sciences areas to increase the contribution of agriculture to Alberta and the life science's economy
- 11: The AFRI will continue to work with industry and other research partners to build a long-term strategic plan that aligns with ASRA's Life Sciences Strategy

#### **Performance Measure**

Performance measures will be developed as the Life Sciences Strategy is finalized and implemented.

**GOAL 5**      **To foster the growth of knowledge-based industries and establish Alberta as a preferred location for the commercialization of technologies.**

#### **Objectives**

- Increased commercialization of energy, ICT, and life sciences research in Alberta
- Growth of energy, ICT and life sciences sectors in Alberta
- Commercialize opportunities resulting from ASRA's investment in energy research at the universities

#### **Strategies**

##### **Investing in People**

- 1: Facilitate appropriate management assistance and mentoring for startup and small ICT and life sciences businesses, in collaboration with Alberta Economic Development, Alberta municipalities and other Alberta technology commercialization partners
- 2: Work with partners to encourage expatriates and skilled workers to relocate to Alberta
- 3: Work collaboratively with partners to develop a plan to enhance entrepreneurial skills in Alberta

##### **Investing in Infrastructure**

- 4: In collaboration with government departments, industry and publicly funded research institutions, identify and market business opportunities and promote the *Alberta Advantage* in priority areas

- 5: Provide facilities, equipment, test beds and expertise to help Alberta industry develop and commercialize new products, processes and services
- 6: Assist ASRA and its wholly-owned subsidiary, ARC, to facilitate adoption of energy-related intellectual property generated by projects funded by ASRA
- 7: Attract and leverage industry research and development investment through *TRLabs*, industry, post-secondary institutions and ASRA initiatives

#### **Investing in Strategically Aligned Projects**

- 8: Attract industrial partners and investment to Alberta and establish initiatives which encourage the creation of early stage seed/venture capital pools and knowledge transfer
- 9: Bring forward projects jointly sponsored by Alberta research institutes and the private sector for provincial and federal consideration and support

#### **Fostering Innovation**

- 10: Facilitate business partnerships and networks between Alberta industry, researchers and government to develop emerging technologies, bring them to market and link to others across Canada and the world
- 11: Work with ASRA to implement priority initiatives within Alberta's Technology Commercialization Strategy
- 12: Gather and provide competitive intelligence and information that helps industry make technology development decisions, conduct environmental scans of Alberta's competitiveness in order to assist in defining appropriate policy recommendations and marketing actions to stimulate ICT industry growth

### **Key Performance Measures**

1. Employment in ICT sector in Alberta

	<b>1999 Baseline</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Target</b>	<b>2002 Estimate</b>	<b>2003 Target</b>	<b>2004 Target</b>	<b>2005 Target</b>	<b>2006 Target</b>
<b>Number of employees</b>	50,300	53,700	56,000	59,360	58,000	62,921	66,696	70,000	74,000

**Source:** Alberta Business Outlook 2002-2003. Due to a global recession in the telecommunications industry, targets have been revised.

2. Employment in the life sciences sector in Alberta

	<b>2001* Baseline Estimate</b>	<b>2002 Actual</b>	<b>2003 Target</b>	<b>2004 Target</b>	<b>2005 Target</b>	<b>2006 Target</b>
<b>Number of employees</b>	54,200	56,600	To be determined	To be determined	To be determined	To be determined

**Source:** Statistics Canada, Labour Force Survey.

\* Estimate has been revised using data from Statistics Canada.

## 2 Corporate Information and Communications Technology

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### Mission

*To provide strategic leadership and direction in the innovative and cost-effective use of information and communications technology (ICT) to improve the efficiency of government program delivery.*

ICT is an essential tool for delivering government programs and services to Albertans and in the daily administration of government operations. The Alberta government makes significant investments in ICT systems to maintain and improve the delivery of its services and the cost-effectiveness of its day-to-day operations.

Albertans are increasingly expecting that programs and services will be available on-line, any time, anywhere in Alberta. Meeting these expectations cost-effectively requires a high degree of collaboration between government ministries as well as the seamless sharing of information between ministries, while ensuring that Albertans' concerns for privacy and security are respected.

The Ministry of Innovation and Science is responding to these needs in two ways.

First, through Alberta SuperNet, affordable, high-speed broadband access to all universities, schools, libraries, hospitals, and provincial government buildings in Alberta will be provided within the next three years. This network will be the foundation for electronic delivery of government programs and services to Albertans in 422 communities throughout the province. Alberta SuperNet will also facilitate the provision of high-speed Internet access to businesses and Albertans in these 422 communities through independent Internet service providers accessing services from the Alberta SuperNet infrastructure.

Second, Innovation and Science also continues to provide corporate leadership and to work closely with all government ministries to ensure that investments in technology are aligned to cost-effectively enhance the delivery of services to Albertans.

### Strategic Priorities

- The completion of the Alberta SuperNet build
- Establish and implement an ICT Services model through private sector partnerships to provide upfront capital investment and to achieve efficiencies and cost reductions, through the implementation of a consolidated infrastructure and coordinated application support

### Linkages to Government Business Plan

Ministry efforts under this core business contribute to the achievement of broader Government of Alberta (GOA) business plan goals, particularly goals related to:

- Alberta's economic prosperity (GOA goal 7)
- Government's financial stability and accountability (GOA goal 9)

**GOAL 6 To strengthen the Alberta Advantage by maximizing the opportunities presented by a province-wide high-speed ICT capability through Alberta SuperNet.**

**Objectives**

- High-speed Internet services available to 422 communities
- Enhanced and more efficient delivery of services through Alberta SuperNet
- New business opportunities in Alberta

**Strategies**

**Investing in Infrastructure**

1: Complete the construction of Alberta SuperNet in 2004

**Fostering Innovation**

- 2: Identify opportunities for enhanced programs/service delivery utilizing Alberta SuperNet, through collaboration with other ministries, and particularly:
- E-learning with Alberta Learning
  - E-health services with Alberta Health and Wellness
  - E-government services through Service Alberta delivery with Alberta Government Services
  - E-justice with Alberta Justice
  - Providing connections for libraries with Alberta Community Development

**Investing in Strategically Aligned Initiatives**

- 3: Foster a competitive environment for commercial vendors accessing Alberta SuperNet at competitive prices across the province
- 4: Work closely with Alberta Economic Development to maximize opportunities arising for existing and new Alberta businesses, enabling them to participate and compete on the national and international stage

**Key Performance Measures**

1. Availability of Alberta SuperNet to 422 communities and approximately 4700 stakeholders during the three-year construction period

1 a). Number of Communities Connected (% of total communities to be connected):

	2001-02 Baseline	2002-03 Target	2002-03 Estimate**	2003-04 Target	2004-05 Target
Percentage of communities	0 (0%)	133 (31%)	6 (1.4%)	356 (84%)	422 (100%)

1 b). Stakeholders Connected\* (including schools, hospitals, libraries and provincial government buildings):

(sites connected)	2001-02 Baseline	2002-03 Target	2002-03 Estimate**	2003-04 Target	2004-05 Target
Schools	0	172	25	1270	2347 (100%)
Hospitals	0	76	6	287	504 (100%)
Libraries	0	22	3	235	305 (100%)
GOA buildings	0	259	11	730	1235 (100%)

**Source:** Alberta Innovation and Science. All targets are cumulative.

\* Number of stakeholders is preliminary and may be adjusted during the construction of the SuperNet Network. A school, hospital, library, or Government of Alberta building is considered to be connected within the fiscal year when it is hooked up to, and functioning on, the SuperNet infrastructure.

\*\* The number of communities and stakeholders connected for 2002-2003 is substantially lower than targeted. While progress on the originally announced rollout schedule is behind, the project is still estimated to be completed in mid-2004, as planned. Purchases of existing fibre optic cable from provincial suppliers are being finalized and will be incorporated into the design and build of the network, allowing significant progress in a short period of time.

2. The number of government programs/services available electronically for Albertans that will be delivered over the Alberta SuperNet infrastructure

	<b>2001-02 Baseline</b>	<b>2002-03 Target</b>	<b>2002-03 Estimate</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Number of programs/services	8	23	24	38	53	68

Sources: www.servicealberta.ca and Alberta Innovation and Science

**GOAL 7            The Government of Alberta will be recognized internationally for transforming the delivery of government programs and services through the innovative use of ICT.**

**Objectives**

- A clear strategic direction for the use of ICT
- Common, corporate ICT infrastructure
- Increased government services available direct to citizens online
- Cost efficiencies will allow government to reinvest savings into higher priority ICT initiatives
- Shared, common information

**Strategies**

- 1: Develop a comprehensive strategic direction for the use of ICT to deliver public sector information and services
- 2: Provide strategic advice on ICT investment priorities
- 3: Provide strategic direction on technology
- 4: Enter into a strategic partnership with a service manager to coordinate ICT delivery across government
- 5: Simplify the current ICT environment through a systematic reduction of server, network and application environments
- 6: Develop a consolidated web environment to deliver web services and applications
- 7: Leverage SuperNet connectivity to deliver government resources
- 8: Provide managers access to relevant information through the increased use of IMAGIS
- 9: Work with Ministries and Service Alberta to apply technology in order to change business processes within the Government of Alberta
- 10: Adopt and implement industry based business and technical standards across government
- 11: Maximize efficiencies by consolidating support and licensing agreements
- 12: Work with Government Services to implement a corporate information management framework
- 13: Develop and implement an information-sharing model that allows common data to be stored centrally and accessed by Ministries as needed

## Key Performance Measures

### 1. Implementation of corporate standards

Standard	2001-02 Baseline	2002-03 Estimate	2003-04 Target	2004-05 Target	2005-06 Target
<b>Office 2000/Windows 2000</b>	36%	80%	100%	100%	100%
<b>Government Web Development</b>					
• Webpage format for data sharing (XML)	To be established	20%	100%	100%	100%
<b>Enterprise Architecture</b>					
• Adoption of Domain Architectures	To be established	25%	50%	80%	80%
• Compliance process and assessment	To be established	30%	50%	80%	80%
<b>Authentication</b>	To be established	<1%	50%	100%	100%

Source: Office of the Chief Information Officer

### 2. ICT Infrastructure Consolidation - Implementation of corporate infrastructure services

Infrastructure Services	2002-03 (Estimates)*	2003-04 Target Amount Remaining	2004-05 Target Amount Remaining	2005-06 Target Amount Remaining
<b>Directories</b>	50	35	25	1
<b>E-Mail Systems</b>	15	1	1	1
<b>Number of Servers</b>	1300	1235	1105	650
<b>Desktop Configurations</b>	Most of the 24,500+ Government desktops have different configurations	1000	500	100
<b>Server Configurations</b>	400	300	150	50
<b>Server Locations</b>	350	300	150	10

Source: Office of the Chief Information Officer

\* These estimates are based on information collected in 2000/01. Baseline estimates for infrastructure services are under development. Targets will be adjusted when baselines have been established.

## CORPORATE ACTIVITIES

The following corporate divisions within the Ministry of Innovation and Science ensure resources are used effectively and efficiently to support ministry goals and strategies:

- Ministry Chief Information Officer
- Communications
- Finance Division
- Human Resource Services
- Policy Development and Coordination

### Key Corporate Activities for 2003-2004

- **Tracking Employee Satisfaction / Understanding of Contribution:** Innovation and Science will continue to track employee satisfaction and understanding of their contribution to the Ministry Business Plan. Targets have been established for several measures as indicated in the following table:

	2000-01 Actual	2001-02 Actual	2002-03 Actual	2003-06 Target
Employees who know and understand how their work contributes to the achievement of their department business plan	77%	87%	78%	100%
Percentage of employees who are very/somewhat satisfied with their employment at Innovation and Science/Government of Alberta	88%	88%	83%	95%
Percentage of employees who agree that Innovation and Science provides the support they need to acquire or develop knowledge and skills in their current job	86%	79%	73%	85%
Percentage of employees indicating that their organization provides expected outcomes for their work	68%	62%	61%	85%
Percentage of employees indicating that their organization helps them know and understand how well they are performing	69%	54%	58%	85%

**Source:** Government of Alberta Core Human Resource Measures 2001, Survey of Innovation and Science Employees

- **Business Resumption Planning:** Innovation and Science is working with Emergency Management Alberta of Alberta Municipal Affairs to develop a comprehensive business resumption plan for the Ministry. Specific actions to ensure early completion of a formal business resumption plan for 2003-04 include: designing and writing the business resumption plan and maintenance protocols as well as implementing a validation process.

## CROSS-MINISTRY INITIATIVES

### Priority Policy Initiatives:

Ministry activities support the achievement of the goals of the cross-ministry Economic Development Strategy.

### Key Administrative Initiatives:

The Ministry is co-champion for the following Key Administrative Initiatives:

- Corporate Information Management / Information Technology Strategy
- Service Alberta



## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Research and Development	136,792	150,409	142,209	161,991	171,554	184,772
Corporate Information and Communications Technology	44,387	48,927	50,600	49,080	64,551	72,306
Ministry Support Services	6,881	7,170	7,170	7,614	7,614	7,614
<b>MINISTRY EXPENSE</b>	188,060	206,506	199,979	218,685	243,719	264,692

## CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>CAPITAL INVESTMENT</b>						
<b>Core Business</b>						
Research and Development	2,188	4,296	4,296	3,414	3,346	3,387
Corporate Information and Communications Technology	43,807	123,699	91,199	62,200	14,000	4,000
Ministry Support Services	102	-	-	-	-	-
<b>MINISTRY CAPITAL INVESTMENT</b>	46,097	127,995	95,495	65,614	17,346	7,387

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	90,838	185,144	152,644	127,497	76,797	66,797
Transfers from Government of Canada	2,386	2,000	2,000	-	-	-
Investment Income	752	840	840	840	840	840
Other Revenue	50,144	57,515	51,494	65,790	72,889	84,127
<b>MINISTRY REVENUE</b>	<b>144,120</b>	<b>245,499</b>	<b>206,978</b>	<b>194,127</b>	<b>150,526</b>	<b>151,764</b>
<b>EXPENSE</b>						
<b>Program</b>						
Alberta Science and Research Authority:						
Energy (includes Climate Change Action Plan)						
Alberta Energy Research Institute	8,963	6,940	6,940	11,940	14,940	19,940
Alberta Research Council Inc.	10,116	10,895	10,895	11,126	11,126	11,126
Life Sciences						
Alberta Agricultural Research Institute	9,732	8,875	8,875	8,875	8,875	8,875
Alberta Forestry Research Institute	2,012	2,260	2,260	2,060	2,060	2,060
Alberta Research Council Inc.	7,896	8,504	8,504	8,683	8,683	8,683
Information and Communications Technology						
iCORE Inc. (Informatics Circle of Research Excellence)	5,845	10,000	10,000	10,000	10,000	10,000
Technology Commercialization Initiatives	910	1,500	1,500	1,500	1,500	1,500
Alberta Research Council Inc.	1,481	1,595	1,595	1,628	1,628	1,628
Investing in Research Capacity						
Alberta Science and Research Investment Program	38,818	39,222	39,222	39,222	37,222	33,222
Technology Business Development and Commercialization						
Technology Commercialization Initiatives	1,367	2,175	2,175	2,175	2,175	2,175
Alberta Research Council Inc.	5,182	5,581	5,581	5,698	5,698	5,698
Alberta Research Council Inc. - Contract Research	39,493	47,406	39,206	53,467	62,030	74,248
Operations and Policy Implementation	4,975	5,456	5,456	5,617	5,617	5,617
Corporate Information and Communications Technology	41,953	44,927	46,600	47,080	45,551	45,306
Alberta SuperNet	2,054	4,000	4,000	2,000	19,000	27,000
Ministry Support Services	6,881	7,170	7,170	7,614	7,614	7,614
Valuation Adjustments and Other Provisions	382	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	<b>188,060</b>	<b>206,506</b>	<b>199,979</b>	<b>218,685</b>	<b>243,719</b>	<b>264,692</b>
Gain (Loss) on Disposal of Capital Assets	(414)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(44,354)</b>	<b>38,993</b>	<b>6,999</b>	<b>(24,558)</b>	<b>(93,193)</b>	<b>(112,928)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	144,120	245,499	206,978	194,127	150,526	151,764
<i>Inter-ministry consolidation adjustments</i>	(102,172)	(202,336)	(168,336)	(145,931)	(96,056)	(87,976)
<b>Consolidated Revenue</b>	<b>41,948</b>	<b>43,163</b>	<b>38,642</b>	<b>48,196</b>	<b>54,470</b>	<b>63,788</b>
Ministry Program Expense	188,060	206,506	199,979	218,685	243,719	264,692
<i>Inter-ministry consolidation adjustments</i>	(11,334)	(17,192)	(15,692)	(18,434)	(19,259)	(21,179)
<b>Consolidated Program Expense</b>	<b>176,726</b>	<b>189,314</b>	<b>184,287</b>	<b>200,251</b>	<b>224,460</b>	<b>243,513</b>
Gain (Loss) on Disposal of Capital Assets	(414)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(135,192)</b>	<b>(146,151)</b>	<b>(145,645)</b>	<b>(152,055)</b>	<b>(169,990)</b>	<b>(179,725)</b>

## CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>Program</b>						
1 Alberta Research Council Inc.	2,188	4,296	4,296	3,414	3,346	3,387
2 Alberta SuperNet	38,994	117,800	85,300	58,700	10,000	-
3 Corporate Information and Communications Technology	4,813	5,899	5,899	3,500	4,000	4,000
4 Ministry Support Services	102	-	-	-	-	-
<b>MINISTRY CAPITAL INVESTMENT</b>	<b>46,097</b>	<b>127,995</b>	<b>95,495</b>	<b>65,614</b>	<b>17,346</b>	<b>7,387</b>



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# International and Intergovernmental Relations

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Halvar C. Jonson, *Minister of International and Intergovernmental Relations*  
March 19, 2003

## VISION

A strong Alberta, active in an open world and in a prosperous, united Canada.

## MISSION

To lead the development of government-wide strategies and policies for Alberta's relations with international governments and organizations and with federal, provincial and territorial governments in Canada.

## CORE BUSINESS

Sound government-to-government relationships are key in securing Alberta's future well-being and to achieve the Ministry's mission of providing leadership in the management of Alberta's international and intergovernmental relationships.

To that end, the Ministry has three core businesses:

1. Canadian Intergovernmental Relations
2. International Relations
3. Trade Policy

In carrying out the core businesses, the Ministry provides a number of services including:

- Advancing Alberta's interests through intergovernmental negotiations and discussions.
- Coordinating Alberta's strategies relating to international and intergovernmental relations.
- Providing strategic advice and policy analysis to Alberta ministries and other clients.
- Obtaining, disseminating and analyzing information for Alberta ministries and other clients.

## GOALS

The Ministry contributes to the three core businesses of the Government of Alberta: People, Prosperity and Preservation. The Ministry's key goals are:

- Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada.
- Promoting the interests of, and securing benefits for, Alberta from strengthened international relations.
- Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally.

## STRATEGIC PRIORITIES

The Ministry has three strategic priorities to achieve its goals. They are:

1. Successfully conducting and coordinating intergovernmental negotiations to advance Alberta's interests in Confederation (such as the Kyoto Protocol, health care).
2. Successfully participating in international negotiations to advance Alberta's interests with important trading partners (such as World Trade Organization negotiations, United States).
3. Successfully promoting Alberta by strengthening international relations through such mechanisms as Premier's missions, bilateral agreements (e.g. Alaska Alberta Bilateral Council, Advisory Council on Alberta Ukraine Relations), major events (e.g. annual meeting of Pacific Northwest Economic Region in Calgary, July 2003).

# GOALS AND STRATEGIES

## GOAL ONE

### **Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada.**

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#### **Key Result 1.1 Effective participation by Alberta in the Canadian federation.**

##### **Strategies**

- Advance Alberta's interests and ensure that Alberta priorities are addressed at intergovernmental meetings of First Ministers, Ministers and officials.
- Provide policy analysis and strategies, and coordinate input from other Alberta ministries for Alberta's participation in First Ministers' meetings, Premiers' Conferences, and Ministerial meetings.
- Develop strategies and policy options, in conjunction with Alberta ministries, to enable Alberta to receive a fair share of federal funding.
- Work with Alberta ministries to develop and implement coordinated and consistent approaches to intergovernmental issues and processes.
- Assist Alberta ministries in the development of intergovernmental agreements that reflect Alberta's intergovernmental objectives and priorities.

#### **Key Result 1.2 A Canadian federal system that better serves Albertans' needs.**

##### **Strategies**

- Promote both interprovincial and federal-provincial solutions to improve the efficiency and effectiveness of the federation through the reduction of overlap and duplication between governments, the reform of institutions (e.g., the Senate) and the reform of financial arrangements (e.g., fiscal rebalancing).
- Promote federal-provincial solutions to redesign federal-provincial financial arrangements including the Canada Health and Social Transfer, Equalization and cost-sharing arrangements.
- Implement, in conjunction with Alberta ministries, "A Framework to Improve the Social Union for Canadians" in a manner consistent with Alberta's intergovernmental interests.
- Work with Alberta ministries to develop strategies for Alberta's intergovernmental relations, to ensure Alberta plays a leadership role within the federation.
- Develop strategies and policy options, in conjunction with Alberta Ministries, with respect to climate change and the Kyoto Accord.

#### **Key Result 1.3 Effective leadership by Alberta that supports a strong, united and secure Canada.**

##### **Strategies**

- Develop policy recommendations and strategies on national unity and other related issues as they emerge.
- Work with the federal government, other provinces, the private sector and other key stakeholders to update and strengthen coordinated policy responses to issues relating to the security of the province and people of Alberta.

## 2 Promoting the interests of, and securing benefits for, Alberta from strengthened international relations.

- Key Result 2.1**      **Intergovernmental relationships which facilitate the two-way flow of goods, services, people and investment between Alberta and the United States.**
- Strategies**
- Build and maintain alliances with key U.S. decision makers and organizations (such as governors/legislators, energy officials, Montana-Alberta Bilateral Advisory Council; Pacific NorthWest Economic Region).
  - Identify and pursue opportunities for closer cross-government cooperation in areas that affect Alberta/U.S. economic activities.
  - Take a leadership role on issues of Canada/U.S. integration (including harmonization of standards, common perimeter, border crossing).
  - Work with other ministries and the private sector to enhance U.S. understanding of Alberta as a secure and reliable supplier of energy.
  - Influence Canadian foreign policy so that it reflects Alberta's interests and priorities towards the U.S.
  - Provide intelligence and policy advice to Alberta stakeholders on U.S. issues and developments.
- Key Result 2.2**      **A strategic approach to Alberta's international relations that effectively promotes the province's interests and priorities to foreign, governmental, decision makers.**
- Strategies**
- Provide strategic advice to ministries who are developing policies under Alberta's International Strategy.
  - Deliver intelligence and policy advice to Alberta stakeholders on internationally-sensitive issues.
  - Develop strategically-focused programs that showcase Alberta's strengths to international representatives.
  - Provide leadership and coordination for Premier's missions and advice on other ministerial missions.
  - Provide information and advice to clients and partners (Alberta offices, Canadian posts, foreign embassies and consulates) so they can help promote Alberta's economic, political and social strengths internationally.
- Key Result 2.3**      **Active bilateral relations (including twinnings) that enhance Alberta's profile in key international markets.**
- Strategies**
- Build close relations with government representatives of key foreign partners.
  - Coordinate and facilitate mutually-beneficial involvement with Alberta's "sister provinces". Assess potential new twinnings.
  - Support the work of the Advisory Council on Alberta-Ukraine Relations in enhancing bilateral relations with Ukraine.
  - Provide information and identify opportunities regarding twinned regions to Alberta stakeholders.
- Key Result 2.4**      **Effective contribution by Alberta to international development in the area of governance.**
- Strategies**
- Share the Alberta government's best practices with foreign partners.
  - Develop partnerships with the private sector and educational institutions to pursue projects funded by International Financial Institutions.
  - Design, implement and manage governance projects selectively.
  - Work with Alberta's public sector to facilitate participation in governance projects.



## 3 Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally.

### **Key Result 3.1 Expanded trade liberalization and foreign market access for Albertans through international trade and investment agreements.**

#### **Strategies**

- Remove or reduce barriers to trade and investment through direct negotiation. Participate with the federal government in negotiations to ensure Alberta's objectives are addressed.
- Develop a formal federal-provincial agreement that stipulates full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests.
- Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.
- Manage government-wide implementation of the North American Free Trade Agreement, the World Trade Organization Agreement and other agreements. Anticipate and prevent disputes.
- Coordinate Alberta's participation in World Trade Organization negotiations on issues involving provincial jurisdiction (e.g., environment, labour, agriculture, competition/business regulation, and services) and in other regional and multilateral negotiations (e.g., Free Trade Area of the Americas, Asia-Pacific Economic Cooperation).
- Manage disputes and defend Alberta's interests under North American Free Trade Agreement, World Trade Organization and other agreements.
- Work with other Alberta ministries to implement the trade policy component of Alberta's international strategy in a targeted, coherent manner.

### **Key Result 3.2 Expanded Canadian internal trade liberalization which promotes the free flow of goods, services, capital and labour across Canada.**

#### **Strategies**

- Remove or reduce barriers to internal trade, investment and labour mobility through direct negotiation with the federal government and other provinces and territories.
- Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.
- Coordinate Alberta's participation in the Agreement on Internal Trade.
- Manage the government-wide implementation of the Agreement on Internal Trade. Anticipate and prevent disputes.
- Manage disputes and defend Alberta's interests in the Agreement on Internal Trade.
- Work with other Canadian governments to enhance domestic trade through bilateral and multilateral negotiations and other regional agreements.

# PERFORMANCE MEASURES AND INDICATORS

International and Intergovernmental Relations has several methods of measuring its performance, including:

1. Client Satisfaction Surveys
2. Reports on Ministry Performance and Intermediate Outcomes
3. Public Polling Data

## 1. Client Satisfaction Surveys

An important measure of outcomes for International and Intergovernmental Relations (IIR) is stakeholder or client satisfaction. To achieve its goals, the ministry works closely with Alberta ministers, ministries, and other organizations in the province. Through periodic surveys, IIR consults these clients to evaluate the ministry's contribution to advancing Alberta's priorities and positions.

Client Surveys are an important component of IIR's varied measurement tools. The 2003 Client Survey was the fifth broad survey completed by the ministry. Earlier surveys, completed in 1995, 1997, 1999, and 2001 indicated that clients, both internal and external to government, consistently rated IIR highly in the area of satisfaction with the services provided. The 2003 survey continued this trend, with clients expressing a consistently high level of satisfaction with all areas of service (ranging from 4.0 to 4.4 out of 5 depending on the service). These ratings are even higher than the high level of satisfaction expressed in the 2001 survey.

## 2. Reports on Ministry Performance and Intermediate Outcomes

Previous ministry business plans have acknowledged that many of IIR's outcomes are long term, frequently dependent on factors outside the control of the ministry (i.e., dependent upon obtaining agreement from other governments), and difficult to present as quantitative data. To ensure the clear reporting of ministry performance, while keeping in mind the limitations faced in developing such data, IIR provides assessments on key initiatives from time to time. They may include reports issued after the conclusion of major conferences, trade negotiations or international missions. The reports assess how the province achieved its objectives.

In addition, the ministry prepares status reports or contributes to the reports prepared by others in order to track the intermediate outcomes of major projects. Since these projects span many years, preparing regular progress reports or measuring intermediate outcomes allows governments and taxpayers to keep track of the progress of complex, long-term issues. Examples of this approach are:

- regular status reports that measure the implementation of the Agreement on Internal Trade and the progress of complaints and disputes under that agreement;
- regular Progress Reports to Premiers by the Provincial/Territorial Council on Social Policy Renewal, and
- communiqués released at the end of Premiers' meetings.

These reports are posted on the International and Intergovernmental Relations website: <http://www.iir.gov.ab.ca>.

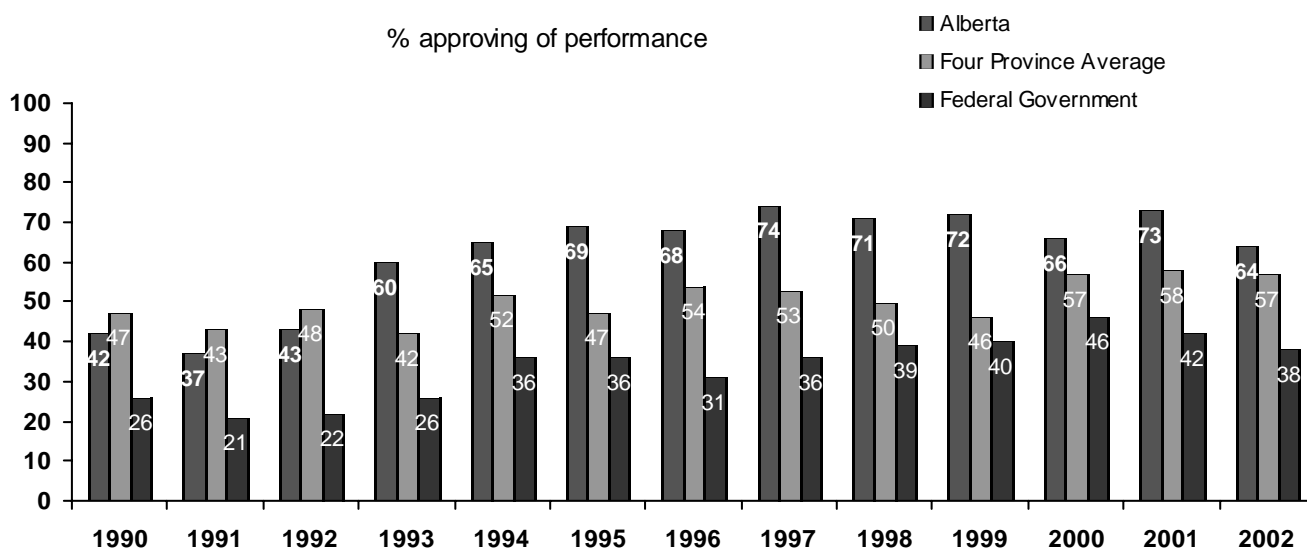
In addition, the website includes updates on preparations for, and progress in, domestic and international trade negotiations (e.g., World Trade Organization and the Agreement on Internal Trade). The website also provides an opportunity for feedback and comments (Feedback mechanism, Agreement on Internal Trade problem registration form, and Alberta Connects program) from the business community and the public.

### 3. Public Polling Data

An important measure of how the Alberta government is performing in the areas of international and intergovernmental relations is public polling data. In measuring the performance of the provincial government based on the satisfaction level of Albertans, the polling data does not specifically rate the performance of the ministry, but tracks the performance of the whole government. However, IIR does play an important role in supporting the Premier and his Cabinet colleagues in achieving intergovernmental goals. The polling data is based on a regular, national, opinion poll conducted by Environics Canada. The poll surveys the views of Canadians regarding the performance of their provincial and federal governments. The results are reported in the Focus Canada Report.

Alberta's target is to maintain the government's public approval rating in federal-provincial relations on par with the average of four other provinces (British Columbia, Saskatchewan, Manitoba, and Ontario). These provinces are closest to Alberta in terms of geography, history, economic base, social patterns and approaches to federalism. Alberta's intergovernmental approval rating in 2002 was 64% (see graph below). The four province average was 57% and the federal government rating was 38%.

#### Approval Ratings: Intergovernmental Relations:



### OTHER SECONDARY INDICATORS

IIR provides a detailed narrative record of its achievements and activities. This narrative is found in the ministry's Annual Report. The Report documents the accomplishments for each goal and provides a narrative outlining events and outcomes over the previous year. IIR also reports on a number of secondary indicators that track macroeconomic trends (e.g., trade statistics). While these are not direct measures of the ministry's performance, they do indicate the environment in which the ministry is operating. More detail on each indicator is available on the ministry's website.

### GOVERNMENT-WIDE GOALS

Much of the work of the Ministry relates to two goals in the Government Business Plan for 2003-06:

- Goal 7:** Alberta will have a prosperous economy.
- Goal 9:** Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

## **APPENDIX - CROSS-MINISTRY INITIATIVES**

### **Priority Policy Initiatives:**

IIR continues to actively work on four priority cross-ministry initiatives:

- Economic Development Strategy
- Alberta Children and Youth Initiative
- Aboriginal Policy Initiative
- Health Sustainability Initiative

IIR's participation in the priority policy initiatives enables the ministry to provide advice on gaps and overlaps with respect to intergovernmental issues.

### **Key Administrative Initiatives:**

The activities of International and Intergovernmental Relations (IIR) are aligned with each of the Key Administrative Initiatives.

For example, IIR works with the Alberta Corporate Service Centre to achieve efficiencies in the ministry's administrative services. IIR shares strategic corporate services, and the Senior Financial Officer/Chief Information Officer with the ministry of Aboriginal Affairs and Northern Development.

Through the Corporate and Ministry Human Resource Development Strategies, IIR is developing strategies to ensure staff are knowledgeable, skilled and effective. The ministry partners with Alberta Learning for its strategic human resource planning and programs.

IIR works within the Corporate Information Management/Information Technology Strategy to enhance business outcomes and to ensure the cost-effective use of technology.

IIR is committed to the one-window concept and has served on various committees since its inception (e.g., web development).

In addition, the ministry will continue to work with Service Alberta to enhance the "Alberta and the World" service bundle.

### **Strategic Planning Initiative:**

International and Intergovernmental Relations will chair one cross-ministry strategic initiative:

Security - The primary objective is to evaluate and update all aspects of the security of Alberta that come within the provincial government's scope of authority.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Canadian Intergovernmental Relations	2,267	2,450	2,450	2,576	2,576	2,576
International Relations	2,340	2,340	2,340	2,500	2,500	2,500
Trade Policy	1,331	1,294	1,294	1,392	1,392	1,392
<b>MINISTRY EXPENSE</b>	<b>5,938</b>	<b>6,084</b>	<b>6,084</b>	<b>6,468</b>	<b>6,468</b>	<b>6,468</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Other Revenue	21	-	6	-	-	-
<b>MINISTRY REVENUE</b>	<b>21</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSE</b>						
<b>Program</b>						
International and Intergovernmental Relations	5,926	6,084	6,084	6,468	6,468	6,468
Valuation Adjustments and Other Provisions	12	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	<b>5,938</b>	<b>6,084</b>	<b>6,084</b>	<b>6,468</b>	<b>6,468</b>	<b>6,468</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(5,917)</b>	<b>(6,084)</b>	<b>(6,078)</b>	<b>(6,468)</b>	<b>(6,468)</b>	<b>(6,468)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	21	-	6	-	-	-
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>21</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ministry Program Expense	5,938	6,084	6,084	6,468	6,468	6,468
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>5,938</b>	<b>6,084</b>	<b>6,084</b>	<b>6,468</b>	<b>6,468</b>	<b>6,468</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(5,917)</b>	<b>(6,084)</b>	<b>(6,078)</b>	<b>(6,468)</b>	<b>(6,468)</b>	<b>(6,468)</b>



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# Justice

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

David Hancock, *Minister of Justice and Attorney General*  
March 19, 2003

## INTRODUCTION

Through a commitment to public service and innovation, Alberta Justice offers a wide range of core services and specialized programs to meet the needs of Albertans. Through the ministry's Organizational Renewal Project, Alberta Justice is exploring new and innovative ways to provide better services by reviewing a range of programs, services and business processes, including enhancing the ministry's focus on the development and use of effective policy.

Alberta Justice works to involve stakeholders in the development of policies and directions as outlined in this business plan. In order to develop the ministry's effective use of policy, a joint Justice/Solicitor General Policy Advisory Committee has been established to provide advice and direction.

The ministry will continue to promote safe communities for all Alberta families and businesses through a strong and effective prosecution service, an accessible court system, and partnerships with Alberta Solicitor General, other government departments, the judiciary, the legal community, Aboriginal people and our stakeholders in policing, community organizations and local governments.

We will continue to promote a justice system that is responsive to the needs of victims and their families, as well as communities affected by criminal activity. Alberta Justice also assists Albertans in need through our ongoing support of legal aid, and through the continued and enhanced services of the Maintenance Enforcement Program and the Public Trustee.

The ministry promotes fair and timely access to justice both inside and outside of the courtroom through initiatives like early case resolution in criminal proceedings, and mediation, judicial dispute resolution and other alternative forms of civil dispute resolution. We will also explore forward-looking initiatives that may help streamline the court system such as caseflow management systems, electronic filing, and the feasibility of a unified trial court. In keeping with the Alberta advantage and the economic strategies of the Alberta government, the department will continue to work with stakeholders to improve its dispute resolution processes and consider a center of excellence for commercial dispute resolution. With our partners in Alberta Infrastructure and the judiciary, we will also develop court facility plans that address the current and long-term needs of Albertans.

By providing valuable legal services to all government ministries, we support the development of consistent and appropriate policy that takes into account the long-term objectives of client ministries and the government as a whole. We have also established a new goal in this business plan to help focus the ministry's efforts to improve knowledge and public confidence in the justice system through awareness and public information initiatives.

## PLANNING ENVIRONMENT

Alberta Justice has considered the following environmental factors in setting out strategic objectives for 2003-2006:

- Demographics:** Alberta's population is increasing faster than that of any other province, with inter-provincial migration being the primary source of growth. 6.3% of the total immigration to Canada occurred in Alberta, the fourth largest influx after Ontario, B.C., and Quebec. Alberta's net growth is the strongest it has been since the oil boom of the 1980's.
- Aboriginal Justice:** The Aboriginal population is young and the fastest growing segment of the Alberta population. A large proportion of the Aboriginal population in Canada experiences socio-economic disadvantages in comparison to non-Aboriginal Canadians. These disadvantages include lower incomes, educational attainment, and higher levels of unemployment. Significant over-representation of Aboriginal people at all points in the justice system also continues to be a serious issue. There is a need to develop innovative options for diversion, and most of all, to address the root causes of crime.



**Terrorism:**

Since September 11, 2001, there has been increased awareness of the potential for terrorist fundraising, planning, and activity in Canada. The Government of Canada introduced a new package of anti-terrorism measures as part of its Anti-Terrorism Plan. The plan has four objectives: stop terrorists from getting into Canada and protect Canadians from terrorist acts; bring forward tools to identify, prosecute, convict and punish terrorists; prevent the Canada-US border from being held hostage by terrorists and impacting the Canadian economy; and work with the international community to bring terrorists to justice and address the causes of such hatred.

**Organized Crime:**

Organized crime is evolving and expanding, finding its way into all forms of crime, including drug trafficking, prostitution, theft, fraud, human smuggling, cyber crime (gambling/sexual exploitation of children) as well as gang activity and street crime. Although Albertans and various social agencies are often directly confronted with, or have knowledge of, the street level activities of organized crime (e.g., drug abuse, prostitution), the link between local activity and criminal organizations is often not very clear. All Albertans are affected, both in its direct financial impact and in the social costs for individuals and their families. New strategies are being developed to better respond to the progression of organized crime.

**Implications of New Legislation:**

The federal *Youth Criminal Justice Act* will come into force on April 1, 2003 and is intended to promote greater use of alternative methods to the traditional justice system. The complexity and scope of the *Youth Criminal Justice Act* requires numerous program and operational changes. This legislation requires significant policy development in the jurisdictions in order to address the directions set for youth justice renewal. This will include making changes to provincial/territorial legislation.

New amendments to the *Criminal Code* dealing with preliminary inquiries, plea comprehension, expert evidence, designation of counsel and electronic enhancements will affect court procedure and Crown practice.

New amendments to the *Criminal Code* contain aggressive new measures to fight organized crime, including three new offences, tough sentences that target involvement with criminal organizations, and provisions that improve the protection of people who play a role in the justice system, such as jurors or witnesses, from intimidation.

A new *Interjurisdictional Support Orders (ISO) Act* was passed in 2002 in each provincial and territorial legislature to replace the *Reciprocal Enforcement of Maintenance Orders Act* and to simplify the means of obtaining and varying support orders where the parties reside in different Canadian jurisdictions. In partnership with the other Canadian jurisdictions and other Alberta ministries, Alberta Justice will determine procedures to implement the provisions of the *ISO Act*.

**Organizational Renewal:**

Alberta Justice has undertaken a multi-year organizational renewal project. The focus of the initiative is to identify, develop and complete projects that will improve the workplace environment, improve the efficiency and effectiveness of operations, build organizational capacity as well as improve service delivery, and ensure the long-term sustainability of the ministry.

## VISION

Our vision is a democratic and prosperous Alberta based on respect for the law, where all Albertans are safe in their homes and communities and have confidence in the justice system, and where disputes are resolved fairly and effectively.

## MISSION

Our mission is to serve Albertans by promoting safe communities, by ensuring access to the courts and other methods of dispute resolution, by providing legal and related strategic services to the Government of Alberta, and by communicating with Albertans about the administration of justice.

## CORE BUSINESSES

The following core businesses are intended to reflect the primary responsibilities of the ministry and those organizations that report to the Minister:

- Prosecutions:** The Criminal Justice Division prosecutes all persons charged with *Criminal Code* and provincial statute offences. The division promotes safe communities by working with individuals and organizations in the community to identify and implement improved and alternative approaches to the administration of criminal justice. In addition, the division develops criminal law policy for the province and supports criminal law consultation with other levels of government.
- Courts:** Alberta courts are presided over by an independent judiciary. There are three levels of court in the province - the Court of Appeal, the Court of Queen's Bench and the Provincial Court. The Court Services Division provides administrative support to the courts. Court Services also provides policy advice and assistance to the Minister and the ministry in relation to court issues. Stakeholders of Court Services include the public, the legal profession, law enforcement services, correctional authorities and various service providers.
- Legal Services to Government:** Civil Law provides legal advice and assistance to all government ministries and represents them in matters before the courts and tribunals. Constitutional and Aboriginal Law provides specialized services to the government in constitutional and Aboriginal law matters. Legal Research and Analysis provides advice on legislative policy. The Legislative Counsel Office is responsible for drafting government public bills, regulations and Orders in Council.
- Justice Services to Albertans in Need:** Through its programs and services, Justice provides support and protection to vulnerable citizens, including families who depend on court-ordered maintenance payments, individuals unable to protect their financial interests, and individuals who cannot afford legal counsel.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

Alberta Justice will respond to the issues facing the justice system and fulfill its vision, mission and primary responsibilities through six business plan goals. In addition to the measures that are identified in the business plan, Alberta Justice also measures and tracks additional performance information related to ministry programs and services for management and internal reporting.

GOAL ONE

## 1 Promote safe communities in Alberta

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Albertans have told us through the Justice Summit in 1999 and the Future Summit in 2002 that they want peaceful communities in which they can live, work and raise families in safety and security without fear of crime or victimization. While each goal is important, virtually everything Justice does is tested against this goal.

### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Aboriginal communities in Alberta will be effective and self-reliant.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

### Strategies / Initiatives:

- 1.1. Enhance our focus on serious and violent crime:
  - 1.1.1 Develop a provincial impaired driving enforcement strategy, in conjunction with Solicitor General, Transportation, and police services.
  - 1.1.2 Develop and implement the organized crime strategy, including working with Justice Canada on a proposal for a joint organized crime/terrorism prosecution team, in conjunction with stakeholders and develop the capacity to manage mega cases justly and efficiently.
  - 1.1.3 Work with stakeholders to identify and develop the role of provincial authorities in the fight against terrorism, including reviewing provincial legislation and procedures, fulfilling responsibilities under the federal *Anti-Terrorism Act* and playing an appropriate role in terrorist prosecutions.
  - 1.1.4 Implement *Criminal Code* amendments designed to reform criminal procedures (such as preliminary inquiries, expert evidence, and electronic enhancement) and other substantive provisions including offences relating to child pornography and luring.
- 1.2. Develop innovative alternatives to the traditional justice system
  - 1.2.1 Ensure effective prosecution of the *Youth Criminal Justice Act*, which becomes effective April 1, 2003.
  - 1.2.2 Improve the process for protection orders under the *Protection Against Family Violence Act*.
  - 1.2.3 Complete a review, evaluation and enhancement of the Alternative Measures Program with Solicitor General, police services, and other stakeholders.
  - 1.2.4 Work with stakeholders to deal more effectively with individuals in conflict with the law who suffer from Fetal Alcohol Syndrome (FAS).
  - 1.2.5 Work with Health and Wellness - Alberta Mental Health Board and other ministries and agencies to develop an implementation plan supporting the goal of diverting, where appropriate, criminally involved but mentally ill individuals away from the criminal justice system.

- 1.2.6 Work with the Chiefs of Police, RCMP Commanding Officer and Solicitor General to develop common strategic direction and promote integrated business processes and systems.
- 1.3. Ensure safety and security
  - 1.3.1 Work with Alberta Solicitor General to enhance the integration and effectiveness of the provincial court security program to ensure the safety of all those who work in and use Alberta courts.
- 1.4. Ensure that families and children are safe.
  - 1.4.1 In conjunction with Children's Services, develop a process for the timely investigation and formal review of pediatric deaths in the province and provide recommendations for the prevention of similar deaths in the future.

#### Core Performance Measures

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Public perception of safety in the home</b>						
The percentage of Albertans who feel "very safe" in their own homes.	59.5%	59.7%	68.7%	68.7%	71.9%	75%
<b>Public perception of safety in the neighbourhood</b>						
The percentage of Albertans who feel "somewhat comfortable" to "very very comfortable" walking alone in their neighbourhoods at night.	75%	77%	79%	80%	81%	82%
<b>Public perception of prosecution services</b>	Historical data not available; Target: to be established					

Source: Annual Public Opinion Survey

#### GOAL TWO

## 2 Work with Solicitor General to ensure victims have a more meaningful role in the criminal justice system

Recognizing the needs of the victim in the criminal justice system helps restore the balance of society in a humane and fair way and is an important goal of our justice system. Justice is committed to recognizing the unique needs of victims, treating them with respect, and striving to restore their feelings of safety in the community. Justice is also committed to providing effective services to victims of crime and expanding the role of the victim in the criminal justice system.

#### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Alberta's children will be supported in reaching their potential.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

#### Strategies / Initiatives:

- 2.1. Identify and implement best practices that assist child victims of crime, in conjunction with stakeholders, in support of the Government's Alberta Children and Youth Initiative.
- 2.2. Develop guidelines and business processes, and provide training to support the implementation of the *Victims Compensation and Restitution Payment Act*, which expands the powers of the court to assist victims who have suffered a loss of property as a result of an illegal act.

- 2.3. Develop a plan and commence implementation of approved recommendations for policy and legislative change as a result of the Victims of Crime Consultations.
- 2.4. Continue to enhance public assistance services in Crown Prosecutors Offices across the province.
- 2.5. Enhance services for witnesses.
  - 2.5.1 Review compensation for witnesses, jurors and interpreters.
  - 2.5.2 Review witness management.

### Core Performance Measures

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<b>Client satisfaction with public assistance program.</b>	Historical data not available; Target: to be established
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Source: Client Satisfaction Survey, Criminal Justice Division

### GOAL THREE



## Provide access to justice services for Albertans in need

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Albertans require access to a broad range of justice services including courts, prosecution services and appropriate dispute resolution mechanisms. In addition, services such as maintenance enforcement, estate and trust administration services, victim assistance, and legal aid contribute to the preservation of a safe society for Albertans where justice prevails.

### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Alberta's children will be supported in reaching their potential.
- Albertans will be self-reliant and those unable to provide for their basic needs will receive help.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

### Strategies / Initiatives:

- 3.1. Improve access to justice services for legal aid recipients.
  - 3.1.1 Negotiate new cost contribution agreement for criminal and young offender legal aid with Federal Department of Justice.
  - 3.1.2 Continue to monitor the operation and evaluation of the Family Law Staff Counsel Pilot Project to serve legal aid recipients.
- 3.2. Implement the revised and updated *Public Trustee Act*.
- 3.3. Enhance effective and efficient access to the Maintenance Enforcement Program (MEP).
  - 3.3.1 Prepare amendments to the *Maintenance Enforcement Act*.
  - 3.3.2 Identify opportunities for access to MEP through additional web-based applications.
  - 3.3.3 Collaborate with other Canadian jurisdictions and Alberta stakeholders to establish procedures resulting from the passage of the *Interjurisdictional Support Orders Act*.
  - 3.3.4 Identify innovative administrative structures to enhance MEP.
  - 3.3.5 Identify opportunities to share MEP file information with the ministries of Children's Services and Human Resources and Employment to increase administrative fairness.

## Core Performance Measures

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
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### Client satisfaction with the services of the Public Trustee's Office

The percentage of clients "satisfied" to "very satisfied" with the services of the Public Trustee's Office.	86%	88%	85%	88%	91%	87%
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Source: Client Satisfaction Survey, Public Trustee's Office

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
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### The average amount collected on Maintenance Enforcement Program files

The average dollars collected per file by the Maintenance Enforcement Program.	\$2,931	\$2,912	\$3,025	\$3,139	\$3,106	\$3,125
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Source: Administrative data, Maintenance Enforcement Program

	2000-01	2001-02	2003-06 Target
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### Maintenance Enforcement Program: dollars received compared to dollars due (% collected)

The program's collection rate on scheduled support and scheduled arrears payments.	80%	79%	80%
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Source: Administrative data, Maintenance Enforcement Program

**Client satisfaction with legal aid services** Historical data not available; Target: to be established

Source: Client Satisfaction Survey, Legal Aid Society

## GOAL FOUR

# 4

## Promote a fair and accessible civil and criminal justice system

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. Where appropriate, mediation, judicial dispute resolution, and mini-trials are used as alternatives to the traditional court process. By speeding up the process and lowering costs, these alternatives can improve access.

### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Alberta's children will be supported in reaching their potential.
- Aboriginal communities in Alberta will be effective and self-reliant.
- Alberta will have effective and efficient transportation and utilities infrastructure.
- Albertans will be well prepared for lifelong learning and work.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

### Strategies / Initiatives:

- 4.1. Foster a justice system that discourages unnecessary delays.
  - 4.1.1 Implement the Provincial Court Notice to the Legal Profession related to Early Case Resolution (ECR) in conjunction with stakeholders, including the judiciary, police services and the defence bar, and participate in a review to be conducted by the ECR committee.
  - 4.1.2 Work with police services and other ministries to ensure efficient and effective court brief preparation and disclosure procedures.

- 4.1.3 Develop an implementation plan for court annexed mediation in civil matters to reduce cost/time of litigation.
- 4.2. Enrich supports to families.
  - 4.2.1 Continue to prepare reforms to update and consolidate existing family law to make it more accessible to Albertans.
  - 4.2.2 Develop a plan to implement government's response to the Unified Family Court Task Force Report.
  - 4.2.3 Examine the feasibility of expanding family mediation services throughout the province.
  - 4.2.4 Work with the judiciary, other ministries and stakeholders to make the family court system more user friendly and easier to understand.
  - 4.2.5 Identify and refer appropriate clients to the Maintenance Enforcement Program's case conferencing initiative and evaluate its results.
- 4.3. Endorse First Nation justice initiatives.
  - 4.3.1 Promote culturally sensitive approaches to prosecutions by participating in local community development projects through the Aboriginal Liaison Prosecutors Committee.
  - 4.3.2 Enhance Aboriginal awareness programs and improve staff access to them.
  - 4.3.3 Support and develop court initiatives in First Nation communities.
  - 4.3.4 Provide services, information, and support to Aboriginal people involved in criminal and family court.
- 4.4. Improve court delivery structure.
  - 4.4.1 Work with Infrastructure and the judiciary to provide increased access for Albertans through the development of new consolidated Calgary court facilities.
  - 4.4.2 Work with Infrastructure to undertake a study to develop a long-term accommodation plan for facilities, taking into consideration program needs and the needs of stakeholders and users of the criminal justice system.
  - 4.4.3 Work with the federal government and the judiciary to explore the possibility of implementing a unified trial court in Alberta.
  - 4.4.4 Review other opportunities for improvements to court processes such as the establishment of specialized courts (e.g. drug courts, domestic violence courts).
  - 4.4.5 Implement omnibus *Criminal Code* amendments to address court procedural issues.
- 4.5. Improve and simplify access to justice.
  - 4.5.1 Review an increase to the civil claims limit to improve access by self-represented litigants.
  - 4.5.2 In partnership with the Alberta Law Reform Institute and the judiciary, rewrite the Rules of Court to reduce complexity and make them more user friendly for litigants and the bar.
  - 4.5.3 Review court clerk administrative processes.
  - 4.5.4 Develop recommendations for the implementation of an Alberta class actions statute based on the model Canadian legislation.
- 4.6. Improve efficiency and reduce the cost of administering justice.
  - 4.6.1 Determine the feasibility of the recovery of revenue from corporations for lengthy civil trials.
  - 4.6.2 Develop a strategy to address increased traffic ticket and bylaw volumes and ensure effective processing of these matters in the courts. This is to include exploring online fine payments and electronic ticket processing and expanded use of First Appearance Centres.
  - 4.6.3 Explore the use of technology as a primary tool to improve access to the court system through initiatives such as caseflow management systems, support for the Service Alberta website, electronic filing, and expanded use of video conferencing.
  - 4.6.4 Explore the use of court exhibits via photographs or computer images.

## Core Performance Measures

		1997-98	1998-99	1999-00	2000-01	2003-06 Target
<b>Median elapsed time from first to last appearance</b> The median elapsed time in days that it takes to process a case in provincial criminal court from first to last appearance.	Alberta Median	76 days	80 days	78 days	72 days	Below the Canadian median
	Canadian Median	84 days	84 days	84 days	87 days	N/A

Source: Adult Criminal Court Survey, Canadian Centre for Justice Statistics

			2000-01	2001-02	2003-06 Target
<b>Average criminal trial lead time – youth</b> Average criminal trial time measures the availability of provincial criminal court. This measure is defined as the average number of weeks in the future that a trial date is available.			14 weeks	14 weeks	Less than 16 weeks

Source: Administrative data, Court Services Division

		1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Average criminal trial lead time – adult</b> Average criminal trial time measure the availability of provincial criminal court. This measure is defined as the average number of weeks in the future that a trial date is available.		17 weeks	17 weeks	15 weeks	14 weeks	Less than 16 weeks

Source: Administrative data, Court Services Division

			2001-02	2003-06 Target
<b>Provincial court civil mediation settlement rate</b> The mediation settlement rate is the number of civil actions settled through mediation in the civil claims program divided by the total number of civil claims settled or not settled through such mediation. This is a blended settlement rate of Calgary and Edmonton.			69%	70%

Source: Administrative data, Court Services Division

GOAL FIVE

## 5 To assist government ministries to achieve their objectives through provision of effective legal and related strategic services

The government performs a number of roles as service provider, community partner, and lawmaker. These roles involve relationships with individuals, families, communities, businesses, and other governments. Effective legal services reduce the potential for conflict involving the government, protect, and advance the interests of the government. By providing strategic corporate advice, Justice can assist other ministries in achieving their policy objectives, while minimizing conflict and constitutional questions.

### Relates to Government Business Plan Goal:

- Alberta Justice provides legal services to all ministries supporting the Government Business Plan Goals.



**Strategies / Initiatives:**

- 5.1. Enhance alignment of legal service resources with government and client legal and related strategic priorities:
  - 5.1.1 Implement use of service protocol agreements with client ministries.
  - 5.1.2 Enhance corporate counsel services to meet changing needs of government and ministries.
  - 5.1.3 Enhance role in creating and leading cross-ministry committees on legal and related strategic issues of government wide importance. In particular, Justice will provide leadership in developing recommendations for legal strategy and related action in relation to the proposal by the federal government to implement the Kyoto accord.

**Core Performance Measures:**

	2001-02	2003-06 Target
<b>Client satisfaction with legal services</b>		
The percent of client ministries "satisfied" to "very satisfied" with the legal services provided by Alberta Justice.	81%	82%

**Client satisfaction with assistance in meeting corporate goals** Historical data not available; Target: to be established

**Source:** Client Satisfaction Survey, Legal Services Division

GOAL SIX

## 6 Improve knowledge of, and confidence in, the justice system

The justice system is complex. With numerous stakeholders involved in the process, it is a continuous challenge to coordinate initiatives and to ensure effective communication to the public. Timely, coordinated, and accessible information to the public will improve the knowledge and confidence in the system.

**Relates to Government Business Plan Goals:**

- Alberta will have effective and efficient transportation and utilities infrastructure.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.
- Alberta will be a fair and safe place to work, live, and raise families.

**Strategies / Initiatives:**

- 6.1. Facilitate public education and information
  - 6.1.1 Provide information through the Family Law Information Centre.
  - 6.1.2 Deliver high-quality Parenting After Separation courses on dealing with and resolving conflicts to parents who are involved in the Family Court process.
  - 6.1.3 Develop a public education strategy, including partnerships with community organizations, to enhance knowledge of the Maintenance Enforcement Program.
  - 6.1.4 Develop court information services for the public, including self-represented litigants, defense counsel, prosecutors and the judiciary.
  - 6.1.5 Provide information and assistance to the public (victims/jurors and witnesses/self-represented litigants/ persons with complaints).
  - 6.1.6 Facilitate joint sessions between community victim service agencies and Crown prosecutor offices to enhance awareness of victim needs and understanding of criminal justice issues.

- 6.1.7 Explore ways of enhancing justice education through curriculum change, and develop additional resources to encourage and support the teaching of the justice system in Alberta high schools.
- 6.1.8 Pursue additional strategies to inform Albertans about the justice system, including the development of a variety of information/education pieces for the public and specified targeted audiences.

**Core Performance Measures**

	2001-02	2003-06 Target
<b>Public knowledge of the justice system</b>		
The percentage of Albertans who feel “somewhat knowledgeable” to “very knowledgeable” about the justice system in Alberta.	60%	62%

**Public confidence in the justice system** Historical data not available; Target: to be established

Source: Annual Public Opinion Survey

## CROSS-MINISTRY INITIATIVES

To ensure effective and efficient administration of justice in the province, the ministry continues to work closely with Alberta Solicitor General in the development of business plan strategies and initiatives, as well as activities such as environmental scanning and development of effective measures of results.

Specific strategies are described under each goal above. Major areas of collaboration with Solicitor General to achieve ministry strategic priorities include: Serious and Violent Crime Strategy; Organized Crime Strategy; *Youth Criminal Justice Act*; Provincial Impaired Driving Enforcement Strategy; community justice initiatives; victims services; domestic violence; and enhancing court security.

## ALBERTA GOVERNMENT PRIORITY POLICY INITIATIVES

Alberta Justice will demonstrate leadership and contribute to the implementation of cross ministry policy and administrative initiatives, including:

**Aboriginal Policy Initiative:** The ministry will continue to co-champion the Aboriginal Policy Initiative with Children’s Services and Aboriginal Affairs and Northern Development. The ministry will implement specific initiatives that contribute to the well-being and self-reliance of Aboriginal people including: promotion of culturally sensitive approaches to prosecutions; community based court initiatives; services, information and support to Aboriginal people involved in the justice system; and, will provide legal advice and support to cross ministry working groups on land and resource related issues.

**Alberta Children & Youth Initiative:** Through programs such as the Maintenance Enforcement Program, the Aboriginal Youth Suicide Prevention strategy, and initiatives like the formal pediatric review process, the ministry contributes to the overarching principle guiding the Alberta Children & Youth Initiative: to improve supports and resources for children, youth and families.

**Health Sustainability Initiative:** The ministry will contribute to the sustainability of the health care system by strengthening collaboration and coordination across ministries through its participation in Aboriginal Youth Suicide Prevention and the National Tobacco Reduction Committee. The ministry is also participating in a Mental Health

Diversion program in collaboration with other ministries and agencies to develop an implementation plan supporting the goal of diverting, where appropriate, criminally involved but mentally ill individuals away from the criminal justice system and to develop better ways to deal with mentally ill persons who are within the criminal justice system. In addition, the ministry is working with stakeholders to deal more effectively with individuals in conflict with the law who suffer from Fetal Alcohol Syndrome (FAS). Participation in the Ethics and Privacy in Health Research Committee is also an example of the ministry's commitment to the Health Sustainability Initiative.

### **Economic Development Strategy:**

The ministry will help ensure that the province has an unmatched future of opportunity through working together with other ministries, businesses, industry, communities, other governments and public institutions, employees and other stakeholders on initiatives including: the Federal/Provincial Partnership Forum; and providing legal advice on land and resource related issues. In support of the Economic Development Strategy, the ministry will review an increase in civil claims limits and will consider a unified trial court, including a center of excellence for commercial dispute resolution.

## **KEY CORPORATE STRATEGIES**

### **Human Resource Strategies**

Key initiatives will be undertaken to address five specific ministry and corporate strategies.

*Building Leadership Capacity:* to prepare for the future, Alberta Justice will develop proactive and responsible leaders who can effectively communicate and manage change. Leadership is required at all levels of the ministry to address demographic and ongoing organizational changes.

*Attracting and Retaining Talent:* to position Justice as an employer of choice, comprehensive recruitment, attraction and knowledge management strategies are required.

*Aligning the Management of Human Resources:* to ensure the management of human resources is aligned with government and ministry goals and priorities, Justice will continue to strengthen the Performance Management Process.

*Classification and Collective Bargaining:* to ensure Justice participates in the cross-ministry implementation of classification and collective bargaining initiatives.

*Workplace Health:* to ensure Justice continues to build a positive, healthy work environment.

## **Information and Communications Technology (ICT) Strategies**

Justice uses a variety of Information and Communications Technology (ICT) strategies to support its mission, core businesses and organizational renewal. Systems will be maintained and enhanced to ensure that they operate in an efficient and effective manner for the ministry and for its partners in civil and criminal justice, and as a source of management information to support executive management decision-making.

Justice will continue the construction of a new technologically advanced computer information system (Maintenance Information Management System - MIMS) to support the Maintenance Enforcement Program, scheduled for deployment in 2004. As the SuperNet high-speed network project is deployed across Alberta, ways to utilize this technology will be considered to improve access to services to Albertans province-wide, for example by using videoconferencing in the courts, electronic traffic fines processing and electronic filing of court documents. Other ways in which services to Albertans can be delivered through Service Alberta will be examined.

## **Business Resumption Plan**

Justice files updated Business Resumption Plans with Emergency Management Alberta (formerly Disaster Services) on an annual basis. The updates reflect changes to the business, staffing, and technology that have been designated as "critical".

## **Regulatory Review**

Over this business planning cycle, the ministry will continue to monitor its regulations and regulatory processes, and will take action as appropriate and consistent with its Regulatory Review Work Plan.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Courts	95,557	100,824	104,869	115,509	111,314	111,782
Justice Services to Albertans in Need	75,376	79,665	81,399	82,580	84,253	85,125
Prosecutions	32,296	36,261	37,038	41,184	41,788	41,778
Legal Services to Government	21,088	22,459	23,430	23,244	23,804	24,258
<b>MINISTRY EXPENSE</b>	<b>224,317</b>	<b>239,209</b>	<b>246,736</b>	<b>262,517</b>	<b>261,159</b>	<b>262,943</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	10,178	9,986	10,211	10,276	10,276	10,743
Investment Income	340	325	38	325	325	325
Premiums, Fees and Licences	31,870	33,774	34,578	37,955	37,960	37,960
Other Revenue	46,016	57,024	52,388	58,769	59,823	59,823
<b>MINISTRY REVENUE</b>	<b>88,404</b>	<b>101,109</b>	<b>97,215</b>	<b>107,325</b>	<b>108,384</b>	<b>108,851</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	11,620	10,503	10,719	13,564	13,721	13,759
Court Services	91,482	96,240	98,478	109,377	105,307	105,774
Legal Services	59,547	64,103	64,964	69,682	72,251	73,586
Support for Legal Aid	27,242	28,187	28,187	28,798	28,798	28,798
Public Trustee	7,651	8,091	8,204	8,688	8,711	8,711
Medical Examiner	4,532	4,556	4,711	5,132	5,095	5,039
Motor Vehicle Accident Claims	24,297	27,156	27,156	26,903	26,903	26,903
Valuation Adjustments and Other Provisions	(2,054)	373	4,317	373	373	373
<b>MINISTRY EXPENSE</b>	<b>224,317</b>	<b>239,209</b>	<b>246,736</b>	<b>262,517</b>	<b>261,159</b>	<b>262,943</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(135,913)</b>	<b>(138,100)</b>	<b>(149,521)</b>	<b>(155,192)</b>	<b>(152,775)</b>	<b>(154,092)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	88,404	101,109	97,215	107,325	108,384	108,851
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>88,404</b>	<b>101,109</b>	<b>97,215</b>	<b>107,325</b>	<b>108,384</b>	<b>108,851</b>
Ministry Program Expense	224,317	239,209	246,736	262,517	261,159	262,943
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>224,317</b>	<b>239,209</b>	<b>246,736</b>	<b>262,517</b>	<b>261,159</b>	<b>262,943</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(135,913)</b>	<b>(138,100)</b>	<b>(149,521)</b>	<b>(155,192)</b>	<b>(152,775)</b>	<b>(154,092)</b>

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# Learning

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Dr. Lyle Oberg, *Minister of Learning*  
March 21, 2003

## LIFELONG LEARNING

Lifelong learning is the process by which people acquire and apply knowledge and skills throughout life to help them reach employment goals, enjoy a high quality of life, and be active and responsible citizens. Lifelong learning begins in early childhood and continues into the senior years. Lifelong learning enables Albertans to participate and prosper in an ever-changing, knowledge-based economy and society.

Alberta Learning's 2003-06 Business Plan identifies how the Ministry plans to work over the next three years to enhance lifelong learning for Albertans.

# CORPORATE COMPONENTS OF THE BUSINESS PLAN

Alberta Learning’s vision, mission, principles and values define the Ministry. The Ministry’s vision is its view of the future. The mission explains the Ministry’s reason for existence. The principles identify the Ministry’s method of operating, and the values demonstrate the beliefs or traits that guide ministry actions.

## VISION

*The best learning system in the world.*

## MISSION

Alberta Learning, through its leadership and work with stakeholders, ensures that learners are prepared for lifelong learning, work and citizenship so they are able to contribute to a democratic, knowledge-based and prosperous society.

## PRINCIPLES

**Learner Centered** . . . . .The lifelong learning system is focused on the learner.

**Accessible** . . . . .Albertans have access to affordable, quality learning opportunities.

**Collaborative** . . . . .Learning is a lifelong human endeavor that best occurs when partners and stakeholders work together to provide a holistic approach and a supportive environment.

**Accountable** . . . . .The learning system is accountable to Albertans for quality results, system sustainability, and fiscal responsibility.

**Responsive** . . . . .The learning system is flexible and meets and anticipates learner need.

**Innovative** . . . . .The learning system demonstrates leading edge innovation for improved results.

**Equitable** . . . . .Albertans have equitable access to lifelong learning opportunities.

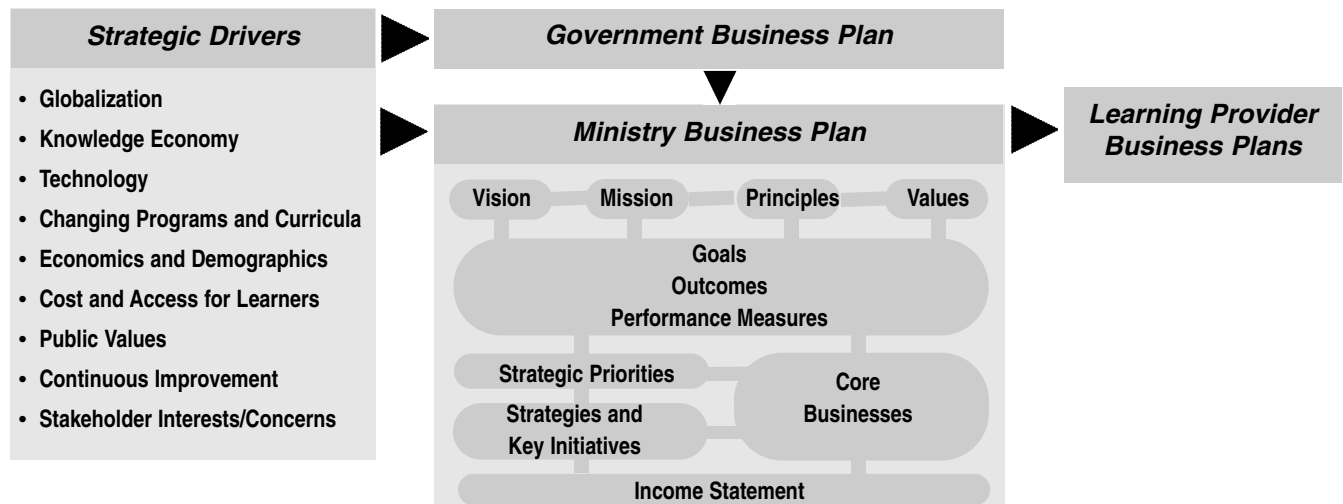
## VALUES

Respect • Integrity • Trust • Openness • Caring

# BUSINESS PLAN FRAMEWORK

Business plans are designed to answer the following questions about a ministry: Where does it want to be in the future? How will it get there? and How is its progress measured?

Various components of Alberta Learning’s 2003-06 Business Plan, identified in the diagram below, are designed to answer the above questions.

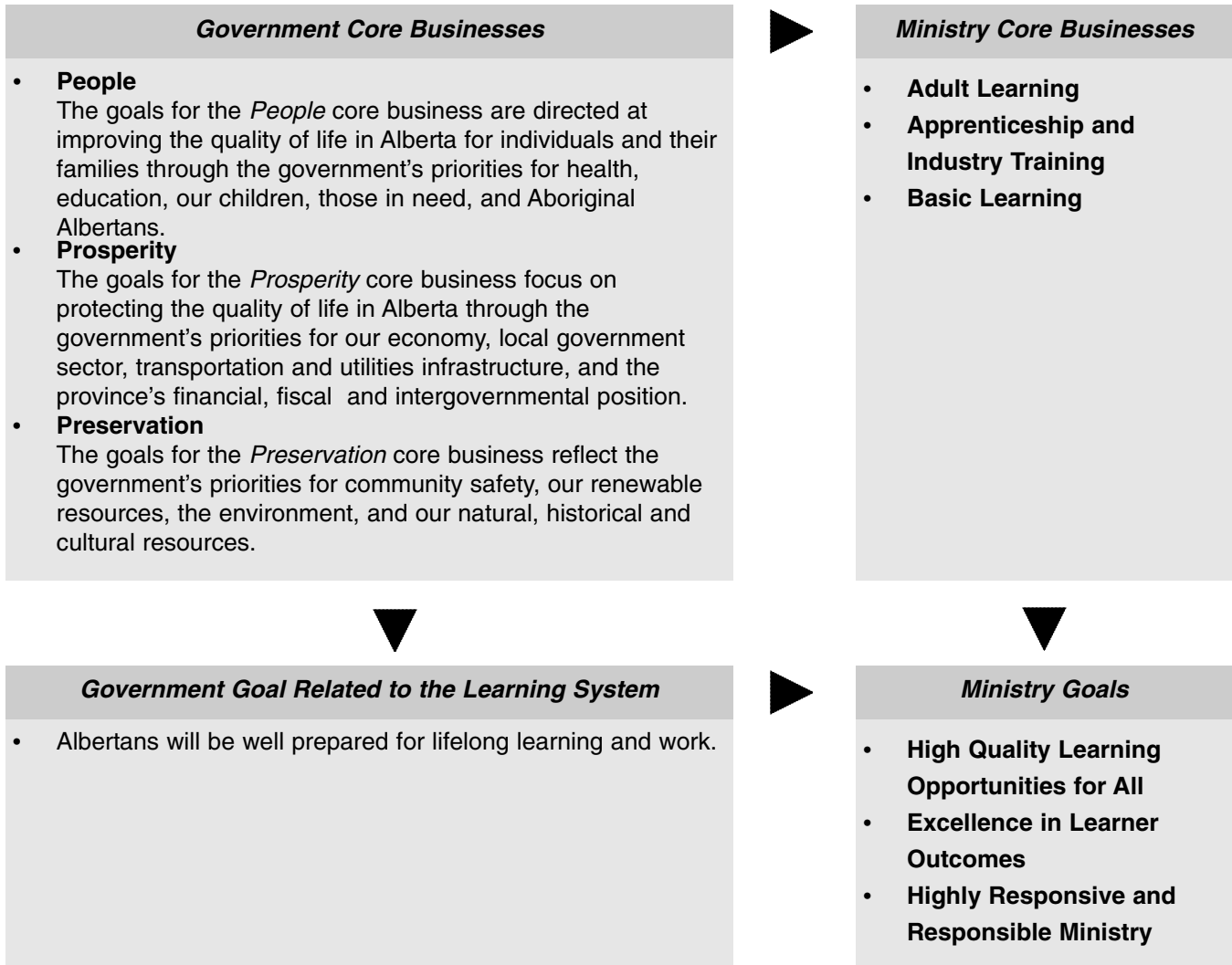




# MINISTRY LINKAGES WITH GOVERNMENT CORE BUSINESSES AND GOALS

Education is a priority in Alberta. Alberta’s knowledge-based economy and society depend on innovative, well-educated, skilled and adaptable people.

To help maintain the Alberta Advantage, the province’s high standard of living, and active citizenship, Alberta Learning in collaboration with stakeholders ensures that Alberta’s learners are prepared for the future. As such, Alberta Learning’s core businesses and goals are aligned with and support the Government of Alberta core businesses and goals, which recognize that knowledge and innovation are key drivers of economic and societal prosperity.



## STRATEGIC DRIVERS

Strategic drivers provide the broader context in which Alberta Learning develops learning strategies and initiatives to prepare learners for the future. Alberta Learning strategically examines these drivers, drawing on the opportunities and challenges presented by them, to determine what work will be undertaken to enhance lifelong learning opportunities for Albertans.

<b>Globalization</b>	Globalization presents new work opportunities and challenges for highly skilled Albertans, but Alberta must compete with other jurisdictions to attract and retain investment, skilled labour, and high value-added industries. A highly skilled, knowledgeable and productive workforce prepared for success in a global economy provides a competitive advantage.
<b>Knowledge Economy</b>	Alberta's students can take advantage of the knowledge economy by completing high school, going on to post-secondary learning, and participating in lifelong learning. These actions impact innovation, economic participation and quality of life for all Albertans. The learning system has a continuing role in helping all Albertans gain the skills to participate effectively in the global knowledge economy.
<b>Technology</b>	Rapid technological advancement is transforming the way people live, work, learn, communicate, and play. The learning system faces ongoing challenges related to equipping learners to work in a world where information and communications technologies continue to play an influential role. The learning system has a continuing role in optimizing the use of technology to enhance learning opportunities in Alberta.
<b>Changing Programs and Curricula</b>	To keep pace with the changing demands of the knowledge economy, the learning system needs to anticipate and plan for the future. It also must take into account labour market trends, globalization, and advances in technology and respond with appropriate programs and curricula that best meet the learning needs of all Albertans.
<b>Economics and Demographics</b>	Like other jurisdictions, Alberta will continue to experience significant demographic shifts over the next decade, including an aging population, rural depopulation, and an increasing post-secondary population. While government has implemented policies to ensure the affordability of education, demographic changes will exert additional pressure on the sustainability of the learning system.
<b>Cost and Access for Learners</b>	Albertans recognize the importance of lifelong learning in a knowledge-based society and have high expectations for an accessible, affordable, and choice-filled learning system. These expectations continue to inform Alberta Learning's strategic planning and decision-making to ensure a sustainable learning system that supports the lifelong learning needs of all Albertans.
<b>Public Values</b>	Albertans value our world-class learning system and, as taxpayers, expect continuous improvement. There is a greater need to clearly communicate complex learning issues, the return on investment in learning, and the costs of basic and post-secondary education and lifelong learning to all Albertans.
<b>Continuous Improvement</b>	Sustaining and continuously improving a quality learning system requires the innovative design, development, and administration of outcomes and performance measures to assess student and system achievement. These and other tools help to inform decision-making processes around Alberta Learning strategies and initiatives, continually improve the quality of learning in Alberta, and ensure excellence from students and the system.
<b>Stakeholder Interests and Concerns</b>	Building on the recognized strengths and achievements of Alberta's learning system requires the continued involvement of Alberta Learning's stakeholders. By continuing to work together with stakeholders in the face of growing expectations, finite resources, and rapidly changing economic and social forces, Alberta learners benefit.

## STRATEGIC PRIORITIES

The Ministry has identified five strategic priorities that are designed to meet ministry goals and respond to the various strategic drivers for 2003-06. These strategic priorities are designed to enhance lifelong learning opportunities for all Albertans.

As reflected in the strategic drivers, Albertans live in a dynamic and challenging global environment. Individuals need access to the skills, knowledge and experiences that can transform challenges into opportunities. Learning success is a key factor in creating the social and economic well-being of Albertans...whether as a health determinant, to foster knowledge-based, value-added components to traditional and new industry sectors, or to foster active citizenship in our communities. Needs are diverse and quality is essential.

### **Continuous Improvement of the Learning System**

Therefore, the first priority for Alberta Learning is to continue to promote learning excellence through the continuous improvement of the learning system. To this end, a strategic review of the post-secondary system will ensure we continue to move toward the Campus Alberta vision to accommodate government and economic direction as well as the increased need for a well-educated workforce. In addition, the Alberta Commission on Learning will be making recommendations in a number of areas to ensure our system maintains excellence in the future, including transitions within and connected to the Kindergarten to Grade 12 (K-12) system.

### **Labour Market Demands and Sharing/Creating Knowledge**

Secondly, we must ensure that the learning system is informed by and responsive to the realities of local, provincial, regional, national and international labour market demands. Pursuing excellence in learning at all levels from preschool through post-secondary and beyond serves as the engine for the creation and sharing of knowledge. This knowledge will drive the development of new products, services and industry opportunities enabling Alberta to remain competitive in the global environment.

### **First Nations, Metis and Inuit Learner Success**

A third priority relates to improving First Nations, Metis and Inuit learner success. Aboriginal peoples of Alberta play an important role in our province. The collaboration and involvement of all stakeholders will focus on increasing learner success and moving to close the education attainment and labour force participation gaps identified in the Aboriginal Policy Cross-Ministry Initiative.

### **Collaboration with Partners and Stakeholders**

Another strategic priority is continuing our work with partners and stakeholders to achieve our mission. To prepare learners for lifelong learning, work, and citizenship, we must work collaboratively across and within the learning system. We work with our partners on a number of cross-ministry initiatives and, in particular, lead work on the Economic Development Strategy Cross-Ministry Initiative and the Alberta Children and Youth Cross-Ministry Initiative. To maximize our combined and complementary efforts, it is important that the roles and responsibilities of partners and stakeholders be clarified.

### **Financial Sustainability of the Learning System**

Lastly, it is not enough that our system is 'the best' now if that excellence is not sustainable. Implementation of recommendations from the K-12 Funding Framework will be an important step in ensuring sustainability. We will continue to work with post-secondary institutions, industry and students to review and implement new tuition fee policies and ensure that the adult learning system remains affordable. We will also be supporting government-approved recommendations from the Financial Management Commission for improving the province's overall approach to fiscal management.

The Alberta Advantage will only be possible in the future with a significant return on investment in the learning system and through our greatest resource - Albertans.

# GOALS, OUTCOMES, CORE PERFORMANCE MEASURES, STRATEGIES AND KEY INITIATIVES

Goals are the end results that the Ministry wants to achieve in fulfilling its mission. Outcomes are similar to goals, but are more specific and focused. Core performance measures indicate the degree of success a ministry has in achieving its goals and outcomes. Targets are considered met if the result is within 95% of the target (except for provincial achievement tests).

Strategies are specific courses of action or groups of initiatives undertaken by a ministry to accomplish its goals. Alberta Learning strategies for 2003-06 support the three ministry goals. Key initiatives are the Ministry's priority activities that contribute to the success of the strategies for 2003-06. The Ministry also undertakes additional initiatives to support its goals.

## GOAL ONE

# 1 High Quality Learning Opportunities for All

### Outcome 1.1 The learning system meets the needs of all learners, society and the economy.

Measure a Public satisfaction with the overall quality of basic education

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	63%	70%	70%	70%

Measure b Satisfaction of recent post-secondary graduates with the overall quality of their education

	2000-01 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	81%	80-85%	N/A	TBS

Measure c Satisfaction of recent apprenticeship graduates with on-the-job training

	2000-01 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	92%	N/A	90%+	N/A

Measure d Satisfaction of recent apprenticeship graduates with technical training

	2000-01 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	95%	N/A	90%+	N/A

### Outcome 1.2 All Albertans can participate in quality learning.

Measure a Public satisfaction that adult Albertans have easy access to lifelong learning  
(Results will be available in 2002-03)

### Outcome 1.3 The learning system is affordable.

Measure a Public satisfaction that the learning system is within the means of most Albertans

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	63%	65%	TBS	TBS

### Outcome 1.4 Financial need is not a barrier to learners participating in learning opportunities.

Measure a Refer to Measure 1.3.a

#### Notes:

N/A: No target because data is available only every other year.

TBS: Target to be set when more years of data are available.

**Strategy 1.A Continue to promote learning excellence through the continuous improvement of the learning system.**

- Key Initiatives
- Support government approved recommendations from Alberta’s Commission on Learning.
  - Implement the recommendations from the MLA Committee on Lifelong Learning.
  - Implement the Campus Alberta Framework.
  - Develop the Adult Learning Strategic Framework, including implementing a review of the post-secondary legislation and improving access to university level learning opportunities.
  - Develop a Renewed Vision for K-12 Curriculum.

**Strategy 1.B Ensure the learning system is responsive to labour market demands and supports the creation and sharing of knowledge.**

- Key Initiatives
- Implement the Alberta International Education Strategy.
  - Enhance immigration policy and programs to meet priority skill needs of the economy and immigration targets in Alberta’s Labour Force Strategy, *Prepared for Growth – Building Alberta’s Labour Supply*.
  - Implement the Enhancing Second Language Learning Project goals.
  - Respond to industry need for a trained and skilled workforce.
  - Develop curriculum, resources, and student assessments for Integrated Occupational Program (IOP).

**Strategy 1.C Continue to develop a learning system that integrates new learning technologies.**

- Key Initiative
- Implement the Learning and Technology Policy Framework, including the continued implementation of LearnAlberta.ca and SuperNet to develop multimedia and online resources for student learning.

**Strategy 1.D Develop a learning system that maximizes accountability to Albertans by identifying common desired outcomes for the learning system.**

- Key Initiative
- Continue the work of the Review Committee on Outcomes to define expected outcomes and measures for the K-12 system.

GOAL TWO



**Excellence in Learner Outcomes**

**Outcome 2.1 Learners demonstrate high standards.**

Measure a Students who achieved standards on grades 3, 6 and 9 Provincial Achievement Tests

		Results for All Students in Grade				Results for Students Who Wrote			
		2001-02	2003-04	2004-05	2005-06	2001-02	2003-04	2004-05	2005-06
<i>acceptable/excellence</i>		Actual	Target	Target	Target	Actual	Target	Target	Target
<b>Grade 3</b>	Language Arts	81%/15%	83%/17%	84%/18%	85%/18%	90%/16%	91%/18%	91%/19%	92%/19%
	Mathematics	81%/27%	82%/27%	83%/27%	83%/27%	89%/29%	89%/30%	90%/31%	90%/31%
<b>Grade 6</b>	Language Arts	81%/15%	81%/16%	82%/17%	82%/17%	89%/17%	88%/17%	89%/18%	89%/18%
	Mathematics	78%/18%	79%/19%	80%/19%	80%/19%	85%/20%	86%/20%	87%/21%	87%/21%
	Science	80%/23%	81%/25%	81%/25%	82%/25%	87%/25%	88%/26%	89%/27%	89%/27%
	Social Studies	78%/19%	78%/20%	79%/21%	79%/21%	86%/21%	86%/22%	87%/23%	87%/23%
<b>Grade 9</b>	Language Arts	79%/15%	80%/15%	81%/16%	81%/16%	90%/17%	91%/17%	91%/17%	91%/18%
	Mathematics	65%/17%	67%/17%	68%/18%	69%/18%	74%/19%	75%/19%	76%/20%	76%/20%
	Science	72%/11%	CR	TBS	TBS	81%/13%	CR	TBS	TBS
	Social Studies	74%/18%	74%/18%	75%/19%	75%/19%	83%/20%	83%/20%	84%/21%	84%/21%

Notes: The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.  
 Targets are not set for the first year of new curriculum.  
 CR: Curriculum revision - targets to be set when results are available that reflect the revised curriculum.  
 TBS: Target to be set when more years of data are available.

**Outcome 2.1**      **Learners demonstrate high standards. (continued)**  
 Measure b      Students who achieved standards on diploma examinations

<b>acceptable / excellence</b>	<b>2001-02 Actual</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
English 30	88%/19%	TBS	TBS	TBS
English 33	87%/7%			
Social Studies 30	86%/21%			
Social Studies 33	81%/12%			
Pure Mathematics 30	81%/28%			
Biology 30	84%/26%			
Chemistry 30	82%/24%			
Physics 30	84%/33%			
Science 30	82%/12%			

Notes: The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.  
 The diploma examination program is being revised to introduce comparability from year to year.

**Outcome 2.2**      **Learners complete programs.**  
 Measure a      High school completion rate of students within 5 years of entering Grade 10

	<b>2000-01 Actual</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
	73%	75%	TBS	TBS

Measure b      Educational Attainment of Albertans aged 25 to 34

	<b>2002 Actual</b>		<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
	Canada	Alberta			
High School	89%	89%	90%+	90%+	90%+
Post-Secondary	62%	58%	60%	62%	62%

Measure c      Apprenticeship completion rate, based on tracking apprentices after their first year of technical training for two years beyond the normal length of the program

	<b>2000-01 Actual</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
	76%	76%	76%	76%

Measure d      System-wide post-secondary completion rate (under development). Public institution completion rates, based on tracking first year, full-time students for three years beyond the normal length of the program, are aggregated by sector and presented as an interim completion rate measure (IM).

	<b>2001-02 Preliminary</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Universities	66%	IM	IM	TBS
Colleges/Technical Institutes	59%	IM	IM	TBS

Note:  
 IM: Interim Measure - targets are not applicable to an interim measure. Targets to be set when the system-wide measure is available. This measure will be available upon full implementation of the Alberta Student Number, which will enable the inclusion of transfer students in the completion rate.

Note:  
 TBS: Targets will be set when system-wide measure is available.

**Outcome 2.3**      **Learners are well prepared for lifelong learning.**  
 Measure a      Readiness to learn measure (under development)  
 Participation rate of Grade 1 students in Early Childhood Services (ECS) in a prior year is presented as a proxy measure (PM) of readiness to learn

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	95%	PM	PM	PM

Note:

PM: Proxy measure - targets are not applicable for this proxy measure for readiness to learn since ECS is a parental choice.

Measure b      Public satisfaction that adult learners are well prepared for lifelong learning

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	76%	78%	78%	TBS

**Outcome 2.4**      **Learners are well prepared for employment.**

Measure a      Employment rates of post-secondary graduates

	1999-2000 Actual	2003-04 Target	2004-05 Target	2005-06 Target
	93%	N/A	90%+	N/A

**Outcome 2.5**      **Learners are well prepared for citizenship.**

Measure a      Public satisfaction that learners are well prepared for citizenship

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
High School Students	59%	60%	60%	TBS
Adult Learners	68%	68%	69%	TBS

**Strategy 2.A**      **Improve First Nations, Métis and Inuit learner success.**

Key Initiative      • Implement The First Nations, Metis and Inuit Education Policy Framework.

**Strategy 2.B**      **Continue to improve learning opportunities for Albertans by enhancing transitions to work and further study for learners.**

Key Initiatives      • Work with schools, post-secondary institutions, industry and business to enhance school-to-school, school-to-work, and work-to-school transitions for learners.  
 • Implement recommendations from the *Removing Barriers to High School Completion Report* in consultation with school authorities and stakeholders.  
 • With community-based organizations, provide opportunities for adults to make the first steps to improving their basic literacy skills through volunteer tutor, English as a second language, and family literacy programs in local communities.

**Strategy 2.C**      **Enhance accessibility and promote consistent practices of learning programs for all students.**

Key Initiatives      • Continue implementation of the Special Education Review recommendations.  
 • Continue to work with post-secondary institutions, industry and students to review and implement new tuition fee policies and ensure that the adult learning system remains affordable.  
 • Improve the design and delivery of student financial assistance.

Notes:

N/A: No target because data is available only every other year.

TBS: Target to be set when more years of data are available.

## 3 Highly Responsive and Responsible Ministry

### Outcome 3.1 Improved results through effective working relationships on Cross-Ministry Initiatives and with stakeholders.

Measure a Satisfaction of cross-ministry partners and learning system stakeholders that Alberta Learning staff are collaborative

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
Collaborative	86%	88%	90%	TBS

### Outcome 3.2 The Ministry demonstrates leadership and continuous improvement.

Measure a Satisfaction of cross-ministry partners and learning system stakeholders that Alberta Learning staff are responsive and flexible

	2001-02 Actual	2003-04 Target	2004-05 Target	2005-06 Target
Responsive and Flexible	78%	80%+	80%+	TBS

Measure b Roll-up of core measure results (under development)

### Strategy 3.A Continue to work collaboratively with partners and stakeholders within the learning system.

- Key Initiatives
- Work with partners and stakeholders to clarify roles and responsibilities within the learning system.
  - Work with education partners and stakeholders to build on the successes of the Alberta Initiative for School Improvement (AISI) and to determine and communicate effective practices that support continuous improvement of teaching and student achievement in Alberta.
  - Initiate, develop and support cross-ministry initiatives including the Aboriginal Policy Initiative, Economic Development Strategy, Health Sustainability Initiative, and Alberta Children and Youth Initiative.
  - Work with partners and stakeholders to implement standardization of technology solutions across the learning system.

### Strategy 3.B Promote financial sustainability of the learning system.

- Key Initiatives
- Support government approved recommendations from the Financial Management Commission.
  - Implement the K-12 Funding Framework Review recommendations for a new funding model.

### Strategy 3.C Ensure Albertans have timely, accurate, and relevant information about the learning system.

- Key Initiative
- Enhance effective communication with stakeholders and Albertans.

### Strategy 3.D Develop long-term human resource capacity for the learning system and department.

- Key Initiatives
- Address long-term human resource capacity for the learning system in consultation with schools and post-secondary institutions.
  - Implement the Department's Human Resource Plan.

Note:

TBS: Target to be set when more years of data are available.



## CORE BUSINESSES

Core businesses set out the ongoing key responsibilities of the Ministry that support the mission and provide a framework for achieving results and allocating resources. Alberta Learning's core businesses support the three ministry goals.

Alberta Learning's three core business divisions, Adult Learning, Apprenticeship and Industry Training, and Basic Learning provide learning services and standards for the learning system. These divisions work closely with their provincial ministry partners to ensure program continuity and smooth transitions for learners.

<b><i>Core Business</i></b>	<b><i>Division Function</i></b>
<b><i>Adult Learning Division</i></b>	
<b>Fund post-secondary learning providers</b>	<ul style="list-style-type: none"><li>• Provide funds to public institutions through operational and envelope funding, and provide grants to Community Adult Learning Councils, consortia, adult literacy, and family literacy programs.</li></ul>
<b>Provide student financial assistance and other supports to Albertans who qualify</b>	<ul style="list-style-type: none"><li>• Administer the delivery of federal and provincial student funding programs, providing information and issuing awards to students applying for loans, grants and bursaries. Coordinate student appeals for changes in their funding.</li></ul>
<b>Encourage and reward the excellence of Albertans through scholarships and awards</b>	<ul style="list-style-type: none"><li>• Provide information and award scholarships.</li></ul>
<b>Approve programs of study at public institutions</b>	<ul style="list-style-type: none"><li>• Approve programs and mandates for public post-secondary institutions.</li><li>• Facilitate course and program transfer agreements within the post-secondary system.</li></ul>
<b>License and accredit programs offered by private providers</b>	<ul style="list-style-type: none"><li>• License vocational programs offered by private institutions.</li><li>• Approve programs offered by private degree granting institutions and approve degree programs offered by non-resident institutions.</li></ul>
<b>Fund and provide community adult learning opportunities</b>	<ul style="list-style-type: none"><li>• Provide learning opportunities through immigrant settlement, English as a Second Language, community adult learning and literacy programs.</li><li>• Evaluate prior credentials of new Albertans.</li></ul>
<b>Provide information and support to the adult learning system</b>	<ul style="list-style-type: none"><li>• Provide planning, coordinating and policy support to adult learning providers and information on the adult learning system to the public.</li></ul>

***Apprenticeship and Industry Training Division***

<b>Develop program standards with industry</b>	<ul style="list-style-type: none"> <li>• Develop course outlines and examinations that meet industry standards and research and develop new initiatives for trades training delivery.</li> <li>• Lead and support interprovincial mobility initiatives.</li> <li>• Respond to industry needs for new trades, occupations and enhanced training programs.</li> </ul>
<b>Provide information and support to the apprenticeship and industry training system</b>	<ul style="list-style-type: none"> <li>• Provide planning, coordination and policy support to the Alberta Apprenticeship and Industry Training Board and its network of industry committees.</li> <li>• Promote apprenticeship in collaboration with industry and learning stakeholders.</li> </ul>
<b>Counsel apprentices and employers</b>	<ul style="list-style-type: none"> <li>• Assist apprentices and employers with registration and provide advice on apprenticeship training and certification.</li> <li>• Provide consultation and technical services throughout apprenticeship programs.</li> <li>• Monitor the workplace for compliance with the <i>Apprenticeship and Industry Training Act</i> and regulations.</li> </ul>
<b>Fund approved programs in conjunction with Adult Learning</b>	<ul style="list-style-type: none"> <li>• Forecast training needs and work with institutions to coordinate technical training.</li> </ul>
<b>Certify learners and others who meet industry standards</b>	<ul style="list-style-type: none"> <li>• Verify work experience and training, administer exams, and issue certificates.</li> </ul>

***Basic Learning Division***

<b>Establish curriculum standards</b>	<ul style="list-style-type: none"> <li>• Develop and revise K-12 programs of study to ensure they are relevant and responsive in meeting the learning needs of Albertans.</li> </ul>
<b>Develop learning resources</b>	<ul style="list-style-type: none"> <li>• Select and develop learning and teaching resources to support effective and efficient classroom instruction.</li> </ul>
<b>Certificate teachers</b>	<ul style="list-style-type: none"> <li>• Ensure that Alberta's teachers are certificated and equipped with the knowledge, skills and attributes needed to support students in meeting standards set by the Minister.</li> </ul>
<b>Support students with diverse needs</b>	<ul style="list-style-type: none"> <li>• Work with school authorities to enhance, provide access to, and support the development and implementation of programs for students with diverse learning, linguistic, or cultural needs.</li> </ul>
<b>Support school authorities</b>	<ul style="list-style-type: none"> <li>• Develop and implement programs, policies, regulations and legislation that further the capacity of school authorities to meet the learning needs and learning choices of Albertans.</li> <li>• Maintain strong relationships with school authorities.</li> </ul>
<b>Approve schools and programs</b>	<ul style="list-style-type: none"> <li>• Monitor public, separate, francophone, charter and private school authority education plans and annual reports.</li> <li>• Approve First Nations, private and charter schools.</li> </ul>
<b>Conduct investigations and appeals</b>	<ul style="list-style-type: none"> <li>• Conduct investigations, reviews and hearings to ensure an open, fair and effective learning system.</li> </ul>

## INTEGRATING AND SUPPORTING BUSINESSES

Similar to core businesses, integrating and supporting businesses are also part of the ongoing work that the Ministry undertakes to achieve its goals.

Alberta Learning's integrating and supporting divisions and branches, Information and Strategic Services Division, System Improvement and Reporting Division, Corporate Services Division and Communications Branch, provide services that focus on ministry-wide operations and facilitate integration and accountability across all divisions.

<i>Integrating/Supporting Business</i>	<i>Division Function</i>
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### ***Information and Strategic Services Division***

<b>Provide ministry-wide policy options</b>	<ul style="list-style-type: none"><li>• Develop policy positions, options and responses, coordinate immigration and federal/provincial policy, conduct research and integrate policy direction across the Ministry.</li></ul>
<b>Design and implement ministry-wide planning and consultation processes</b>	<ul style="list-style-type: none"><li>• Facilitate ministry planning and decision making with planning processes and products, consultation and coordination, facilitation and information.</li></ul>
<b>Provide direction for effective use of technology by the Ministry and the learning system</b>	<ul style="list-style-type: none"><li>• Facilitate effective and integrated use of information management and technology systems by the Ministry to support business plans.</li><li>• Provide and support information and technology systems of the Ministry.</li><li>• Provide leadership and support for the implementation of evolving technologies in the learning system in conjunction with stakeholders.</li></ul>
<b>Deliver ministry-wide learning and technology services</b>	<ul style="list-style-type: none"><li>• Design, develop and deliver print and electronic learning resources to support program delivery in the learning system.</li><li>• Issue High School and Equivalency Diplomas and official transcripts of courses and marks.</li><li>• Collect, manage and provide learning system information required by the Ministry.</li></ul>

<i>Integrating/Supporting Business</i>	<i>Division Function</i>
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### ***System Improvement and Reporting Division***

<b>Facilitate continuous improvement and ensure accountability throughout the Ministry and the learning system</b>	<ul style="list-style-type: none"><li>• Lead the development of accountability frameworks, performance indicators, measures and targets</li><li>• Conduct applied research, periodic audits or monitoring, and program evaluation.</li><li>• Report ministry and learning system results.</li><li>• Develop and administer provincial Achievement Tests and Diploma Examinations, providing individual, school, jurisdiction and provincial level results to support teaching and learning in the ECS to Grade 12 learning system as well as administering General Educational Development Test to adult learners.</li><li>• Coordinate Alberta's participation in national and international assessments.</li></ul>
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*Integrating/Supporting Business*      *Division Function*

**Corporate Services Division**

- Ensure system and fiscal accountability**
  - Provide legislative planning services, administration, financial services, human resource planning, and corporate records management.
- Develop budget plans**
  - Develop and coordinate the budget process for the Ministry business plan and monitor budget compliance.
- Develop human resource capacity**
  - Plan, support and coordinate the implementation of the Corporate Human Resource Development Strategy and Human Resource Plan for the Department.
- Fund school authorities**
  - Calculate and award funding to all school authorities.
  - Analyze financial reporting submitted by school authorities.
  - Review funding support provided to school authorities to ensure a high percentage of dollars are directed to student learning.
- Print and manage learning resource**
  - Develop, produce and distribute learning resources.

*Integrating/Supporting Business*      *Division Function*

**Communications Branch**

- Share information and achievements**
  - Provide useful, timely and clear information to Albertans about the learning system.
  - Provide strategic communications advice and planning services.
  - Provide specialized writing and editing skills.
  - Represent the Ministry to the public and media.
  - Facilitate effective communication with ministry staff and stakeholders.

**EXPENSE BY CORE BUSINESS**

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Support for Basic Learning	3,276,896	3,389,106	3,457,256	3,590,628	3,700,453	3,834,898
Support for Adult Learning	1,183,033	1,258,415	1,255,101	1,304,941	1,329,716	1,357,563
Support for Apprenticeship Training	18,570	20,813	20,339	20,718	18,589	17,667
<b>MINISTRY EXPENSE</b>	<b>4,478,499</b>	<b>4,668,334</b>	<b>4,732,696</b>	<b>4,916,287</b>	<b>5,048,758</b>	<b>5,210,128</b>

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	71,337	103,800	105,065	137,545	119,345	120,945
School Property Taxes	1,094,070	1,093,000	1,101,000	1,165,000	1,233,000	1,304,000
Transfers from Government of Canada	167,116	174,586	111,158	142,282	142,276	138,552
Sales of Learning Resources	29,013	30,245	25,935	30,903	30,903	30,903
Premiums, Fees and Licences	4,763	4,866	4,877	4,890	4,917	4,947
Other Revenue	5,271	3,440	3,709	4,671	7,157	9,850
<b>MINISTRY REVENUE</b>	<b>1,371,570</b>	<b>1,409,937</b>	<b>1,351,744</b>	<b>1,485,291</b>	<b>1,537,598</b>	<b>1,609,197</b>
<b>EXPENSE</b>						
<b>Program</b>						
Operating Support to Public and Separate Schools	2,884,767	3,003,108	2,997,699	3,144,731	3,259,311	3,385,628
Teachers' Pensions	223,843	236,948	239,848	268,349	282,664	293,664
Private Schools Support	108,152	96,604	100,943	109,912	115,380	120,998
Provincial Initiatives	64,632	65,602	65,602	65,602	65,602	65,602
Other Basic Learning Support	33,430	36,722	32,234	37,955	38,177	38,580
Student Health Services	27,317	28,547	28,425	29,118	29,700	30,294
<b>Total Basic Learning Support</b>	<b>3,342,141</b>	<b>3,467,531</b>	<b>3,464,751</b>	<b>3,655,667</b>	<b>3,790,834</b>	<b>3,934,766</b>
<i>Less:</i>						
Property Tax Support to Opted-Out Separate School Boards	(135,409)	(152,000)	(150,000)	(162,000)	(171,000)	(181,000)
<b>Total Government Support to Basic Learning</b>	<b>3,206,732</b>	<b>3,315,531</b>	<b>3,314,751</b>	<b>3,493,667</b>	<b>3,619,834</b>	<b>3,753,766</b>
Assistance to Post-Secondary Institutions	1,025,767	1,074,914	1,078,514	1,122,243	1,134,933	1,157,170
Support to Post-Secondary Learners	112,515	140,755	133,670	133,155	152,305	156,525
<b>Total Adult Learning Support</b>	<b>1,138,282</b>	<b>1,215,669</b>	<b>1,212,184</b>	<b>1,255,398</b>	<b>1,287,238</b>	<b>1,313,695</b>
Apprenticeship Delivery	14,444	16,281	15,813	16,193	16,279	16,365
Ministry Support Services	30,351	29,530	29,390	29,505	29,874	30,121
Program Delivery Support	85,393	87,432	90,870	87,257	90,459	91,050
	4,475,202	4,664,443	4,663,008	4,882,020	5,043,684	5,204,997
<u>One-time Initiatives</u>						
Teachers' Pensions Liability Funding - Special Payment	-	-	60,000	-	-	-
Calgary Board of Education - Unique Benefit Cost Increases	-	-	7,000	-	-	-
Basic Learning Resource Grants	-	-	-	20,000	-	-
Post-Secondary Performance Envelope	-	-	-	10,000	-	-
<b>Program Expense*</b>	<b>4,475,202</b>	<b>4,664,443</b>	<b>4,730,008</b>	<b>4,912,020</b>	<b>5,043,684</b>	<b>5,204,997</b>
<b>Debt Servicing Costs</b>						
Alberta School Foundation Fund	3,297	3,891	2,688	4,267	5,074	5,131
<b>Ministry Expense</b>	<b>4,478,499</b>	<b>4,668,334</b>	<b>4,732,696</b>	<b>4,916,287</b>	<b>5,048,758</b>	<b>5,210,128</b>
Gain (Loss) on Disposal of Capital Assets	(11)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(3,106,940)</b>	<b>(3,258,397)</b>	<b>(3,380,952)</b>	<b>(3,430,996)</b>	<b>(3,511,160)</b>	<b>(3,600,931)</b>

\* Subject to the *Fiscal Responsibility Act*. Program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. Based on the August 31, 2002 actuarial valuation, the annual increases in the Ministry of Learning's unfunded pension obligations are:

57,345	65,386	74,627	127,000	128,000	134,000
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## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	1,371,570	1,409,937	1,351,744	1,485,291	1,537,598	1,609,197
<i>Inter-ministry consolidation adjustments</i>	(71,337)	(103,800)	(105,065)	(137,545)	(119,345)	(120,945)
<b>Consolidated Revenue</b>	<b>1,300,233</b>	<b>1,306,137</b>	<b>1,246,679</b>	<b>1,347,746</b>	<b>1,418,253</b>	<b>1,488,252</b>
Ministry Program Expense	4,475,202	4,664,443	4,730,008	4,912,020	5,043,684	5,204,997
<i>Inter-ministry consolidation adjustments</i>	(2,000)	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>4,473,202</b>	<b>4,664,443</b>	<b>4,730,008</b>	<b>4,912,020</b>	<b>5,043,684</b>	<b>5,204,997</b>
Ministry Debt Servicing Costs	3,297	3,891	2,688	4,267	5,074	5,131
<b>Consolidated Expense</b>	<b>4,476,499</b>	<b>4,668,334</b>	<b>4,732,696</b>	<b>4,916,287</b>	<b>5,048,758</b>	<b>5,210,128</b>
Gain (Loss) on Disposal of Capital Assets	(11)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(3,176,277)</b>	<b>(3,362,197)</b>	<b>(3,486,017)</b>	<b>(3,568,541)</b>	<b>(3,630,505)</b>	<b>(3,721,876)</b>

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# Municipal Affairs

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Guy Boutilier, *Minister of Municipal Affairs*  
March 21, 2003

# BUSINESS PLAN SETTING

Over the next three years Municipal Affairs will be facing a number of new and ongoing challenges. Change is occurring at an increasing pace each year. Balancing the demands of a healthy economy and rising expectations with fiscal restraint poses numerous challenges for the foreseeable future. In addition to the Ministry's business plan strategies for responding to Albertans' priorities, the department will continue to maintain its legislative responsibilities in an efficient and effective manner.

## Risks and Challenges

Municipal Affairs strives to be vigilant and responsive in fulfilling its mandate to ensure that Albertans live in safe and sustainable communities. Rapid growth, shifting demographics, reliance on technology, and our vulnerability as a resource-based economy all impact government operations. Industry clustering, potential threats to security, complex regulatory frameworks and compliance requirements, and a shortage of skilled labour all directly affect Municipal Affairs' business activities.

Three categories of risks and challenges have been identified which may affect business plan outcomes:

- Stakeholder Relations:** The federal government continues efforts to build direct ties with municipalities, which is one important reason to clarify the roles, responsibilities and resource commitments of all orders of government.
- Limits to Growth:** The capacity of all orders of government and partners to deliver services to Albertans could be strained by increasing growth and bottlenecks to growth. Municipalities continue to face financial pressures for repair or replacement of existing infrastructure. Some municipal assessment bases are declining while others face rapid growth pressures. Municipalities continue to express concern that current funding levels and revenue sources may not be adequate to meet service or infrastructure demands.
- Public Safety and Security:** Perceptions of safety and security have changed because of recent world events. Concerns regarding safety and security, water quality, and growth are placing additional pressures on the Ministry's resources and partners, as well as on municipalities. The Ministry relies on the continuing support of these partners in delivering services to Albertans.

This business plan includes strategies designed to mitigate risks. Some of these include investing in relationships with stakeholders and partners through consultation, continued interaction, and initiatives such as the Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century. Other strategies include promoting regional cooperation; developing emergency plans and provincial warning systems; and assisting water quality-related initiatives. This business plan enhances the ability of municipalities to pursue innovative strategies that address identified challenges. It also identifies internships and targeted training programs that play a role in assisting municipal administrators, staff, and other professionals involved in delivering services.



## VISION

Viable, responsive, and well-managed local government and a public safety system that results in safe buildings, equipment and facilities, and effective emergency management.

## VALUES

As a Ministry, we value and support the principles of honesty, fairness, professionalism, and collaboration, while maintaining a primary focus on exceptional service for our clients. We value our staff and their contributions of innovation, creativity, open communication and accountability. These elements are key in achieving our Ministry's vision.

## MISSION

Alberta Municipal Affairs works in partnership with Alberta's municipalities, other provincial government departments, our federal partners, local authorities, various organizations focused on local issues, and the private sector to ensure Albertans live in safe and sustainable communities and are served by open, effective, accountable and well-managed local governments.

## LINKS TO THE GOVERNMENT BUSINESS PLAN

The Ministry supports the government's three core businesses in these ways:

- Helping *People* by encouraging the development of strong and vibrant communities
- Promoting Alberta's *Prosperity* and the *Alberta Advantage* by encouraging and supporting the development of an effective local government sector that provides the services, facilities, and infrastructure that Albertans and businesses need
- *Preserving* and supporting emergency management and safety systems that are responsive to Albertans' needs and priorities

## CROSS-MINISTRY INITIATIVES

Alberta Municipal Affairs supports the following cross-ministry initiatives:

<b>Aboriginal Policy Initiative</b>	The Ministry supports this strategy through specific initiatives and by tailoring elements of departmental programs to meet the needs of Aboriginal people and communities where appropriate. Over the business planning period, the availability of these programs will be expanded, establishing strong relationships with Aboriginal communities. This will foster the development of effective emergency management, fire protection, fire training and education programs that meet the needs of Aboriginal communities.
<b>Alberta Children and Youth Initiative</b>	The Ministry contributes to the well-being of our youth and their families through proven fire safety education programs such as <i>Risk Watch</i> and by working to develop partnerships with industry to increase fire prevention awareness among children and youth. Over the next three years the Ministry will be working with schools and other ministries, such as Alberta Learning, to develop enduring partnerships for delivering these fire safety education programs.
<b>Economic Development Strategy</b>	Municipal Affairs contributes to the <i>Alberta Advantage</i> through numerous activities centred on local government. Through various grants and programs that encourage self-reliant communities, the department contributes to the <i>Alberta Advantage</i> . A high priority is given to programs such as the Regional Partnerships Initiative. This initiative assists municipalities and stakeholders to create effective regional partnerships that attract and retain investment and offer high-quality living standards in a globally competitive environment.
<b>Health Sustainability Initiative</b>	The Ministry is involved in several programs that complement the initiative by developing codes and standards for private sewage disposal systems, and maintaining and updating emergency management plans for health-related events such as pandemic influenza and bio-terrorism.

## CORE BUSINESSES

The Ministry's core business activities support its vision and mission:

- **Local Government Services** - providing support services, policies and legislation that enhance the development of a sustainable, accountable, well-managed, responsive and effective local government sector
- **Safety Services and Fire Protection** - administering a safety system that uniformly applies appropriate safety codes and standards and promotes fire protection throughout the province
- **Emergency Management Alberta** - managing provincial emergency management programs and supporting municipalities to ensure their preparedness to deal with major emergencies and disasters
- **Municipal Government Board** - providing independent quasi-judicial adjudication on matters specified under the *Municipal Government Act*

## STRATEGIC PRIORITIES

### **Roles, Responsibilities and Resources:**

A key priority for the Ministry is to refine the roles and responsibilities of municipal governments and their relationship with the provincial government. Increased clarity in this area will allow each order of government to more efficiently and effectively deliver the mandate for which it is responsible.

### **Emergency Management:**

Recent world events have emphasized the need to enhance existing provincial government emergency management, while developing provincial and local capabilities to deal with potential threats.

### **Partnerships:**

The Ministry is continuing to support an enhanced partnership approach involving consultation, innovation and shared resourcing in the delivery of services and programs. This approach provides opportunities to deliver services more effectively, making the most of limited resources.

### **Codes and Standards:**

The safety system relies on the ongoing maintenance and enhancement of existing codes and standards. Advances in design and construction technology are driving the need for new performance-based solutions and the move from prescriptive to objective-based codes and standards. This will maintain public safety as the top priority, while allowing flexibility in design and construction.

### **Growth - Smart Growth, Growth Pressures:**

The Ministry will increase its focus on the development of policies which enable municipalities to better manage continued growth. Updated land use policies which incorporate Smart Growth principles will allow municipalities to better deal with increasing growth pressures and bottlenecks to growth.

## MAJOR CLIENTS AND STAKEHOLDERS

Primary clients and stakeholders include municipalities and their related organizations and associations, accredited organizations, and industry-based safety and emergency management groups. The Ministry consults and works with the local government sector, the public and industry, and other provincial and federal government departments as an integral and ongoing part of its activities.

## GOALS

The Ministry's major goals are:

1. An effective, responsive, cooperative and well-managed local government sector
2. Financially sustainable and accountable municipalities
3. A well-managed and efficient assessment and property tax system in which stakeholders have confidence
4. A comprehensive safety system that provides an appropriate level of public safety
5. An emergency management program that enables effective preparation for and response to major emergencies and disasters at the provincial and local levels
6. An independent appeal system that issues timely and impartial decisions of high quality

## GOALS, RESULTS, STRATEGIES AND PERFORMANCE MEASURES

\*denotes strategies supporting Future Summit recommendations

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# 1

## Local Government Services

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**GOAL 1**                    **An effective, responsive, cooperative and well-managed local government sector**

**Key Result 1**

**Support systems, programs and partnerships that foster excellence in local governance, management, and service delivery**

**Key Strategies**

- Encourage municipalities to cooperate with their neighbours to develop, finance and implement improved growth management and more efficient service delivery systems.\*
- Promote the self-evaluation of excellence to assist municipalities and citizens in developing innovative strategies for more effective governance, administration, financial management, and service delivery. Maintain a program to recognize municipal excellence.
- Work with municipalities to establish effective and efficient regional partnerships that create an atmosphere to attract and retain investment, compete globally, and contribute to a high quality of life.\*
- Develop and coordinate education and information services that include training programs, job exchanges, on-line information, and workshops for local elected officials, administrators, staff, and related professionals.\*
- Work with municipalities on the challenges of climate change initiatives, including the reduction of greenhouse gases.
- Participate in efforts to enhance relations between municipal governments and Aboriginal governments and organizations.
- Provide management and administrative services for the Special Areas and National Park Improvement Districts.

## Key Result 2

### Resolution of local and intermunicipal governance and management issues

#### Key Strategies

- Provide governance, administration and management, and land-use planning advice to local governments and associated local service delivery organizations.\*
- Support intermunicipal cooperation and self-directed dispute resolution through mediation and facilitation.\*
- Support the local dispute resolution initiative to help municipalities resolve internal disputes with staff and citizens.

## Key Result 3

### A coordinated provincial government approach towards municipalities

#### Key Strategies

- Support the Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century to refine the government's working relationship with municipalities and support a mechanism to address major municipal-provincial issues.\*
- Work cooperatively with the federal government, other ministries, municipalities, Metis settlements and other organizations to improve the provision, coordination, and implementation of policies, and the delivery of programs and services that enhance local service effectiveness and efficiency.\*

## Key Result 4

### A legislative framework that enables municipalities to operate successfully and meet the local needs of Albertans

#### Key Strategies

- Develop changes to provincial legislation and regulations related to municipalities that support innovative and improved approaches to local governance and service delivery that will also result in a more refined legislative framework.\*
- Review provincial land-use policies to determine the applicability of Smart Growth principles.\*
- Review the *Local Authorities Election Act* to determine whether proposed changes to streamline the process and restructure the Act are necessary and appropriate.

## Performance Measure

**Level of satisfaction with the Local Government Services Division's activities, services and programs in enabling and promoting a cooperative and well-managed local government sector** (Calculates the percentage of the units within Local Government Services that achieved their individual performance targets.)

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Level of satisfaction with the Local Government Services Division's activities, services and programs	75%	100%	78%	80%	80%	80%

**GOAL 2**                      **Financially sustainable and accountable municipalities**

**Key Result 1**

**Appropriate Ministry services and systems are in place to contribute to financially sustainable municipalities**

**Key Strategies**

- Maintain the Ministry's financial monitoring systems that provide evidence of municipal financial capacity.
- Provide continued advisory support to municipalities.
- Assist municipalities to examine and pursue innovative approaches and restructuring that will address their financial sustainability.\*
- Encourage and facilitate cost-sharing between municipalities.\*

**Key Result 2**

**Financial support that enhances local government financial capability**

**Key Strategies**

- Administer the Unconditional Municipal Grant Program to provide ongoing financial assistance in support of municipal programs.\*
- Administer the Municipal Sponsorship Program, which targets assistance to specific municipal needs, and promotes inter-municipal cooperation and innovative projects.\*
- Administer the Grants in Place of Taxes Program to provide appropriate grants to municipalities for properties owned by the province.\*
- Administer the Municipal Debenture Interest Rebate Program to subsidize the interest costs on certain municipal borrowings from the Alberta Capital Finance Authority (formerly the Alberta Municipal Financing Corporation).\*

**Performance Measure**

**Percentage of municipalities meeting Ministry's criteria of financial accountability**

The key criteria are contained in the *Municipal Government Act*. The measure will be calculated based on a demerit point system weighting the criteria. Municipalities exceeding a set point limit will be considered not to have met the criteria for municipal financial accountability.

	<b>2000-01 Actual</b>	<b>2001-02 Actual</b>	<b>2002-03 Target</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of municipalities meeting Ministry's criteria of financial accountability	98%	98%	95%	95%	97%	97%

**GOAL 3****A well-managed and efficient assessment and property tax system in which stakeholders have confidence****Key Result 1****An assessment and property tax system that is accurate, understandable, predictable, transparent and timely****Key Strategies**

- Demonstrate leadership by exhibiting a high level of professional standards and practice and clearly identifying roles and functions of all stakeholders within the system.
- Administer and enhance assessment standards and procedures. Establish a three-year cycle for reviewing all assessment procedures and guidelines.
- Develop and maintain handbooks and professional guides to ensure that practices and methodologies are current.
- Support the property assessment system by providing timely and accurate linear assessments.
- Improve the assessment, equalization, and education requisition processes by facilitating appropriate sharing of data on assessments and building permits.\*
- Implement improved assessment and property tax procedures in response to approved recommendations from MLA committees.
- Enhance the annual assessment audit program using technology to improve the quality and accessibility of information.\*
- Maintain the five-year cycle for assessment procedure audits for each municipality following the best practices guidelines published by the Assessment Services Branch.

**Performance Measure****Percentage of municipal assessment rolls which meet provincial standards for procedures, uniformity, and equity**

	<b>2000-01 Actual</b>	<b>2001-02 Actual</b>	<b>2002-03 Target</b>	<b>2003-04 Target</b>	<b>2004-05 Target</b>	<b>2005-06 Target</b>
Percentage of municipal assessment rolls meeting standards	95%	96%	95%	95%	95%	95%

## 2 Safety Services and Fire Protection

**GOAL 4** A comprehensive safety system that provides an appropriate level of public safety

**Key Result 1**

**Appropriate codes and standards**

**Key Strategies**

- Participate in the review and development of national and international codes, standards and provincial regulations that are used in Alberta.\*
- Maintain appropriate codes, standards and regulations in consultation with the Safety Codes Council, industry, the public, delegated administrative organizations (DAOs), and other partners.\*

**Key Result 2**

**Uniform, effective and efficient administration of codes, standards and programs**

**Key Strategies**

- Manage and maintain an effective monitoring program that promotes continued improvement of accredited municipalities, agencies, corporations and DAOs in their administration of the *Safety Codes Act*. The DAOs are: Alberta Boilers Safety Association (ABSA), Alberta Elevating Devices and Amusement Rides Safety Association (AEDARSA), Alberta Propane Vehicle Administration Organization (APVAO) and the Petroleum Tank Management Association of Alberta (PTMAA).
- Promote acceptance of the Uniform Quality Management Plan to provide consistency in the delivery of inspection services.
- Continue to provide leadership to users of the safety system in the interpretation of legislation, technical codes and standards, and the administration of the *Safety Codes Act*.
- Promote information sharing with users of the safety system as well as public awareness and understanding of the purpose and value of codes and standards.
- Promote the use of the province-wide electronic permitting and information system by municipalities.
- Enhance programs in partnership with stakeholders to mitigate the health and environmental risks posed by private sewage disposal.\*
- Monitor the Safety Codes Council in its administration of the Underground Petroleum Storage Tank Site Remediation Program.
- Encourage municipalities and other stakeholders to participate in partnerships such as regional service commissions.

**Key Result 3**

**Reduced personal and property loss resulting from preventable fires**

**Key Strategies**

- Promote public awareness of fire prevention and safety through targeted educational programs and dissemination of fire safety information.
- Encourage regional, provincial, and national partnerships to promote fire safety and injury prevention.
- Assist municipal fire departments with fire investigations, fire protection advisory services, public education, inspections and regional seminars.
- Provide a province-wide fire incident database system.
- Develop fire program priorities based on analysis of the database and other information sources.

#### Key Result 4

**Enhanced access to progressive skills training and leadership development for fire service personnel**

#### Key Strategies

- Assist the fire training centre in delivering internationally accredited training and development programs.\*
- Explore innovative fire service training partnerships to use resources from across the province, promoting a regional service delivery concept.

#### Performance Measures

**The percentage of assessed accredited municipalities, corporation, agencies and delegated administrative organizations administering the *Safety Codes Act* that achieve a satisfactory rating**

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage achieving a satisfactory rating	94%	96%	95%	95%	95%	95%

#### Fire Safety and Prevention Indicator

	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Fire deaths per 100,000 population (10-year moving average)	1.24	Less than or equal to 2001-02 10-year moving average	Less than or equal to 2002-03 10-year moving average	Less than or equal to 2003-04 10-year moving average	Less than or equal to 2004-05 10-year moving average

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## Emergency Management Alberta

#### GOAL 5

**An emergency management program that enables effective preparation for and response to major emergencies and disasters at the provincial and local levels**

#### Key Result 1

**Timely and effective emergency management**

#### Key Strategies

- Coordinate maintenance, testing and activation of the province's and individual ministry emergency plans.\*
- Assist municipalities (including Metis settlements) and First Nations communities to develop, maintain and implement their emergency plans, and facilitate external support.
- Assist in the development, maintenance, testing and activation of the Government of Alberta and ministry business resumption plans.\*
- Continue expansion of the Provincial Emergency Public Warning System (EPWS).\*
- Manage disaster recovery programs and facilitate federal cost-sharing whenever possible.



## Key Result 2

### Coordinated cooperation among emergency management partners

#### Key Strategies

- Support development of joint industrial, regional, inter-provincial and federal/provincial mitigation and preparedness strategies and plans.
- Support, promote and coordinate the work of the Alberta Emergency Preparedness Partnership (AEPP).
- Work with other provincial ministries, provinces and territories to negotiate with the federal government an equitable arrangement for allocating federal-provincial disaster assistance.

#### Performance Measure

**Achieve a level of 100% of claims where a member of the damage assessment team arrives on-site within 30 days of a claim being received**

	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage arrival within 30 days of receipt of claim	100%	100%	100%	100%	100%	100%

**Level of preparedness testing as measured by the cumulative percentage of municipalities required to have emergency plans under the *Disaster Services Act* that test their emergency plans through exercises within a four-year cycle**

	1998-99 Actual	1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Cumulative percentage of municipalities confirmed to have tested their emergency plans	41.7%	75.1%	87.4%	100%	40%	60%	80%	100%

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## 4 Municipal Government Board

**Goal 6 An independent appeal system that issues timely and impartial decisions of high quality**

#### Key Result 1

##### Timely processing of appeals

#### Key Strategies

- Complete redevelopment of the board's database. Continue to enhance databases to achieve the efficient recording, tracking, analyzing and managing of all appeal activity.
- Implement advanced case management for all appeals to ensure timeliness in hearing and deciding appeals.
- Work with stakeholders to expedite the scheduling and hearing of appeals.
- Schedule, monitor and track all decision-making and writing activities to ensure compliance with established timelines and procedures.

## Key Result 2

### High quality, independent decisions and solutions

#### Key Strategies

- Provide ongoing training to strengthen adjudication skills for sustaining high quality, timely, consistent and independent decision-making.
- Obtain feedback from stakeholders on an annual basis to gauge board performance, areas of strength and areas requiring improvement.
- Explore, develop and pilot various processes for expediting appeals such as alternate dispute resolution methods, advanced appeal management, and one-member panels.
- Manage the recruiting program to ensure the board maintains the required range of professional skills to meet its roles and responsibilities as a quasi-judicial tribunal.

#### Performance Measures

##### Hear and decide appeals within legislative time limitations

	2000-01	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of property appeals heard within 150 days of receipt of completed appeal applications		50%	91%	92%	93%	93%

##### Fair, equitable, correct and transparent decisions

	2000-01	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target	2005-06 Target
Percentage of decisions that are ordered to be reheard or successfully challenged in the courts		Less than 1%	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Regardless of the decision, percentage of stakeholders who feel they received fair, unbiased hearings		70%	75%	75%	75%	75%

## SUPPORT SERVICES

### Financial and Information Technology Services:

Directs the Ministry's financial, reporting and budgetary activities, in a shared services environment, and ensures an accountability framework is in place to meet the obligations of the *Financial Administration Act* and the *Government Accountability Act*. Supports the Ministry on matters relating to information technology and provides guidance and frameworks for departmental information technology plans and initiatives to meet the goals of the Ministry.

### Business Services:

Provides strategic leadership and guidance, and coordinates corporate activities to deliver Ministry initiatives in an effective, timely and consistent manner. This branch is responsible for business planning and performance measurement, including environmental scanning; legislative planning, Orders-in-Council and Ministerial Orders; information access and privacy protection for Municipal Affairs; and the provision of central administrative services to Municipal Affairs and Government Services in a shared services environment with the Alberta Corporate Services Centre.

- Communications:** Provides strategic communications advice, consulting services and communications support to the Minister, Deputy Minister and department staff to help communicate effectively with stakeholders, the media and Albertans. Through these services, the branch seeks to ensure Albertans have access to the information they need on the role, programs and initiatives of Municipal Affairs.
- Human Resources:** Provides support in the human resource function to management and staff in achieving department priorities and the business plan. In alignment with the Corporate Human Resource Development Strategy, coordinates the development and implementation of the human resource plan and strategies for performance management, leadership continuity, employee recognition, learning, staffing, job evaluation, pay and benefits, employee relations and health and wellness. Services are provided to Municipal Affairs through a shared services approach in partnership with the Alberta Corporate Services Centre.
- Legal Services:** Provides legal services to the divisions and the associated boards in a shared services environment. Major activities include reviewing legislation and regulations, offering legal advice and written opinions, preparing and reviewing documents including contracts, handling certain real estate transactions, appearing in court and participating in special projects.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Local Government Services	110,754	113,099	111,537	112,529	112,287	113,275
Safety Services and Fire Protection	47,866	10,782	21,332	11,309	11,799	11,292
Emergency Management Alberta	6,593	5,089	24,994	5,189	5,199	5,198
Municipal Government Board	2,920	3,312	3,297	3,329	3,240	3,138
<b>MINISTRY EXPENSE</b>	<b>168,133</b>	<b>132,282</b>	<b>161,160</b>	<b>132,356</b>	<b>132,525</b>	<b>132,903</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	12,000	40,000	40,000	40,000	40,000	40,000
Transfers from Government of Canada	186	446	8,343	78	85	85
Premiums, Fees and Licences	435	376	373	378	378	378
Other Revenue	2,534	1,531	1,590	1,831	1,884	1,939
<b>MINISTRY REVENUE</b>	<b>15,155</b>	<b>42,353</b>	<b>50,306</b>	<b>42,287</b>	<b>42,347</b>	<b>42,402</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	9,413	10,452	10,211	10,766	10,857	10,840
Local Government Services	106,045	107,436	106,002	106,699	106,408	107,405
Public Safety	50,894	11,553	42,106	12,053	12,516	12,015
Municipal Government Board	2,354	2,641	2,641	2,638	2,544	2,443
Valuation Adjustments and Other Provisions	(573)	200	200	200	200	200
<b>MINISTRY EXPENSE</b>	<b>168,133</b>	<b>132,282</b>	<b>161,160</b>	<b>132,356</b>	<b>132,525</b>	<b>132,903</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(152,978)</b>	<b>(89,929)</b>	<b>(110,854)</b>	<b>(90,069)</b>	<b>(90,178)</b>	<b>(90,501)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	15,155	42,353	50,306	42,287	42,347	42,402
<i>Inter-ministry consolidation adjustments</i>	(12,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
<b>Consolidated Revenue</b>	<b>3,155</b>	<b>2,353</b>	<b>10,306</b>	<b>2,287</b>	<b>2,347</b>	<b>2,402</b>
Ministry Program Expense	168,133	132,282	161,160	132,356	132,525	132,903
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>168,133</b>	<b>132,282</b>	<b>161,160</b>	<b>132,356</b>	<b>132,525</b>	<b>132,903</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(164,978)</b>	<b>(129,929)</b>	<b>(150,854)</b>	<b>(130,069)</b>	<b>(130,178)</b>	<b>(130,501)</b>

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# Revenue

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Greg Melchin, *Minister of Revenue*  
March 21, 2003

## THE MINISTRY

The Ministry of Revenue includes the **Department of Revenue**, a provincial corporation, the **Alberta Securities Commission**, and the following five regulated funds: the **Alberta Heritage Savings Trust Fund (AHSTF)**, **Alberta Heritage Foundation for Medical Research Endowment Fund (AHFMR)**, **Alberta Heritage Scholarship Fund (AHSF)**, **Alberta Heritage Science and Engineering Research Endowment Fund (AHSER)** and **Alberta Risk Management Fund**.

The Department has four main areas: Tax and Revenue Administration, Investment Management, Securities Administration and Systems, and Risk Management. The Alberta Securities Commission is the regulatory agency responsible for overseeing the capital market in Alberta.

Revenue is responsible for managing the investments of the Province of Alberta, developing tax and revenue policy within the province, administering tax programs and minimizing the risk of loss of public assets.

## VISION

A province where government revenue policy and administration reflect the values of Albertans, balance present and future needs, and contribute to a stable environment for the generation of wealth for all Albertans.

## MISSION

To provide prudent and innovative revenue, investment and risk management and to regulate and foster capital markets in Alberta.

## VALUES

Alberta Revenue is committed to operating according to the following values:

- act with integrity and in a fair and impartial manner;
- foster clear, open and courteous communications with clients and the public;
- achieve excellence in customer service;
- nurture a working environment that is characterized by teamwork, collaboration, and open communication; and
- be an innovative and adaptable organization that focuses on continuous improvement in the quality, effectiveness, and efficiency of our services and business processes.

## CORE BUSINESSES

The chart below shows the relationship of the department, provincial corporation and regulated funds to the core businesses in the Ministry of Revenue.

Manage tax and revenue programs	Manage and invest financial assets	Manage risk associated with the loss of public assets	Regulate and foster Alberta's capital market
<ul style="list-style-type: none"> <li>• Tax and Revenue Administration</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Management</li> <li>• Securities Administration and Systems</li> <li>• AHSTF</li> <li>• AHFMR</li> <li>• AHSF</li> <li>• AHSER</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management and Insurance</li> <li>• Alberta Risk Management Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Alberta Securities Commission</li> </ul>

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Manage and Invest Financial Assets Prudently	86,914	116,038	91,682	122,188	128,718	136,189
Manage Tax and Revenue Programs Fairly and Efficiently	50,312	41,762	100,544	43,260	42,976	43,640
Manage Risk Associated with the Loss of Public Assets	7,147	9,058	9,395	9,005	9,121	9,355
Regulate Alberta's Capital Market	15,073	17,682	20,068	19,423	19,906	20,721
<b>MINISTRY EXPENSE</b>	<b>159,446</b>	<b>184,540</b>	<b>221,689</b>	<b>193,876</b>	<b>200,721</b>	<b>209,905</b>

## STRATEGIC PRIORITIES

Alberta Revenue continues to work on major initiatives related to the province's revenue framework, endowment funds, the ministry's investment organization and the capital market. The outcome of these initiatives will have a significant impact on our business over the next three years. These initiatives include:

### **Revenue Management Framework**

- strategies found in goal 1.1

Continue the development and implementation of the revenue management framework. This framework will contribute to sound strategic decision-making about Alberta's revenue structure and policy.

### **Endowment Funds**

- strategies found in goals 2.1, 2.2, 2.3 and 2.4

Address and enhance the governance, investment objectives and policies, risk management and investment opportunities for the endowment funds. The Alberta Heritage Savings Trust Fund and other government endowment funds are key financial assets of the province.

### **Investment Organization**

- strategies found in goals 2.2, 2.3 and 2.4

Develop Alberta Revenue's investment organization to better meet the needs of our investment clients, including government endowment funds and public sector pension funds.

### **Securities Regulation**

- strategies found in goals 4.1, 4.2 and 4.3

Contribute to the on-going development of the capital market by leading and participating in significant initiatives that will streamline securities regulation nationally while meeting regional needs. Alberta is strongly committed to efforts to increase efficiency in securities regulation and promote the Alberta capital market.

## LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry contributes to the achievement of the goals set out in the Government Business Plan. The Ministry's core businesses contribute to Alberta's goals of:

- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada (Goal 9)
- Alberta will have a prosperous economy (Goal 7)
- Albertans will be well prepared for lifelong learning and work (Goal 2)
- Alberta will be a fair and safe place to work, live and raise families (Goal 10).

# CORE BUSINESSES, GOALS, KEY STRATEGIES AND PERFORMANCE MEASURES

CORE  
BUSINESS  
ONE

## 1 Manage Tax and Revenue Programs

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The Revenue department establishes processes to ensure that Alberta's revenue structure meets the Province's long-term needs and contributes to the development of tax and revenue policies and strategies.

The Department also administers tax, revenue and related benefit programs by:

1. registering entities for tax and tax exemption purposes and evaluating and processing tax returns and claims;
2. providing reliable and timely information about tax and revenue programs;
3. monitoring, promoting and, where appropriate, enforcing compliance with tax and revenue legislation and regulations; and
4. collecting revenue and other amounts owing to the Province and making payments of refunds and rebates.

**Goal 1.1**                    **A revenue structure that meets Alberta's needs and is consistent with Albertans' values.**

### Key Strategies

- Develop and maintain a long term revenue management framework.
- Work with other ministries to develop and implement long-term strategies consistent with the revenue management framework and the results of the Future Summit.

**Goal 1.2**                    **Fair and competitive provincial tax and revenue systems.**

### Key Strategies

- Implement tax changes included in Alberta's tax plan.
- Develop tax policy in consultation with stakeholders and the Ministry of Finance.
- Provide input to other ministries on revenue initiatives.
- Work with stakeholders to review tax policy issues.
- Review the cost/benefit of tax exemption and benefit programs and implement approved changes.

**Goal 1.3**                    **Tax and revenue programs that are administered fairly and efficiently.**

### Key Strategies

- Implement the ministry's "E-Strategy" to improve client service, including the electronic filing of corporate income tax returns.
- Address issues related to the underground economy.
- Work with Aboriginal groups to address issues related to tax and other revenue programs.
- Work with Canada Customs and Revenue Agency and other provinces to harmonize tax programs and processes.
- Seek efficiencies in the collection of revenues for the government.

### Key Risks

- Alberta's current revenue sources may not grow in line with the needs for revenue as determined by the government.
- Tax revenues can vary significantly from year-to-year due to economic variables including corporate profits.
- Tax revenue may be lost due to non-compliance by taxpayers. Enforcement and audit programs can reduce, but not eliminate this risk.



Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
<b>*Alberta provincial tax load for a family of four</b>	Lowest in Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada
<b>*Alberta provincial tax load on businesses</b>	Second lowest in Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada
Percentage of tax accounts with no monies owing	95%	96%	96%	96%
Client satisfaction with tax administration	76%	85% satisfied or better	85% satisfied or better	85% satisfied or better
Ratio of amounts added to net revenue to costs of administration	–	Determined after the benchmark year 2002-03	Determined after the benchmark year 2002-03	Determined after the benchmark year 2002-03

\* **Key Measures in bold**

## 2 Manage and Invest Financial Assets

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The Revenue department manages approximately \$35 billion (as at Dec. 31, 2002) consisting of a number of endowment funds, including the Alberta Heritage Savings Trust Fund, the public sector pension funds and other related funds.

**Goal 2.1 A savings policy for Alberta that balances present and future needs and contributes to a stable fiscal environment.**

### Key Strategies

- Implement any policy changes on the Alberta Heritage Savings Trust Fund stemming from public consultation.
- Enhance communication to Albertans about the Alberta Heritage Savings Trust Fund.

**Goal 2.2 An effective investment management organization.**

### Key Strategies

- Develop and implement a new governance structure for government endowment funds.
- Strengthen the governance, management and resourcing of Alberta Revenue's investment operation.
- Implement a straight through processing environment to keep pace with evolving industry standards.
- Enhance processes utilizing industry best practices.

**Goal 2.3 Superior investment returns subject to client-defined objectives and policies.**

### Key Strategies

- Analyze and implement products that contribute to investment objectives.
- Enhance management of the investment portfolios by implementing new monitoring and analytical tools including improved risk management tools.

**Goal 2.4 Quality client service.**

### Key Strategies

- Provide strategic support to help clients set investment objectives, policies and risk guidelines.
- Provide clients with market intelligence and client-related research.
- Define and develop a flexible client service model and plan, including electronic service delivery.

### Key Risks

- Investment returns are volatile and have been particularly so, over the past five years. This volatility has a direct impact on the income of government investment funds and therefore government revenues. Investment returns also impact the solvency of public sector pension plans over the long term.
- Alberta Revenue's investment operation and business environment is highly complex and operates in a dynamic market. Like similar organizations, it is subject to a number of market, strategic, operational, legal and human resource risks. These risks require strong oversight and management, adequate resources, sound processes, appropriate internal controls and the ability to respond to change.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
<b>*Four year annualized market value rates of return (ROR) measured against benchmarks established by clients</b>	Total Benchmark Portfolio 3.4%	ROR for the endowment funds (including the Heritage Fund) exceeds the policy benchmark	ROR for the endowment funds (including the Heritage Fund) exceeds the policy benchmark	ROR for the endowment funds (including the Heritage Fund) exceeds the policy benchmark
	Total Endowment Portfolio 3.3%			
	–	ROR on other client funds exceeds policy benchmark	ROR on other client funds exceeds policy benchmark	ROR on other client funds exceeds policy benchmark
Straight Through Processing (STP) plan implemented by June 2005	–	–	Trade Order Management system implemented and other activities completed as set out in the STP action plan	Activities as set out in the STP action plan
STP of investment transactions	–	80% of investment transactions with external parties transmitted electronically to custodian on trade date	85% of investment transactions with external parties transmitted electronically to custodian on trade date	90% of investment transactions with external parties transmitted electronically to custodian on trade date
Client satisfaction with services provided	–	80% satisfied	80% satisfied	80% satisfied

\* Key Measure in bold



## Manage Risk Associated with the Loss of Public Assets

The Risk Management and Insurance Division (RMI) administers a program to protect, secure and preserve public assets against risk of significant accidental loss. RMI provides services to ministries to help them identify, measure, control and finance their risk. The program serves all entities subject to the *Financial Administration Act*.

### Goal 3.1 Proactively managed risk.

#### Key Strategies

- Actively work with ministries to:
  - educate ministries on services provided;
  - identify risks with the potential to cause loss;
  - suggest steps to reduce those risks and associated costs; and
  - recommend ways of financing potential losses.
- Implement new technology to improve claims management.

### Goal 3.2 Stable Risk Management Fund.

#### Key Strategies

- Prudently manage the claims process.
- Manage liability exposure of the Risk Management Fund.
- Negotiate optimal insurance coverage and premiums for clients.
- Manage operational costs by identifying opportunities to enhance processes.

### Goal 3.3 Corporate risk identified and prioritized.

#### Key Strategies

- Assist Alberta Finance in the development of an enterprise risk management framework.

### Key Risks

- Alberta Revenue uses a mix of self-insurance and insurance purchased in the marketplace. At times, insurance cannot be purchased cost effectively, resulting in a greater than expected component of self-insurance and/or higher costs to ministries.
- While the government's business risks and coverage to ministries are reviewed regularly, Risk Management Fund assets are limited. Therefore, claims for losses by ministries could significantly reduce, or even eliminate, the Fund's assets.

Performance Measures	Last Actual (2001-02)	Target 2003-04	Target 2004-05	Target 2005-06
<b>*Value of the net assets of the Risk Management Fund</b>	–	Net asset value between \$0-1 million	Net asset value between \$0-1 million	Net asset value between \$0-1 million
Cost of claims (insurance premiums plus self-insured losses)	–	\$6,500,000	\$6,500,000	\$6,500,000
Satisfaction with the services provided by the division	81%	80%	80%	80%

\* Key Measure in bold

# 4 Regulate and Foster Alberta's Capital Market

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The mission of the Alberta Securities Commission is to foster the development of a fair and efficient capital market in Alberta and confidence in that market.

**Goal 4.1 A regulatory environment that promotes confidence in the Alberta capital market.**

**Key Strategies**

- Ensure proactive and effective compliance programs.
- Provide an on-going investor education program.
- Examine corporate governance initiatives and ensure that suitable amendments are implemented.

**Goal 4.2 An effective national securities regulatory system.**

**Key Strategies**

- Lead and actively promote the development of an efficient and cost effective, provincially led, national system of securities regulation.
- Lead the development of Uniform Securities Legislation that could be adopted across Canada.
- Explore the development of a two-tier system of securities regulation in Canada that recognizes the needs of regional, national and international markets.
- Ensure that market regulation meets the specific needs of Alberta firms and investors.
- Be an effective advocate for issues of importance to the Alberta capital market.
- Maintain positive working relationships with industry, other securities regulatory authorities and regulators of financial institutions.

**Goal 4.3 Foster further development and growth of the Alberta capital market.**

**Key Strategies**

- Work with Alberta Economic Development to develop strategies to increase opportunities for Alberta firms and investors.
- Examine and refine the regulation of the exempt market to ensure it addresses the needs of market participants.
- Ensure that market regulation considers the unique characteristics of the oil and gas industry.

**Key Risks**

- Securities regulators must balance investor protection with firms' abilities to raise capital. Overly restrictive rules can drive issuers to other markets while lack of adequate market oversight can undermine investor confidence, both by Canadians and potential foreign investors.
- Investment markets are increasingly integrated across North America and globally, yet regional differences do exist. Increased uniformity of regulation could result in legitimate regional needs not being addressed. Unnecessary duplication of regulation across Canada could impede capital formation and result in firms raising money outside Canada.

Performance Measures	Last Actual	Target 2003-04	Target 2004-05	Target 2005-06
<b>*Stakeholder satisfaction with service levels</b>	–	80% satisfied or better	80% satisfied or better	80% satisfied or better
Investor education program	–	Minimum of four education seminars	Minimum of four education seminars	Minimum of four education seminars
Number of annual examinations	–	40% of registrants subject to annual examination	40% of registrants subject to annual examination	40% of registrants subject to annual examination
Legislation for a uniform Securities Act		June 30, 2004	June 30, 2004	–

\* **Key Measure in bold**

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	2,200	200	1,700	200	200	200
Personal and Corporate Income Taxes	6,411,650	6,258,397	7,266,513	7,050,799	7,169,999	7,549,853
Other Taxes	1,148,901	1,416,486	1,428,958	1,431,692	1,457,409	1,480,670
Investment Income	182,901	654,505	(685,820)	496,170	723,580	836,390
Premiums, Fees and Licences	15,070	15,372	14,715	17,100	18,347	19,037
Other Revenue	18,417	16,827	18,027	19,673	20,826	22,646
<b>MINISTRY REVENUE</b>	<b>7,779,139</b>	<b>8,361,787</b>	<b>8,044,093</b>	<b>9,015,634</b>	<b>9,390,361</b>	<b>9,908,796</b>
<b>EXPENSE</b>						
<b>Program</b>						
Tax and Revenue Collection	49,079	40,463	99,246	41,939	41,659	42,319
Investment	85,681	114,739	90,384	120,868	127,401	134,869
Government Risk Management and Insurance	5,914	7,759	8,097	7,684	7,804	8,034
Regulation of Capital Markets	15,073	17,682	20,068	19,423	19,906	20,721
Ministry Support Services	3,699	3,897	3,894	3,962	3,951	3,962
<b>MINISTRY EXPENSE</b>	<b>159,446</b>	<b>184,540</b>	<b>221,689</b>	<b>193,876</b>	<b>200,721</b>	<b>209,905</b>
Gain (Loss) on Disposal of Capital Assets	(35)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>7,619,658</b>	<b>8,177,247</b>	<b>7,822,404</b>	<b>8,821,758</b>	<b>9,189,640</b>	<b>9,698,891</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	7,779,139	8,361,787	8,044,093	9,015,634	9,390,361	9,908,796
<i>Inter-ministry consolidation adjustments</i>	(41,114)	(24,679)	(26,483)	(24,113)	(22,978)	(23,020)
<b>Consolidated Revenue</b>	<b>7,738,025</b>	<b>8,337,108</b>	<b>8,017,610</b>	<b>8,991,521</b>	<b>9,367,383</b>	<b>9,885,776</b>
Ministry Expense	159,446	184,540	221,689	193,876	200,721	209,905
<i>Inter-ministry consolidation adjustments</i>	(26,035)	(26,325)	(27,929)	(28,118)	(28,190)	(28,832)
<b>Consolidated Expense</b>	<b>133,411</b>	<b>158,215</b>	<b>193,760</b>	<b>165,758</b>	<b>172,531</b>	<b>181,073</b>
Gain (Loss) on Disposal of Capital Assets	(35)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>7,604,579</b>	<b>8,178,893</b>	<b>7,823,850</b>	<b>8,825,763</b>	<b>9,194,852</b>	<b>9,704,703</b>





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# Seniors

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Stan Woloshyn, *Minister of Seniors*  
March 21, 2003

## THE MINISTRY

The Ministry of Seniors delivers programs and services for seniors, and manages and enables the provision of seniors, family and special purpose housing. Planning, coordination and policy development relating to housing, seniors and the aging population are also part of the ministry's core businesses.

The ministry consists of the Department of Seniors, the Seniors Advisory Council for Alberta and the Alberta Social Housing Corporation (ASHC). ASHC is a Crown corporation established under the authority of the Alberta Housing Act. The corporation operates primarily as an administrative device for holding housing assets, including mortgages.

As of April, 2003, the ministry will assume responsibility for supporting shelter services for homeless Albertans. Plans are in place to incorporate the Office of the Public Guardian into the ministry's operations in 2003.

## VISION

A vibrant province where seniors and other Albertans live with dignity and experience the best possible well-being and independence.

## MISSION

To provide services, programs and information that contribute to the well-being and independence of seniors, Albertans in need of housing supports, and other clients of the ministry.

## CORE BUSINESSES

1. Provide financial support and information services to seniors
2. Support the management of and enable the provision of family, special purpose and seniors housing
3. Provide planning and policy development for housing, seniors and Alberta's aging population

## OUR BUSINESS PLAN SETTING

In developing our business plan, we considered a broad range of social, economic and contextual factors to help us define our strategic priorities and develop responsive programs, services and initiatives. The primary factors include the following:

### Seniors Income

- As a group, seniors have lower average incomes than most other age groups. Approximately 39 per cent of seniors have incomes low enough to receive cash benefits from the Alberta Seniors Benefit program. In general, a single senior with an annual income of \$18,745 or less and a couple with a combined annual income of \$28,530 or less are eligible for cash benefits from this program.
- Most seniors have relatively fixed incomes, primarily from pensions, government transfers and private savings. This reduces their capacity to adjust to rising living costs and changes in provincial and federal programs, to budget for sudden and unpredictable expenses, or to cope with economic uncertainty and reduced returns from savings.
- Although for some seniors certain costs (such as mortgage payments) may be lower than for younger people, certain other costs tend to increase with age. For example, frail seniors or those with health conditions may need to pay for yard work, home maintenance or personal care, as well as contribute to the cost of daily living aids (such as walkers or hearing aids) and prescription medications.

To ensure that our ministry's income support programs remain flexible and targeted to those seniors most in need, we look at changes in seniors' income over time, and monitor broad socio-economic and demographic trends.

For example, over the past several decades the proportion of seniors' income from government sources such as Old Age Security and Guaranteed Income Supplement has declined, and the proportion from pension plans, including Canada Pension Plan, private savings and employment income has increased. This suggests a trend of greater financial independence and less reliance on government assistance.

However, it is uncertain whether this trend will continue. Some of the economic factors that may impact the retirement savings and overall financial situation of seniors and soon-to-be seniors include low interest rates, the stock market decline, the expectation of a slow recovery of world markets, and a more moderate growth projected for Alberta's economy.

Other factors that may have an impact on seniors' incomes now or in the future are changes to federal and provincial programs, and emerging new options for sustaining our health system, as proposed in recent federal and provincial reports on health care reform.

Alberta will also experience an increase in the number of seniors in the population. Unless there is an overall improvement in seniors' income, we can likely expect a growth in the number of seniors requiring income support.

## **Demographic Factors**

Alberta is experiencing an aging trend along with other provinces. At present, 10 per cent of Alberta's population is aged 65 and over, and this percentage is expected to increase to more than 14 per cent by 2016. Currently, on a percentage basis the over-80 age group is the fastest growing segment of society.

A growing seniors population represents an important and diverse resource for our province. Like other Albertans, seniors contribute to Alberta's prosperity through their purchasing power and through payment of federal, provincial and municipal taxes. In addition, seniors provide their wisdom, knowledge and experience to family, community and society as a whole.

A maturing population challenges government to take a lead role in:

- developing initiatives and programs that recognize the diversity of the seniors population in terms of health and wellness, independence and vulnerability, financial security and education, and
- preparing workplaces, the labour force, and communities for greater numbers of older people.

## **Housing**

In Alberta, housing is primarily a matter for individual choice and private sector development. The provincial government no longer builds and operates housing, and those housing projects still owned by the government are operated by community-based housing authorities. Much of our ministry's business entails developing ways to increase availability and accessibility of low-cost or affordable housing and devolving ownership of remaining properties to community-based agencies. In our planning process, we address the following pressures:

- There is a shortage of low-cost housing options and home supports for seniors. Although there are many private sector living options for seniors, these are mostly targeted to those with higher incomes and are beyond the reach of many seniors.
- While Alberta's strong economic growth has contributed to the province's overall prosperity, it has also resulted in a shortage of low-cost and affordable housing, a decline in availability of housing for low-income seniors, and an increase in the number of homeless people, especially in major urban centers and high-growth areas.
- Many of the Albertans in need of housing in these areas have jobs that help to maintain Alberta's strong economy, but their wages are not high enough to meet private sector rents.
- Northern and remote communities have few safe, affordable housing options and little or no active real estate or rental market. Existing housing in these areas is deteriorating.
- There are limited options for persons with special needs (e.g., mental and physical disabilities) who require specialized housing services to help them remain living in the community.

An injection of capital funding is necessary to enable local community organizations to build and manage needed housing. For this business planning cycle, provincial funding will enable the ministry to access up to \$67 million in federal funds to develop affordable housing, especially in high-growth, high-need areas and northern, remote communities.

In addition, the ministry will explore the possibility of reinstating the Seniors Supportive Housing Incentive Program to develop supportive housing to enable seniors to live independently in the community.

## STRATEGIC PRIORITIES

The following strategic priorities will guide our activities as we work towards achieving our goals:

- Deliver income supports that are efficiently administered, effectively communicated, targeted to seniors most in need, and responsive to seniors' changing circumstances. (Goals 1.1 and 1.2)
- Continue the process of transferring ownership of housing and land assets to local housing authorities. (Goal 2.1)
- Provide capital support to community-based agencies to assist them in developing long-term, local responses to housing pressures in their communities. (Goal 2.2)
- Continue to develop the ministry's leadership role with other ministries, other levels of government, housing operators and stakeholder groups in respect of seniors issues and housing initiatives. (Goal 3.1)

## GOALS, KEY STRATEGIES AND PERFORMANCE MEASURES

CORE  
BUSINESS  
ONE

# 1

### Provide financial support and information services to seniors.

#### Goal

- 1.1 Seniors in need have access to financial supports that enable them to live in a secure and dignified way.**

This goal supports Goal 4 of the Government of Alberta Business Plan, *Albertans will be self-reliant and those unable to provide for their basic needs will receive help.*

#### Key Strategies

- 1.1.1 Adjust income-based benefits for seniors to reflect the changing personal supports needs of seniors as they age.
- 1.1.2 Improve income support to residents of seniors lodges to assist them in obtaining additional services as their needs change.
- 1.1.3 Continue to identify opportunities to improve fairness and clarity of the Alberta Seniors Benefit program by simplifying eligibility criteria and administration.
- 1.1.4 Continue to review the Special Needs Assistance for Seniors program to ensure that payments are directed to those most in need, and applications are processed in a timely and efficient way.

Performance Measures	2001-02 Results	2003-04 Target
Percentage of seniors provided with the opportunity to apply for Alberta Seniors Benefit	Measure under development	To be established
Assessment time for Special Needs Assistance for Seniors program applications	New Measure	To be established

**Goal**

**1.2 Seniors and their families have access to information and educational material about programs, services and initiatives that are designed to enhance their well-being.**

This goal supports Goal 4 of the Government of Alberta Business Plan, *Albertans will be self-reliant and those unable to provide for their basic needs will receive help.*

**Key Strategies**

- 1.2.1 Continue to improve the effectiveness of information services in keeping seniors, their families, and service providers well informed about provincial and federal programs, and other resources that benefit seniors. In addition to maintaining regular information services, activities for 2003-04 will include enhancing the provision of information through the ministry website, and reviewing a range of service delivery models.
- 1.2.2 Collaborate with other ministries and organizations to support strategies that inform and educate seniors and their families about how to protect seniors against fraud and other crimes, and to enhance their personal wellness and safety.

Performance Measures	2001-02 Results	2003-04 Target
Satisfaction of seniors with information provided:		
Seniors information line	90.4%	90.0%
<i>Programs and Services for Seniors</i> booklet	91.3%	90.0%
Seniors Services Offices	95.2%	90.0%

CORE  
BUSINESS  
TWO

**2 Support the management of and enable the provision of family, special purpose and seniors housing**

**Goal**

**2.1 Provincially owned and supported housing for low-income families and individuals, seniors, and persons with special needs is efficiently and effectively managed, and appropriately and fully utilized.**

This goal supports the Government of Alberta Business Plan Goal 4: *Albertans will be self-reliant and those unable to provide for their basic needs will receive help.*

**Key Strategies**

- 2.1.1 Create effective governance structures for the community-based provision of seniors, family and special purpose housing in urban, rural and remote communities.
- 2.1.2 Create effective linkages with community-based housing organizations for the purpose of transferring ownership and management of provincial housing.
- 2.1.3 Improve the effectiveness and efficiency of Alberta's housing programs by developing a support continuum that integrates homeless shelters with other housing programs, to provide a comprehensive approach to addressing the needs of homeless and near homeless Albertans.

Performance Measures	2000-01 Results	2001-02 Results	2003-04 Target
Satisfaction of housing residents with the quality of accommodation and, where appropriate, services provided by housing operators:			
Seniors lodge residents	91.5%	87.2%	93.0%
Self-contained housing residents	90.8%	86.7%	93.0%
Family housing residents	78.7%	76.5%	80.0%

## Goal

### **2.2 Seniors, low-income families and individuals, and persons with special needs have access to a range of housing appropriate to their needs at reasonable cost.**

This goal supports Goal 4 of the Government of Alberta Business Plan, *Albertans will be self-reliant and those unable to provide for their basic needs will receive help.*

## Key Strategies

- 2.2.1 Encourage and support the development of community plans that are based on local needs and established priorities, and direct resources accordingly.
- 2.2.2 Enable development of low-cost housing that responds to community needs and priorities.
- 2.2.3 Create effective linkages with other provincial entities to facilitate delivery of affordable, appropriate housing.

## Performance Measures

**2003-04  
Target**

New measures to be developed:

Percentage of communities within the province that have plans for responding to the housing needs of their citizens

To be established

Effectiveness of community plans in developing low-cost housing to respond to community housing needs

To be established

CORE  
BUSINESS  
THREE

## **Provide planning and policy development for housing, seniors and Alberta's aging population**

## Goal

### **3.1 Government policies, programs and plans effectively anticipate and respond to the needs of current and future seniors and Albertans in need of housing supports.**

This goal supports Government of Alberta Business Plan Goals 1 and 4, *Albertans will be healthy* and *Albertans will be self-reliant and those unable to provide for their basic needs will receive help.*

## Key Strategies

- 3.1.1 Continue to partner with Alberta Health and Wellness and Alberta Finance to achieve the objectives and targets of the cross ministry Health Sustainability Initiative.
- 3.1.2 Improve analysis of data on seniors income sources to provide a basis for forecasting seniors' future income support needs.
- 3.1.3 Provide leadership and coordination across government for monitoring, anticipating and responding to issues relating to seniors' independence, quality of life, safety and security, and community participation, and issues relating to the housing needs of Albertans.
- 3.1.4 Develop the ministry's role in partnering with stakeholders, housing operators, other ministries, and other levels of government in respect of housing initiatives and necessary support services.
- 3.1.5 Collaborate with senior officials from other federal, provincial and territorial ministries to address issues relating to housing and seniors. Activities for 2003-04 include:
  - Planning for an aging population, promoting healthy aging and seniors wellness, and examining issues around the care and safety of seniors in their homes.
  - Examining emerging housing trends, best practices, taxation policy, and ways of providing additional rural and remote housing.

Performance Measure	2000-01 Results	2001-02 Results	2003-04 Target
Satisfaction of departments and agencies with the ministry's leadership and collaboration, and with the information, advice and analysis received	85.1%	86.7%	90.0%

## SUPPORT FOR GOVERNMENT OF ALBERTA CROSS-MINISTRY INITIATIVES

In carrying out its mandate, the ministry works collaboratively with ministries across government, as well as community and private sector organizations, to support initiatives that contribute to the government's vision. The ministry's collaboration with Alberta Health and Wellness and Alberta Finance on the Health Sustainability Initiative is noted above. In addition, the ministry participates in two other cross ministry policy initiatives: the Economic Development Strategy, and the Aboriginal Policy Initiative.

The ministry provides support as necessary to the government's cross-ministry administrative initiatives. These are the Corporate Human Resource Development Strategy, Alberta Corporate Service Centre Initiative, Corporate Information Management/Information Technology Strategy, and Service Alberta.

## CORPORATE STRATEGIES

In addition to engaging in activities directed towards the three core businesses above, the ministry is also involved in a range of corporate activities that help to improve the efficiency and effectiveness of our business practices and the safety of our working environment. These activities include supporting employee access to information technology, maintaining a performance appraisal system for all ministry employees, and providing employees with information and support on health and safety in the workplace.

For this business planning period, Alberta Seniors plans the following activities:

- Execute an accommodation plan to provide ministry employees with a more effective working environment.
- Support the Corporate Human Resource Plan, and promote effective human resource management to ensure that the ministry has the staff with the right skills in the right place at the right time to meet business plan goals. Strategies include succession planning, employee recognition and retention, and access to learning supports for employees.
- Review the ministry website to ensure that it provides useful, accurate, up-to-date and easily accessible information on ministry programs, services and initiatives, and that it is compatible with the Service Alberta website.
- Cooperate in the advancement of the government-wide Capital Planning Initiative.
- Develop a Business Resumption Plan to ensure the ministry is able to respond appropriately to disruptions in service.
- Bring regulations scheduled for review to the Regulatory Review Secretariat in a timely manner.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Provide Financial Support and Information Services to Seniors	180,832	196,101	196,402	198,449	199,896	199,977
Support the Management and Enable the Provision of Family, Special Purpose and Seniors Housing	191,244	170,476	188,771	196,473	202,981	187,493
Provide Planning and Policy Development for Housing, Seniors and Alberta's Aging Population	1,890	2,141	2,140	2,377	2,377	2,377
<b>MINISTRY EXPENSE</b>	<b>373,966</b>	<b>368,718</b>	<b>387,313</b>	<b>397,299</b>	<b>405,254</b>	<b>389,847</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	64,481	64,927	73,427	85,379	89,738	75,803
Investment Income	1,892	909	909	849	800	750
Premiums, Fees and Licences	87	105	105	105	105	105
Other Revenue	16,696	6,576	9,876	4,852	2,785	135
<b>MINISTRY REVENUE</b>	<b>83,156</b>	<b>72,517</b>	<b>84,317</b>	<b>91,185</b>	<b>93,428</b>	<b>76,793</b>
<b>EXPENSE</b>						
<b>Program</b>						
Provide Financial Support and Information Services to Seniors	178,730	193,761	194,178	196,100	197,596	197,596
Support the Management and Enable the Provision of Family, Special Purpose and Seniors Housing	140,741	124,101	142,279	151,634	160,145	147,025
Provide Planning and Policy Development for Housing, Seniors and Alberta's Aging Population	1,859	2,110	2,110	2,344	2,344	2,344
Ministry Support Services	3,448	3,618	3,618	3,927	3,919	3,919
Valuation Adjustments and Other Provisions	(260)	185	185	185	185	185
<b>Program Expense</b>	<b>324,518</b>	<b>323,775</b>	<b>342,370</b>	<b>354,190</b>	<b>364,189</b>	<b>351,069</b>
<b>Debt Servicing Costs</b>						
Alberta Social Housing Corporation	49,448	44,943	44,943	43,109	41,065	38,778
<b>MINISTRY EXPENSE</b>	<b>373,966</b>	<b>368,718</b>	<b>387,313</b>	<b>397,299</b>	<b>405,254</b>	<b>389,847</b>
Gain (Loss) on Disposal of Capital Assets	46	12,636	12,636	10,749	12,409	11,037
<b>NET OPERATING RESULT</b>	<b>(290,764)</b>	<b>(283,565)</b>	<b>(290,360)</b>	<b>(295,365)</b>	<b>(299,417)</b>	<b>(302,017)</b>



## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	83,156	72,517	84,317	91,185	93,428	76,793
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>83,156</b>	<b>72,517</b>	<b>84,317</b>	<b>91,185</b>	<b>93,428</b>	<b>76,793</b>
Ministry Program Expense	324,518	323,775	342,370	354,190	364,189	351,069
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>324,518</b>	<b>323,775</b>	<b>342,370</b>	<b>354,190</b>	<b>364,189</b>	<b>351,069</b>
Ministry Debt Servicing Costs	49,448	44,943	44,943	43,109	41,065	38,778
<b>Consolidated Expense</b>	<b>373,966</b>	<b>368,718</b>	<b>387,313</b>	<b>397,299</b>	<b>405,254</b>	<b>389,847</b>
Gain (Loss) on Disposal of Capital Assets	46	12,636	12,636	10,749	12,409	11,037
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(290,764)</b>	<b>(283,565)</b>	<b>(290,360)</b>	<b>(295,365)</b>	<b>(299,417)</b>	<b>(302,017)</b>



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# Solicitor General

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Heather Forsyth, *Solicitor General*  
March 21, 2003

## INTRODUCTION

Alberta Solicitor General is a key player in one of the Government of Alberta's most important priorities – ensuring that Alberta's communities remain safe places to live, work and raise families. The ministry's primary businesses are policing and crime prevention, security operations, victim services, and correctional services. All contribute to safe communities.

Government MLA reviews of Alberta Solicitor General's core businesses have been completed. The reviews sought public input and provided feedback on the ministry's programs. The challenge now is to use that valuable information to develop initiatives that meet the needs of Albertans and ensure their safety, while recognizing the province's fiscal realities.

Using the results of the reviews, Alberta Solicitor General will also strive to find ways to improve the way we do business and make the best use of our resources. We will strengthen our partnerships with our stakeholders in policing, community organizations and local government, and with Aboriginal people.

As part of our efforts to enhance public safety, we will continue to inform Albertans about serious and violent offenders through our high risk offender web pages, participate in the development of a National Sex Offender Registry, and support the AMBER Alert program. In addition, we will implement changes to comply with the federal *Youth Criminal Justice Act*, and work with law enforcement and appropriate federal government agencies in developing a proposal to address gang activity in Alberta. Alberta Solicitor General will also work with other government ministries and stakeholders to develop a Provincial Impaired Driving Enforcement Strategy.

To support our goal of facilitating the rehabilitation of offenders, inmates from correctional centres and offenders under community supervision will continue to contribute work service to Alberta communities. We will support and expand youth justice committees to assist in the rehabilitation of first and second-time young offenders. Alberta Solicitor General will also support community-based initiatives that deal with domestic violence.

In our efforts to ensure secure and efficient custody, we have brought forward the *Corrections Amendment Act, 2003* (Bill 26) to increase public safety by holding offenders appropriately accountable. Additionally we will be monitoring serious offenders who are placed in the community through conditional sentences. We will continue to partner with other justice stakeholders in the management of these difficult and demanding offenders.

Alberta Solicitor General is committed to ensuring that victims of crime receive the help they need and the respect they deserve. Victims of crime must have a meaningful role in the criminal justice system. We will work with community and government organizations to increase awareness of victim's programs and services and provide training to victim service coordinators and criminal justice staff. We will implement regulatory and legislative amendments to the Victims Financial Benefits program to make it more responsive to the needs of victims of crime.

Finally, Alberta Solicitor General will maintain a lead role in the Government of Alberta counter-terrorism crisis management process. The Security and Information Management Unit will provide seamless communication among intelligence organizations, provincial ministries and the private sector.

## PLANNING ENVIRONMENT

Alberta Solicitor General has considered the following environmental factors in setting out strategic priorities for 2003-2006:

- Demographics:** Alberta's population is increasing faster than any other province, with inter-provincial migration being the primary source of growth. 6.3% of the total immigration to Canada occurred in Alberta, the 4th largest influx after Ontario, B.C., and Quebec. Alberta's net growth is the strongest it's been since the oil boom of the 1980's. The Edmonton-Calgary corridor (including Leduc, Red Deer and Wetaskiwin) is one of Canada's four fastest growing urban areas and accounts for 72% of the Alberta population. Calgary accounted for 47% of the total growth in Alberta.
- Aboriginal Justice:** Consultations are currently underway with all Alberta First Nations on effective and efficient policing options. These consultations are occurring through a collaborative approach between the ministry and the Treaty 8 First Nations of Alberta. A report, with recommendations based on the consultations, will be prepared for the Minister's consideration. The Aboriginal population is young and the fastest growing segment of the Alberta population. A large proportion of the Aboriginal population in Canada experiences socio-economic disadvantages in comparison to non-Aboriginal Canadians, which contributes to Aboriginal people coming into conflict with the law. Significant over-representation of Aboriginal people at all points in the justice system also continues to be a serious issue. There is a need to develop innovative options for diversion, and most of all, to address the root causes of crime, a priority of our ministry.
- Victims:** A province-wide victims consultation has taken place. Participants included victims of crime, police, criminal justice officials, emergency shelter workers, mental health professionals and victim assistance advocates. The report from the consultation has been submitted to the Minister. Recommendations will be reviewed and responded to in the coming year.
- Implications of New Legislation:** Several significant legislative changes will affect the ministry's programs and services. The *Youth Criminal Justice Act*, which replaces the *Young Offenders Act*, will come into force on April 1, 2003 and is intended to promote greater use of alternatives to the traditional justice system. New amendments to the *Criminal Code of Canada* contain aggressive new measures to fight organized crime, including three new offences and tough sentences that target involvement with criminal organizations and provisions that improve the protection of people who play a role in the justice system, such as jurors or witnesses, from intimidation. The Government of Canada introduced a new package of anti-terrorism measures as part of its Anti-Terrorism Plan. The *Sex Offender Information Registration Act* and amendments to the *Criminal Code*, once proclaimed, will require the province to be responsible for the overall administration of the registry.
- Policing:** Provincial Policing Programs are significant items in the ministry's budget. Economic growth in Alberta, inter-provincial migration and transient populations will have an impact on policing in our communities. The Policing Review Committee released its report in July 2002, which includes recommendations for legislative as well as policy changes. A government response to the recommendations contained within the report is being drafted based on feedback from stakeholders. The implementation plan will be developed to reflect the accepted recommendations of the MLA Policing Review Committee, including policy, program, and legislative changes to the *Police Act*. Policing strategies need to be developed to move policing through the next decade.

**Terrorism:** Since September 11, there has been increased awareness of the potential for terrorist fundraising, planning, and activity in Canada. Alberta has taken a very active role in counter terrorism planning. The counter-terrorism crisis management process ensures that the appropriate mechanisms are in place to identify and mitigate potential terrorist threats.

**Organized Crime:** Organized crime is evolving and expanding, finding its way into all forms of crime – including drug trafficking, prostitution, theft, fraud, human smuggling, cyber crime (gambling/sexual exploitation of children) as well as gang activity and street crime. Although Albertans and social agencies are often directly confronted with, or have knowledge of, the street level activities of organized crime (e.g., drug abuse, prostitution), the link between local criminal activity and organized crime is often not very clear. All Albertans are affected, both in the direct financial impact and the social costs for individuals and their families. New strategies are being developed to better respond to the progression of organized crime.

## **ALBERTA SOLICITOR GENERAL VISION, MISSION AND CORE BUSINESSES**

### **VISION**

Ensure Albertans have safe and secure communities in which to live, work and raise their families.

### **MISSION**

Our mission is to serve Albertans by ensuring safe and secure communities through effective policing, security and correctional services and when crime is committed to assist victims of crime.

### **CORE BUSINESSES**

The following core businesses are intended to reflect the primary responsibilities of the ministry and those organizations that report to the Minister:

<b>Policing</b>	Ensuring safe communities in Alberta by ensuring an adequate and effective level of policing.
<b>Crime Prevention</b>	Ensuring safe communities in Alberta by developing and promoting crime prevention programs.
<b>Security Operations</b>	Ensuring safe communities in Alberta by providing security services to elected officials, the Lieutenant Governor, government personnel, the judiciary, and members of the public attending government functions or facilities. This includes a ministry-specific and government-wide counter-terrorism crisis management process to ensure the appropriate mechanisms are in place to identify and mitigate potential terrorist threats.
<b>Victims Programs and Services</b>	Ensuring victims are treated with dignity and respect and that they receive information about programs and services, and assistance during the criminal justice process and that eligible victims promptly receive financial benefits.
<b>Custody, Supervision and Rehabilitative Opportunities for Offenders</b>	Ensuring effective and efficient security and supervision of offenders that enhances public safety while offering offenders opportunities to become law-abiding citizens.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE

## 1 Ensure safe communities in Alberta

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### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Aboriginal communities in Alberta will be effective and self-reliant.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada
- Alberta's children will be supported in reaching their potential.

### Strategies:

- 1.1. Identify serious and/or violent offenders through such initiatives as the High Risk Offender Website, the National Sex Offender Registry and the Serious Habitual Offender Comprehensive Action Program (SHOCAP), and enhanced partnering with the Edmonton Police Service High Risk Offender Unit.
- 1.2. Support the Provincial Organized and Serious Crime Strategy in partnership with Alberta Justice, the Criminal Intelligence Service Alberta (CISA) and policing services. (Justice Summit Theme: Enhance Community Partnerships)
- 1.3. Participate in the Alberta Children and Youth Initiative through the Provincial Crime Prevention Strategy, as well as the Children's Mental Health, Fetal Alcohol Syndrome, Women's Shelters, Child Prostitution and Early Intervention Initiatives, and the Aboriginal Youth Suicide Prevention Strategy. (Justice Summit Theme: Enhance Community Partnerships)
- 1.4. Develop an implementation plan to address the accepted recommendations of the MLA Policing Review Committee and other identified policing strategies.
- 1.5. Enhance the partnership with the RCMP in monitoring the Provincial Police Service Agreement.
- 1.6. Reinstate Restorative Justice Grant funding to support the ministry's community justice policy. (Justice Summit Theme: Enhance Community Partnerships)
- 1.7. Support the National Crime Prevention Strategy. (Justice Summit Theme: Enhance Community Partnerships)
- 1.8. Implement approved plan for a new, efficient and effective Alberta First Nations policing model.
- 1.9. Develop a Provincial Impaired Driving enforcement strategy in conjunction with Justice, Transportation, and police services.
- 1.10. Work with Gaming, RCMP, First Nations, and First Nation policing services to develop policing options for those First Nations where casinos are established.
- 1.11. Monitor implementation of AMBER Alert program, revise policy accordingly, and implement enhancements as necessary.
- 1.12. Support the Provincial Crime Prevention Strategy and reinstate crime prevention grant funds to ensure the long-term viability of crime prevention programs.
- 1.13. Work with the Chiefs of Police, RCMP Commanding Officer, and Justice to facilitate the development of common strategic direction and integrated business processes and systems.
- 1.14. Pilot the use of supervision standards to focus probation officer attention on the most serious and needy cases and expand the case aid pilot project.
- 1.15. Implement the approved Policing Standards' Implementation Plan.
- 1.16. Renegotiate the "Agreement on Biology Casework Analysis" to support the Federal *DNA Identification Act*
- 1.17. Work with law enforcement and appropriate federal government agencies in developing a proposal to address gang activity in Alberta.

**Core Performance Measures**

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Public perception of safety in the home</b> The percentage of Albertans who feel "very safe" in their own homes.	59.5%	59.7%	68.7%	68.7%	71.9%	75%
<b>Public perception of safety in the neighbourhood</b> The percentage of Albertans who feel "somewhat comfortable" to "very comfortable" walking alone in their neighbourhoods at night.	75%	77%	79%	80%	81%	82%
<b>Victimization rate</b> The percentage of Albertans who have reported being a victim of crime in the past year.	24%	25%	21%	20%	25%	25%

Source: Annual Public Survey, Strategic Services Division

	1999		2000		2001		2003-06 Target
<b>Crime rate: violent crime and property crime</b> The rate (per 100,000 population) of violent crime and rate of property crime as reported by police.	Violent	Property	Violent	Property	Violent*	Property*	To have the lowest violent and property crime rates of the four western provinces
	1,063	4,789	1,059	4,439	1,099	4,405	

\* Lowest violent and property crime rate of the four western provinces.

Source: Uniform Crime Reporting (UCR) Survey, Canadian Centre for Justice Statistics

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Public satisfaction with policing</b> The percentage of Albertans who feel "somewhat satisfied" to "very satisfied" with policing in Alberta.	78%	84%	82%	80%	82%	83%

Source: Annual Public Survey, Strategic Services Division



## 2 Provide services to victims and ensure they have a more meaningful role in the criminal justice system.

### Relates to Government Business Plan Goal:

- Alberta will be a fair and safe place to work, live and raise families.

<b>Strategies:</b>	2.1	Develop a plan and commence implementation of approved recommendations for policy and legislative change as a result of the Victims of Crime Consultations.
	2.2	Help community groups and organizations establish programs and initiatives that meet the needs of Victims of Crime. (Justice Summit Theme: Increase the Role of Victims)
	2.3	Implement revised Victim Impact Statement guidelines.
	2.4	Assist funded community groups to better evaluate their victims' programs.
	2.5	Implement regulatory and legislative amendments to the Victims Financial Benefits program in accordance with the <i>Victims of Crime Amendment Act</i> .
	2.6	Establish a new Financial Benefits program database to reflect changes to the <i>Victims of Crime Amendment Act</i> .
	2.7	In collaboration with community organizations and other government organizations, increase awareness and enhance training to victim service program coordinators and criminal justice staff. (Justice Summit Theme: Increase the Role of Victims)
	2.8	Disseminate information about legislation, and programs/services for victims to: police, victim service organizations, and criminal justice staff. (Justice Summit Theme: Increase Sensitivity and Cultural Awareness)

### Core Performance Measures

	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Satisfaction with services provided to applicants for victim financial benefits</b>					
Satisfaction rate (based on a five-point rating scale, with five being the highest) with services provided to applicants for victim financial benefits.	3.87	4.01	3.98	4.08	4.00
<b>Source:</b> Client Satisfaction Survey, Public Security Division					
<b>Access to victim service units</b>					
Percentage of Alberta police services or RCMP detachments that have, or have access to, a victim service unit.			86%	86%	89%
<b>Source:</b> Administrative data, Public Security Division					
<b>Number of victim service initiatives</b>					
The number of victim service initiatives supported by Solicitor General includes: Victim Service Units and Programs; Youth Justice Committees; Alternative Measures Programs, Financial Benefits Program, Victim Impact Statement Program, and Victim Restitution Program.			190	213	220
<b>Source:</b> Administrative data, Public Security Division					



## Facilitate the rehabilitation of offenders.

### Relates to Government Business Plan Goals:

- Alberta will be a fair and safe place to work, live and raise families.
- Aboriginal communities in Alberta will be effective and self-reliant.

### Strategies:

- 3.1 Expand the youth justice committee program to eligible communities including Aboriginal communities. (Justice Summit Theme: Enhance Community Partnerships)
- 3.2 Review the Alternative Measures Program and expand where appropriate. (Justice Summit Theme: Clarify Accountability)
- 3.3 The Ministry will increase its emphasis on ensuring the availability of alternatives to custody for young offenders while providing custody for those young offenders who are chronic repeat offenders and those who commit serious and/or violent offences. (Justice Summit Theme: Clarify Accountability)
- 3.4 In partnership with Health and Wellness, provide an appropriate treatment response to young offenders experiencing mental health problems. (Justice Summit Theme: Enhance Community Partnerships)
- 3.5 Continue offender work service contribution to communities.
- 3.6 Together with Health and Wellness - Alberta Mental Health Board and other departments and agencies, develop an implementation plan supporting the goal of diverting, where appropriate, criminally involved but mentally ill individuals away from the justice system. Following development of an implementation plan, work cooperatively with Alberta Mental Health Board, and other partners in the development of additional “pilot” locations that further the initiative’s diversion goal.
- 3.7 Support innovative, community-based initiatives to address domestic violence, including reviewing police and prosecution domestic violence policy with the Federal/Provincial/Territorial working group.
- 3.8 Contingent on the capacity of the community, consider the transfer of community corrections program management to Aboriginal communities expressing an interest and demonstrating a readiness.
- 3.9 Deliver Aboriginal cultural and spiritual programming in Young Offender and Adult Correctional Centres.
- 3.10 In cooperation with Aboriginal and Justice stakeholders, develop implementation strategies based on the approved recommendations on the enhancement of the Alexis court model.
- 3.11 Implement the provincial *Corrections Amendment Act, 2003* (Bill 26), intended to increase public safety by expanding use of offender drug testing and revising inmate disciplinary procedures.

### Core Performance Measures

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Outcome of correctional sanctions: successful completion of young offender probation dispositions</b>						
The percentage of supervision cases that were successfully completed.	65%	64%	61%	61%	62%	62%
<b>Outcome of correctional sanctions: successful completion of adult offender probation dispositions</b>						
The percentage of supervision cases that were successfully completed.	72%	71%	71%	69%	69%	70%

					2001-02	2003-06 Target
<b>Percent of offenders involved in work, education, treatment or life management programs</b>						
The percentage of incarcerated offenders involved in provincial work, education and life management programs.						
	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Number of hours of community service</b>						
The number of hours of community service performed by offenders in custody who are housed in centres, camps and group homes, and by offenders serving their sentences in the community.						
	1.1 million	1.1 million	1.1 million	1.0 million	883,475	850,000

Source: Administrative data, Correctional Services Division

## GOAL FOUR **4 Ensure secure and efficient custody, community supervision and transportation of offenders.**

### Relates to Government Business Plan Goal:

- Alberta will be a fair and safe place to work, live and raise families.

### Strategies:

- 4.1 Implement the approved recommendations arising from the Correctional Services MLA Review Committee.
- 4.2 Ensure that offenders held at secure adult and young offender centres remain until their lawful release date.
- 4.3 Work closely with the RCMP, Infrastructure, Innovation and Science, Environment and other stakeholders to develop a province-wide multi-user radio system.
- 4.4 Provide safe custody and transportation of adult and young offenders between courts and adult correctional and young offender centres.
- 4.5 Ensure that Provincial Protection officers complete basic and advanced training to enable them to carry out their security, custody and escort functions.
- 4.6 Refine and expand Youth Attendance Centre programs and Youth Alternative Measures programs to ensure effective offender supervision and, as well, to ensure that the ministry is positioned to respond to the requirements of the *Youth Criminal Justice Act*.
- 4.7 Work with Justice to enhance the integration and effectiveness of the provincial court security program to ensure the safety of the judiciary, prosecutors, court staff and the general public.
- 4.8 Upon the completion of the pilot project evaluation and in partnership with Innovation and Science, Justice, and Infrastructure, implement province-wide video arraignment in all major adult correctional and young offender centres as an alternative to in person court appearances for accused persons and witnesses.

### Core Performance Measures

	1997-98	1998-99	1999-00	2000-01	2001-02	2003-06 Target
<b>Successful completion of temporary absence supervision</b>						
The percentage of offenders on temporary absence who do not incur a new criminal charge while under supervision.						
	99.4%	99.7%	99.8%	99.7%	99.7%	No lower than 99%

	1999-00	2000-01	2003-06 Target		
<b>Per diem cost for housing adult offenders in a correctional facility</b>					
The average cost per day to house one adult inmate in a correctional facility.	\$85.71	\$95.62*	To be among the four jurisdictions that have the lowest cost per diem per offender in Canada		
* Second lowest in Canada					
	1998-99	1999-00	2000-01	2001-02	2003-06 Target

**Number of escape incidents from secure custody**

The number of escape incidents from secure custody (within a correctional facility) or during transport.

0                      1                      0                      1                      0

Source: Administrative data, Correctional Services Division

**Successful transportation of prisoners to court**

The percentage of court and prisoners services transports that are on time for court appearances.

Historical data not available; Target: 90%

Source: Administrative data, Public Security

GOAL FIVE **5 Ensure the safety of Albertans through appropriate crisis management planning.**

**Relates to Government Business Plan Goals:**

- Alberta will be a fair and safe place to work, live and raise families.
- Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

**Strategies:**

- 5.1 Work with the federal government to ensure the safety and security of those attending international events in the province.
- 5.2 Coordinate the provision of seamless communication between law enforcement and intelligence organizations, private sector organizations, and provincial ministries in the development and implementation of counter terrorism strategies through the Security and Information Management Unit.
- 5.3 Work with the Criminal Intelligence Service Alberta Agency (CISA) and policing partners to include counter-terrorism as part of the Alberta Counter-Terrorism Crisis Management Plan.
- 5.4 As the lead agency in counter-terrorism crisis management, monitor the implementation of the Government of Alberta Counter-Terrorism Crisis Management Plan.
- 5.5 Implement a crisis management plan for the Legislature Building, Legislature Annex, Government House and McDougall Centre.

**Core Performance Measures**

**Stakeholder satisfaction with services of the Security and Information Management Unit**

Historical data not available; Target: to be developed.

Source: Client Satisfaction Survey, Public Security Division

## CROSS-MINISTRY PRIORITY POLICY INITIATIVES

Alberta Solicitor General is an active partner, working with other government ministries, on a number of initiatives that are overall policy priorities for the Government of Alberta:

- Aboriginal Policy Initiative:** The ministry will implement a range of programs and initiatives that contribute to the well-being and self-reliance of Aboriginal people. Over the next three years, the ministry will focus on increasing the number of Aboriginal community initiatives (youth justice committees, victim services), developing and implementing an approved First Nations policing model, and enhancing staff training related to Aboriginal culture issues.
- Alberta Children and Youth Initiative:** The ministry will continue its commitment to the goal of the Alberta Children and Youth Initiative that “all children are safe, well cared for, successful at learning, and healthy”. For 2003-04 the initiative’s focus will be on children and youth with special needs, youth in transition to adulthood, Aboriginal children, and the Aboriginal Youth Suicide Prevention Strategy.
- Health Sustainability Initiative:** The ministry will contribute to the sustainability of the health care system by strengthening collaboration and coordination across ministries through its participation in Mental Health Diversion, Aboriginal Youth Suicide Prevention, and the National Tobacco Reduction Committee.
- Economic Development Strategy:** The ministry will help ensure that the province has an unmatched future of opportunity through working together with other ministries, businesses, industry, communities, other governments and public institutions, employees and other stakeholders on initiatives including: the Federal/Provincial Partnership Forum; and support for the national Crime Prevention Strategy.

## KEY CORPORATE STRATEGIES

### Human Resource Strategies

Key initiatives will be undertaken to address five specific ministry and corporate strategies.

- The continuous learning strategy will ensure training and development activities are linked to the ministry and division’s business plans.
- The leadership continuity plan will ensure that the ministry has employees with the competencies to meet its current and future leadership needs.
- The ministry will provide an Employee Recognition Program to recognize employees for service and merit excellence.
- The ministry will participate in Corporate Programs designed to attract and retain skilled employees.
- The ministry will continue to build a positive, healthy work environment.

## **Information and Communications Technology (ICT) Strategies**

Solicitor General uses a variety of Information and Communications Technology (ICT) strategies to support its mission and core businesses. ICT systems are used to support the goals of facilitating the rehabilitation of offenders, ensuring safe and efficient custody of offenders and providing services to victims. These systems will be maintained and enhanced to ensure that they operate in an efficient and effective manner for Solicitor General and for its partners in criminal justice. Solicitor General will seek to ensure that all its ICT strategies will allow better management information to assist in policy development.

Solicitor General will utilize the department website as an educational tool to provide the public with information on its programs. Solicitor General will continue to enhance information provided to the public through Service Alberta on such issues as policing, crime prevention, services for victims, regulatory services (locksmiths, private investigators and firearms), and correctional services.

Solicitor General is a partner in national projects to develop Canada's system of justice statistics and information in order to support the administration of justice, and to ensure that accurate information regarding the nature and extent of crime and the administration of justice is available to the public. Solicitor General will work with other ministries and other jurisdictions to examine the feasibility of developing and deploying an updated and improved province-wide mobile communications system for use by security, regulatory and law enforcement personnel.

## **Business Resumption Plan**

Solicitor General files updated Business Resumption Plans with Emergency Management Alberta (formerly Disaster Services) on an annual basis. The updates reflect changes to the business, staffing, and technology that have been designated as "critical".

## **Regulatory Review**

Over this business planning cycle, the ministry will continue to monitor its regulations and regulatory processes, and will take action as appropriate and consistent with its Regulatory Review Work Plan.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Custody, Supervision and Rehabilitative Opportunities for Offenders	121,590	129,312	129,301	134,480	133,409	133,914
Policing and Crime Prevention	108,131	112,870	112,860	116,798	116,807	116,802
Security Operations	13,268	14,181	14,180	15,969	15,969	15,969
Victims' Programs and Services	13,295	10,023	11,056	10,272	10,298	10,298
<b>MINISTRY EXPENSE</b>	<b>256,284</b>	<b>266,386</b>	<b>267,397</b>	<b>277,519</b>	<b>276,483</b>	<b>276,983</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	21,280	22,304	22,998	23,517	22,148	21,517
Investment Income	223	200	162	300	315	330
Premiums, Fees and Licences	317	325	325	325	325	325
Other Revenue	13,467	14,927	16,046	16,109	16,270	16,270
<b>MINISTRY REVENUE</b>	<b>35,287</b>	<b>37,756</b>	<b>39,531</b>	<b>40,251</b>	<b>39,058</b>	<b>38,442</b>
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	5,262	5,605	5,605	5,870	5,866	5,866
Public Security	119,017	124,250	124,250	129,830	129,831	129,831
Correctional Services	119,205	126,462	126,462	131,507	130,449	130,949
Victims of Crime Fund	13,034	9,802	10,813	10,045	10,070	10,070
Valuation Adjustments and Other Provisions	(234)	267	267	267	267	267
<b>MINISTRY EXPENSE</b>	<b>256,284</b>	<b>266,386</b>	<b>267,397</b>	<b>277,519</b>	<b>276,483</b>	<b>276,983</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(220,997)</b>	<b>(228,630)</b>	<b>(227,866)</b>	<b>(237,268)</b>	<b>(237,425)</b>	<b>(238,541)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	35,287	37,756	39,531	40,251	39,058	38,442
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Revenue</b>	<b>35,287</b>	<b>37,756</b>	<b>39,531</b>	<b>40,251</b>	<b>39,058</b>	<b>38,442</b>
Ministry Program Expense	256,284	266,386	267,397	277,519	276,483	276,983
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>256,284</b>	<b>266,386</b>	<b>267,397</b>	<b>277,519</b>	<b>276,483</b>	<b>276,983</b>
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(220,997)</b>	<b>(228,630)</b>	<b>(227,866)</b>	<b>(237,268)</b>	<b>(237,425)</b>	<b>(238,541)</b>





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# Sustainable Resource Development

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Mike Cardinal, *Minister of Sustainable Resource Development*  
March 19, 2003

## THE MINISTRY

The Ministry consists of the department of Sustainable Resource Development (SRD), the Natural Resources Conservation Board (NRCB), the Surface Rights Board (SRB) and the Land Compensation Board (LCB).

The Ministry ensures that the values and benefits Albertans receive today from natural resources; and economic, recreational, cultural and social activities conducted on Alberta's public lands; are sustainable for future generations. Working with other Ministries, and within a strategic framework defined by 11 acts and associated regulations, SRD develops and implements policies on land use and resource development that respect a dynamic balance among conservation, development, access and opportunity.

## VISION

Alberta’s public lands, forests, rangelands, fish and wildlife resources are managed within a policy, administrative and regulatory framework that benefits both present and future Albertans.

## MISSION

To ensure the sustained contribution of benefits to Albertans from Alberta’s public land and natural resources.

## DEPARTMENT OF SUSTAINABLE RESOURCE DEVELOPMENT CORE BUSINESSES

The department of Sustainable Resource Development concentrates on five core businesses to achieve its mission of sustaining the benefits Albertans receive from public land and natural resources:

- **Forest Protection** protects the multiple values received from forests within the Forest Protection Area of the province by working cooperatively with municipalities, industry, and other stakeholders to prevent and suppress wildfires.
- **Forest Land and Resource Management** manages Alberta’s forests and forest lands benefits to support a full range of uses and values to Albertans, including timber production, energy extraction, wildlife habitat, livestock grazing and recreational uses.
- **Fish and Wildlife Management** manages Alberta’s fish and wildlife resources to preserve their intrinsic value to the environment as well as their recreational and economic importance to Albertans.
- **Rangeland Management** manages Alberta public rangelands to support a full range of uses and values that include livestock grazing, energy extraction, recreational use, and wildlife habitat.
- **Land Use Disposition Management** ensures that dispositions are efficiently and effectively managed to reflect balanced use and stewardship of Alberta’s public lands.

The department, through the delivery of these core business, broadly supports the goals outlined in the Government’s business plan and its overarching three core businesses of People, Prosperity and Preservation. This relationship between the department core businesses and the Government’s business plan goals is provided in Figure 1.

**Figure 1: Department of Sustainable Resource Development supports the Goals of the Government Business Plan.**

Government Business Plan Goals	Department of Sustainable Resource Development Core Businesses				
	Forest Protection	Forest Land and Resource Management	Fish and Wildlife Management	Rangeland Management	Land Use Disposition Management
Goal 7 - Alberta will have a prosperous economy.		✓		✓	✓
Goal 11 - The high quality of Alberta’s environment will be sustained.	✓	✓	✓	✓	✓

# GOALS AND STRATEGIC APPROACH

CORE  
BUSINESS  
ONE

## 1 Forest Protection

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**GOAL 1**            **Protect Alberta's forests and forest communities by preventing and suppressing wildfires.**

### Strategic Approach

- Provide a preparedness framework that enables the Province to respond to the event of wildfire in the Forest Protection Area of the province. Key elements of the framework include: effective policies, readiness/training, prevention, detection, and early response.
- Respond to the event of wildfire through a wildfire management regime that quickly contains and suppresses wildfires within the Forest Protection Area to minimize fire losses.
- Consider innovative approaches to address the volatility of costs related to fighting wildfires, such as a wildfire reinsurance program.
- Reduce the economic burden of wildfires on communities and their residents by implementing the Municipal Wildfire Assistance Program in partnership with Alberta Municipal Affairs.

CORE  
BUSINESS  
TWO

## 2 Forest Land and Resource Management

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**GOAL 2**            **Enhance the economic, environmental and social contributions of Alberta's forests and forest lands to Albertans.**

### Strategic Approach

- Provide a clear, balanced approach to forest management through a forestry policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from forests and forest lands, while supporting opportunities that increase the forest land base, the amount of fibre extracted per unit area, and the value of forest products received per unit fibre.
- Ensure sustainable forest management through adaptive forest management planning and practices by government and industry, coupled with appropriate compliance and assurance mechanisms.
- Manage infestations of insect, disease and weed pests in Alberta's forests through effective detection and management strategies that recognize shared responsibility with industry, municipal and federal governments.
- Ensure Albertans receive an economic return for use of fibre produced on forested public lands.
- Increase the value of forest products produced from Alberta's forest resource through:
  - Unleashing innovation;
  - Competing in the global marketplace;
  - Leading in learning; and
  - Strengthening Alberta's economy.

## 3 Fish and Wildlife Management

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**GOAL 3** Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.

### Strategic Approach

- Provide a clear, balanced approach to fish and wildlife management through a fish and wildlife policy, legislative and regulatory framework that maximizes the benefits Albertans receive from these resources.
- Sustain the recreational enjoyment of fish and wildlife resources with appropriate allocation and licensing decisions.
- Mitigate and reduce negative interactions between wildlife and humans.
- Partner with Aboriginal communities to sustain traditional uses of fish and wildlife resources.
- Maintain up-to-date management plans for all game species and species at risk to ensure decision-making enhances the contribution of these resources to Albertans.
- Encourage sustainable fisheries by improving:
  - The viability of the commercial fishing industry;
  - Habitat maintenance and restoration;
  - The fish stocking system; and
  - Management information and public education.

## 4 Rangeland Management

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**GOAL 4** Enhance the economic, environmental and social contributions of Alberta's rangelands to Albertans.

### Strategic Approach

- Provide a clear, balanced approach to rangeland management through a rangeland management policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from public rangelands.
- Ensure that Alberta's livestock industry has access to long-term, secure public rangeland grazing.
- Support sustainable range management practices and decisions through coordinated inventories, knowledge transfer and applied research programs.
- Encourage good stewardship practices by monitoring utilization of public rangelands.
- Manage public rangelands in a manner that supports the co-existence of multiple uses and resource values.

## 5 Land Use Disposition Management

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**GOAL 5** Optimize the long-term benefits (environmental, social and economic) that Albertans receive through effective, efficient disposition management.

### Strategic Approach

- Provide an integrated, balanced approach to land use through a land management policy, legislative and regulatory framework that maximizes the long-term benefits Albertans accrue from public lands.
- Encourage sustainable land use practices through integrated land use planning by government and industry.
- Ensure dispositions for the use of public lands are issued in a timely, effective manner with the appropriate and relevant conditions.

## CROSS-MINISTRY INITIATIVES

The mandate of the department can only be accomplished through effective partnerships and integrated delivery with other Ministries. Key priority cross-ministry initiatives that will continue as a focus for the department through the 2003-06 planning cycle include:

### **Aboriginal Policy Initiative**

Four of the core businesses of the department of SRD directly or indirectly support the achievement of this initiative. Aboriginal people's participation in resource-based economic activities is encouraged through fire-fighting training as well as employment and business opportunities; forest community timber programs; as well as integrated resource planning and consultation on Alberta's public lands and wildlife resources.


### **Economic Development Strategy**

All of the core businesses of the department of SRD directly or indirectly support the achievement of this initiative. The department demonstrates its commitment to the goals and objectives of the Economic Development Strategy by encouraging the use of new technologies in resource-based industries; the growth in value of manufactured forestry products shipments; the development of regional strategic frameworks that build on regional goals, priorities, and strengths and supporting the development of the rural development initiative strategy.

## PERFORMANCE MANAGEMENT FRAMEWORK

The performance management framework for the department uses the program logic model approach. This approach demonstrates the relationship among desired impact, inputs, core businesses, outputs, and outcomes. Figure 2 reflects the current status of the department's performance management framework, which continues to evolve as the department explores and develops a better understanding of its core businesses.

**Figure 2: Department of Sustainable Resource Development Performance Management Framework**  
*- linking what we do to why we do it.*

Inputs	Core Business / Processes	Outputs	Outcomes	Impacts
Knowledge Financial Resources Land Natural Resources	Forest Protection	<ul style="list-style-type: none"> <li>Fire losses from wildfires within the Forest Protection Area are minimized through:               <ul style="list-style-type: none"> <li>Prevention;</li> <li>Rapid detection;</li> <li>Early response; and</li> <li>Containment and suppression.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Alberta's forests and forest communities are protected from wildfire.</li> <li>Human-caused fire starts do not increase, despite population growth, urban encroachment and escalating fire start potential in the Forest Protection Area.</li> </ul>	The sustained contribution of benefits to Albertans from Alberta's public land and natural resources.
	Forest Land and Resource Management	<ul style="list-style-type: none"> <li>Alberta's public forests and forest lands are allocated.</li> <li>Alberta's forests are managed and used in a sustainable manner.</li> <li>Albertans receive an economic return from Alberta's forests.</li> </ul>	<ul style="list-style-type: none"> <li>Alberta's forests support multiple uses and values while also supporting opportunities for increasing:               <ul style="list-style-type: none"> <li>Productive forest crown land;</li> <li>Amount of fibre extracted per unit area; and</li> <li>Value per unit fibre.</li> </ul> </li> </ul>	
	Fish and Wildlife Management	<ul style="list-style-type: none"> <li><i>Under Development.</i></li> </ul>	<ul style="list-style-type: none"> <li>Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.</li> </ul>	
	Rangeland Management	<ul style="list-style-type: none"> <li>Alberta's public rangeland resources are allocated.</li> <li>Public rangeland resources are used in a sustainable manner.</li> </ul>	<ul style="list-style-type: none"> <li>Alberta's public rangelands support a full range of uses and values that include livestock grazing, energy extraction, recreational use and wildlife habitat.</li> </ul>	
	Land Use Disposition Management	<ul style="list-style-type: none"> <li>Dispositions on Alberta's public lands are administered in a timely manner.</li> <li>Oil and gas dispositions on Alberta's public lands are administered while minimizing disturbance.</li> </ul>	<ul style="list-style-type: none"> <li>Optimize the long-term benefits (environmental, social and economic) that Albertans receive from public lands through effective and efficient disposition management.</li> </ul>	
				

The department will be reporting on two types of measures in its business plans and annual reports:

- **Output measures** that reflect directly on the performance of the department. These measures are essential to management decision-making. Through department initiatives and activities, specific results (outputs) are achieved that in turn contribute to the desired impact.
- **Outcome measures** that reflect changes in the state of the world (external to the department) toward the desired goal or impact. While these changes may not be entirely attributable to the department's activities, these changes do bridge the relationship between the department's activities and the desired impact.

**GOAL 1                      Protect Alberta's forests and forest communities by preventing and suppressing wildfires.**

<b>Outcome Measures<sup>1</sup></b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Forecast<sup>2</sup></b>	<b>2003-06 Target<sup>3</sup></b>
<b>1. Prevention</b>				
Number of human-caused fires within Alberta's Forest Protection Area	209	297	438	< 300
Number of industry-caused fires	79	106	85	< 60

<b>Output Measures<sup>1</sup></b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Forecast<sup>2</sup></b>	<b>2003-06 Target</b>
<b>2. Detection</b>				
Percentage of wildfires detected at 0.1 hectares or less in size	By Lookout Towers	83%	85%	94%
	By Air	85%	77%	90%
Percentage of detected wildfires reported within 5 minutes or less	By Lookout Towers	88%	90%	98%
	By Air	98%	96%	100%
<b>3. Response</b>				
Percentages of wildfires actioned before they reach 2.0 hectares or less in size	87%	92%	94%	90%
<b>4. Containment and Suppression</b>				
Percentage of wildfires contained at 4.0 hectares or less in size	88%	92%	92%	90%
Percentage of wildfires contained within the first burning period	89%	92%	88%	85%

**Endnotes for Goal One:**

- <sup>1</sup> Performance data for forest protection is based on the April 1 to October 31 period.
- <sup>2</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.
- <sup>3</sup> The department is targeting to normalize and eventually reduce the annual number of fires.

**GOAL 2 Enhance the economic, environmental and social contributions of Alberta's forests and forest lands to Albertans.**

Output Measures	2000-01 Actual	2001-02 Preliminary Actual <sup>1</sup>	2002-03 Forecast <sup>2</sup>	2003-06 Target <sup>3</sup>
<b>1. Timber Allocation<sup>2</sup></b>				
Annual allowable cut (in million cubic metres)	24	24	N/A	23
Harvest (in million cubic metres)	18	18	N/A	17
Gap (in million cubic metres)	6	6	6	6
<b>2. Forest Sustainability</b>	Measure is currently under development. Historical data is not available.			To be established.
<b>3. Timber Revenue</b>	Measure is currently under development. Historical data is not available.			To be established.

*Endnotes for Goal Two:*

<sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.

<sup>2</sup> Data is calculated as a five-year rolling average, based on the timber year (May to April). There is a one-year delay in the reporting of this data. Therefore, preliminary results for 2002-03 are not available (N/A), but a gap of 6 million cubic meters is still anticipated. Please note that this measure was referred to in the past as Timber Sustainability.

**GOAL 3 Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.**

Outcome Measure	1996 Actual	2000 Actual	2005 Target
<b>1. Species at Risk<sup>1</sup></b>			
Percentage of species at risk	2.00%	1.44%	< 5.00%

*Endnotes for Goal Three:*

<sup>1</sup> This measure is under review. New data will not be available until 2005.

**GOAL 4 Enhance the economic, environmental and social contributions of Alberta's rangelands to Albertans.**

Output Measures	2000-01 Actual	2001-02 Actual	2002-03 Forecast <sup>1</sup>	2003-06 Target
<b>1. Public Rangeland Allocation</b>				
Animal unit months allocated (millions) <sup>2</sup>	1.64	1.64	1.61	1.60
<b>2. Rangeland Sustainability</b>				
Percentage of leases in good standing <sup>2</sup>	97%	95%	96%	90%

*Endnotes for Goal Four:*

<sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.

<sup>2</sup> New measure. Historical data and methodology is not audited and subject to change pending a review by the Office of the Auditor General.



**GOAL 5**                    **Optimize the long-term benefits (environmental, social and economic) that Albertans receive from public lands through effective, efficient disposition management.**

Output Measures	2000-01 Actual	2001-02 Actual	2002-03 Forecast <sup>1</sup>	2003-06 Target
<b>1. Timely, Efficient Disposition Decisions</b>				
Average number of working days for completion of industrial dispositions <sup>2,3</sup>	15	15	15	< 15
Average number of working days for completion of geophysical approvals <sup>2</sup>	6	8	7.4	< 8
<b>2. Industrial Disposition Planning</b>				
Percentage of active oil and gas industrial dispositions subject to Area Operating Agreements (green and white area) <sup>2,4</sup>	N/A	N/A	40%	60%

**Endnotes for Goal Five:**

- <sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.
- <sup>2</sup> Historical data and methodology have not been audited and are subject to change pending a review by the Office of the Auditor General.
- <sup>3</sup> Methodology for this measure is currently under review. Performance measures forecasts and targets assume a constant number of disposition requests each year.
- <sup>4</sup> A new methodology is being used to calculate this performance measure in order to increase validity and relevance to program operations. Therefore, actual results for 2000-01 and 2001-02 are currently not available (N/A).

## MINISTRY SUPPORT SERVICES

**GOAL**                    **Foster effective and affordable support services that enable the Ministry to deliver its mandate and continually improve its performance.**

**Strategic Approach**

- Reduce the Ministry’s administrative and information technology costs through the use of the Alberta Corporate Service Centre.
- Align the Ministry’s Information Management/Information Technology strategy with the Government’s Information Management/Information Technology strategy.
- Align staff learning and development opportunities with the Government’s goals and priorities.
- Plan for leadership succession and enhance leadership capacity at all levels, while meeting organizational requirements.
- Promote the services provided by the Ministry by providing content and support for the Service Alberta initiative.
- Implement the department’s Business Resumption Plan and the Emergency Preparedness Strategy.
- Provide resources for the establishment of an internal audit function.
- Address regional priorities in an efficient and effective manner at the Ministry level through the integration of front line regional operations and Ministry policies.
- Strengthen the Ministry’s strategic management capacity in the areas of policy integration; national and intergovernmental relations; and strategic and business planning.
- Implement an effective consultation program for resource access on Alberta’s crown land.

# REPORTING BOARDS AND AGENCIES

## Natural Resources Conservation Board

Established in 1991, the NRCB is an independent, quasi-judicial regulatory tribunal. The NRCB helps to support the vision and mission of the Ministry by conducting open and impartial reviews of developments that affect a range of Alberta's natural resources. These include forest industry projects; recreation and tourism projects; metallic and industrial mineral projects; and water management projects. The NRCB also supports the goals of Alberta Agriculture, Food and Rural Development through the provision of cradle-to-grave regulation of Alberta's Confined Feeding Operations (CFOs).

### Goals and Performance Measures

The goals and performance measures of the NRCB are set out in its own business plan. For 2003-06, NRCB's goals include:

- Steady improvement in the application process for new or expanding facilities including ongoing improvements to the "one-window" to government;
- The increased use of alternatives to the hearing process and where hearings are still required, increasingly timely decisions; and
- Continued emphasis on measuring and reporting industry compliance with provincial regulatory requirements.

## Surface Rights and Land Compensation Boards

The SRB is an arbitration board with four areas of responsibility:

- Issuing Right of Entry Orders for oil and gas activity, power and telephone lines;
- Determining compensation for a right of entry and reviewing rents every five years for Right of Entry Orders and Surface Leases;
- Settling disputes and determining compensation for damages to the land of the leased or right of entry area; and
- Recommending payments by the Minister of Finance where the operator defaults.

The LCB is authorized to hear compensation disputes where private property is expropriated by an authority. Authorities include municipalities, the provincial crown and utility companies which require land to advance projects such as road rights of way, parks and power plants. Disputes before the Board vary, depending on the type of property expropriated and may include concerns over market value, business losses and relocations costs.

Parties before the Board benefit from regulated rules of practice and procedure, which are consistently reviewed by the Board after consultation with stakeholders. The last review occurred in 2001.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Forest Protection	184,441	76,485	329,192	75,609	75,574	75,522
Forest Land and Resource Management	27,455	30,819	29,537	31,356	31,341	31,320
Fish and Wildlife Management	39,942	39,159	37,530	40,542	40,523	40,495
Range Land Management	11,098	11,113	10,651	11,737	12,321	13,163
Land Use Disposition Management	29,735	33,070	31,695	35,384	35,870	36,630
Surface Rights and Land Compensation Boards	2,254	2,009	1,925	2,131	2,130	2,129
Natural Resources Conservation Board	1,599	2,902	4,902	4,983	4,983	4,983
Environment Statutory Programs	4,016	7,250	4,500	6,600	4,430	4,350
<b>MINISTRY EXPENSE</b>	<b>300,540</b>	<b>202,807</b>	<b>449,932</b>	<b>208,342</b>	<b>207,172</b>	<b>208,592</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	3,089	2,026	4,709	2,794	2,794	2,794
Investment Income	2,979	6,810	2,505	3,061	3,061	3,061
Premiums, Fees and Licences	117,046	102,845	101,759	111,895	112,373	113,873
Other Revenue	5,681	7,533	64,354	6,876	4,706	4,626
<b>MINISTRY REVENUE</b>	<b>128,795</b>	<b>119,214</b>	<b>173,327</b>	<b>124,626</b>	<b>122,934</b>	<b>124,354</b>
<b>EXPENSE</b>						
<b>Program</b>						
Forest Protection - Base	61,969	59,008	59,008	57,258	57,258	57,258
Forest Protection - Extended	115,114	12,000	259,875	12,000	12,000	12,000
Forest Land and Resource Management	26,360	28,612	28,612	28,722	28,722	28,722
Fish and Wildlife Management	38,349	36,355	36,355	37,136	37,136	37,136
Range Land Management	10,655	10,317	10,317	10,751	11,291	12,071
Land Use Disposition Management	28,549	30,702	30,702	32,412	32,872	33,592
Policy and Information Management	4,324	7,050	7,050	9,200	9,200	9,200
Surface Rights and Land Compensation Boards	2,164	1,865	1,865	1,952	1,952	1,952
Natural Resources Conservation Board	1,599	2,902	4,902	4,983	4,983	4,983
Ministry Support Services	6,232	5,691	5,691	6,273	6,273	6,273
Valuation Adjustments and Other Provisions	1,209	1,055	1,055	1,055	1,055	1,055
Environment Statutory Programs	4,016	7,250	4,500	6,600	4,430	4,350
<b>MINISTRY EXPENSE</b>	<b>300,540</b>	<b>202,807</b>	<b>449,932</b>	<b>208,342</b>	<b>207,172</b>	<b>208,592</b>
Gain (Loss) on Disposal of Capital Assets	768	4,000	4,000	4,000	4,000	4,000
<b>NET OPERATING RESULT</b>	<b>(170,977)</b>	<b>(79,593)</b>	<b>(272,605)</b>	<b>(79,716)</b>	<b>(80,238)</b>	<b>(80,238)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	128,795	119,214	173,327	124,626	122,934	124,354
<i>Inter-ministry consolidation adjustments</i>	(112)	(67)	-	-	-	-
<b>Consolidated Revenue</b>	<b>128,683</b>	<b>119,147</b>	<b>173,327</b>	<b>124,626</b>	<b>122,934</b>	<b>124,354</b>
Ministry Expense	300,540	202,807	449,932	208,342	207,172	208,592
<i>Inter-ministry consolidation adjustments</i>	(4,128)	(7,317)	(4,500)	(6,600)	(4,430)	(4,350)
<b>Consolidated Expense</b>	<b>296,412</b>	<b>195,490</b>	<b>445,432</b>	<b>201,742</b>	<b>202,742</b>	<b>204,242</b>
Gain (Loss) on Disposal of Capital Assets	768	4,000	4,000	4,000	4,000	4,000
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(166,961)</b>	<b>(72,343)</b>	<b>(268,105)</b>	<b>(73,116)</b>	<b>(75,808)</b>	<b>(75,888)</b>

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# Transportation

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 of March 19, 2003 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.

*[Original Signed]*

Ed Stelmach, *Minister of Transportation*  
March 21, 2003

## VISION

Alberta Transportation will be a centre of excellence for transportation in North America.

## MISSION

Through effective programs and partnerships, provide a safe, sustainable transportation network and environmentally safe water and wastewater infrastructure.

## STRATEGIC PRIORITIES

- Enhancing driver, road and vehicle safety by managing high-risk drivers and carriers, and implementing the new *Traffic Safety Act*.
- Protecting the integrity of highway and water management infrastructure.
- Supporting economic development and growth.
- Leading the Capital Planning Initiative to enhance capital planning and management of infrastructure across government.
- Managing the environmental impact of our actions.

## CORE BUSINESSES

- 1. Manage transportation safety programs:**
  - manage driver, vehicle, carrier and road safety;
  - continue motor carrier enforcement;
  - administer provincial rail safety requirements; and
  - enforce dangerous goods transport and handling safety legislation.
- 2. Manage the provincial highway network:**
  - manage highway planning, design, construction, maintenance and rehabilitation using private sector resources;
  - continue long-range highway network planning;
  - lead the Capital Planning Initiative;
  - develop standards for provincial highways; and
  - enforce commercial carrier weights and dimensions.
- 3. Support economic development:**
  - continue twinning the North-South Trade Corridor;
  - continue development of urban corridors, including Calgary and Edmonton ring roads;
  - partner with municipalities on local transportation and water/wastewater infrastructure;
  - manage design, construction, rehabilitation and maintenance of water management infrastructure;
  - harmonize commercial carrier standards; and
  - continue barrier free transportation initiatives.
- 4. Represent Alberta's interests in transportation policy:**
  - work with the federal government and other jurisdictions on inter-modal strategies (road, air, rail, port);
  - continue intelligent transportation research and planning; and
  - support cross-ministry and intergovernmental initiatives.

The Ministry also includes the Transportation Safety Board, an independent quasi-judicial tribunal that adjudicates on matters specified under the *Traffic Safety Act*.

## LINKAGES TO THE GOVERNMENT BUSINESS PLAN

Alberta Transportation supports the government's core businesses of *Prosperity* and *Preservation*, and four of the 12 government goals as summarized below. Additional government goals are supported on a non-financial basis.

### **Prosperity. . .**

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<b>Goal 6</b> Alberta will have an effective, responsive and well-managed local government sector.	Support municipal transportation infrastructure, and eligible municipal water/wastewater facilities, by providing grant programs that target specific municipal needs.
<b>Goal 7</b> Alberta will have a prosperous economy.	Contribute to the Economic Development Strategy cross-ministry initiative by twinning the North-South Trade Corridor, and continuing development of urban corridors, including Calgary and Edmonton ring roads. Enhancing the highway network where required to facilitate new industry development also contributes to the Economic Development Strategy.  Seek development of all transportation modes, and work to reduce current barriers in transportation.  Harmonize commercial vehicle standards, and encourage improved transportation logistics between Alberta and domestic and international markets.
<b>Goal 8</b> Alberta will have effective and efficient transportation and utilities infrastructure.	Construct and maintain the provincial highway network and water management infrastructure.  Monitor provincial railways to ensure infrastructure is properly maintained.  Lead the cross-ministry Capital Planning Initiative encompassing transportation and other infrastructure.

### **Preservation. . .**

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<b>Goal 10</b> Alberta will be a fair and safe place to work, live and raise families.	Improve road user behaviors by implementing the new <i>Traffic Safety Act</i> and the new Graduated Driver Licensing Program, managing intervention programs aimed at high-risk drivers and developing an aging driver strategy.  Work with industry and stakeholders to improve commercial carrier driver fitness through new driver training programs, hours of service regulations, fatigue management counter measures, and monitoring commercial truck traffic and dangerous goods transport and handling.
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## CHALLENGES

- Meeting high-priority transportation needs within existing business plan financial targets;
- Exploring long-term stable funding options for capital projects;
- Addressing aging infrastructure and increasing infrastructure deficit;
- Balancing network preservation while supporting economic development;
- Accommodating increased public expectations for fast, efficient and environmentally responsible infrastructure and access to safe, secure water supplies;
- Dealing with increased federal influence in environmental standards, trucking and rail regulation;
- Responding to security concerns related to the safety of infrastructure and driver licensing; and
- Responding to climate change impacts.

# GOALS AND STRATEGIES

CORE  
BUSINESS  
ONE

## 1 Manage Transportation Safety Programs

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- GOAL 1**                    **Improve road user behaviour.**
- Implement the new *Traffic Safety Act* and its regulations to provide a framework for addressing safety issues and new initiatives.
  - Continue traffic safety initiatives in conjunction with stakeholders aimed at improving driver behaviours – particularly those of high-risk drivers, implementing the Graduated Driver Licensing Program, managing intervention programs to address impaired driving, and developing an aging driver strategy.
  - Work with industry and other stakeholders to improve commercial driver fitness through driver training initiatives, hours of service regulation, fatigue management counter measures, and sharing of commercial driver profiles with other jurisdictions.
  - Redefine the role of the Transportation Safety Board following implementation of the *Traffic Safety Act*.
- GOAL 2**                    **Enhance safety through highway system improvements.**
- Undertake safety audits at the planning and design stage to ensure overall integration of geometrics, traffic signals, pavement markings and other specialties, as well as identify rest area and pullout needs in conjunction with highway improvements.
  - Explore opportunities to deploy intelligent transportation systems, including changeable message signs and road weather information systems, to address highway safety issues.
  - Review and update national highway safety standards in co-operation with other provinces.
- GOAL 3**                    **Improve vehicle safety through monitoring and enforcement.**
- Implement a new program that licenses private sector mechanics and their facilities to inspect and repair out-of-province and written-off vehicles to ensure only mechanically safe vehicles are registered for use on Alberta's highways.
  - Implement the international cargo securement standards.
  - Continue to undertake inspections of commercial vehicles using international standards such as the Commercial Vehicle Safety Alliance inspection criteria.
  - Monitor the safe handling and transport of dangerous goods.
  - Implement a new hours of service regulation.
- GOAL 4**                    **Continue programs to support the safe operation of railways under provincial jurisdiction.**
- Implement required changes to provide for the safe operation of railways under provincial jurisdiction as covered by the new *Railway (Alberta) Act* and its regulations.
  - Support the participation of local authorities in a safety improvements program offered by Transport Canada for rail crossings on local roads.



## 2 Manage the Provincial Highway Network

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**GOAL 5****Continually improve transportation planning.**

- Lead the cross-ministry Capital Planning Initiative in partnership with Alberta Infrastructure and Alberta Finance to ensure long-term capital plans and effective infrastructure management systems are in place, alternative financing options such as public-private (P3) opportunities are considered, and performance is measured.
- Continue to implement the state-of-the-art Transportation Infrastructure Management System (TIMS) which will enable more efficient long-range planning of highway improvements.
- Develop a Strategic Transportation Vision that will provide a long-term (up to 30 year) view of transportation in Alberta, taking into account projected urban and rural growth patterns, resource development, safety, and enhanced inter-modal transportation systems.
- Continue to undertake research focused on safety, engineering, and intelligent transportation systems.
- Ensure environmental practices are integrated into short and long-term planning.
- Support provincial and cross-ministry initiatives related to transportation and its role in climate change.

**GOAL 6****Protect the integrity of the highway infrastructure.**

- Ensure the highway network is properly maintained by setting standards, ordering work and monitoring private contractor performance.
- Monitor, enforce and manage truck weight and dimension limits on provincial highways.
- Apply innovative approaches and techniques that will improve highway design and construction.

## 3 Support Economic Development

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**GOAL 7****Continue to support municipalities in addressing local transportation and water/wastewater needs.**

- Provide the cities of Edmonton and Calgary with annual transportation funding based on 5 cents per litre of fuel delivered for road use.
- Provide other cities a Basic Capital Grant funding of \$60 per capita, to support local transportation needs.
- Develop a new supplemental grant funding program to provide \$30 million to other cities over the term of this Business Plan to support provincial highway routes through these cities.
- Support towns, villages, summer villages, and hamlets through the Streets Improvement Program, whereby they are eligible to receive approximately \$60 per capita for lasting capital street improvements and replacing underground water and sewer lines.
- Develop a new Resource Roads/New Industry Program to assist rural municipalities, towns, and villages impacted by resource and new industry-based traffic.
- Continue to provide rural municipalities, including Métis Settlements, with formula-based funding under the Rural Transportation Partnership to assist with upgrading of local roads and bridges.
- Continue working with municipalities and the federal government to deliver the Strategic Highway Infrastructure Program (SHIP) and the Infrastructure Canada/Alberta Program (ICAP) which provide funding for “green” and other municipal infrastructure.

- Provide funding for eligible municipal water/wastewater facilities through the Alberta Municipal Water/Wastewater Partnership, focusing on addressing health and environmental concerns as the top priority.
- Lead the Alberta Advisory Committee on Barrier Free Transportation to develop strategies that will improve access to transportation facilities and systems, and continue to work with municipalities to implement strategies at the local level.

**GOAL 8**      **Continue development of major trade routes to improve access to global markets.**

- Continue development of the North-South Trade Corridor from the United States border at Coutts, to the British Columbia border west of Grande Prairie, until four-laning is substantially completed. As well, continue development of key urban trade highways in Edmonton and Calgary (Anthony Henday Drive and South East ring road in Edmonton; Deerfoot Trail extension and Stoney Trail in Calgary).
- Improve access and reduce costs for transporting goods along the Canada/America/Mexico (CANAMEX) Corridor and various east-west routes by encouraging other jurisdictions to adopt harmonized truck weights and dimensions and implement international cargo securement standards.
- Contribute to the development of inter-modal trade corridors connecting Alberta shippers to world markets.
- Promote the Alberta Advantage and tourism, in co-operation with industry and government stakeholders, by developing highway signs that will enable tourists to identify and locate Alberta's major tourist attractions easily.

**GOAL 9**      **Design, construct, maintain and rehabilitate water management facilities to provide reliable water supplies and effective flood and erosion control.**

- Complete the construction of major projects such as the Little Bow Project and Carseland/Bow River Headworks Rehabilitation.
- Maintain the provincially owned water management infrastructure through efficient planning and resource allocation.

CORE  
BUSINESS  
FOUR

## 4 Represent Alberta's Interests in Transportation Policy

**GOAL 10**      **Research, develop and implement intelligent transportation systems.**

- Implement the Intelligent Transportation Systems (ITS) Strategic Plan, and explore opportunities for using ITS to improve the safety and efficiency of the provincial transportation network.
- Use Intelligent Transportation Systems to improve logistics at international border crossings.

**GOAL 11**      **Participate in government cross-ministry initiatives that impact transportation.**

- Continue to support the Health Sustainability Initiative by working to reduce impaired driving, and promote the safe operation of snowmobiles, motorcycles and other vehicles. The Alberta Occupant Restraint Program, medical assessments of aging drivers, and fatigue management for commercial drivers also support this initiative.
- Support the Aboriginal Policy Initiative by continuing to provide opportunities to involve Aboriginal people in providing resources for ministry projects undertaken on their lands, and assisting Aboriginal communities to develop traffic safety strategies appropriate to their needs.
- Contribute to the Economic Development Strategy through initiatives such as twinning of the North-South Trade Corridor, support for the rural development initiative, and improving major water management infrastructure.
- Support the Alberta Children and Youth Initiative by continuing the Child Traffic Safety Program and implementing the Graduated Driver Licensing Program.

**GOAL 12****Work with other jurisdictions in pursuing national programs and improving access to inter-modal transportation.**

- Participate in the Western Transportation Ministers' Council to develop and implement strategies to address western transportation issues.
- Partner with other jurisdictions and stakeholders to develop a national transportation strategy, and collaborate with Regional Airport Authorities to develop input into the National Aviation Strategy.
- Work with the federal government and other provinces and territories on financing and regulatory issues.
- Partner with Canadian and American governments and the State of Montana to complete the new joint border-crossing facility at Coutts/Sweetgrass.

**KEY PERFORMANCE MEASURES AND INDICATORS****Involvement of Drinking Drivers in Casualty Collisions** (Links to Core Business 1)

This measure indicates the percentage of vehicle operators in casualty collisions (injury and fatal) who, in the attending law enforcement officer's opinion, had consumed alcohol before the crash. Data for this measure is taken from the Alberta Collision Information System, which is administered by Alberta Transportation. This data is based on the calendar year.

	2001 Results	2002 Targets	Business Plan		
			2003 Targets	2004 Targets	2005 Targets
Percentage of drinking drivers in fatal collisions	21.0	20.1	20.1	20.0	20.0
Percentage of drinking drivers in injury collisions	5.0	4.8	4.8	4.7	4.7

**Seat Belt Usage** (Links to Core Business 1)

This indicator reflects the percentage of vehicle occupants estimated to be wearing seatbelts in Alberta, in a given calendar year. Our long-term goal is to achieve the national compliance rate of 95 per cent by 2010. Transport Canada collects this data through annual surveys on light duty vehicles (including passenger cars, passenger vans and light trucks) in all provinces.

	2001 Result	2002 Target	Business Plan		
			2003 Target	2004 Target	2005 Target
Percentage of vehicle occupants wearing seat belts - Alberta	84.9	85.0	85.5	86.0	86.5

## Mechanical Safety of Commercial Vehicles (Links to Core Business 1)

This measure reflects the percentage of commercial vehicles that are taken out of service (using nationally recognized criteria) when inspected by ministry staff at roadside checks. The goal of the ministry is to achieve no more than the percentages indicated in the following table.

	2001-02 Results	2002-03 Targets	Business Plan		
			2003-04 Targets	2004-05 Targets	2005-06 Targets
Percentage of inspected vehicles requiring on-site adjustments	24.0	25.0	25.0	25.0	25.0
Percentage of inspected vehicles requiring attention of a mechanic	4.0	5.0	5.0	5.0	5.0

## Condition, Utilization and Functional Adequacy of Provincial Highways

The Capital Planning Initiative Report of March 2000 identified the following three long-term performance measures to be used across government to report on the management of physical infrastructure. The targets for all three measures are based on the level of funding shown in this Business Plan.

### a) Physical Condition of Provincial Highways (Links to Core Business 2)

This measure is based on riding comfort of the travelling public on highways under provincial jurisdiction. The measure is broken down into *good*, *fair* and *poor* categories. It includes factors such as pavement roughness, structural condition and surface distress (such as rutting).

Percentage of monitored highway lengths that are:	2001-02 Results	2002-03 Targets	Business Plan		
			2003-04 Targets	2004-05 Targets	2005-06 Targets
- in <i>good</i> condition	64.2	67.5	65.4	63.2	61.0
- in <i>fair</i> condition	24.0	20.0	21.1	21.8	22.5
- in <i>poor</i> condition	11.8	12.5	13.5	15.0	16.5

### b) Utilization of Provincial Highways (Links to Core Business 2)

This measure reflects the percentage of the provincial highway network that is equal to, or better than, a targeted level of service (LOS). LOS is an international measure based on the ability of traffic to move freely, and calculations are based on the methodology outlined by the United States Transportation Research Board. The scale ranges from A to F, with A representing no restrictions on traffic flow, and F representing gridlock. The targeted LOS for provincial highways is C or better in peak hour traffic. If a highway meets or exceeds this targeted level, it is considered acceptable.

	2001-02 Result	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
Percentage of provincial highways that meet utilization criteria	99.9	99	99	99	99

**c) Functional Adequacy of Provincial Highways** (Links to Core Business 2)

Functional adequacy is defined by the percentage of highways that meet standards for width, are unrestricted by speed postings due to geometrics (e.g. slopes, curves, etc.), have the appropriate surface type, and the ability to carry legal weight load limits year round.

	2001-02 Result	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
Percentage of provincial highways that meet target criteria	81	81	80	79	78

**Progress on Completion of Major Water Management Construction Projects** (Links to Core Business 3)

This measure is based on the percentage of total construction costs paid to contractors reflecting construction progress on each project. Timing of project advancement is subject to available funding.

Project	2001-02 Results	2002-03 Targets	Business Plan		
			2003-04 Targets	2004-05 Targets	2005-06 Targets
Percentage of Little Bow River Project completed	52	95	100	–	–
Percentage of Carseland/Bow River Headworks Rehabilitation completed	4	4	8	19	27

**Construction Progress on the North-South Trade Corridor** (Links to Core Business 3)

This measure is defined as the percentage (urban and rural) of the North-South Trade Corridor that is twinned and open to travel. This corridor consists of 1,175 kilometres of highway, of which nearly 100 kilometres are within cities. Timing of project advancement is subject to available funding.

	2001-02 Result	2002-03 Target	Business Plan		
			2003-04 Target	2004-05 Target	2005-06 Target
Percentage of four-laning open to travel	77.1	78.0	81.0	82.0	86.0

**Client Satisfaction Survey** (Links to all four Core Businesses)

This measure provides an overall indication of the satisfaction our clients have with the services provided by ministry staff. Satisfaction is measured according to a six-point scale where 1 represents *very unsatisfied* and 6 is *very satisfied*. In 2001, the Ministry of Transportation rated at 4.5 which falls between *somewhat satisfied* and *satisfied*. The results and targets represent the average rating for overall quality of service for the key service areas combined. The client satisfaction survey is conducted every other year, based on calendar years.

	2001 Result	2002 Target	Business Plan		
			2003 Target	2004 Target	2005 Target
Average rating for overall quality of service	4.5	N/A	4.6	N/A	4.6

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Manage transportation safety programs	29,787	31,230	31,480	34,104	34,104	33,854
Manage the provincial highway network	482,306	456,754	513,814	555,291	572,491	571,591
Support economic development	411,269	159,769	159,769	296,515	375,315	382,475
Represent Alberta's interests in transportation policy	2,874	3,069	3,069	3,208	3,208	3,198
<b>MINISTRY EXPENSE</b>	926,236	650,822	708,132	889,118	985,118	991,118

## CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>CAPITAL INVESTMENT</b>						
<b>Core Business</b>						
Manage transportation safety programs	4,154	5,389	5,389	5,050	5,050	5,300
Manage the provincial highway network	244,781	115,021	165,521	160,750	142,050	123,560
Support economic development	232,810	122,290	142,690	241,280	321,800	378,040
<b>MINISTRY CAPITAL INVESTMENT</b>	481,745	242,700	313,600	407,080	468,900	506,900

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	70,000	65,000	65,000	95,000	110,000	110,000
Transfers from Government of Canada	246	1,400	2,050	9,400	20,700	6,800
Premiums, Fees and Licences	15,459	14,460	14,460	11,475	11,540	11,540
Other Revenue	4,987	2,015	3,515	2,695	2,515	2,515
<b>MINISTRY REVENUE</b>	<b>90,692</b>	<b>82,875</b>	<b>85,025</b>	<b>118,570</b>	<b>144,755</b>	<b>130,855</b>
<b>EXPENSE</b>						
<b>Program</b>						
Provincial Highway Systems	281,890	241,263	257,263	278,669	282,869	272,569
Transportation Safety Services	23,288	23,768	24,018	26,269	26,269	26,269
Municipal Partnerships	314,397	114,276	114,276	264,700	344,500	351,800
Infrastructure Canada / Alberta Program	84,055	32,028	32,028	18,000	17,000	17,000
Transportation Safety Board	706	859	859	1,000	1,000	1,000
Support Services	48,303	54,688	54,688	56,480	56,480	55,480
Amortization	160,362	168,440	200,000	219,000	232,000	242,000
Consumption of Inventories	13,339	15,500	25,000	25,000	25,000	25,000
Valuation Adjustments and Other Provisions	(104)	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	<b>926,236</b>	<b>650,822</b>	<b>708,132</b>	<b>889,118</b>	<b>985,118</b>	<b>991,118</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,932)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	<b>(842,476)</b>	<b>(567,947)</b>	<b>(623,107)</b>	<b>(770,548)</b>	<b>(840,363)</b>	<b>(860,263)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	90,692	82,875	85,025	118,570	144,755	130,855
<i>Inter-ministry consolidation adjustments</i>	(70,000)	(65,000)	(65,000)	(95,000)	(110,000)	(110,000)
<b>Consolidated Revenue</b>	<b>20,692</b>	<b>17,875</b>	<b>20,025</b>	<b>23,570</b>	<b>34,755</b>	<b>20,855</b>
Ministry Program Expense	926,236	650,822	708,132	889,118	985,118	991,118
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	<b>926,236</b>	<b>650,822</b>	<b>708,132</b>	<b>889,118</b>	<b>985,118</b>	<b>991,118</b>
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,932)	-	-	-	-	-
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(912,476)</b>	<b>(632,947)</b>	<b>(688,107)</b>	<b>(865,548)</b>	<b>(950,363)</b>	<b>(970,263)</b>

## CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

Program	Comparable	Comparable	Comparable	2003-04 Estimates	2004-05 Target	2005-06 Target
	2001-02 Actual	2002-03 Budget	2002-03 Forecast			
Provincial Highway Systems	237,208	106,345	156,845	152,900	134,200	115,100
Strategic Economic Corridor Investment Initiative	202,288	91,000	106,400	205,180	289,700	345,800
Water Management Infrastructure	28,613	29,000	34,000	34,000	30,000	30,000
Support Services	13,636	16,355	16,355	15,000	15,000	16,000
<b>CAPITAL INVESTMENT</b>	<b>481,745</b>	<b>242,700</b>	<b>313,600</b>	<b>407,080</b>	<b>468,900</b>	<b>506,900</b>



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# Alberta Heritage Savings Trust Fund

BUSINESS PLAN 2003-06

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The Business Plan was reviewed and approved by Treasury Board on January 22, 2003, and by the Legislature's Standing Committee on the Alberta Heritage Savings Trust Fund on February 11, 2003.

# BACKGROUND

## Introduction

- The Alberta Heritage Savings Trust Fund (Heritage Fund) was created in 1976 to save a portion of non-renewable resource revenue. The Heritage Fund grew from a portion of Alberta's oil and gas revenue being deposited into the fund from inception in 1976, until 1987. As well, prior to 1982, the Heritage Fund kept its investment income.
- On January 1, 1997 the Heritage Fund was restructured in response to a public review. The restructuring included a new governance structure as well as the establishment of new investment objectives and performance measures.
- In the fall of 2002 the Minister of Revenue conducted a public consultation on the future mandate of the Heritage Fund in the form of a survey mailed to all Alberta households. The government's response to this consultation will be announced in due course.

## Fiscal Context

- Assets and income of the Heritage Fund are fully consolidated with the assets and revenue of the Province. Page 393 shows the forecast income of the Heritage Fund on both a consolidated basis and an unconsolidated basis.
- In 1997, the new Heritage Fund Act included a provision to retain a portion of the Heritage Fund's income in the Fund to protect its real value. In 1999, the Fiscal Responsibility Act (FRA) set out a legislative schedule to eliminate the Province's accumulated debt by no later than March 31, 2025. Debt elimination is currently well ahead of schedule. In order to maximize funds available for debt repayment, the FRA amended the Heritage Fund Act such that, until the accumulated debt is eliminated, the Minister of Revenue has discretion in retaining income to protect the real value of the Heritage Fund.

## Purpose

- This is the seventh business plan for the Heritage Fund, which amends the previous business plans and incorporates updated financial information and income forecasts. This plan sets out the broad objectives of the Heritage Fund as expressed in the legislation, specific investment objectives, goals and strategies to achieve the Heritage Fund's objectives, and performance measures.

## 2003-2006 BUSINESS PLAN

The business plan incorporates the following changes:

1. Increase investments in private equity and absolute return strategies.
2. Reduce Canadian equity investments to accommodate the increase in private equities and absolute return strategies.
3. Increase the foreign investment limit from 40% to 50% of market value.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Increase Private Equity and Absolute Return Strategies**

Research has demonstrated that increasing exposure to non-traditional asset classes can create a portfolio with improved risk/return trade-offs even after the additional investment costs associated with these assets are taken into account. A 5% increase in exposure, phased in over a three-year period, composed of a 3% increase in private equity and a 2% increase in absolute return strategies, will be implemented to improve portfolio risk and return. An increased exposure to non-traditional asset classes is in line with the policies of many other North American endowment funds.

### **Reduce Canadian Equity Component**

The Canadian equity exposure will be gradually reduced by 5% over a three-year period.

The increased allocation to private equity and absolute return strategies will be accommodated by a reduction in the allocation to Canadian equities. The majority of this increase will be achieved through investment in international products.

### **Increase Foreign Content Limit**

The increased allocation to private equity and absolute return strategies, as well as part of the current allocation to real estate will be invested primarily outside Canada. To accommodate these changes, the foreign content limit for the Heritage Fund will be raised from 40% to 50%. The Heritage Fund is not subject to Foreign Property Rule limits under federal income tax legislation, and as such, has no federally prescribed limit on foreign content.

International investing for a Canadian endowment fund is essential when constructing a diversified portfolio that will, over the long term, provide the highest level of return for a given level of risk.

The reasons for international investing are:

- Canada is only 2% of the world equity market;
- Rates of return on foreign securities often have substantially exceeded those for Canadian securities;
- Diversification with higher amounts of foreign securities can help reduce portfolio risk.
- Increased foreign equity exposure can help offset limitations in the Canadian market by participating in industry sectors generally not available in Canada, such as auto manufacturing and defense.

## **HERITAGE FUND STRUCTURE AND INVESTMENT OBJECTIVE**

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 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.

- Income will vary significantly from year to year for the following reasons:
  - An investment policy to maximize long-term returns implies a weighting towards investments in equities. Equities have historically provided investors with higher total returns (dividends and capital gains) than fixed income investments; however, dividend rates in general are lower than interest rates, thereby providing lower current income and the timing and magnitude of realizing capital gains is also uncertain.
  - 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 Heritage Fund's income is more variable.
- The Heritage Fund is invested in a diversified portfolio including interest bearing securities, Canadian equities, international equities, private equities, absolute return strategies and real estate. The Portfolio is invested to generate long-term returns to support the Province's income and spending needs.

The legislated investment objective of the Heritage Fund is:

To maximize long-term financial returns of the fund subject to regulations and a reasonable and prudent avoidance of loss.

- A long-term investment horizon is interpreted to be 10 years. Given a long-term investment horizon, investment practice suggests that a mix of interest-bearing securities, equities, real estate and alternate asset classes best achieves the objective of optimizing financial returns as it provides enhanced returns and diversifies risk. 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. For investment performance comparisons a minimum period of 4 years will be examined.

#### HERITAGE FUND ASSETS AS AT DECEMBER 31, 2002

(thousands of dollars)

	At Cost <sup>1</sup>	Fair Value
Cash	\$ 185,868	\$ 185,868
Fixed Income Securities	3,664,532	3,791,559
Canadian Equities	2,398,237	2,528,170
Foreign Equities	4,076,165	3,776,186
Real Estate	808,937	837,673
Absolute Return Strategies	279,480	282,233
<b>Total Investments</b>	<b>\$ 11,413,219</b>	<b>\$ 11,401,689</b>
Due from the General Revenue Fund	\$ 180,000	\$ 180,000
Accrued Investment Income	12,445	12,445
Administrative Expense Receivable	293	293
Accrued Liabilities for Investment Purchases	(530)	(530)
<b>Heritage Fund Equity</b>	<b>\$ 11,605,427</b>	<b>\$ 11,593,897</b>

<sup>1</sup> Cost includes amortization of purchase price discount or premium.

# GOALS, STRATEGIES AND OUTPUTS, OUTCOMES, AND PERFORMANCE MEASURES

GOAL ONE

## 1 Make investments in the Heritage Fund to maximize long-term financial returns.

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### Strategies/Outputs

- Invest Heritage Fund 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 Heritage Fund assets among the following asset classes and within the noted ranges (expressed as a percentage of the Heritage Fund’s market value):

<u>Asset Class</u>	<u>Holdings (%)</u>
Interest-Bearing Securities <sup>1</sup>	25% to 45%
Equity <sup>2</sup>	40% to 60%
Real Estate	8% to 12%
Absolute Return Strategies	3% to 7%

- Diversify investments within each asset class set out above.
- Alberta Revenue will vary the allocation of assets within the above policy ranges based on the outlook for financial markets.
- Reduce the Heritage Fund’s investment in project loans. Remaining project loans have a total value at cost of \$97 million or 0.9% of Heritage Fund fair value. The largest of these project loans is a \$91 million loan to Ridley Grain Ltd.

### Outcomes

- The Heritage Fund is expected to generate a real rate of return of 5.0% at an acceptable level of risk over a moving four-year period.
- Market rate of return is expected to be greater than a passively invested benchmark portfolio.

### Performance Measures/Benchmarks

#### Performance Measures

- The market value rate of return will be compared against the Consumer Price Index plus five percent to determine whether the long term capital market assumptions on which the investment policy is based are achieving the returns relative to expectations.

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<sup>1</sup> Includes money market instruments, bonds and mortgages.

<sup>2</sup> Includes Canadian public and private equities and foreign equities. Foreign investments will be limited to 50% of market value.

- The market value rate of return will be compared against a “policy benchmark return” to determine the impact of fund management on performance.

Asset Class	Benchmark	
	Policy Allocation	Return Index <sup>3</sup>
<b>Fixed Income</b>		
Money market	2%	SC 91-day T-Bill
Bonds	33%	SC Universe
Total Fixed Income	35%	
<b>Equity</b>		
Canadian <sup>4</sup>	15%	S&P/TSX Composite
U.S.	15%	S&P 500
Other International	15%	MSCI EAFE
Private <sup>4</sup>	5%	CPI + 8%
Total Equity	50%	
<b>Real Estate<sup>4</sup></b>	10%	CPI + 5%
<b>Absolute Return Strategies<sup>4</sup></b>	5%	CPI + 6%

- The market value rate of return will be compared against a sample of other large pension and endowment funds to measure whether the investment policy is resulting in competitive fund returns.

GOAL TWO

## 2 To improve Albertans’ understanding and the transparency of the Heritage Fund.

### Strategies/Outputs

- Release quarterly and annual reports on a timely basis in simple, understandable language.
- 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 Legislature’s Standing Committee will hold annual public accountability meetings around Alberta to report on the Heritage Fund’s results and to answer questions on the Fund’s performance.
- Release results of the Heritage Fund consultation and government’s response.
- Include Heritage Fund information in new Alberta Revenue web newsletter (debut April 2003).

<sup>3</sup> See Appendix A for a description of these benchmarks.

<sup>4</sup> Canadian Equity, Private Equity, Real Estate and Absolute Return Strategies will be phased in over three years.

## Outcomes

- Improved understanding by Albertans of the management, operations, investment philosophy and performance of the Heritage Fund.

## Performance Measures/Benchmarks

### Performance Measures

- Timeliness of reports and public accountability meetings.
- Knowledge of Albertans regarding information provided about the Heritage Fund.

### Benchmark

- 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.
- Albertans are satisfied with their knowledge of the Heritage Fund, with 50% able to estimate the Fund's value.

## MANAGEMENT AND ACCOUNTABILITY

- A clear mission statement and investment objectives for the Heritage Fund have been established in legislation.
- A Standing Committee of the Legislature has been established to provide overall direction and evaluate the performance of the Heritage Fund and report regularly to Albertans.
- The Investment Operations Committee reviews and recommends the business plan, quarterly and annual reports, and the investment policies for the Heritage Fund. The Committee includes a majority of private sector members with relevant financial and business expertise.
- Ongoing investment decisions are made within Alberta Revenue.
- For each component of the Heritage Fund that is externally managed, an investment management mandate describing its purpose, goals and constraints is established.
- The investment management mandates of external managers is consistent with this Business Plan.
- The Auditor General is the auditor of the Heritage Fund.
- There are restrictions on the kind of investments that can be made. Heritage Fund assets are to be invested prudently and cannot be used for economic development or social investment purposes.

## INCOME AND EXPENSES

- 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. Capital 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. Unlike traditional equity instruments, income and expenses on equity index swaps are accrued as earned; as a result, market value gains and losses are realized as they occur.



- The 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.
- 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

	2002-03	2003-04	2004-05	2005-06
<b>Forecast Annual Income (\$millions)</b>				
Unconsolidated Investment Income	(577.5)	442.9	642.0	739.4
Consolidated Investment Income	(595.4)	425.9	626.0	724.4
<b>Forecast Fair Value of the Fund (\$billions)</b>	11.8	12.0	12.3	12.5
<b>Assumptions (%)</b>				
1. Interest Rates on Fixed Income Securities		6.1%	6.1%	6.1%
2. Rates of Return on Equity				
Canadian (Public and Private)		7.0%	7.0%	7.0%
Foreign		8.0%	8.0%	8.0%
3. Rates of Return on Real Estate		7.0%	7.0%	7.0%
4. Rates of Return on Absolute Return Strategies		7.0%	7.0%	7.0%
5. Endowment Portfolio Asset Mix				
Money Market	2%	2%	2%	2%
Bonds	33%	33%	33%	33%
Public Equities	50%	48%	46%	45%
Private Equities	2%	3%	4%	5%
Real Estate	10%	10%	10%	10%
Absolute Return Strategies	3%	4%	5%	5%

Risks to the Investment Income Forecast:

1. If equity returns are lower than assumed, accounting investment income will be lower depending on the extent of the decrease in equity returns and the amount of turnover in the equity portion of the Heritage Fund.
2. If interest rates increase, the market price of bonds held by the Heritage Fund will decline. Accounting investment income will decrease depending on the extent of the interest rate increase and the amount of turnover in the fixed income portion of the Heritage Fund.

The preceding projections for the Heritage Fund are gross of estimated investment expenses as outlined below:

	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>
	<i>(\$ millions)</i>			
Direct Heritage Fund Expenses	1.7	2.3	2.5	2.9
Externally Managed Investment Pools	11.8	12.6	13.5	14.5
Internally Managed Investment Pools	2.4	3.2	3.5	4.1
<b>TOTAL</b>	<b>15.9</b>	<b>18.1</b>	<b>19.5</b>	<b>21.4</b>
As a % of Assets	0.14%	0.15%	0.16%	0.17%

The administrative expenses above include both direct and indirect administrative expenses, which include staff time, supplies and services and investment transaction and advisory services.

## **APPENDIX A**

### **Description of Benchmark Indices for the Heritage Fund**

#### **Scotia Capital 91-day T-Bills Index (SC T-Bills Index)**

Reflects the performance of the Canadian money market as measured by investments in 91-day Treasury Bills.

#### **Scotia Capital Universe Bond Index (SC 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 S&P/TSX represents the Canadian equity market.

#### **S&P/TSE Composite Index (S&P/TSX)**

An index maintained by the S&P/TSX Canadian Index Policy Committee that measures the total return on the largest companies that trade on the Toronto Stock Exchange. (Formerly the TSE 300)

#### **Standard & Poor's 500 Index (S & P 500 Index)**

Covers 500 industrial, utility, transportation and financial companies of the US markets, mostly New York Stock Exchange issues. It is a capitalization-weighted index calculated on a total return basis with dividends reinvested.

#### **Morgan Stanley Capital International Europe, Australia, Far East Index (MSCI EAFE Index)**

An index of over 900 securities listed on the stock exchanges of countries in Europe, Australia and the Far East. The index is calculated on a total return basis, which includes re-investment of gross dividends before deduction of withholding taxes.

## APPENDIX B

### Business Plan Performance

#### Heritage Fund (Combined)<sup>1</sup>

Period ending December 31, 2002

	Current Quarter	Nine Months	One Year	Four Years <sup>2</sup>
Actual Return	4.8%	-6.8%	-6.1%	1.7%

#### Endowment Portfolio

Period ending December 31, 2002

	Current Quarter	Nine Months	One Year	Four Years <sup>2</sup>
Actual Return	4.8%	-7.1%	-6.4%	2.1%
Benchmark	5.0%	-7.2%	-6.7%	1.5%
Over (under) Benchmark	(20bps)	10bps	30bps	60bps

Actual	Actual Weight	Rates of Return			
		Current Quarter	Nine Months	One Year	Four Years <sup>2</sup>
ST Fixed Income	1.6%	0.9%	2.3%	2.8%	4.6%
LT Fixed Income	33.3%	2.4%	10.1%	9.4%	6.9%
Canadian Equities	21.5%	8.0%	-13.7%	-12.2%	1.4%
US Equities	16.8%	7.1%	-23.5%	-22.6%	-5.7%
EAFE Equities	16.2%	6.0%	-16.7%	-15.8%	-3.5%
Private Equities	0.8%	-3.1%	N/A	N/A	N/A
Real Estate	7.3%	2.5%	4.6%	6.2%	7.2%
Absolute Return Strategies	2.5%	1.2%	N/A	N/A	N/A
<b>Total</b>	<b>100%</b>	<b>4.8%</b>	<b>-7.1%</b>	<b>-6.4%</b>	<b>2.1%</b>
Benchmark	Policy Weight	Current Quarter	Nine Months	One Year	Four Years <sup>2</sup>
ST Fixed Income	2.0%	0.7%	2.1%	2.5%	4.3%
LT Fixed Income	33.0%	2.3%	9.9%	8.7%	6.4%
Canadian Equities	20.0%	7.5%	-14.6%	-12.4%	2.0%
US Equities	15.0%	8.0%	-23.1%	-22.9%	-6.1%
EAFE Equities	15.0%	6.0%	-17.2%	-16.8%	-7.3%
Private Equities	2.0%	2.5%	N/A	N/A	N/A
Real Estate	10.0%	1.8%	7.0%	9.4%	10.5%
Absolute Return Strategies	3.0%	2.0%	N/A	N/A	N/A
<b>Total</b>	<b>100%</b>	<b>5.0%</b>	<b>-7.2%</b>	<b>-6.7%</b>	<b>1.5%</b>

#### Transition Portfolio<sup>1</sup>

	Six Months Ended Sept. 30, 2002	Year Ended Mar.31, 2002	Year Ended Mar. 31, 2001	Year Ended Mar. 31, 2000
Actual Return	0.5%	5.3%	8.2%	3.0%

<sup>1</sup> All asset of the Transition Portfolio were transferred to the Endowment Portfolio in July 2002. The combined Heritage Fund return for nine months, one year and four years includes the past performance of the Transition Portfolio.

<sup>2</sup> Annualized

# APPENDIX 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 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 the sale of an asset, which is higher (lower) than its purchase price (also called cost). 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.

### **Interest-Bearing Securities**

An investment which is required to pay a fixed interest rate at periodic intervals such as bonds, mortgages and debentures.

### **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 Heritage Fund 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.