

GOVERNMENT OF ALBERTA

Annual Report

Justice and Solicitor General

2019-2020

Justice and Solicitor General, Government of Alberta | Justice and Solicitor General 2019–2020 Annual Report

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Table of Contents

Preface	2
Minister's Accountability Statement	3
Message from the Minister	4
Management's Responsibility for Reporting	6
Results Analysis	8
Ministry Overview	9
Discussion and Analysis of Results	14
Performance Measure and Indicator Methodology	42
Financial Information	46
Reporting Entity and Method of Consolidation	47
Ministry Financial Highlights	48
Supplemental Financial Information	53
Financial Statements of Other Reporting Entities	54
Other Financial Information	118
Annual Report Extracts and Other Statutory Reports	126

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Justice and Solicitor General contains the minister's accountability statement, the financial information of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry, including the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund, for which the minister is responsible;
- the financial statements of the Office of the Public Guardian and Trustee, Estates and Trusts, for which the minister is responsible;
- other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report; and,
- financial information relating to trust funds.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2020, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 23, 2020 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original Signed By]

Honourable Doug Schweitzer
Minister of Justice and Solicitor General

Message from the Minister



Throughout the past year, Justice and Solicitor General continued to fulfill its mission of preserving the safety and security of Albertans, and ensuring they have access to a fair and responsive justice system. I'm very proud of the work that my ministry has accomplished during the last 12 months, and I'm inspired by the strength and resourcefulness JSG has shown in the face of extraordinarily challenging circumstances.

Our ministry's prime mandate has always been to protect public safety. The COVID-19 pandemic, and the necessity of preventing the spread of the virus, has created new aspects to that mission. We have taken decisive steps to maintain physical distancing and keep COVID-19 from gaining a foothold in our province: for instance, we've introduced technology that allows lawyers to file some documents electronically, and judges to deal with certain matters through teleconferencing and videoconferencing.

At the same time, it is vital for us not to neglect the duty placed upon us by the Supreme Court of Canada's 2016 decision in *R v Jordan*—namely, to ensure that criminal cases are prosecuted promptly and without unreasonable delay. While *Jordan* does make some allowances for unusual extenuating circumstances (a description that undoubtedly applies to the COVID-19 pandemic), the issue of court delays and backlogged cases is one that long precedes the current health crisis. Aspects of this problem can be attributed to a lack of manpower; accordingly, we earmarked \$10 million annually for four years to hire 50 new Crown prosecutors and support staff. We also increased the number of articling students, who will assume some of the workload of more experienced Crowns, freeing them up to focus on higher-priority matters.

Fighting the spread of rural crime was, and continues to be, one of my top priorities. The need for action on this front became especially clear to me last fall, when I toured several smaller towns and heard first-hand how frustrated many rural Albertans were with the administration of justice. As residences in these parts of the province are so spread out, it's a perpetual challenge for law enforcement to arrive quickly at the locations where they're needed. As a result, a vicious cycle occurs, with thieves feeling increasingly emboldened to prey upon rural homeowners, whose feelings of alienation are only compounded by a justice system that they feel fails to protect them.

Accordingly, my ministry took several aggressive actions to improve this situation. For instance, we strengthened our laws to increase the maximum fines and sentences awaiting criminal trespassers, and amended the *Occupiers' Liability Act* so that law-abiding property owners are protected from civil liability for injuries sustained by criminal trespassers. We are expanding the roles and authorities of more than 400 peace officers in Fish and Wildlife, Commercial Vehicle Enforcement, and the traffic arm of Alberta Sheriffs. Operating under the umbrella of the Rural Alberta Provincial Integrated Defence Force (or RAPID Force), this cohort of law enforcement officers will be empowered to respond quickly to calls for assistance in rural areas. We made life more difficult for thieves in other ways as well; for instance, the *Scrap Metal Dealers and Recyclers Identification Act* makes it harder to sell stolen material for scrap.

The new police funding model we introduced will also be part of our province-wide effort to get tough on crime. Under the new model, smaller communities will begin paying for a portion of their frontline policing costs. Every dollar collected under this new system will be put back into law enforcement, such as for new RCMP and civilian positions across the province. As well, the \$50 million increase for Alberta Law Enforcement Response Teams over the coming years will reinforce the rule of law and the consequences of breaking it.

At the same time, it's important to recognize that Justice and Solicitor General can also play a role in stopping crime. Last fall, for instance, we announced a \$20 million increase to expand the use of drug treatment courts in Alberta. These courts have proven themselves to be an extraordinarily effective tool in getting offenders to accept responsibility for their actions, and break the cycle of addiction which led to their criminal activity. This significant funding bump will allow the existing drug treatment courts in Edmonton and Calgary to take on twice as many clients—as well as create new drug treatment courts in several more locations across the province.

My thanks and appreciation go out to every member of our ministry's staff, who not only keep our day-to-day operations running smoothly and efficiently, but whose expertise and commitment enable us to keep finding innovative new ways to serve Albertans and keep their communities safe. The next year will clearly pose unprecedented challenges, but together we are more than prepared to meet them.

[Original Signed By]

Honourable Doug Schweitzer
Minister of Justice and Solicitor General

Management's Responsibility for Reporting

The Ministry of Justice and Solicitor General includes the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund.

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

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

Responsibility for the integrity and objectivity of the accompanying ministry financial information and performance results for the ministry rests with the Minister of Justice and Solicitor General. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including the financial information and performance results. The financial information and performance results, of necessity, include amounts that are based on estimates and judgments. The financial information is prepared using the government's stated accounting policies, which are based on Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

Reliability – information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.

Understandability – the performance measure methodologies and results are presented clearly.

Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.

Completeness – outcomes, performance measures and related targets match those included in the ministry's *Budget 2019*.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, The President of Treasury Board and Minister of Finance, and the Minister of Justice and Solicitor General the information needed to fulfill their responsibilities; and

- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

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

[Original Signed By]

Frank Bosscha, QC
Deputy Minister of Justice and Deputy Solicitor General
June 23, 2020

Results Analysis

Table of Contents

Ministry Overview..... 9

 Organizational Structure 9

 Operational Overview..... 9

 Key Highlights in the Past Year 13

Discussion and Analysis of Results..... 14

 Outcome One: Albertans are safe and protected 14

 Outcome Two: Alberta’s justice system is fair and effective 25

 Outcome Three: Albertans are supported in their interactions with
 the justice system 33

Performance Measure and Indicator Methodology 42

Ministry Overview

Organizational Structure



Operational Overview

Justice and Solicitor General

Alberta Crown Prosecution Service Division

The Alberta Crown Prosecution Service (ACPS) is responsible for the prosecution of persons charged under the *Criminal Code*, *Youth Criminal Justice Act*, and provincial statute offences.

The ACPS also handles criminal appeals in the Court of Appeal of Alberta and the Supreme Court of Canada on behalf of Alberta's Attorney General. Additionally, the ACPS develops criminal law policy for the province and supports criminal law consultation with other provinces, territories, and the Government of Canada.

The authority to conduct prosecutions, including all of the discretionary decisions that must be made in every case, originates with the office of the Attorney General. With this role also comes the duty to remain independent. Crown prosecutors are appointed to act for the Attorney General and administer justice at the local level. Through these appointments, the Attorney General empowers agents to perform his prosecutorial duties.

Correctional Services Division

Correctional Services is responsible for the effective and efficient custody and supervision of adults and youth under correctional authority, including the facilitation of rehabilitation opportunities. Custody is reserved for adults who are remanded or serving a sentence of less than two years and for youth who are remanded or sentenced. Community supervision includes programs such as pre-trial supervision, probation, and alternative measures/sanctions for both adults and youth.

Justice Services Division

Justice Services provides public-facing programs and a range of services including: facilitating court-ordered child, spousal, and partner support; recovering fines under the *Criminal Code* and *Traffic Safety Act*; providing Albertans with compensation for injuries received in accidents involving uninsured or unknown (hit and run) motorists; and reducing crime by taking away money and

property acquired through illegal means. The Office of the Public Guardian and Trustee provides decision-making support for personal and financial challenges facing Albertans, and the Office of the Chief Medical Examiner provides responsive front-line death investigation and death certification services for sudden deaths. The ministry is party to a tri-partite agreement with the Law Society of Alberta and Legal Aid Alberta in the delivery of legal aid to Albertans; oversight of this agreement is carried out within this division.

The Property Rights Advocate Office is a resource for Albertans and ministries that addresses systemic issues affecting property rights. In January 2020, the Farmers' Advocate, Peter J. Dobbie, QC, was appointed as the Property Rights Advocate. Work is underway to merge the functions of the two offices.

Legal Services Division

Legal Services assists the minister in providing legal advice to the Premier and Cabinet. With a comprehensive understanding of government's legislative and regulatory frameworks, policy objectives, and key programs, the division provides legal representation for, and legal advice to, all government departments. The division supports deputy ministers and their departments in managing legal risks and ensuring that public affairs are administered according to law. The Legislative Counsel Office within the division drafts legislation, regulations, and Orders in Council.

Ministry Support Services

Ministry Support Services include the minister's office, deputy minister's office and the Corporate Services Division. Corporate Services includes branches that are critical to supporting ongoing government operations such as financial services, policy, planning and coordination activities, evaluation, agency oversight, facilities and fleet management, procurement, emergency management, transformation services and official documents and appointments. These advisory and support services are provided to the entire ministry and Alberta courts to establish and maintain strategic priorities and optimize operating efficiency, while ensuring division, ministry and Government of Alberta goals are aligned. Corporate Services also oversees the ministry's training academy for correctional and peace officers.

Public Security Division

Public Security is responsible for law enforcement, crime prevention, restorative justice, and victim services. This mandate covers a broad portfolio of functions, such as: integrated policing initiatives; delivery of supplementary law enforcement, including court security; prisoner transport; traffic and commercial vehicle safety enforcement; protection of officials and infrastructure; fish and wildlife enforcement; police oversight and contract management; oversight of private investigators and security guards; and, security services for government buildings, employees, the judiciary, and members of government. Additionally, the division is responsible for providing victims and their families with general information concerning services available to victims on how the justice system operates and overall oversight and administration of the *Victims of Crime Act* and the *Canadian Victims Bill of Rights*.

Resolution and Court Administration Services

Resolution and Court Administration Services (RCAS) provides resolution and court administration services to Albertans with legal issues as well as court services to support the operations of Alberta's three courts. The division's broad range of services includes information services, referrals to legal resources, dispute resolution, and court assistance. The division supports Albertans in family, surrogate, civil, criminal and traffic matters by facilitating fine payments, document filing, scheduling, and trials. RCAS supports the three courts by providing administrative and technical support services.

RCAS implements policies, programs, and legislative and regulatory initiatives related to a number of areas, including judicial appointment and selection, judicial compensation, and the Alberta Rules of Court.

Agencies, Boards and Commissions

Alberta Human Rights Commission

The Minister of Justice and Solicitor General is responsible for the *Alberta Human Rights Act* (the Act), which establishes the Alberta Human Rights Commission (the Commission).

Reporting to the Minister, but independent of the Government of Alberta, the Commission protects human rights across the province by resolving complaints made under the Act. Human rights tribunals adjudicate complaints that cannot be resolved. The Commission works to eliminate discrimination and barriers to full participation in society through education and community engagement. The Chief of the Commission and Tribunals, members of the Commission and the Director of the Commission are appointed through Orders in Council.

Alberta Review Board

The Alberta Review Board makes or reviews dispositions concerning any accused adult or young person for whom a verdict of “not criminally responsible because of mental disorder” or “unfit to stand trial” is rendered, according to the provisions of the *Criminal Code*. The board also has the responsibility of determining whether such a person should be subject to a detention order, or be granted either a conditional discharge or an absolute discharge. The board members are appointed through Orders in Council.

Criminal Injuries Review Board

The Criminal Injuries Review Board considers requests for reviews of decisions regarding applications for financial benefits for victims of crime under the *Victims of Crime Act*. The board may request experts to assist with a review and has the power to confirm, rescind, or vary decisions made by the Director of the Victims of Crime Financial Benefits Program. The board members are appointed through Orders in Council.

Fatality Review Board

The Fatality Review Board is responsible for the review of investigations under the *Fatality Inquiries Act* (the Act). The board determines whether there is a need to hold a public fatality inquiry and reviews complaints with respect to misbehaviour, incompetence, or neglect of duty by medical examiners or the inability of medical examiners to perform their duties under the Act. The board members are appointed through Orders in Council.

Judicial Council

The Judicial Council screens individuals to determine whether they are qualified for appointment to the Provincial Court of Alberta. The council is granted jurisdiction to deal with complaints against masters, provincial court judges, and justices of the peace. The council is composed of six members, two of whom are appointed by Ministerial Orders and four who are designated under the *Judicature Act*.

Law Enforcement Review Board

The Law Enforcement Review Board hears appeals from members of the public and police officers who have complaints regarding the actions of police officers, or who are unsatisfied with the

disposition of their complaint by the responsible chief of police. The board is established under the *Police Act*. The board also hears appeals relating to peace officer employer authorizations or peace officer appointments cancelled under the *Peace Officer Act*. The board members are appointed through Orders in Council.

Notaries Public Advisory Committee

The Notaries Public Advisory Committee advises the Minister of Justice and Solicitor General on appointments of lay notaries public. The committee consists of a member of the Law Society of Alberta, a member of the community, and a member of the ministry (who acts as the secretary). All are appointed by Ministerial Orders under the *Government Organization Act*.

Provincial Court Nominating Committee

The Provincial Court Nominating Committee makes recommendations to the Minister of Justice and Solicitor General on the appointment of individuals to the Provincial Court of Alberta. The committee is composed of 11 members, eight of whom are appointed by Ministerial Orders and include representatives from the legal profession and members of the public. The remaining three committee members are the Chief Judge of the Provincial Court of Alberta, the President of the Law Society of Alberta, and the President of the Canadian Bar Association (Alberta Branch) or their representatives. By way of convention, the minister uses this committee's recommendations in making recommendations to Cabinet for the appointment of new judges.

Rules of Court Committee

The Rules of Court Committee makes recommendations to the Minister of Justice and Solicitor General on amendments to the Rules of Court made under the *Judicature Act*. The committee consists of six members: the Chief Justice of Alberta or designate; the Chief Justice of the Court of Queen's Bench or designate; the Chief Judge of the Provincial Court of Alberta or designate; two members appointed on recommendation of the Law Society of Alberta; and one member appointed at the discretion of the minister.

Victims of Crime Programs Committee

The Victims of Crime Programs Committee makes recommendations on grant applications and provides information on programs and services to assist victims of crime. The committee members are appointed by Ministerial Orders.

Key Highlights in the Past Year

Over the past year, the ministry has focused on addressing Albertans' concerns about crime across the province. In fall 2019, the ministry announced the creation of the Rural Alberta Provincial Integrated Defence Force (RAPID-Force), which will see the integration of peace officers to respond to a wider range of calls and assist the RCMP and other police services in response to rural crime. The ministry has worked to develop a new police -funding model, which will be more equitable across municipalities and will enable additional funding to be provided for front-line policing resources. The ministry is also increasing the budget for the Alberta Law Enforcement Response Teams (ALERT) by up to \$50 million over the next four years, including \$3 million in 2019-20, to address organized and serious crime, including gang violence, drug trafficking, child pornography, stalking and domestic violence.

This past year, the ministry developed several key pieces of legislation to protect the interests of law-abiding Albertans. In fall 2019, the government proclaimed the *Scrap Metal Dealers and Recyclers Identification Act* to deter metal theft by making it more difficult for criminals to monetize stolen material by selling it for scrap. On December 5, 2019, the *Trespass Statutes (Protecting Law-abiding Property Owners) Amendment Act* came into force to address liability concerns of property owners faced with trespassers who may be injured while committing or attempting to commit a criminal offence. The ministry also engaged with stakeholders to develop the *Protecting Survivors of Human Trafficking Act*, which protects vulnerable Albertans at-risk of being trafficked and empower survivors to get away from physically, emotionally and financially damaging abuse.

The government has committed to invest up to \$20 million over four years to expand drug treatment courts to five additional sites across the province. In March 2020, it was announced that Lethbridge would be the first location for a drug treatment court outside of Edmonton and Calgary. Further expanding these courts to other locations will help keep more Albertans safe by breaking the cycle of addiction-related crime.

The ministry began a review of its victim service model, including service delivery, funding, and victim compensation to ensure the system is meeting the needs of victims in a way that is effective and financially sustainable. A Restitution Recoveries Program is being developed to help victims collect outstanding payments on restitution orders by giving government the authority to use enforcement measures, such as garnishing wages or seizing and selling property, as needed, against offenders. This program will assist victims who would otherwise have to navigate the legal system and attempt to collect court-ordered restitution at their own effort and expense.

The ministry is committed to providing high quality, accessible, citizen-focused services. Budget 2019 allocated \$27 million in capital funding over four years for the Justice Digital Program to provide Albertans with more timely and accessible justice system supports and services through technology enhancements. In 2019-20, these included online enhancements to enable Albertans to access information and pay outstanding fines, and resolve their traffic tickets. In March 2020, in response to the COVID-19 pandemic, a number of additional Justice Digital initiatives were accelerated including the introduction of virtual court proceedings and remote filing services.

Discussion and Analysis of Results

The Ministry of Justice and Solicitor General is committed to the ongoing review of programs and services to ensure that the best possible outcomes are being achieved for Albertans. As part of its ongoing review, the ministry is committed to reducing red tape to make life easier for hard-working Albertans and businesses. This includes reducing regulatory burden and unnecessary processes to encourage economic growth and job creation; and make Alberta one of the freest and fastest moving economies in the world.

To this end, over the past year Justice and Solicitor General set out to:

- identify regulatory requirements in legislation, regulations, policy and forms within the ministry and associated Agencies, Boards and Commissions;
- review the identified requirements and eliminate those that are not necessary for fiscal accountability or consumer, environmental, health and safety protections; and
- reduce regulatory burden by one third by the end of the 2022-23 fiscal year (five percent reduction in 2019-20), followed by no net increase in regulatory requirements through a flexible one in/one out approach.

A Red Tape Reduction Plan was created and a baseline count of all Justice and Solicitor General legislation, regulations, policies, forms and guidelines was developed. These were reviewed for duplication of forms or forms that add unnecessary administrative burdens and the process was completed with help from both the public and stakeholders.

While any potential reductions may not have an immediate impact on job creation, the regulatory improvements and reductions will have a positive impact on Albertans by reducing the number of regulatory or administrative requirements they need to complete to interact with government or obtain services. Justice and Solicitor General will continue to review programs and services to ensure we continue to make life easier for Albertans as they navigate Alberta's justice system.

Outcome One: Albertans are safe and protected

Justice and Solicitor General continues to work with justice system partners to ensure Albertans feel safe and protected in their communities. Through collaboration and investment of additional resources, such as focused joint efforts on addressing rural crime, police funding changes and modernizing legislation, the ministry has been working to better deter and respond to crime. These efforts support Albertans in the fight against addiction, protect at-risk individuals from being trafficked, and strengthen the protection of the rights of law-abiding property owners. The multifaceted approaches promote individual and community safety and reflect the ministry's commitment to crack down on crime by ensuring police, prosecutors and peace officers have the right tools and resources to protect Albertans.

Key Objectives

1.1 Examine police funding to ensure it is equitable.

The new police funding model addresses inequity across communities and helps direct needed resources to policing and justice priorities in rural Alberta. For some time, municipal stakeholders have been dissatisfied with the structure of police funding in Alberta and have been pressing government to develop a model to distribute the costs of local policing in an equitable, transparent

Quick Fact

In 2019 there were:

-) 11 police services in Alberta.
-) 318 Authorized Employers of Peace Officers.
-) 4,564 peace officers (Alberta and Community).
-) 651 business licenses and 25,623 Individual licenses provided through the Security Services and Investigators Program.

and sustainable manner. As a result, this past year the ministry worked with municipalities to implement a new police funding model to ensure it is equitable, transparent and sustainable. Under the former *Police Act*, policing was provided at no direct cost to all rural municipalities in Alberta. This included municipal districts, counties, and Métis settlements, regardless of population, as well as towns, villages, and summer villages with populations of 5,000 or less, while other municipalities with populations over 5,000 paid for policing.

The Government of Alberta's new police funding model constitutes an approximate increase in rural police funding of more than \$286 million over five years. Under the cost-sharing terms in the Provincial Police Service

Agreement (PPSA) for RCMP, Alberta pays 70 percent of policing costs and the federal government pays the remaining 30 percent. Revenue collected through the new model will be reinvested into policing, leading to an increase in the number of RCMP officers and civilian positions throughout the province. This investment places priority on adding uniformed patrol officers in rural RCMP detachments and will also add members to specialized RCMP units that dismantle organized crime, drug trafficking, as well as investigating auto and scrap metal theft. New civilian positions will assist with administrative tasks and investigative support to improve response times and help ensure officers have the support network they need to protect Albertans by spending more time in their communities.

As part of the next steps, an advisory board is being created with representatives from the Rural Municipalities of Alberta, the Alberta Urban Municipalities Association, and the Alberta Association of Police Governance. The establishment of a new Alberta Police Advisory Board will give small and rural communities policed by the RCMP a forum to discuss policing priorities with the RCMP, and in turn, inform the Justice and Solicitor General and RCMP joint Business Plan.

Policing services to Indigenous communities are funded under a federal program called the First Nations Policing Program (FNPP) in partnership with Alberta. This program provides Indigenous communities with the option of either a self-administered police service or dedicated RCMP policing. Justice and Solicitor General provided over \$12 million in 2019-20 for Indigenous policing. Three self-administered Indigenous police services operate in Alberta, providing policing services to seven Indigenous communities. As well, the program provides funding for an additional 57 RCMP members to deliver an enhanced level of service to 21 Alberta Indigenous communities. In 2019-20, the ministry provided an additional \$1 million for crime prevention and school resource officers for the Blood Tribe Police Service, Tsuut'ina Nation Police Service and Lakeshore Regional Police Service. The ministry continues to negotiate with Public Safety Canada for additional police resources, and continues discussions on multi-year agreements in an effort to enhance policing services in Alberta's Indigenous communities.

Justice and Solicitor General provides a number of key law enforcement oversight functions, including audits of police services, authorized employers of peace officers, and businesses licensed under the Security Services and Investigators Program to ensure they are compliant with relevant standards, legislation, regulations and policies. These audits provide those agencies with a report that highlights any deficiencies as well as opportunities for improvement based on best industry practices. In 2019-20, all programs audited were either found to be compliant or became compliant upon receipt of their audit report. Three police services were audited, the Peace Officer Program conducted 53 audits and 15 licensed security businesses were audited for compliance during 2019-20.

The Alberta Serious Incident Response Team (ASIRT) is a government agency whose mandate is to independently and objectively investigate incidents involving Alberta's police that have resulted in serious injury or death to any person, as well as sensitive allegations of police misconduct. The ministry's Director of Law Enforcement is the only individual who can assign ASIRT investigations. In 2019-20, 75 ASIRT files were opened, which included a record-high 68 investigations. Of those 75 files, ASIRT investigated incidents that had resulted in eleven fatalities and serious injury to another 26 individuals. In 2019, as a result of continuing investigations, eight officers or former police officers were charged with criminal offences arising out of both on- and off-duty conduct.

In March 2019, Alberta signed a funding agreement to receive two years of federal funds from the five-year Gun and Gang Violence Action Fund. Overall, Alberta has been allotted \$29.9 million from the fund spanning years 2018 to 2023. Federal funding is provided to provincial and territorial governments to support police services and other organizations to enhance their efforts to prevent, disrupt and combat gun and gang violence, and to increase awareness and understanding of related issues.

REACH Edmonton and the Calgary Centre for Newcomers each received a \$500,000 grant for youth gang prevention programs and \$170,000 was provided to the Kainai Transition Centre Society to support Indigenous individuals post-incarceration or treatment, and for correctional gang exit programs.

Justice and Solicitor General continued to support community crime prevention through the dissemination of best practices and funding opportunities, such as Restorative Justice and Crime Prevention Grants. Funding was also provided to community-based Crime Prevention Associations including Citizens on Patrol, Rural Crime Watch, and the Alberta Community Crime Prevention Association, which provide a vital link between police and community members in crime prevention, particularly in rural Alberta. Through formal agreements, these agencies provide support services to police in terms of information dissemination and localized patrolling.

Applications for Civil Forfeiture Grants are accepted once every two years. These grants are for carrying out evidence-based, upstream crime prevention and victim services programs, dealing with issues that are relevant to the specific community they serve, such as prevention of justice system involvement for at-risk individuals and groups, such as youth, and Indigenous communities.

Quick Fact

In 2019-20 grants were provided to help support crime prevention:

-) \$656,044 in Alberta Community Restorative Justice Grants were provided to 17 community-based agencies.
-) \$120,000 in Community Crime Prevention grants were provided to provincial Crime Prevention Associations.
-) In 2018-19, \$2.5 million in Civil Forfeiture Grants were approved to be paid over 2 years to 19 agencies. In 2019-20, the first payment of \$1.3 million was awarded.

1.2 Strengthen Alberta's rural crime response capability and address drivers of crime through partnership with policing and community stakeholders.

Justice and Solicitor General is implementing focused and collaborative rural crime initiatives to ensure the justice system protects Albertans and their property. In fall 2019, the minister embarked on a rural crime tour to meet with communities and their citizens to hear the concerns of Albertans regarding rural crime. A rural crime survey was also launched to gather Albertans' feedback. In response, a rural crime plan has been developed that builds on earlier commitments and includes:

- the integration of Alberta peace officers to respond to a wider range of calls and to assist the RCMP and other police services in response to rural crime beginning in fall 2020;

- increasing the budget for the Alberta Law Enforcement Response Teams (ALERT) by up to \$50 million over the next four years to address organized and serious crime, including gang violence, drug trafficking, child pornography, stalking, and domestic violence;
- hiring 50 new Crown prosecutors and support staff to enhance the functionality of the criminal justice system beginning in 2020-21;
- proclaiming the *Scrap Metal Dealers and Recyclers Identification Act* to deter metal theft by making it more difficult for criminals to monetize stolen material by selling it for scrap;
- investing up to \$20 million over four years to expand drug treatment courts to five additional sites across the province.

In November 2019, the ministry announced the creation of the Rural Alberta Provincial Integrated Defence Force – RAPID Force – which will expand the roles and authorities of 400 peace officers from the Fish and Wildlife Enforcement Branch and Sheriff Highway Patrol to respond to crimes in rural areas. The changes will allow these officers to respond to a wider range of calls and to assist the RCMP and other police services in some emergencies. RAPID Force will be phased-in starting in fall 2020. Also in November 2019, the *Scrap Metal Dealers and Recyclers Identification Act* was proclaimed and work is underway to develop the accompanying regulations for implementation in 2020.

Project Lock Up launched in February 2019 to reduce property crime at rural residences that have been targeted multiple times. Law enforcement partners visited targeted residences in-person to provide owners with tips on protecting their property, including using a new transparent marker to identify their property so it can be returned in the event it is stolen. As of March 31, 2020, 24 out of the 35 properties that were visited through Project Lock Up had not been subsequently broken into. Alberta RCMP have provided patrol briefings and Crime Map access to Rural Crime Watch and Citizens on Patrol, two community crime prevention organizations, to help be the eyes and ears of police in crime-heavy areas.

Alberta is co-leading a new pan-Canadian Working Group on Rural Crime. This working group, established at the end of 2019-20, will examine potential criminal law reform to deter the targeting of vulnerable rural communities, ensure enhanced police response times and other enforcement initiatives, and develop a national strategy on rural crime.

Quick Fact

Breakdown of up to \$50 million in additional ALERT funding:

-) \$ 3 million in 2019-20
-) \$11.8 million in 2020-21
-) \$11.8 million in 2021-22
-) \$18.3 million in 2022-23
-) The remaining \$5.1 million has been dedicated to the Integrated Threat and Risk Assessment Centre (ITRAC).

The Alberta Law Enforcement Response Teams (ALERT) and its sub-units deal with and investigate issues important to Albertans, such as child pornography, gang violence, drug trafficking, stalking and domestic violence. The ministry's 2019-20 budget included a commitment of additional funding for ALERT of up to \$50 million over the next four years. This funding is in addition to its current annual grant funding of \$29.1 million.

The ALERT Board of Directors has developed a four-year plan to utilize the additional funding contributions. This includes doubling the size of the Internet Child Exploitation (ICE) team and creating a new specialized unit based out of Edmonton and Calgary to help communities experiencing sudden or severe increases in problems related to methamphetamine and opioid use, such as a spike in overdoses or drug-related crime. ALERT

is adding positions to regional organized crime units around the province to expand its geographic reach in rural areas. The Sheriffs Investigative Support Unit was seconded to the Alberta Law Enforcement Response Teams on April 1, 2020. The Sheriffs Investigative Support Unit consists of covert surveillance teams who provide investigative surveillance support to both government and police agencies, for major and organized crime investigations within Alberta. For further details about these priorities or for more information about ALERT, please visit their website: <https://alert-ab.ca>.

The Safer Communities and Neighbourhoods Unit (SCAN) improves community safety by using civil legislation to target residential and commercial properties where specified illegal activity is occurring. This activity includes drug consumption, drug trafficking, gangs, and the exploitation of individuals for the purpose of prostitution. The *Safer Communities and Neighbourhoods Act* holds property owners accountable for illegal activity taking place on their property. SCAN investigators also support property owners by assisting them in removing problem tenants where specified illegal activity is occurring. If informal efforts are unsuccessful, SCAN can apply to the Court of Queen’s Bench for a Community Safety Order that calls for the property owner to meet a number of conditions, or for the property to be closed for up to 90 days. SCAN is a resource for communities across Alberta and has investigated more than 5,850 complaints since the inception of the program in October of 2008. During this same time, 83 Community Safety Orders have been executed in the province.

Quick Fact

In the 2019 calendar year, SCAN executed ten Community Safety Orders, issued 125 warning letters, and worked on 872 investigative files.

Quick Fact

In 2019-20, Commercial Vehicle Enforcement officers inspected 25,847 commercial vehicles and drivers. CVEB did a Cost Benefit Analysis and determined a measureable safety benefit to the public of approximately \$3,066 per inspection or \$79.25 million overall.

The Commercial Vehicle Enforcement Branch (CVEB) helps to keep Alberta’s highways safe by monitoring the weight and mechanical fitness of commercial vehicles, as well as the fitness of drivers of commercial vehicles. Commercial Vehicle Enforcement is the lead agency in Alberta for the Commercial Vehicle Safety Alliance, certifying officers to conduct North American Standard Inspections to achieve uniformity, compatibility and reciprocity of inspections and enforcement by certified inspectors. In 2019-20, approximately 560 wheel, tire, rim and hub defects were detected by the CVEB’s thermal imaging technology. The detection of these types of defects enhances the safety of everyone traveling Alberta’s highways. In October 2019, to support the ministry’s commitment to traffic safety, the CVEB joined the Sheriffs Branch and was integrated with Sheriff Traffic Operations to form a new provincial integrated traffic enforcement model. This model has since been rebranded as Sheriff Highway Patrol. The new model will further enhance public safety on provincial highways, increase government efficiency, and as provide the operational foundation for the full implementation of RAPID Force.

The Fish and Wildlife Enforcement Branch’s mission is to conserve and protect the province’s wildlife, fisheries and public lands on behalf of Albertans. Fish and wildlife officers deliver conservation law enforcement services through education, prevention and enforcement programs. They are responsible for protection of life and property by delivering prevention, mitigation and compensation programs to address conflict between humans and wildlife.

Quick Fact

During 2019-20, Fish and Wildlife Enforcement received 17,915 calls through the Report-A-Poacher hotline and recorded 6,343 contacts with the public. They also issued over 8,000 enforcement actions.

Justice and Solicitor General continued to work to combat cycles of crime and addiction in rural communities through the Drug Treatment Courts (DTC), an intensive court-supervised drug treatment program. Participants are supported in overcoming drug dependence, addressing criminal behaviour and reintegrating into the community. The capacity of existing Calgary and Edmonton programs has been increased for 2020-23, and creation of new DTCs in other communities is being explored. Two new DTCs will be created in new communities by the end of 2020, with an additional three sites becoming operational by the end of 2021.

The Office of the Chief Medical Examiner (OCME) has been working with the Office of the Chief Medical Officer of Health (OCMOH) and the Public Health Agency of Canada (PHAC) on a detailed national case file review of alcohol-and drug-related deaths in order to inform programs, policies and best practices with a focus on preventing future deaths. This is a research project amongst the Canadian Chief Coroners and Chief Medical Examiners, PHAC and provincial/territorial public health offices similar to OCMOH in Alberta. OCME has worked in partnership with Alberta Health and PHAC by ensuring relevant data and information is shared for surveillance and prevention purposes. Alberta Health has been using the data from OCME to develop their quarterly reporting on opioid and substance misuse. This work feeds into the work of the Minister's Opioid Emergency Response Commission that is being led by the Ministry of Health through the OCMOH.

Quick Fact

As part of the drug-impaired driving project, in 2019-20:

- 66 Standardized Field Sobriety Testing courses were conducted, with 681 police officers being trained.
- 9 Drug Recognition Expert courses were conducted, resulting in the certification of 84 officers.

The ministry is also working with the federal government on a drug-impaired driving project to enhance public safety on roadways in Alberta. The overarching objective of the project is to equip law enforcement with the training, tools and technology necessary to enforce new and existing drug-impaired driving legislation and to deter drug-impaired driving through research, public awareness and the development of evidence-based policies. Public Safety Canada has implemented a multi-year contribution agreement with each province and territory to support a strengthened drug-impaired driving regime in Canada. The new funding (over five years) will go towards increasing Standardized Field Sobriety Testing (SFST) and refresher SFST training; increasing Drug Recognition Expert certification; enhancing law enforcement trainer and data collection capacity; and purchasing approved drug screening equipment.

Justice and Solicitor General continued to lead specialized policing initiatives to address drivers of crime and ensure a safer Alberta. The Family Violence Police Advisory Committee provides a forum for addressing emerging family violence issues along with organizing training for police and other justice system stakeholders. In 2019-20, approximately 170 individuals received family violence training. The Mental Health Police Advisory Committee continued to work collaboratively to improve and enhance both police and health frontline response and service delivery to community members with mental illness. The Sexual Violence Police Advisory Committee collaborates with police services, other government partners, Alberta Health Services and community based victim serving agencies to identify service gaps in the system, improve supports to victims and develop a consistent law enforcement response to victims of sexual violence. The Emerging Substances Police Advisory Committee collaborates with police services, other law enforcement agencies such as Canadian Border Security Agency, Correctional Service Canada and other government partners to explore challenges as they relate to the enforcement aspects of emerging substances.

In 2019-20, body scanners were implemented at four additional correctional centres (Fort Saskatchewan Correctional Centre, Lethbridge Correctional Centre, Calgary Correctional Centre and Peace River Correctional Centre). Body scanners, similar to those in airports, are used to combat the introduction of drugs, weapons, and other contraband (e.g., cell phones, lighters, etc.) into correctional facilities in an effort to protect staff and inmates. All inmates admitted to the centre are scanned, including new admissions, transfers from other correctional centres, and returns from court or escorted leaves. The body scanner is used in conjunction with other detection methods previously in place at each centre and uses ultra-low radiation (x-ray system) to detect contraband hidden on or inside a person. Overall, six of the ministry's eight adult correctional facilities

Quick Fact

Of the 95,667 body scans that were performed at adult correctional centres in Alberta in 2019-20, 4,129 detected suspected contraband items.

now have body scanning technology in place, with the seventh scanner coming online early next fiscal year. A fulsome evaluation is being conducted to assess the effectiveness of the body scanners within the Correctional Services Division. The original implementation at the Edmonton Remand Centre has shown many benefits, including a safer environment for both staff and inmates. Any financial savings or cost avoidance realized through the implementation of the body scanners will also be reflected in the evaluation, which will be completed in 2020-21.

To effectively balance public safety concerns with the rights of offenders to access conditional release, the Government of Alberta has committed to creating an Alberta Parole Board for offenders serving a sentence of less than two years, rather than relying on the Parole Board of Canada. This change will create greater continuity of offender supervision and improve community safety, better protecting Albertans. Planning is currently underway with the goal to operationalize the Alberta Parole Board in early 2021.

1.3 Collaborate with partners to address the issue of human trafficking.

The Government of Alberta is committed to protecting the human rights and dignity of every Albertan, including victims and survivors of the dehumanizing and predatory crime of human trafficking. Human trafficking is a serious crime that takes the forms of sexual exploitation, forced labour trafficking, and trafficking in human organs or tissues. Traffickers exploit people of all ages, ethnicities and genders, forcing their victims to provide labour or sexual services against their will and using threats of violence to trap them in a cycle of exploitation. Prevention, prosecution and protection through partnership is paramount to tackling issues of human trafficking in Alberta. Alberta has a nine-point provincial action plan to address human trafficking. Two main components of the plan include passing legislation to protect survivors of human trafficking and creating a Human Trafficking Task Force.

In 2019-20, the ministry engaged with stakeholders to introduce a bill that provides new measures to help address human trafficking and better protect survivors in Alberta. Feedback recorded during an engagement session and input from written submissions was considered in drafting the *Protecting Survivors of Human Trafficking Act*. This new legislation will allow government to create:

- an annual day (February 22) to bring awareness to the issue of human trafficking;
- a standard definition of human trafficking and a standard definition of sexual exploitation;
- a statutory tort allowing victims of trafficking to sue their traffickers; and
- a statutory remedy allowing victims to secure a protection order from their traffickers and a warrant permitting entry by police officers.

Quick Fact

An engagement session on human trafficking was held August 29, 2019. It was attended by 70 participants representing 50 organizations, and 50 Government of Alberta staff from five ministries.

A Human Trafficking Task Force has been appointed to provide recommendations on how to best implement Alberta's action plan to combat human trafficking. This Task Force will provide guidance and recommendations on supports for survivors, enhance collaboration among all stakeholders and organizations that work with survivors of human trafficking in order to prevent, protect and ensure their safety, and engage experts to identify what actions are needed to bring transformational and sustainable change. The Task Force has been stood up for a one-year period, with the possibility of extending their tenure if necessary. The Chair will be providing quarterly reports of the Task Force's progress to the Minister of Justice and Solicitor General.

1.4 Review existing legislation and introduce new legislation to protect Albertans' property rights

The government is committed to protecting Albertans' right to own and enjoy property. On December 5, 2019, the *Trespass Statutes (Protecting Law-abiding Property Owners) Amendment Act* came into force to address liability concerns of property owners faced with trespassers who may be injured while committing or attempting to commit a criminal offence. Building on changes that occurred in 2019, work will continue to be done to assess further legislative and regulatory changes.

Performance Measure 1.a: Percentage of probation officers trained in the effective intervention techniques derived from evidence-based principles

Prior Years' Results				Current Result	2019-20 Target
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result		
Not Available*	18%	48%	66%	95%	95%

*Prior years' results were calculated based on total number of people who received training divided by the total number of FTEs as of March 31 that year. For 2019-20, the methodology was changed to determine actual training needs. The calculation is thus based on the number of staff requiring training rather than the number of staff receiving training.

In 2019-20, 127 probation officers were trained in the use of Effective Practices in Community Supervision (EPICS). Out of a total of 364 probation officers, 18 have been identified as still requiring training. This meets the target of having 95 percent of officers trained.

The fundamental components of EPICS intervention techniques have been derived from evidence-based principles, which are offender risk, need and responsivity (RNR). As suggested by its name, this approach is based on three principles:

- the risk principle, which asserts that criminal behaviour can be reliably predicted and that treatment should focus on higher-risk offenders;
- the need principle, which highlights the importance of criminogenic needs in the design and delivery of treatment; and,
- the responsivity principle, which describes how the treatment should be provided.

EPICS includes the principles of RNR and eight core correctional practices, which include relationship skills, anti-criminal modeling, structured learning, cognitive restructuring, problem-solving, effective reinforcement, effective disapproval, and use of authority.

A four-day training program teaches probation officers how to apply the principles of the Risk-Need-Responsivity model to their work with offenders, and to identify and change offender thought patterns that lead to criminal behaviour. In addition to training, EPICS implementation is further supported and will be effectively sustained through ongoing skill development and responsive changes to policy and supervision standards. Also ongoing, supervision and coaching continue to focus on the probation officer's interview with the client serving as both a skill development and quality assurance practice. These efforts will lead to a shift in focus and resources away from low-risk offenders to moderate-and high-risk sentenced community offenders.

The University of Cincinnati Corrections Institute (UCCI) was contracted to deliver the initial EPICS training. A total of ten Probation Officers and Senior Probation Officers have since become certified EPICS trainers, allowing community corrections to deliver the training internally. Also beginning 2020-21, EPICS training will form part of the Community Corrections and Release Programs Induction Training curriculum.

Performance Indicator 1.b: Violent and property crime rates per 100,000 population

	2014	2015	2016	2017	2018
Violent Crime Rate					
Alberta	1,266	1,316	1,282	1,311	1,319
Canada	1,044	1,070	1,076	1,113	1,144
Property Crime Rate					
Alberta	4,376	5,247	5,335	5,530	5,435
Canada	3,100	3,231	3,239	3,266	3,339

Crime rate measures the volume of crime, including all *Criminal Code* violations (except traffic infractions) relative to population size. Violent crime involves offences that deal with the application or threat of force to a person. These include homicide, attempted murder and various forms of sexual and non-sexual assault, robbery and abduction. Property crime includes incidents involving unlawful acts with the intent of gaining property, but does not involve the use or threat of violence against an individual. Theft, breaking and entering, fraud and possession of stolen goods are examples of property crimes. Crime rates are expressed as the number of crimes per 100,000 people.

In 2018, Alberta's violent crime rate was 1,319, as compared to Canada's rate of 1,144, an increase of one percent from the previous year. A further breakdown shows a decrease in homicide rates (33 percent), and an increase in major assaults (one percent), robberies (five percent) and sexual assaults (13 percent). In the same year, Alberta's property crime rate was 5,435, as compared to Canada's rate of 3,339. This is a decrease of two percent from the previous year and could be attributable to a seven percent decrease in motor vehicle theft.

Given the government's commitment to address rural crime, it is helpful to examine Alberta's urban and rural crime rate trends. Between 2009 and 2017 (the most recent urban-rural data breakdown available from Statistics Canada), the property crime rate remained stable (no percentage change) in urban Alberta but increased in rural Alberta by 13 percent. More specifically, between 2016 and 2017, the urban property crime rate increased three percent, while the rural property crime rate increased six percent. Overall, Alberta's violent crime rate decreased from 2009 to 2017 with rural violent crime rates down 24 percent and urban violent crime rates down 11 percent. While the violent crime rate decreased by 11 percent in rural Alberta between 2016 and 2017, it increased by six percent in urban Alberta over the same time-period.

There are many factors that influence police-reported crime statistics, including the fact that an incident must first come to the attention of police and the differences between individual police services, such as available resources or departmental priorities, policies and procedures. More broadly, social and economic factors can influence the volume of crime at a national, regional, municipal or neighbourhood level. In particular, crime rates can be affected by changes in age demographics, economic conditions, neighbourhood characteristics, the emergence of new technologies, or by Canadians' attitudes toward crime and risky behaviour.

Performance Indicator 1.c: Violent and non-violent Crime Severity Index (CSI)

	2014	2015	2016	2017	2018
Violent Crime Severity Index					
Alberta	87	99	93	99	97
Canada	71	75	77	81	82
Non-violent Crime Severity Index					
Alberta	88	106	110	117	117
Canada	65	68	70	71	72

The Crime Severity Index (CSI) measures both the volume and severity of crime, and includes all *Criminal Code* and other federal statute violations. Violent crime includes all police-report violent violations, which deal with the application or threat of force to a person. Non-violent crime involves all police reported property violations, other *Criminal Code* violations, *Criminal Code* traffic violations, and other federal statute violations. To determine the severity of a crime, all crimes are assigned a weight based on actual sentences handed down by the courts in all provinces and territories. More serious crimes are assigned higher weights, while less serious crimes are assigned lower weights. As a result, more serious offences have a greater impact on changes in the index.

In 2018, Alberta's violent CSI was 97, while the Canadian CSI was 82. In the same year, Alberta's non-violent CSI was 117, while the Canadian CSI was 72. Between 2017 and 2018, seven of Canada's 13 provinces and territories reported increases in their CSI, Alberta placing eighth with no change. This was attributable to an increase in fraud, offset by a decrease in homicide. The overall volume and severity of non-violent CSI was the same as the previous year, due to increase in fraud and shoplifting of \$5,000 or under offset by a decrease in theft of \$5,000 or under (non-shoplifting), possession of stolen property and motor vehicle theft.

The most recent urban-rural data breakdown (2017) for CSI shows the violent CSI decreased in both urban and rural Alberta between 2009 and 2017, by 11 percent and two percent respectively. Both areas experienced increases in non-violent CSI over the same time-period, up six percent in urban and 23 percent in rural Alberta.

Performance Indicator 1.d: Drug Treatment Court recidivism rates

	Study Period	Result
Edmonton John Howard Society*	2007-2018	70.0%
Calgary Drug Treatment Court Society	2010-15	69.4%

*Result is a roll up of two separate studies

This indicator was included in the 2019-23 Business Plan for the first time. The indicator reports the percentage of graduates reported by the program to have had no new criminal convictions post-graduation. The indicator demonstrates the effectiveness of the Drug Treatment Court and helps inform the policy or program intervention within the Drug Treatment Courts. As reported by the Edmonton John Howard Society, since the Edmonton Drug Treatment Court (EDTC) began in 2005, 70 percent of program graduates have had no new criminal convictions. As reported by the Calgary Drug Treatment Court Society, from 2010 to 2015, 69.4 percent of Calgary Drug Treatment Court (CDTC) participants had no new criminal convictions.

Two separate evaluation studies were completed for EDTC. A review of 98 graduates from 2007-2015 indicated that approximately 70 percent had no new convictions. In 2013, the EDTC program redirected the focus to primarily high risk and high needs participants and an analysis for the 2014 to 2018 time-period was completed using data obtained from the Justice Online Information Network (JOIN) system. The study found that out of the 38 graduates from EDTC, 28 (74 percent) had no new convictions post-graduation. The result for this indicator (70 percent) is reported by the Edmonton John Howard Society based on an approximate average of the two studies.

Data for the CDTC was reported by the Calgary Drug Treatment Court Society. The study included 36 CDTC participants who graduated from the program during a five-year period between April 1, 2010 and March 31, 2015. Post-graduation crime involvement was tracked to March 31, 2015. Information was presented regarding graduates' age and gender, the time free from convictions following graduation, and the number and types of convictions incurred before and after graduation from the program. Data for this study was obtained from the Justice Online Information Network (JOIN) system. The percentage was calculated as the number of graduates reported by the program to have had no new criminal convictions (25) divided by the total number of graduates (36).

The government has committed an additional \$20 million over four years to expand the use of Drug Treatment Courts, doubling the number of individuals who could participate in Calgary and Edmonton, as well as increasing accessibility to Albertans in rural areas. The funding for future evaluations has been built into the new contracts established with Drug Treatment Court sites while the ministry is developing consistent provincial standards to inform a future DTC performance indicator. The information from both Edmonton and Calgary Drug Treatment Courts is helping to inform the government's commitment to expand and increase the accessibility of Drug Treatment Courts in the next few years and to inform the policy and program intervention at Drug Treatment Court.

Outcome Two: Alberta's justice system is fair and effective

The ministry is committed to ensuring the justice system is fairer, faster, more responsive and more effective. Annual reporting on justice statistics will help Albertans understand how well the criminal justice system is functioning and hold the ministry accountable for delivering effective and efficient services. By hiring additional Crown prosecutors and support staff, and ensuring those resources are allocated where they are most needed in the province, the ministry will be better able to deal with criminal matters in a timely and appropriate manner. Further, communication between police and Crown prosecutors was enhanced in a pre-charge approval pilot project. The pilot promotes an effective and sustainable use of court resources by enabling police and prosecutors to focus on viable matters. The ministry has implemented process improvements in several of its programs, including the guardianship and trusteeship application processes, the Office of the Chief Medical Examiner case management process, and the first appearance Justice of the Peace bail process to make them more efficient and effective. Additionally, the ministry has been working on behalf of the government to make legislative changes and democratic reforms to strengthen government accountability to Albertans.

Key Objectives

2.1 Enhance criminal justice system reporting to indicate how the system is functioning.

The proposed introduction of a Public's Right to Know Act is a government commitment to annually report on justice statistics. For government to understand where there are issues in the system and where corrections are required, key statistics must be tracked. Based on data trends, ministry officials will be better informed to make decisions that enhance the responsiveness of justice system functions, thereby creating a more effective system overall. In addition, publicly reporting on key statistics will help Albertans better understand how the criminal justice system functions.

In 2019-20, work was undertaken within the ministry to review other jurisdictions' approaches and to identify potential statistics for public reporting. Legislation will be proposed to help ensure the publication of key statistics continues into the future. Over the coming year, the ministry will continue to confirm, collect and analyze data, develop a format for reporting, and report on data publicly and annually in 2020-21 and beyond.

Quick Fact

Justice and Solicitor General will begin to report annually on key justice statistics in 2021.

Public's Right to Know Act also supports mitigation of risks related to lack of integration and coordination of data, as this work will help the justice system to better identify and respond to emerging and complex issues.

2.2 Streamline processes to increase sustainability and ensure effective use of resources.

The Office of the Public Guardian and Trustee (OPGT) has been leading a review of the *Adult Guardianship and Trusteeship (AGT) Regulations* and the *Adult Guardianship and Trusteeship (Ministerial) Regulations* to standardize processes and reduce the amount of duplicate information and number of forms required to apply to become a guardian or trustee. These revisions, which are anticipated to be implemented by late spring 2020, will help streamline and expedite the process for obtaining a court order for guardianship or trusteeship, and will reduce program costs.

Work is also underway with Service Alberta to leverage new technology related to online fillable PDF forms. Online fillable PDF application forms will be quicker and easier for private applicants to access and complete, and will be easier and faster for stakeholders and the Courts to process and manage.

The OPGT will continue to collect and track data and trends on how long it takes an application to make its way to court and for an order to be granted, so that the impact of the revisions can be measured and inform future process improvements.

The Office of the Chief Medical Examiner (OCME) strives to improve case completion rates in order to reduce case age and provide grieving families with the death information they need to settle personal affairs (e.g., estates, insurance, bank accounts). Case completion rates are tracked and OCME continues to strive to do their best to increase efficiencies, working towards an average case age of six months or less. Over the past year, the OCME increased the percentage of cases completed within six months by 3.2 percent. This was achieved through an internal focus on operational efficiencies. Going forward, the OCME will be challenged to maintain this productivity level, as several forensic pathologists have left the organization to pursue other opportunities. This will impact case completion rates and create a backlog of files, as the remaining doctors have higher workloads. To address this operational challenge, the OCME has arranged for temporary cover-off assistance to help mitigate staff shortages, while permanent resources are recruited.

Quick Fact

In 2019-20, Justice and Solicitor General developed a strategy for the staged hiring of 50 new prosecutors that will see 20 prosecutors hired in 2020-21, 20 prosecutors hired in 2021-22, and 10 prosecutors hired in 2022-23.

The Alberta Crown Prosecution Service (ACPS) is working to maintain resilience, work effectively, and adapt quickly to an ever-changing environment. The government has committed to spending up to \$10 million annually for four years to hire 50 new Crown prosecutors and support staff to enhance the functionality of Alberta's criminal justice system. The hiring of additional Crown prosecutors and support staff will ensure that criminal matters are dealt with in a timely and appropriate manner. This investment will help prioritize the safety of Albertans by ensuring the justice system is fair, fast, and responsive. Crown prosecutors will be assigned based on factors including work load, existing staffing patterns, geographical considerations and needs.

In order to support the work of the new Crown prosecutors, additional support staff will be hired. Work is underway to determine the level of support resources needed. In addition to hiring support staff, the ministry is expanding its articling program from eight to 16 articling

students, at an additional cost of approximately \$650,000. To fulfil the government's promise to ensure rural Albertans are better served by the justice system, articling students will be placed in a variety of locations including Fort McMurray, Grande Prairie, Slave Lake, Fort Saskatchewan, Wetaskiwin, Edmonton Rural and Regional Response Office, and Calgary Rural and Regional Response Office. Articling students will receive practical experience and will help Crown prosecutors focus on higher- priority files, making the justice system faster and more efficient. In 2021, the articling program will be further expanded to 20 articling students, which will make the Government of Alberta the largest employer of articling students in the province.

Alberta's criminal justice system primarily operates within a post-charge system. Police investigate matters to determine if there are reasonable grounds to believe an offence has been committed. If they believe an offence has been committed, they lay the appropriate charge(s) subject to their discretion. Once a charge is laid, a Crown prosecutor reviews the matter and applies the prosecutorial standard to determine whether the prosecution should proceed. In Alberta, the prosecution standard consists of assessing whether there is sufficient evidence to support a reasonable likelihood of conviction and whether the public interest requires a prosecution.

A pre-charge approval system, currently in operation in British Columbia, New Brunswick and Quebec, requires a Crown prosecutor to review and approve charges before they are laid by the police. The prosecution standard (reasonable likelihood of conviction and whether there is public interest in prosecuting) is a higher threshold than the police charging standard (reasonable grounds to believe an offence has occurred). A pre-charge system, in theory, compels police to consult with the prosecutor

earlier in the justice continuum, which may lead to enhanced collaboration between the parties and stronger cases that are less likely to be stayed or withdrawn in court. This helps ensure that limited police and prosecution resources are focused on viable matters and that court and prosecution time and resources are not spent on cases that cannot be properly prosecuted. It also ensures Albertans facing allegations of criminal conduct are only required to make court appearances and retain legal counsel where the matter has reached the prosecutorial standard, thereby saving those individuals time and money where the allegation meets the police charging standard but not the prosecutorial trial standard.

In 2019-20, in collaboration with the Royal Canadian Mounted Police (RCMP) and the Public Prosecution Service of Canada (PPSC), Justice and Solicitor General developed a pre-charge approval pilot to evaluate the impact of a pre-charge approval system on resources and on the administration of justice. Existing Alberta Crown Prosecution Service and RCMP resources were used to develop and staff the pilot, including designing a process for charge approval and developing systems and tools to support the electronic transmission of documentation. A qualitative and quantitative evaluation of the pilot will be completed by summer 2020. Options are being evaluated for expanding the pilot to another location where there can be further testing of a pre-charge system in Alberta.

Quick Fact

A six-month pre-charge approval pilot project took place with RCMP detachments in Strathcona County, Hinton and Canmore, and ran from October 7, 2019 to March 31, 2020.

JSG continues to work with stakeholders to make the first appearance Justice of the Peace bail process more effective and efficient. An effective bail process allows prosecutors and Justices of the Peace to make informed decisions about the release or detention of an accused, helping ensure an accused is detained when necessary or released with appropriate conditions by which he or she can abide. To improve the efficiency of the Justice of the Peace bail process, the Hearing Office Standing Committee continues to hold stakeholder workshops to address issues in a collaborative manner. Stakeholders involved in the workshops include: the Provincial Court, Justices of the Peace, Resolution and Court Administration Services Division, Alberta Crown Prosecution Service Division, Correctional Services Division, Edmonton Police Service (EPS), Calgary Police Service, RCMP, Public Prosecution Service of Canada, Legal Aid Alberta, and members of the Defence Bar.

At the workshops in 2019, stakeholders agreed to target timeframes for their respective part of the bail process and were held accountable to those times through continued statistical analysis of data. A number of strategies were developed to make the process more efficient, including varying shift schedules and removing jurisdictional divisions for tele-bail. A working group was formed between the EPS and the ministry to develop strategies to streamline the process between EPS and the Crown Bail Office and to understand each other's challenges. Through these strategies, the stakeholders were able to increase the number of files heard on each shift.

On December 18, 2019, the bail amendments of federal Bill C-75 came into effect and expanded the tools available to police when considering release of an accused person. This may reduce the total number of people who need to speak to bail and allow those who do require a bail hearing to be brought before the Justice of the Peace more quickly.

2.3 Introduce democratic reforms to strengthen government.

Albertans value democracy and expect accountability from their elected representatives. The government has committed to introduce democratic reforms to strengthen democracy in Alberta and provide for more accountability for elected representatives. This past year, the government passed into law the *Senate Election Act*, which reinstates the right of Albertans to select their nominees to the Senate and ensures that our senators will stand up for the values and economic interests of our province.

Performance Measure 2.a: Provincial Court of Alberta lead time to trial for serious and violent matters (weeks)

Prior Years' Results				Current Result	2019-20 Target
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result		
21.9 weeks	24.1 weeks	22.3 weeks	22.1 weeks	24.4 weeks	21 weeks

In 2019-20, Provincial Court lead time for serious and violent offences was 2.3 weeks above last year's result, 2.4 weeks above the expected result, and 3.4 weeks above the stretch target.

Lead time to trial for serious and violent offences is a direct measure of the Provincial Court's availability to process these types of criminal case. The target for this measure was established as a stretch target to reflect the ministry's commitment to move matters through the courts more quickly.

A variety of factors may affect case processing times in Provincial Court. These include the number of accused; the number and types of charges; the number of court appearances; the number of pre-trial motions; whether there was a guilty plea; whether a trial was held; whether an accused has legal representation; and whether a preliminary inquiry was requested and/or held. Case processing time is also influenced by the availability of court resources (judges and lawyers), case management practices, and differences in the structure and operations of courts. Collectively, this measure is impacted through Alberta Justice and Solicitor General and Provincial Court Criminal's collaboration in reducing lead times to trial.

Although Alberta has seen a decrease in serious and violent offences over the 2019-20 business year, these types of cases continue to be more complex. Voluminous disclosure and a significant increase in video and audio evidence contribute to the complexity. The Alberta Crown Prosecution Service cannot control the volume or type of evidence generated in an investigation but as the volume of these types of materials increases, it also increases the time necessary to review files prior to setting a hearing date. In other words, although there are fewer serious and violent files in the system, their complexity results in longer lead times. Reducing lead times in the near future will continue to be a focus and will be carefully monitored, given recent impacts stemming from the COVID-19 pandemic. Rescheduling trials in addition to accommodating new trials will continue to impact lead times in the short-term.

Implemented in phases, Bill C-75 made significant changes to the *Criminal Code* in response to the Supreme Court of Canada's ruling in *R v Jordan*, as well as the report of the Standing Senate Committee on Legal and Constitutional Affairs, *Delaying Justice is Denying Justice: An Urgent Need to Address Lengthy Court Delays in Canada* in an effort to reduce delay in the criminal justice system. The Alberta Crown Prosecution Service and Resolution and Court Administration Services are monitoring the impact of these changes.

Over the past several years, the ministry has actively employed numerous policy and program changes to reduce serious and violent case lead times to trial. The one premise on which the results largely rest is that the ministry operates collaboratively towards these goals. Since the Supreme Court of Canada's 2016 *Jordan* decision, the ministry has demonstrated a shared approach in ensuring serious and violent cases move efficiently through the criminal justice system. The Alberta Crown Prosecution Service continues to monitor serious and violent cases to determine if they are at risk of exceeding the new time restrictions imposed by the Supreme Court of Canada.

The ministry has committed to spend up to \$10 million annually over four years to hire 50 new prosecutors and additional support staff. The hiring of additional Crown prosecutors and support staff will ensure criminal matters are dealt with in a timely and appropriate manner. Moreover, it will contribute towards addressing workload pressures that can result in low employee engagement and high turnover. For more details, please refer to the results analysis for Key Objective 2.2.

Performance Indicator 2.b: Number of Jordan applications granted

Prior Years' Results				Total as of March 31, 2020
2016-17 Result	2017-18 Result	2018-19 Result	2019-20 Result	
6* (October 2016 – March 2017)	6	9	7	28

In 2019-20, seven Jordan applications were granted. Since the October 2016 Supreme Court *Jordan* ruling, 28 Jordan applications were granted (as of March 31, 2020). The 28 cases stayed by the Courts due to unreasonable delay represents 10 per cent of the Jordan applications filed.

Section 11(b) of the Charter of Rights and Freedoms provides that any person charged with an offence has the right to be tried within a reasonable time. The Supreme Court has now imposed "ceilings" or deadlines on bringing criminal charges to trial – 18 months in Provincial Court and 30 months in Court of Queen's Bench. As part of a Jordan application hearing, the Crown bears the burden of justifying the delay if the delay attributed to the Crown exceeds the specified ceilings. Failure to justify the delay may result in a Jordan application being granted by the courts. This ultimately results in a stay of proceedings.

Reforming the criminal justice system is a complex and difficult initiative, but it is vitally important and something that one agency working alone cannot tackle. Justice and Solicitor General has been working to create better outcomes for Albertans with less reliance on the more formal and typically more expensive parts of the justice system. The Alberta Crown Prosecution Service is working to create policies that will divert matters, where appropriate, away from the full-court process, while still holding offenders to account. The ACPS continues to work with police to improve the quality and efficiency of the disclosure process and to streamline the processes for setting first appearance dates and executing warrants.

An analysis of the majority of judicially stayed files was completed in early 2019 to determine whether the Alberta Crown Prosecution Service should adjust its practices to mitigate the risk of future stays of proceeding resulting from delay. Four key recurring issues were found to impact judicial stays as they relate to *R v Jordan*: the lack of availability of Crown and Court resources; issues with obtaining evidence in a timely fashion; issues with actively finding individuals with outstanding warrants; and a culture of complacency within the justice system. The culture of complacency was noted by the Supreme Court of Canada in its *R v Jordan* decision and is a systemic issue nationally.

Although the number of cases commenced continues to grow, Crown prosecutors are working with justice system partners to reduce the number of cases that exceed 18 months and 30 months in the Provincial Court and Court of Queen’s Bench. Notably, the number of active serious and violent cases over 18 months has been reduced by 14.1 percent (since October 31, 2016) in the Provincial Court of Alberta. This was achieved despite staffing issues, a 1.4 percent increase in the number of cases commenced from the previous year, and the sixth highest crime severity index in Canada based on the latest report, “Police-reported crime statistics in Canada, 2018” by Statistics Canada.

The ministry has committed to spend up to \$10 million annually for four years to hire 50 new prosecutors and additional support staff. The hiring of additional Crown prosecutors and support staff will ensure criminal matters are dealt with in a timely and appropriate manner. Moreover, it will contribute towards addressing workload pressures that can result in low employee engagement and high turnover. For more details, please refer to the results analysis for Key Objective 2.2.

Performance Indicator 2.c: Number of trial Crown prosecutors

Prior Years’ Results				Current Result (2019-20)
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result	
311 positions	311 positions	319 positions	337 positions	337 positions

On March 31, 2020, there were 337 trial Crown prosecutor positions across the province. Of the 337 positions, 305 were filled and 32 were vacant. This performance indicator was included in the 2019-23 Business Plan for the first time. It helps inform the capacity of trial Crown prosecutors and tracks progress towards the achievement of the government commitment to hire 50 new prosecutors and their support staff. Additional prosecutors are being hired to help strengthen the province’s ability to respond to rural crime and prosecute matters effectively.

Justice and Solicitor General will be spending up to \$10 million annually for four years to hire 50 new prosecutors and additional support staff. Justice and Solicitor General began planning for accommodations for the additional prosecutors and support staff in 2019-20. While recruitment strategies are in place, ongoing recruitment and retention issues remain.

In addition to hiring prosecutors, the ministry is expanding its articling program from eight law students to 16 students. This will allow Crown prosecutors to focus on higher-priority duties. For more details, please refer to the results analysis for Key Objective 2.2.

Performance Indicator 2.d: Number of police officers

Prior Years' Results				Current Result (2018)
2014 Result	2015 Result	2016 Result	2017 Result	
6,990	7,155	7,312	7,482	7,510

This indicator reports the total number of police officers in Alberta and includes the actual number of permanent sworn police officers available for active duty. Part-time personnel are converted to a full-time equivalent. In 2018, Alberta had 7,510 police officers or 174 officers per 100,000 people, which includes municipal police services, contract policing (RCMP and Aboriginal contract policing), and federal policing. The number of officers decreased by one percent from 2017 to 2018, but has increased nine percent over the last decade. In 2008, there were 159.5 police officers per 100,000 population, and in 2018, there were 174.4 police officers per 100,000 population. This indicator is related to the government commitment to a rural crime strategy. Additional police officers are being hired to help strengthen the province's ability to respond to rural crime.

Performance Indicator 2.e: Indigenous over-representation

Prior Years' Results				Current Result
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result	
38.9%	39.2%	40.3%	41.9%	41.2%

In 2019-20, the proportion of people in adult custody who identified as Indigenous was 41.2 percent, which is 0.7 percentage points lower than in 2018-19, but 2.3 percent higher than in 2015-16. In comparison, in 2016 (the most current census data available), 6.5 percent of Alberta's total population identified as Indigenous. The indicator was included in the 2019-23 Business Plan for the first time to track the representation of adults who identified as Indigenous in custody in Alberta correctional centres in comparison to the representation in Alberta's total population. It indicates the effectiveness of the government efforts to address economic and social issues that affect Indigenous peoples. The emphasis of Bill C-75 on giving special consideration to vulnerable populations, including Indigenous peoples, during the bail process as well as changes to the handling of Administration of Justice charges may impact this indicator.

The Indigenous Court Work Program (ICWP) ensures that Indigenous people receive fair, equitable, and culturally sensitive treatment in court by providing Indigenous litigants, their families and Indigenous victims with services or assistance before, during and after the court process. The ICWP offers a variety of services in the Criminal, Family and Youth Divisions of the Provincial Court of Alberta including non-legal advice on rights and responsibilities, explaining court processes, and informing the court regarding the client's personal circumstances.

The ICWP aims to address overrepresentation by assisting the court in determining resolutions that are appropriate and effective for Indigenous accused, including alternatives to incarceration. This program promotes the use of alternative measures and community resources by Indigenous people.

Court workers have in-depth knowledge of the programs, services and restorative justice options that are available within the local community and provide critical information to the courts regarding the circumstances of the accused at the time of sentencing. The program also assists in reducing the number of Indigenous accused in remand by providing the Court with release strategies that address an accused person's bail plan.

In 2019-20, ICWP provided court work services to over 8,700 new criminal law clients and another 10,948 criminal law clients used court worker services multiple times while progressing through the court system. ICWP court workers provided assistance to an additional 2,772 victims, witnesses and family members. The program provided services to over 1,800 new family law clients and continued services to more than 1,100 family law clients, with family court matters.

The Gladue Report Program supports the reduction of Indigenous people involved in the criminal justice system by assisting the court in determining appropriate sentences for Indigenous offenders. Gladue reports outline Gladue factors including the offender's unique history, intergenerational trauma caused by residential school experiences, historical trauma, effects of colonization and socio-economic circumstances that the court must take into consideration during sentencing. The program ensures provincial compliance with Supreme Court of Canada rulings in *Gladue* and *Ipeelee*, and prevents cases from being overturned for failure by the court to consider Gladue factors in sentencing. In 2019-20, 883 Gladue reports were provided to the courts.

The Indigenous Justice Program (IJP) supports the administration of Indigenous community-based justice programs, which reflect Indigenous values and offer alternatives to mainstream justice process. These programs offer alternatives to incarceration, including diversion, pre-sentencing options, sentencing alternatives, restorative justice, and offender reintegration services.

The IJP currently funds 15 programs located in eight Métis Settlements and seven First Nation communities in Alberta. The services provided by the Indigenous communities vary and individual programs are designed to incorporate community perspectives and capacity into mainstream justice processes.

Outcome Three: Albertans are supported in their interactions with the justice system

The ministry is committed to providing high quality, accessible, citizen-focused services. This includes providing services and supports to victims of crime and working to equip Albertans with information and tools to resolve their family and civil matters, as well as timely access to the courts when needed. The ministry is also committed to improving online services to allow Albertans to interact with the justice system more efficiently. Innovative use of technology will help support and enhance key business functions across the ministry to ensure the expectations of Albertans are met for modern, timely and accessible services, enhanced convenience and more consistent availability across the province.

Key Objectives

3.1 Conduct a review of the current model of victim service delivery, victim assistance funding and victim compensation.

In 2019, the Government of Alberta pledged to conduct an immediate review of the current victim service model, including service delivery, funding, and victim compensation to ensure the system is meeting the needs of victims in a way that is effective and financially sustainable. Engagement occurred late in 2019 and involved stakeholders from a number of areas, including past applicants of the Victims of Crime Financial Benefits Program (VFB); leadership executives and staff from victim-serving organizations (VSOs); Indigenous Elders, as well as Government of Alberta employees with victim services experience. Approximately 885 surveys were completed as part of the engagement

Engagement focused on several broad themes with respect to Alberta's victim service model, such as: principles and vision, eligibility, accessibility, and services and supports. Results of the engagement indicated that:

- There was agreement for a broad shift from providing compensation to providing access to services for victims of crime;
- Current eligibility criteria for victim services is generally correct, but may need to be updated to reflect changes in provincial and federal legislation; and,
- There is a need to ensure services to victims are accessible in all parts of the province, taking into consideration the unique needs of rural and remote regions.

Work undertaken in 2019-20 will pave the way for further changes, including the development and implementation of a replacement program for the Victims of Crime Financial Benefits Program to a service-based program. One regulatory change that received approval during 2019-20, was increasing the victims of crime surcharge on provincial fines from 15 percent to 20 percent, starting April 1, 2020.

A new no-cost Community Impact Statement Program was established within the Victim Services Branch. This program will enable a representative of a community to submit a statement to the court for consideration at the sentencing of an accused person. The purpose of the community impact statement is to describe how the crime has affected the community as a whole, including the emotional, physical, and economic impact, or fears a community may have for its security. It operates in the same manner as the Victim Impact Statement Program, whereby on a finding of guilt of an accused person, the Community Impact statement may be presented or read out at sentencing of the offender. The Community Impact Statement Program will become operational in summer 2020.

Quick Fact

In 2019-20, more than \$19 million from the Victims of Crime Fund was granted to 42 Community Based organizations and 73 Police Based organizations for their daily operations.

Quick Fact

In 2019-20, the ministry purchased 24 Cisco DX-80 units (similar to an iPad) to assist victims to testify in court proceedings, allowing video conference from a remote room in the courthouse and from other courthouses.

The ministry is working to provide additional support for victims of crime via a new Restitution Recoveries Program. The program will help victims collect outstanding payments on restitution orders by giving government the authority to use enforcement measures against offenders, such as garnishing wages or seizing and selling property, as needed. This program will assist victims who would otherwise have to navigate the legal system and attempt to collect court-ordered restitution at their own expense and effort, with no assurance offenders will be held accountable to their sentence. The program is expected to be operational in summer 2020. It will undergo a comprehensive two-year evaluation to determine the initial effectiveness, and to provide recommendations for addressing any additional service gaps. Data will continue to be monitored for evaluative and reporting purposes thereafter.

The ministry is working with justice system partners to provide a Domestic Violence Justice Response (DVJR) that delivers integrated services to meet the complex needs of victims of intimate partner violence. DVJR is a collaborative initiative involving government, police, and non-government organizations. They focus on ensuring victims of intimate partner violence receive comprehensive supports throughout their involvement in the criminal justice process, that they have a well-represented voice in the criminal court process, and are able to access resources to meet their individual needs. In January 2019, a DVJR pilot project – called the Nalah Centre – began in Edmonton, with the support of a Victims of Crime Fund grant of \$1.4 million to the Edmonton John Howard Society for a term of January 1, 2019 to June 30, 2021.

The pilot builds on the success of the Calgary Homefront program by using direct referrals from law enforcement to the local agency/victim-serving program and a fully integrated and focused service delivery approach for victims of domestic violence involving the local agency, the Alberta Crown Prosecution Service, law enforcement, Correctional Services, City of Edmonton Domestic High Risk Team and offender treatment programming all connected to community partners.

A comprehensive evaluation is being undertaken, which will inform decision-making for the continued implementation of the Edmonton DVJR, as well as future expansion of integrated domestic violence responses to additional locations in Alberta.

In 2019-20, the ministries of Justice and Solicitor General, Community and Social Services, and Culture, Multiculturalism and Status of Women collaborated on the development of *Alberta's Disclosure to Protect Against Domestic Violence (Clare's Law) Act*, which received royal assent on October 31, 2019. The purpose of the act is to empower potential victims of domestic violence with information regarding their intimate partner's history of domestic violence perpetration. The act authorizes three elements, the "right to ask," where applicants have a right to information on their intimate partner; the "right to know," which authorizes police to proactively inform a potential victim at risk of domestic violence; and the "right to privacy," which ensures the applicant's personal information is safeguarded.

Community and Social Services engaged civil society organizations with direct service delivery and experience addressing domestic violence to continue to develop policies and regulations to support the act. A protocol working group was established by Justice and Solicitor General to develop the implementation plan for police services, which encompasses the necessary processes, training and systems required when the legislation comes into effect later in 2020-21. All of these efforts are supported by input from Alberta's 11 police services, victim serving agencies, civil society organizations and representatives from the ministries of Culture, Multiculturalism and Status of Women; Children's Services; Indigenous Relations; and Service Alberta.

The Integrated Threat and Risk Assessment Centre (ITRAC) has been a key partner in the development of the *Disclosure to Protect Against Domestic Violence (Clare's Law) Act*. ITRAC assesses threats and develops risk reduction plans for domestic violence and stalking cases in Alberta, as well as providing expert advice and training about threat assessment, domestic violence, and stalking to police, government and community agencies throughout the province. ITRAC will be responsible for assisting in the provincial coordination of the new act to ensure that all risk-relevant information is reviewed and assessed prior to disclosure of information to Albertans.

During 2019-20, it was decided that ITRAC's mandate was better suited under the ministry's Public Security Division for increased collaboration and communication with Victim Services and stakeholders responsible for offender management and the provision of victim safety. Previously, ITRAC was part of the Alberta Law Enforcement Response Team. With increased funding, ITRAC's capacity nearly doubled this past year, with the number of certified ITRAC threat assessors increasing from five to nine, including three ministry employees and one Edmonton police member. This is the largest contingent of threat assessors in ITRAC's history. A core function of ITRAC is to increase collaboration and communication between stakeholders. Over the past year, ITRAC assessments were shared with multiple partners, including the:

- High Risk Offender Office of the Alberta Crown Prosecution Service to ensure assessments were available for use in court processes;
- Correctional Services division to ensure offender management was informed by comprehensive risk relevant information; and
- Ministry of Children's Services to ensure staff responsible for cases involving the children of ITRAC subjects of assessment and victims were fully aware of relevant risk.

In 2019-20, more Indigenous Victims Outreach Specialists (IVOS) were added to 16 Indigenous communities across the province. IVOS have a physical presence in Indigenous communities as well as municipalities that service large Indigenous populations. They ensure immediate, culturally safe, trauma-informed support and assistance are provided to victims of crime in their own communities, reducing barriers to acquiring service. IVOS focus on building relationships, both with the victim and with other service providers in the community.

The Family Information Liaison Unit (FILU) is a specialized outreach initiative that specifically supports families of missing or murdered Indigenous women and girls. This wrap-around service is an enhancement to regular victim service provision, as this unit has the capacity to assist with justice system navigation, cultural support, financial support for families to attend court processes and the provision of funding for counselling and/or healing. The FILU provides information about services available to Indigenous victims of crime through their numerous community engagements – ranging from dedicated presentations at human service agencies and organizations to large group presentations at conferences and at Missing and Murdered Indigenous Women and Girl (MMIWG) events; (Seventeen such presentations were provided last year.) The FILU is also linked with the police-based victim services agencies. A resource list of provincial Search and Rescue agencies has been created that can be accessed by the FILU in support of their families, and is being released within the Missing Persons Professional Support Guides to be accessible to all Victims Service Units to support their clients with a missing loved one. Ultimately, increased awareness of available services should result in increased access by Indigenous victims. More information about the FILUs can be found at <http://alberta.ca/FILU>. In addition, a series of short videos of staff being interviewed and providing an overview of their role and the purpose of the program was provided through the JSG Twitter account in an effort to reach more Albertans using a variety of platforms.

Quick Fact

In 2019-20, the Integrated Threat and Risk Assessment Centre (ITRAC) funding increased to approximately \$1.7 million per year, for a total of \$5.1 million over three years.

Quick Fact

Total Victims Served by Victim Serving Organizations in the 2019 calendar year was 90,736.

Several elearning and online courses for both victim service providers and victims have been developed to provide staff with tools to support families of missing Albertans, and others dealing with the grief of not knowing the fate of their loved one, and are learning to live in a state of prolonged uncertainty known as “ambiguous loss.” With this program, Alberta became the first province in Canada to launch ambiguous loss training for criminal justice providers. Initially released internally to Government of Alberta staff on March 18, 2020, the elearning module will soon be available to community partners focusing initially on the Victim Services Units around the province.

Recognizing that some police officers in law enforcement agencies around Alberta were unfamiliar with the Victims Services Units and their work, the ministry established a working team in collaboration with Edmonton Police Services, Lethbridge Police Services, and RCMP to create an elearning course providing standardized training and information to police officers in Alberta. The elearning was launched with RCMP, Lethbridge Police, and Medicine Hat Police in September 2019, with a total of 90 police officers completing the training by the end of March 2020. This course will be available for the remaining large centres in Alberta in the coming year.

3.2 Develop a sustainable way for Albertans to access justice services, including through alternative resolution options.

Justice and Solicitor General provides mediation and alternative dispute resolution options to Albertans through the Civil and Family Mediation Programs, as well as through a unique pilot program in the Edmonton area called the Family Justice Navigator program. Alternative dispute resolution pathways enable Albertans to resolve their legal issues outside of the courts, when appropriate. These are less adversarial and more affordable options for Albertans resolving their family and civil matters. The ministry’s Maintenance Enforcement Program also continued with its implementation and evaluation of the Family Support Order Services (FSOS) Case Management Pilot Project to enhance its client-focused supports.

The Provincial Court Civil Mediation Program allows parties to resolve their civil disputes (up to \$50,000) outside of court in a way that works best for them, freeing court resources to deal with matters that require a judicial decision.

The Family Mediation Program assists Albertans coping with challenges such as divorce, separation, child access, and parenting time by providing a mediator to work towards resolving their disputes. Participation in the program is voluntary and is restricted to those with incomes of up to \$40,000. In 2019-20, the Family Mediation Program received 1,398 new referrals to mediation. Of these referrals, 954 files proceeded to mediation and 812 total agreements (full and partial) were reached.

The Family Justice Navigators Program is a collaborative program where family justice navigators work with community service providers in a community setting to support families undergoing divorce, child custody disputes, and other changes to their family structure. The program focuses on the social, relationship, parenting, financial, and legal needs of children and their parents with the aim of addressing problems, preventing these problems from escalating, and creating a less adversarial environment for these issues to be resolved. The project launched in January 2019 in two locations – the Alberta Supports Centre in Northgate, Edmonton and the Family and Community Services office in Strathcona County. An interim evaluation was completed, with clients supplying positive feedback in terms of services provided as well as coordination between various stakeholders who provide a range

Quick Fact

In 2019-20, the Provincial Court Civil Mediation Program:

-) Heard 1,349 disputes
-) Resolved 635 disputes.

of social, economic, and health support services to Albertans. 293 people were referred to the program with a variety of needs; of these, 121 received in-depth assessments.

The Family Support Order Services (FSOS) Case Management Service Delivery pilot launched in February 2018. In this pilot, the Maintenance Enforcement Program (MEP) moved away from a task-based model of service delivery and towards, a case management approach. Case management was undertaken to achieve, more consistent and personalized client service; to increase support collection; and to improve staff engagement. A 2015 Canadian Forum on Civil Justice report, entitled “The Cost of Justice”, concluded that adopting a more client-centric approach with early point-of-entry resolution may also reduce the overall cost of justice. The final evaluation report regarding the success of the pilot is expected by summer 2020.

Quick Fact

Positive early indicators from the FSOS Case Management Service Delivery pilot include a reduction of formal complaints by almost half and incremental increases in collections.

3.3 Provide greater services to Albertans in need.

It is a priority for the Government of Alberta and the ministry to ensure the needs of Albertans are met, including the needs of witnesses, low-income Albertans and young offenders. Witness management includes management of witness travel expenses, payment of those expenses, and payment of expert witness fees, as well as regular contact with witnesses prior to trial to answer questions and accommodate any necessary changes to court dates. The Alberta Crown Prosecution Service (ACPS) has been working to standardize processes and policies around witness payments to ensure witnesses are treated consistently across the province. The transition of witness management to ACPS allows the department to improve service delivery to, and improve communication with, witnesses and victims, ensuring Albertans continue to be supported in their interactions with the justice system.

In 2019-20, the work on transitioning witness management to Crown offices involved writing a procedure manual for witness travel and accommodations arrangements, developing forms for witnesses to submit for reimbursement of expenses, mapping processes for the Crown offices to submit the expenses for payment, and connecting the expense forms to Government of Alberta payment systems. A Protocol was drafted with respect to witness travel expenses and an internal procedure was developed for the handling of expert fees. All processes and the Protocol were designed with consideration given to the Alberta Fees and Expenses for Witnesses and Interpreters Regulation.

Legal aid is part of a fair and accessible justice system. Legal Aid Alberta (LAA) plays an integral role in the administration of justice by supporting some of Alberta’s most vulnerable citizens. A new governance agreement with Legal Aid Alberta took effect April 1, 2019. The agreement establishes redesigned services that will better address client needs and control costs to ensure the sustainability of Alberta’s Legal Aid Plan and support continued services to low-income and vulnerable Albertans, including:

- Criminal Law – to increase efficiency of the courts;
- Duty Counsel at first appearance bail hearing offices;
- Family law – to increase client access and productivity;
- Client Access – Automatic acceptance for Assured Income for the Severely Handicapped (AISH) clients providing their legal matter falls within LAA’s scope of services; and
- Reserve Fund – to mitigate risks associated with cost uncertainty.

Quick Fact

Legal Aid Alberta's approved 2019-20 budget reflects negotiated changes and service enhancements and includes an operating grant from the Government of Alberta of \$91.8 million.

Justice and Solicitor General worked with justice stakeholders to help fund legal aid services while saving tax dollars. As a result, the Alberta Law Foundation (ALF) will provide a special contribution to LAA of \$34.4 million over three years, starting in 2019-20. This funding is supplemental to the 25 percent of interest earned on lawyers' trust accounts that ALF is legally obligated to pay to LAA under the *Legal Profession Act*. The funding supports the governance agreement with LAA and the Law Society of Alberta that makes legal aid available for low-income and vulnerable Albertans. Continued partnerships will ensure that LAA is able to provide essential and high-quality legal aid services to Albertans in the future.

Justice and Solicitor General is implementing a multi-year action plan to support youth who have come into contact with the justice system. The action plan aims to promote more positive behaviours and decrease the negative, reactive, emotional responses and behaviours of young persons in youth justice settings. In 2019-20, the ministry worked to apply concepts to practice, incorporating lessons learned from previous years, and strengthening the implementation of trauma training, resources, and supports within the organization. It is anticipated that the learnings from this project will be used to modify current practices and encourage support staff to provide services that acknowledge the link between mental health, substance abuse, previous traumatic experiences, and involvement in the justice system.

3.4 Implement technology enhancements to improve access and service delivery.

Budget 2019 allocated \$27 million in capital funding over four years towards the Justice Digital Program to provide Albertans with more timely and accessible justice system supports and services through technology enhancements. On September 30, 2019, MyAlberta Fines Search was launched. This enhancement to the existing online payment portal gives Albertans the ability to search for information on outstanding ticket fines, then redirects them to the existing eServices website to pay their fines. Fines Search provides full visibility to Albertans of all outstanding ticket fines, including those that have passed to Fines Collection. More of these older fines are now being collected, resulting in an increase of over \$250,000 in revenue in the first five months since launch.

Work also began in 2019-20 to develop a province-wide Traffic Ticket Digital Service. This digital service will enable Albertans to manage their traffic tickets, understand legal obligations under the infraction, be provided with options to address the infraction (e.g., time to pay), and pay their traffic tickets online. It will support the move of more administrative matters out of First Appearance Centres and courtrooms so that focus can be on more serious and complex criminal, civil and family court matters. It is anticipated that the Traffic Ticket Digital Service will be tested in early 2020-21 with the intention of a gradual implementation as the year goes on.

With the outbreak of the COVID-19 virus and the World Health Organization declaring a global pandemic, the Government of Alberta and the Courts took unprecedented steps to address growing concerns for the safety of Albertans, implementing digital alternatives to in-person courthouse visits. A number of Justice Digital initiatives are moving forward at an accelerated pace, including virtual court proceedings by videoconference and teleconference, and remote filing services. Going forward, additional projects will be evaluated and selected for development and implementation as part of Justice Digital.

All digital measures the ministry is undertaking are working towards the mitigation of a new strategic risk centered around the outdated technologies that have the potential to create challenges associated with meeting the needs of Albertans for a modern, digital justice system. While the ministry has recently identified this risk to focus on for the next three years, Justice Digital will support innovation in Alberta's courts and in the broader justice system. A lack of attention regarding outdated

technology systems may lead to delayed decision-making, inadequate public access, as well as prevent the ministry from responding quickly and effectively to new and emerging issues.

The Alberta Legal Assistance Network (ALAN) is an initiative designed to increase access to justice for Albertans, particularly low income Albertans and Indigenous Albertans. The initiative will help alleviate pressures in all areas of the justice system by empowering and supporting Albertans in their journey through the justice system. In 2019-20, the ALAN initiative supported the re-launch of “Alberta 211” – a legal services information database managed by the Canadian Mental Health Association. A soft launch was executed in August 2019 with the official launch taking place on October 10, 2019. An engagement session was also held in October 2019 to provide stakeholders with information about Alberta 211 and to start the development of strategies to enhance access to justice for Indigenous Albertans. The engagement session highlighted the need to further develop the informed referral process.

Quick Fact

The Alberta Legal Assistance Network provides Albertans with information about legal services available across the province.

The ministry is working to implement new technology to manage the rising community corrections caseload. This will include the introduction of mobile monitoring technology and development of a pre-trial risk assessment tool. Mobile monitoring technology will enhance the supervision of sentenced offenders in the community while helping to address the rising numbers of pre-trial and sentenced offenders under community supervision in Alberta. This will allow the ministry to ensure resources are allocated based upon evidenced based decision-making. The development and implementation of a pre-trial risk assessment tool will enhance the supervision of pre-trial clients in Alberta. Resourcing and funds have been allocated to implement these changes in 2020-21.

The Correctional Services Division has commenced work to develop a request for proposal to identify a vendor to meet the Government of Alberta’s electronic monitoring commitment through a mobile monitoring application. Work is underway to develop requirements, gap analysis, benefits realization and business transformation planning for the implementation of mobile monitoring and the pre-trial risk assessment. This business transformation work is inclusive of policy changes and evaluation of proposals.

Performance Measure 3.a: Alberta Justice and Solicitor General’s Family Mediation Program (voluntary service to support families to reach a mutual agreement that focuses on the child and avoids going to court) Resolution Rate

Prior Years’ Results				Current Result	2019-20 Target
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result		
86%	88%	88%	87%	85%	90%

In 2019-20, the Family Mediation Program resolution rate was 85 percent, which was five percent below the target of 90 percent and two percent below the previous year’s result. The resolution rate will continue to fluctuate, and is affected by various factors, such as the number of families attending mediation, the complexity of issues, and program resources including availability of staff. However, trend analysis shows a consistent range over the past five years. From 2014-15 to 2019-20, the resolution rate fluctuated from a low of 85 percent to a high of 89 percent.

Albertans benefit from affordable and less adversarial options for resolving their family matters. Under the Family Mediation Program, Albertans coping with challenges such as divorce, separation, child access and parenting time can meet with a mediator to work towards resolving their disputes. The mediator provides information to families about child development and other issues related to parental conflict during separation and divorce, and helps parties to communicate and reach decisions that consider the needs and best interests of their children, while avoiding going to court. The Family Mediation Program is a voluntary program available to all couples, provided one of the parties has a gross annual income of less than \$40,000. It practices facilitative mediation, which means that the mediators do not dictate outcomes or suggest ways disputes can be resolved. Rather, mediators use communication techniques to support participants to make their own decisions. The program's success can be affected by the complexity of the individual cases.

The Family Mediation Program had an operational budget allocation of \$2,082,934 for the 2019-20 fiscal year. This included costs for materials and supplies such as office equipment, technology licensing fees, staffing and contract service provider costs, as well as some staffing and operational costs related to delivery of Resolution Services programs and not specifically attributed to delivery of the family mediation services.

Performance Measure 3.b: The Provincial Court Civil Mediation Program (service to support individuals to negotiate a resolution to their dispute instead of going to trial) Resolution Rate

Prior Years' Results				Current Result	2019-20 Target
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result		
53%	49%	50%	46%	47%	53%

In 2019-20, the Provincial Court Civil Mediation Program resolution rate was 47 percent, which was six percent below the target of 53 percent and one percent above the previous year's result. The Provincial Court Civil Mediation Program provides an opportunity for parties to resolve their own dispute in a way that works best for them. All Provincial Court civil matters are screened for mediation. Files deemed suitable based upon the written pleadings are diverted into the mediation program. Parties do not need to proceed to court when matters settle, freeing court resources to deal with matters that require a judicial decision. In August 2014, the financial jurisdiction of Provincial Court Civil increased from \$25,000 to \$50,000. This resulted in more complex files being diverted into mediation and more complex files are often more difficult to resolve through mediation.

The Provincial Court Civil Mediation Program practices facilitative mediation, meaning mediators do not dictate outcomes or suggest ways for the dispute to be resolved. Rather, they utilize communication techniques to support participants to make their own decisions. It is up to the parties to choose whether to resolve in mediation. Mediation coordinators screen files for those that they believe are likely to succeed at mediation, based upon the parties' written pleadings. While specific criteria exist that coordinators look for when selecting files for mediation, written pleadings may not convey the true and full nature of the case or predict the likelihood of resolution at mediation. The complexity of files, parties' willingness and readiness to settle, the type of claim, the amount of the claim, the skill of the mediator, and the chemistry between the parties and mediator, all likely impact the resolution rate. Offering advanced training to roster members would likely result in an increase in resolution rate. However, for the past several years, as a result of the economic downturn, the program has not been able to invest in training.

The Civil Mediation Program 2019-20 budget was \$1,010,146. Services were delivered by a roster of 165 mediators who were paid an honorarium of \$75 per mediation session. The honorarium of \$75 per mediation session has remained unchanged since 2005. As a result, some mediators have expressed dissatisfaction with the Program and may choose to limit the time they spend with parties, whether or not resolution is in sight. This, in turn, may impact the resolution rate.

Performance Measure 3.c: Percentage of calls to the Resolution and Court Administration Services Contact Centre resolved on the first call

Prior Years' Results				Current Result	2019-20 Target
2015-16 Result	2016-17 Result	2017-18 Result	2018-19 Result		
N/A	N/A	N/A	68%	72%	70%

In 2019-20, the Contact Centre first call resolution rate was 72 percent, which was two percent higher than the target of 70 percent and four percent higher than the previous year's result. The improved resolution rate can be attributed to regular professional development sessions to increase staff knowledge of court processes so they are able to resolve more calls without needing to transfer to other business units.

Several factors impact the Contact Centre's first call resolution rate. Client inquiries outside the scope of the RCAS Contact Centre and therefore need to be transferred to another RCAS service that has the authority to act on the request. If fewer staff are available in the Contact Centre to take calls, caller wait-times can be longer and fewer calls are answered. Moreover, due to the COVID-19 pandemic, the last two weeks of the fiscal year resulted in a 40-50 percent increase to the Contact Centre's usual call volume as Courts were closed and in-person, non-emergent matters were postponed. This required an increased number of calls to be transferred to the courthouse to address scheduled appearances during the pandemic. The need to transfer calls had a negative impact on the resolution rate for the two week period at the end of March (dropping the resolution rate during this period to 53 percent); however, the overall resolution rate for the year was minimally affected. As the ministry moves to develop additional online resources and services through Justice Digital, and Albertans are better able to access court information online for themselves, it is possible that there will be fewer incoming calls to the Contact Centre.

The RCAS Contact Centre budget for 2019-20 was \$753,138.

Performance Measure and Indicator Methodology

Performance Measure 1.a: Percentage of probation officers trained in the effective intervention techniques derived from evidence-based principles

Source: Justice and Solicitor General Administrative Data, Correctional Services Division.

This measure reflects the percentage of probation officers and senior probation officers trained in Effective Practices in Community Supervision (EPICS). The number of Government of Alberta probation officers and senior probation officers in Community Corrections and Release Program Branch, and the Young Offender Branch is extracted from IMAGIS each fiscal year. Between 2016 and 2019, the number of staff trained each fiscal year was added to the number of staff trained in previous fiscal years to calculate a cumulative total. This result was then divided by the total number of probation officers and senior probation officers. To ensure training needs are accurately determined, this methodology was changed in 2019-20 so that the calculation is based on the number of officers requiring training rather than the number of officers receiving training. That is, the number of officers still requiring training is subtracted from the total number of probation officers and senior probation officers. The result is then divided by the total number of probation officers and senior probation officers, multiplied by 100.

Performance Indicator 1.b: Violent and property crime rates per 100,000 population

Source: Uniform Crime Reporting Survey, Canadian Centre for Justice and Community Safety Statistics (CCJCSS). Data is available annually. CCJS CANSIM Table data was available on July 22, 2019.

Crime rate is calculated using Incident-based Uniform Crime Reporting (UCR2) data, which measures police-reported crime in each Canadian jurisdiction. Crime rate measures the volume of police-reported crime, expressed as the number of crimes per 100,000 people. Historical results are revised annually to reflect updated data provided by police services for incidents that occurred in previous years. Property crime includes theft, break-and-enter, fraud, and possession of stolen goods. It does not include the use of threat of violence against an individual. Violent crime includes homicide, attempted murder, robbery, abduction and various forms of sexual assault. It also does not include traffic incidents that result in death or bodily harm.

Performance Indicator 1.c: Violent and non-violent Crime Severity Index (CSI)

Source: Uniform Crime Reporting Survey, Canadian Centre for Justice and Community Safety Statistics (CCJCSS). Data is available annually. CCJS CANSIM Table data was available on July 22, 2019.

The Crime Severity Index (CSI) is a measure of the seriousness of police reported crime. Each criminal offence is weighted based on the sentence imposed upon the offender. More serious offences, such as homicide or serious assault, are weighted more heavily than minor thefts and minor assaults. The crime severity index is calculated using Incident-based Uniform Crime Reporting Survey (UCR2) data. It should be noted that Incident-based UCR2 data was not available for all respondents for the period from 1998 to 2015. Instead, these police services continued to report to the Aggregate Uniform Crime Reporting Survey (UCR), which meant that a process of imputation was necessary to translate UCR data into its UCR2 equivalents. Approximately 80 percent of the offence codes in the aggregate survey mapped 1:1 onto the incident-based violation codes in the UCR2. For the remaining categories of violation (such as the “aggregate other *Criminal Code*” category), it was necessary to estimate their seriousness by looking at the distribution of other *Criminal Code* offences in the reports of existing UCR2 respondents.

Performance Indicator 1.d: Drug Treatment Court recidivism rates

Source: Calgary Drug Treatment Court Society Report - Real Help for Addicted Offenders: Emerging Evidence from the Calgary Drug Treatment Court (January 2016); Drug Treatment Court: Data Review and Analysis (Trevor Fik, April 17, 2015); Edmonton John Howard Society Report - Edmonton Drug Treatment Court Service – Data Roll up 2014 to 2018 (<https://johnhoward.org/programs-services/drug-treatment-court-services/>); and Government of Canada Department of Justice - Drug Treatment Court Funding Program Evaluation Final Report (April 2015)

Recidivism is the tendency for a convicted person to reoffend. Data for this indicator was based on separate studies conducted on the reoffending rates of graduates of Edmonton and Calgary Drug Treatment Courts. The rates are derived by dividing the number of graduates who had no new convictions within the timeframe specified in the study by the total number of DTC graduates, multiplied by 100. Primary data for the studies were obtained from the Justice Online Information Network (JOIN) system and the results are as reported by the Edmonton John Howard Society and the Calgary Drug Treatment Court Society.

Performance Measure 2.a: Provincial Court of Alberta lead time to trial for serious and violent matters (weeks)

Source: Justice and Solicitor General Administrative Data, Alberta Crown Prosecution Service and Resolution and Court Administration Services

Provincial Court lead time to trial for serious and violent matters is the average number of weeks between the date serious and violent cases are scheduled for trial and the date that the trial or hearing is scheduled to occur. This average is not impacted by the trial or hearing not proceeding on the date scheduled. This measurement of lead times includes only serious and violent *Criminal Code* charges. Serious and violent crimes include: sexual offences against children; possessing/publishing/creating/distributing/selling child pornography; criminal negligence; manslaughter; murder; discharging of firearms; administering a noxious thing; dangerous driving; dangerous operation of a motor vehicle; impaired driving causing bodily harm or death; criminal harassment; threats; assault; sexual assault; kidnapping; human trafficking; robbery with violence/assault/weapon; intimidation; and arson.

The ministry uses data from Justice Business Intelligence Datamart, which pulls its data from Justice Online Information Network (JOIN). Provincial Court lead-time data is calculated through a query to the Justice Information Management System (JIMS) Datamart. The time between the date a case is set down for trial and the date that the trial or hearing is scheduled to occur is obtained for each case that involves a serious and violent crime. The average lead-time is then calculated for all cases with serious and violent offences in that year.

Performance Indicator 2.b: Number of Jordan applications granted

Source: Justice and Solicitor General Administrative Data, Alberta Crown Prosecution Service

On a weekly basis, a report is run from the Justice Online Information Network (JOIN) to identify the cumulative cases where a Jordan application has been filed with the Provincial Court and the Court of Queen's Bench. This information is tracked and monitored on an on-going basis using the Prosecution Information and Scheduling Management System (PRISM) and with follow-up with the Jordan prosecution coordinators. The status of Jordan applications as they make their way through the judicial system is reported on a quarterly basis to executive. The number of successful Jordan applications annually is calculated by subtracting the total of cumulative successful applications as of

March 31 of the previous fiscal year from the total of cumulative successful applications as of March 31 of the current fiscal year.

Performance Indicator 2.c: Number of trial Crown prosecutors

Source: Justice and Solicitor General Administrative Data, Alberta Crown Prosecution Service

The number of trial Crown positions is determined at the end of the fiscal year by manual count. Any net new positions added in-year are tracked and adjustments to documents are made accordingly.

To determine the number of trial Crown prosecutors in the positions (i.e., on the salary register), a query is run in IMAGIS. That number is cross-referenced with an internal database managed by the Director of Workforce Planning, and an Excel spreadsheet is created to generate the final result. The final result is a point-in-time-number, as of a specific date, and changes often throughout the fiscal year due to staffing turnover. A query can be run on existing Human Resources databases to determine the number of new hires and terminations each month.

Not included in the trial Crown prosecutor count are Bail Crown, Appellate Counsel, Education/Policy Counsel, Project Counsel, and Executive Directors.

Performance Indicator 2.d: Number of police officers

Source: Canadian Crime Statistics, Statistics Canada: Canadian Centre for Justice and Community Safety Statistics (CCJCSS) - Police Administration Survey. Police Resources in Canada, 2018 Juristat. October 3, 2019.

Every year, the Police Administration Survey collects data on police personnel and expenditures from each municipal, provincial and federal police service in Canada. The following security agencies are excluded from the survey: the Canadian Security Intelligence Service, railway and military police, and government departments enforcing specific statutes in the areas of income tax, customs and excise, immigration, fisheries and wildlife. Additionally, private security services and private investigators are not included in the survey. Data in this report reflects police personnel as of May of the calendar year, and includes the actual number of permanent sworn police officers available for active duty. Part time personnel are converted to a full time equivalent.

Performance Indicator 2.e: Indigenous over-representation

Source: Offender Records and Correctional Administration (ORCA) - Adult Offender Population Report.

This indicator reflects the percentage of the average daily custody population comprised of Indigenous people. It is calculated by dividing the average number of Indigenous persons in custody by the total average number of persons in custody, multiplied by 100 percent. Indigenous is defined as those inmates who self-identify as Aboriginal (Status), Aboriginal (Non-Status), Métis, or Inuit. Daily counts are averaged over 365 days. The indicator includes inmates in a provincial correctional facility, and those temporarily in hospital, out to court or in transit to another Alberta provincial correctional facility. It does not include inmates under custodial supervision but out of the centre on temporary absence programs, in mental health hospitals, in police cells, on provincial parole, or intermittent servers on non-reporting days. The source of information is the Offender Records and Correctional Administration Adult Offender Population Report that identifies the average number of persons in custody in Alberta's adult correctional centres during a given time period.

Performance Measure 3.a: Alberta Justice and Solicitor General’s Family Mediation Program (voluntary service to support families to reach a mutual agreement that focuses on the child and avoids going to court) Resolution Rate

Source: Justice and Solicitor General Administrative Data, Resolution and Court Administration Services

Family mediators and mediation team leads use an Excel spreadsheet to enter and track data for each location (Edmonton, Calgary and Regional). Once each month the team leads report the totals to the Manager, Dispute Resolution Services, who rolls up the provincial results. For each fiscal year, the Family Mediation Program Resolution Rate is total "mediations resolved" divided by (total "resolved" plus total "not resolved") x 100.

Performance Measure 3.b: The Provincial Court Civil Mediation Program (service to support individuals to negotiate a resolution to their dispute instead of going to trial) Resolution Rate

Source: Justice and Solicitor General Administrative Data, Resolution and Court Administration Services

The Provincial Court Civil Mediation Program Resolution Rate is total "mediations resolved" divided by (total "resolved" plus total "not resolved") x 100. The data is available through the Provincial Court Civil Mediation Access database.

Performance Measure 3.c: Percentage of calls to the Resolution and Court Administration Services Contact Centre resolved on the first call

Source: Justice and Solicitor General Administrative Data, Resolution and Court Administration Services

Information about Contact Centre interactions is recorded in the Customer Relationship Management Application, which was introduced in April 2018. Data is then exported to Microsoft Excel. The resolution rate is calculated as the number of calls where customer’s inquiry was “resolved” on the first call divided by the total call volume x 100.

Financial Information

For the Year Ended March 31, 2020

Table of Contents

Reporting Entity and Method of Consolidation	47
Ministry Financial Highlights	48
Statement of Revenues and Expenses (unaudited)	48
Revenue and Expense Highlights	49
Breakdown of Revenues (unaudited).....	50
Expenses – Directly Incurred Detailed by Object (unaudited)	52
Supplemental Financial Information	53
Tangible Capital Assets (unaudited).....	53
Financial Statements of Other Reporting Entities	54
Human Rights Education and Multiculturalism Fund.....	55
Victims of Crime Fund.....	71
Office of the Public Guardian and Trustee Estates and Trusts.....	91
Other Financial Information	118
Statement of Compromises and Write-off (unaudited)	119
Civil Law Legal Services Delivery (unaudited)	120
Current and Prior Year Comparison	120
Fine Activity Information (unaudited).....	121
Statement of Credit or Recovery (unaudited).....	122
Lapse/Encumbrance (unaudited)	123
Payments Based on Agreements.....	125

Reporting Entity and Method of Consolidation

The financial information is prepared in accordance with government's stated accounting policies, which are based on Canadian Public Sector Accounting Standards.

The reporting entity is the ministry for which the Minister of Justice and Solicitor General is accountable. The accounts of the Ministry, which includes the department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund, are fully consolidated using the line-by-line method, with the accounting policies described below.

The Office of the Public Guardian and Trustee administers client trust and estates as required under the *Public Trustee Act*. As a trust fund, the accounts are not consolidated.

Under this method, accounting policies of the consolidated entities are adjusted to conform to government accounting policies and the results of each line item in their financial statements (revenue, expense, assets and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

A list of the individual entities making up the ministry are shown on the "Management's Responsibility for Reporting" statement included in this annual report.

Ministry Financial Highlights

Statement of Revenues and Expenses (unaudited)

	2020		2019		Change from	
	Budget	Actual	Actual	Budget	2019 Actual	
	<i>In thousands</i>					
Revenues						
Federal government grants	\$ 46,158	\$ 46,068	\$ 38,686	\$ (90)	\$ 7,382	
Premiums, fees and licences	56,895	56,193	55,647	(702)	546	
Investment income	1,043	2,796	3,129	1,753	(333)	
Other	265,291	254,964	244,492	(10,327)	10,472	
Ministry total	369,387	360,021	341,954	(9,366)	18,067	
Inter-ministry consolidation adjustments	-	(10,084)	(14)	(10,084)	(10,070)	
Adjusted ministry total	369,387	349,937	341,940	(19,450)	7,997	
Expenses - directly incurred						
Programs						
Ministry Support Services	25,189	24,004	24,949	(1,185)	(945)	
Resolution and Court Administration Services	196,866	198,599	200,585	1,733	(1,986)	
Legal Services	54,268	56,169	55,866	1,901	303	
Alberta Crown Prosecution Service	104,896	104,330	103,605	(566)	725	
Justice Services	169,897	161,641	176,072	(8,256)	(14,431)	
Public Security	532,935	524,147	523,163	(8,788)	984	
Correctional Services	289,011	295,186	289,756	6,175	5,430	
Alberta Human Rights	7,103	6,904	8,079	(199)	(1,175)	
Motor Vehicle Accident Claims	30,838	32,038	31,253	1,200	785	
Victims of Crime Fund	43,394	43,347	42,972	(47)	375	
Ministry total	1,454,397	1,446,365	1,456,300	(8,032)	(9,935)	
Inter-ministry consolidation adjustments	-	(1,676)	(1,720)	(1,676)	44	
Adjusted ministry total	1,454,397	1,444,689	1,454,580	(9,708)	(9,891)	
Annual Deficit-before inter-ministry consolidation adjustments	\$ (1,085,010)	\$ (1,086,344)	\$ (1,114,346)	(1,334)	28,002	
Inter-ministry consolidation adjustments	-	(8,408)	1,706	(8,408)	(10,114)	
Adjusted annual deficit	\$ (1,085,010)	\$ (1,094,752)	\$ (1,112,640)	(9,742)	17,888	

Revenue and Expense Highlights

Revenues

Budget to Actual

Ministry revenues in 2019-20 are \$349.9 million, which is \$19.5 million or 5.6 percent lower than budgeted. The decreased revenues are mainly the result of:

- \$20.9 million decrease in fine revenue due to lower than anticipated payments of *Traffic Safety Act* tickets and associated Victims of Crime surcharges; and
- \$1.7 million for Late Payment Penalty due to reduced number of clients paying late fees.

Offset by:

- \$1.8 million increase in investment income revenue mainly due to higher than expected interest rates over the year; and
- \$1.3 million increase for the Maintenance Enforcement Program due to higher than budgeted revenue from Family Support Order Services (FSOS) fees and penalties.

Actual to Actual

Actual revenues in 2019-20 reflect an increase of \$8.0 million or 2.3 percent:

- \$7.4 million increase in federal funding to the Guns and Gangs and Drug Impaired Driving initiatives, Immigration and Refugee Legal Aid, and the Youth Justice Program;
- \$1.8 million increase in Fines and Late Payment Penalty fees collected;
- \$1.2 million increase for the Maintenance Enforcement Program primarily due to increases in FSOS penalties and fees; and
- \$1.0 million increase in the Recoveries for Enhance Policing Services due to increased FTE utilization within Enhanced Policing Agreements and a slight increase in court fees.

Offset by:

- \$3.4 million reduction in the Federal Surcharge as a result of the *R. v. Boudreault* Supreme Court of Canada decision.

Expenses

Budget to Actual

The total operating expense in 2019-20 was \$1,444.7 million, which was \$9.7 million or 0.7% lower than budget. The decrease is mainly due to the in-year reduction in grants.

Actual to Actual

Actual expenses were \$9.9 million or 0.7% lower than 2018-19 with the following highlights:

- \$18.9 million reduction in grants to Legal Aid Alberta (LAA), Alberta Law Enforcement Response Team (ALERT) and Victims Financial Benefits; and
- \$5.1 million reduction in discretionary spending in office, IT and other supplies due to budget restraints.

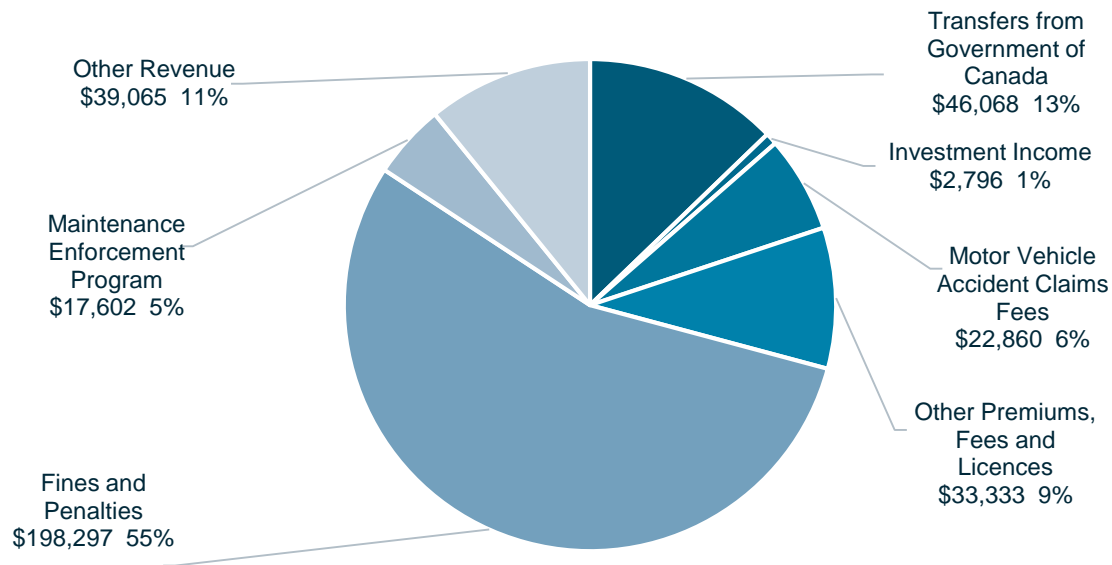
Offset by:

- \$11.8 million increase in salaries and wages primarily due to increased overtime, filling critical vacancies in Enforcement Programs and critical programs such as Corporate Security, and increased spending in Alberta Crown Prosecution Services; and
- \$2.3 million increase in MVAC personal injury claims.

Breakdown of Revenues (unaudited)

The following information presents detailed revenues of the ministry. The objective of detailed revenues disclosure is to provide information that is useful in understanding and assessing the financial impact of government's revenue raising and for enhancing legislative control.

2020 Revenues Actuals
In thousands



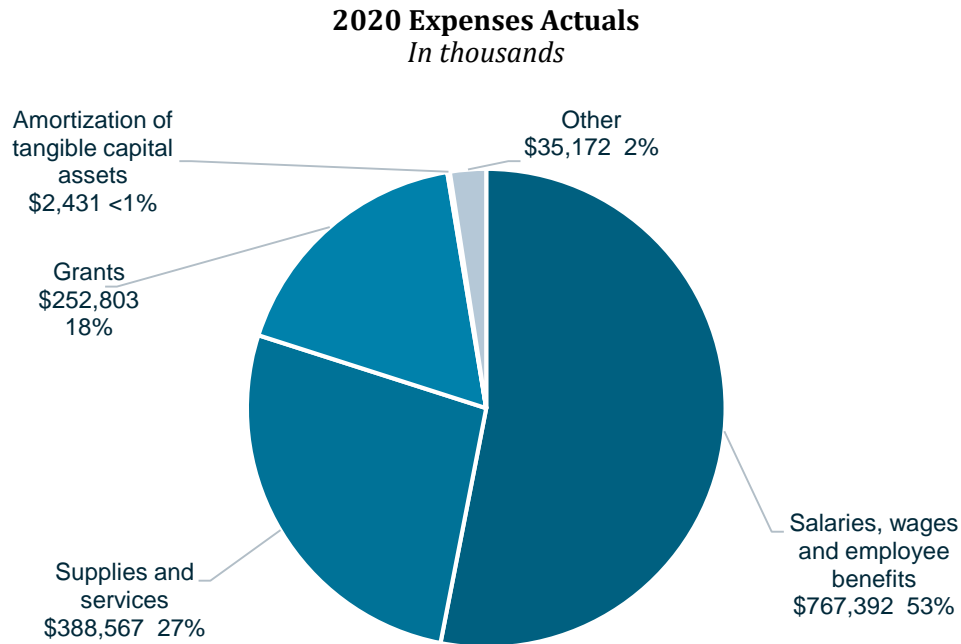
- Fines and Penalties** (\$198.3 million). Overall, *Traffic Safety Act* fines make-up the majority of this category, and includes the following:

 - Ticket Processing Retention fee - 26.67% of all *Traffic Safety Act* fines across the province as well as the full amount of fines levied by Highway Traffic Sheriffs on Alberta highways;
 - Victims of Crime Fund (VoCF) also levies a 15% Fine Surcharge on all traffic ticket fine amounts that is deposited in the fund with statutory authority to spend on victims;
 - Federal Victims Surcharge from federal *Criminal Code* offences may also be imposed by the judiciary and submitted to the VoCF; and
 - Late Payment Penalty collected when tickets not paid on time.
- Transfers from Government of Canada** (\$46.1 million). Revenue from federal agreements, primarily in support of Young Offenders Programs, Legal Aid services, Child Centered Family Justice, Indigenous Court Worker Program, and the Guns and Gangs and Drug Impaired Driving Training programs.
- Other Premiums, Fees and Licences** (\$33.3 million). Resolution and Court Administration Services is responsible for collecting fees for some of the services provided to the public including: bankruptcy, civil commencement, trial, search, surrogate and transcript fees. Security Services and Investigator fees, official documents and appointments application and license fees, Medical Examiner autopsy and toxicology fees.
- Motor Vehicle Accident Claims (MVAC)** (\$22.9 million). Revenue is derived from a \$6 fee included with vehicle registrations collected at provincial registry offices and MyAlberta eServices remitted to offset MVAC costs (statutory program).

- **Maintenance Enforcement** (\$17.6 million). Comprised mainly of amounts subrogated by the Crown's Family Support Order Services for the Maintenance Enforcement Program.
- **Investment Income** (\$2.8 million). Comprised mainly of interest earned on the Human Rights Education and Multiculturalism Fund and Victims of Crime Fund, and department funds invested in the Consolidated Cash Investment Trust Fund.
- **Other Revenue** (\$39.0 million). Mainly from recoveries for Enhanced Policing Services and Edmonton International Airport policing service. It also includes MVAC judgment recoveries and proceeds from abandoned and seized vehicles.
- **Inter-Ministry Elimination** (-\$10.1 million). Mainly for revenues generated from the transfer of One-IMT funded capital assets from Service Alberta recorded as Other Revenue.

Expenses – Directly Incurred Detailed by Object (unaudited)

The following information presents expenses of the ministry that were directly incurred by object. The objective of disclosure of expenses by object is to provide information that is useful in evaluating the economic impact of government acquiring or consuming various types of resources.



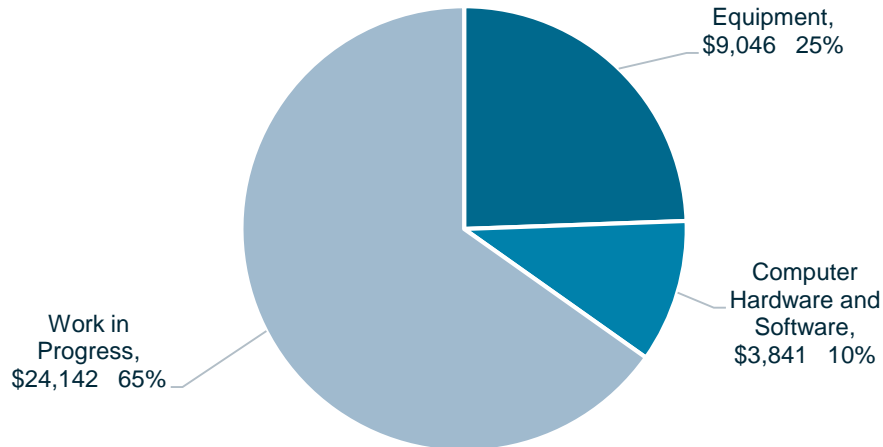
- **Salaries, wages and employee benefits** expenses of \$767.4 million are the ministry’s largest operating expense, or 53% of total operating expense. The ministry provides frontline programs and services that ensure Albertans have safe and protected communities and fair access to the justice system. Funding primarily covers positions in correctional facilities, Crown prosecutors, judicial and court staff, sheriffs and enforcement workers, legal counsel and other justice services staff.
- **Supplies and services** spending of \$388.6 million or 27% of total spending is primarily for the Provincial Police Services Agreement and inmate food services contracts in Correctional Services. In addition to contract services, the ministry purchases all materials and supplies for courthouses and correctional facilities across the province.
- **Grants** spending of \$252.8 million or 18% of total spending provides operational funding for delivery of services by key stakeholders and partners via support to individuals, organizations and communities through JSG grant programs. This includes the operating grant to LAA to ensure low-income Albertans have access to legal services; the grant to ALERT to combat gangs and serious crime; the grants for Policing Assistance to Municipalities in support of effective and adequate policing for Alberta communities; and grants to victims organizations from the Victims of Crime Fund.
- **Amortization of tangible capital assets** (\$2.4 million) **and other expenses** (\$35.2 million) or 2% of total expenses primarily relates to Motor Vehicle Accidental Claims program, Victim of Crime Fund and traffic ticket write-offs.
- **Inter-ministry elimination** (-\$1.7 million) for the services provided by Alberta Health Services.

Supplemental Financial Information

Tangible Capital Assets (unaudited)

Net Book Value as of March 31, 2020

In thousands



- Tangible capital assets include work in progress computer hardware (65%), equipment (25%) and computer hardware (10%).
- **Work in Progress** primarily comprised of \$20.0 million in Resolution and Court Administration Services for Justice System Technology Renewal, \$2.2 million in Alberta Crown Prosecution Services for Criminal eFile, \$1.0 million in Public Security for the Distributed Antenna System and \$0.9 million for others.
- **Equipment** primarily comprised of \$3.5 million in Correctional Services (e.g. body scanners), \$2.6 million for the Office of the Chief Medical Examiner (e.g. x-ray equipment), \$2.4 million in Public Security Division (e.g. vehicles & in-car video equipment), and \$0.5 million in the courts and other divisions.
- **Computer Hardware and Software** primarily comprised of \$1.8 million in Resolution and Court Administration Services (technology for courtrooms), \$1.6 million in Public Security Division (Panasonic Toughbooks, dispatch consoles and AVATAR victim grants tracking system) and \$0.4 million in Business Intelligence Analytics software.

Financial Statements of Other Reporting Entities

Table of Contents

Index of Audited Financial Statements 54

 Human Rights Education and Multiculturalism Fund 55

 Victims of Crime Fund..... 71

 Office of the Public Guardian and Trustee Estates and Trusts..... 91

Human Rights Education and Multiculturalism Fund

Audited Financial Statements

Year Ended March 31, 2020

Table of Contents

Independent Auditor's Report	56
Statement of Revenues and Expenses	59
Statement of Financial Position	60
Statement of Change in Net Financial Assets	61
Statement of Cash Flows	62
Notes to the Financial Statements	63
Schedule 1: Expenses – Directly Incurred Detailed by Object	68
Schedule 2: Allocated Costs	69
Schedule 3: Related Party Transactions	70

Independent Auditor's Report



To the Minister of Justice and Solicitor General

Report on the Financial Statements

Opinion

I have audited the financial statements of the Human Rights Education and Multiculturalism Fund, which comprise the statement of financial position as at March 31, 2020, and the statements of revenues and expenses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Human Rights Education and Multiculturalism Fund as at March 31, 2020, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Human Rights Education and Multiculturalism Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The financial statements of the Human Rights Education and Multiculturalism Fund are included in the *Annual Report of the Ministry of Justice and Solicitor General* that is prepared by the Ministry of Justice and Solicitor General. The other information comprises the information included in the *Annual Report of the Ministry of Justice and Solicitor General*, but does not include the financial statements and my auditor's report thereon. The *Annual Report of the Ministry of Justice and Solicitor General* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Human Rights Education and Multiculturalism Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Human Rights Education and Multiculturalism Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

-) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
-) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Human Rights Education and Multiculturalism Fund's internal control.
-) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
-) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Human Rights Education and Multiculturalism Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Human Rights Education and Multiculturalism Fund to cease to continue as a going concern.
-) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original Signed By W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 23, 2020
Edmonton, Alberta

Statement of Revenues and Expenses

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

	2020		2019	
	Budget	Actual	Actual	
<i>In thousands</i>				
Revenues				
Internal Government Transfer				
Department of Justice and Solicitor General	\$ 500	\$ 500	\$ 1,735	
Investment income	100	67	81	
Premiums, fees and licences	75	16	48	
Other revenue	10	-	-	
	<u>685</u>	<u>583</u>	<u>1,864</u>	
Expenses - Directly incurred (Note 2(a) and Schedule 1 and 2)				
Programs				
Support to community groups	500	109	1,411	
Education programs	-	17	432	
	<u>500</u>	<u>126</u>	<u>1,843</u>	
Annual surplus	<u>\$ 185</u>	<u>\$ 457</u>	<u>\$ 21</u>	

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

Human Rights Education and Multiculturalism Fund

As at March 31, 2020

	<u>2020</u>	<u>2019</u>
	<i>In thousands</i>	
Financial assets		
Cash and cash equivalents (Note 4)	\$ 4,158	\$ 3,719
Accounts receivable	<u>7</u>	<u>7</u>
	<u>4,165</u>	<u>3,726</u>
Liabilities		
Accounts payable and accrued liabilities (Note 5)	<u>3</u>	<u>23</u>
Net financial assets	<u>4,162</u>	<u>3,703</u>
Non-financial assets		
Tangible capital assets (Note 6)	<u>4</u>	<u>6</u>
Net assets	<u>\$ 4,166</u>	<u>\$ 3,709</u>
Net assets at beginning of year	\$ 3,709	\$ 3,688
Annual surplus	<u>457</u>	<u>21</u>
Net assets at end of year	<u>\$ 4,166</u>	<u>\$ 3,709</u>

Contractual obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

Statement of Change in Net Financial Assets

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Annual surplus	\$ 185	\$ 457	\$ 21
Amortization of tangible capital assets (Note 6)	-	2	2
Increase in net financial assets	\$ 185	\$ 459	\$ 23
Net financial assets at beginning of year	3,680	3,703	3,680
Net financial assets at end of year	\$ 3,865	\$ 4,162	\$ 3,703

The accompanying notes and schedules are part of these financial statements.

Statement of Cash Flows

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	<i>In thousands</i>	
Operating transactions		
Annual surplus	\$ 457	\$ 21
Non-cash items Included in annual surplus		
Amortization of tangible capital assets (Note 6)	2	2
	<u>459</u>	<u>23</u>
Decrease in accounts receivable	-	3
Decrease in accounts payable and other accrued liabilities (Note 5)	(20)	(28)
Cash provided by (applied to) operating transactions	<u>439</u>	<u>(2)</u>
Increase/(decrease) in cash and cash equivalents	\$ 439	\$ (2)
Cash and cash equivalents at beginning of year	<u>3,719</u>	<u>3,721</u>
Cash and cash equivalents at end of year	<u><u>\$ 4,158</u></u>	<u><u>3,719</u></u>

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

Human Rights Education and Multiculturalism Fund

March 31, 2020

NOTE 1 AUTHORITY

The Human Rights Education and Multiculturalism Fund (the fund) operates under the authority of the *Alberta Human Rights Act*, Chapter A-25.5, Revised Statutes of Alberta 2000.

The purpose of the fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the *Alberta Human Rights Act*.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Government Transfers

Transfers from all levels of governments are referred to as government transfers.

Government transfers are recognized as deferred contributions if the eligibility criteria for the transfer, or the stipulations together with the fund's actions and communications as to the use of transfers, create a liability. These transfers are recognized as revenue, as the stipulations are met and, when applicable, the fund complies with its communicated uses of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the fund meets eligibility criteria (if any).

Expenses

Directly Incurred

Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as supplies, etc., directly incurred expenses also include amortization of tangible capital assets.

Notes to the Financial Statements (cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(a) Basis of Financial Reporting (cont'd)

Expenses (cont'd)

Incurred by Others

Services contributed by other related entities in support of the fund's operations are not recognized but are disclosed in Schedule 2.

Grant Expense

Grants are recognized as expenses when authorized, eligibility criteria, if any, are met by the recipients and a reasonable estimate of the amounts can be made.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable and accounts payable and other accrued liabilities are estimated to approximate their carrying values because of the short- term nature of these instruments.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the financial claims, such as advances to and receivables from other organizations and other individuals, as well as the below listed assets.

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Notes to the Financial Statements (cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(a) Basis of Financial Reporting (cont'd)

Financial Assets (cont'd)

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of the fund to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- a) are normally employed to deliver government services;
- b) may be consumed in the normal course of operations; and
- c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets.

Tangible capital assets

Tangible capital assets of the fund are recognized at cost less accumulated amortization and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Amortization is only charged if the tangible capital asset is put into service.

Notes to the Financial Statements (cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2020

NOTE 3 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**
This standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3450 Financial Instruments (effective April 1, 2021)**
Adoption of this standard requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.
- **PS 3400 Revenue (effective April 1, 2022)**
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 4 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and cash equivalents include deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality, short-term securities with a maximum term to maturity of three years. As at March 31, 2020, securities held by the fund have a time weighted return of 1.9% (2019 – 1.8%) per annum. Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

NOTE 5 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

(in thousands)

	2020	2019
Other Program Expenses	\$ 3	\$ 23

Notes to the Financial Statements (cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2020

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	2020	2019
	Equipment ⁽¹⁾	
Estimated useful life	3-40 years	
Historical Cost		
Beginning of year	\$ 17	\$ 17
Additions	-	-
Disposals including write-downs	-	-
	<u>17</u>	<u>17</u>
Accumulated amortization		
Beginning of year	11	12
Amortization expense	2	2
Effect of disposals including write-downs	-	-
	<u>13</u>	<u>14</u>
Net book value at March 31, 2020	<u>\$ 4</u>	
Net book value at March 31, 2019		<u>\$ 6</u>

⁽¹⁾ Equipment includes video conference equipment.

NOTE 7 CONTRACTUAL OBLIGATIONS AND COMMITMENTS

(in thousands)

Contractual obligations represent a legal obligation of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2020, the fund has no obligations under contracts and programs (2019 - \$138).

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

The deputy minister and the senior financial officer approved these financial statements.

Expenses – Directly Incurred Detailed by Object

Schedule 1

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Supplies and services	\$ -	\$ 14	\$ 86
Supplies and services from support service			
Arrangements with related parties ⁽¹⁾	-	-	625
Grants	500	109	1,130
Amortization of tangible capital assets (Note 6)	-	2	2
Total expenses	<u>\$ 500</u>	<u>\$ 125</u>	<u>\$ 1,843</u>

(1) The fund received financial and administrative services from the Department of Justice and Solicitor General.

Allocated Costs

Schedule 2

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

Program	2020			2019
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Total Expenses
Accommodation Costs ⁽²⁾		Total Expenses	Total Expenses	
	<i>In thousands</i>			
Support to Community Groups	\$ 109	\$ 76	\$ 185	\$ 1,496
Education Programs	17	-	17	432
	<u>\$ 126</u>	<u>\$ 76</u>	<u>\$ 202</u>	<u>\$ 1,928</u>

(1) Expenses – Directly Incurred as per Statement of Revenues and Expenses.

(2) Accommodation Costs, including grants in lieu of taxes, allocated by square meters.

Related Party Transactions

Schedule 3

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel in the fund and their close family members.

The fund paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties reported on the Statement of Revenues and Expenses and the Statement of Financial Position at the amount of consideration agreed upon between related parties:

	<u>2020</u>	<u>2019</u>
	<i>In thousands</i>	
Revenues		
Transfer from the Department of Justice and Solicitor General	<u>\$ 500</u>	<u>\$ 1,735</u>
Expenses - directly incurred		
Shared services agreement	<u>\$ -</u>	<u>\$ 625</u>

The fund also had transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not reported in the financial statements but are disclosed in Schedule 2.

Victims of Crime Fund

Audited Financial Statements

Year Ended March 31, 2020

Table of Contents

Independent Auditor's Report	72
Statement of Revenues and Expenses	75
Statement of Financial Position	76
Statement of Change in Net Financial Assets	77
Statement of Cash Flows	78
Notes to the Financial Statements	79
Schedule 1: Expenses – Directly Incurred Detailed by Object	88
Schedule 2: Allocated Costs	89
Schedule 3: Related Party Transactions	90

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

Opinion

I have audited the financial statements of the Victims of Crime Fund, which comprise the statement of financial position as at March 31, 2020, and the statements of revenues and expenses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Victims of Crime Fund as at March 31, 2020, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Victims of Crime Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The financial statements of the Victims of Crime Fund are included in the *Annual Report of the Ministry of Justice and Solicitor General*. The other information comprises the information included in the *Annual Report of the Ministry of Justice and Solicitor General*, but does not include the financial statements and my auditor's report thereon. The *Annual Report of the Ministry of Justice and Solicitor General* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Victims of Crime Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Victims of Crime Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

-) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
-) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Victims of Crime Fund's internal control.
-) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
-) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Victims of Crime Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Victims of Crime Fund to cease to continue as a going concern.
-) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original Signed By W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 23, 2020
Edmonton, Alberta

Statement of Revenues and Expenses

Victims of Crime Fund

Year ended March 31, 2020

	2020		2019	
	Budget	Actual	Actual	
<i>In thousands</i>				
Revenues				
Government transfers				
Federal and other government grants	\$ 1,362	\$ 1,077	\$	1,149
Investment income	500	1,220		1,335
Other				
Provincial fine surcharge	45,650	41,901		41,756
Federal fine surcharge	2,500	(1,282)		2,242
Refunds of Expense	-	1,323		787
	<u>50,012</u>	<u>44,239</u>		<u>47,269</u>
Expenses - directly incurred (Note 2(a) and Schedule 1 and 2)				
Programs				
Financial Benefits	17,298	18,603		19,363
Assistance to Victims Organizations	24,893	23,527		22,499
Criminal Injuries Review Board	400	427		395
Program Support Services	803	790		715
	<u>43,394</u>	<u>43,347</u>		<u>42,972</u>
Annual Surplus	<u>\$ 6,618</u>	<u>\$ 892</u>	<u>\$</u>	<u>4,297</u>

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

Victims of Crime Fund

As at March 31, 2020

	<u>2020</u>	<u>2019</u>
	<i>In thousands</i>	
Financial assets		
Cash and cash equivalents (Note 4)	\$ 72,809	\$ 74,614
Accounts receivable (Note 5)	30,265	32,535
	<u>103,074</u>	<u>107,149</u>
Liabilities		
Accounts payable and accrued liabilities (Note 7)	<u>26,099</u>	<u>31,157</u>
Net financial assets	<u>76,975</u>	<u>75,992</u>
Non-financial assets		
Tangible capital assets (Note 8)	242	333
Net assets	<u>\$ 77,217</u>	<u>\$ 76,325</u>
Net assets at beginning of year	\$ 76,325	\$ 72,028
Annual surplus	892	4,297
Net assets at end of year	<u>\$ 77,217</u>	<u>\$ 76,325</u>

Contingent assets (Note 6)

Contractual Obligations (Note 9)

The accompanying notes and schedules are part of these financial statements.

Statement of Change in Net Financial Assets

Victims of Crime Fund

Year ended March 31, 2020

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Annual surplus	\$ 6,618	\$ 892	\$ 4,297
Amortization of tangible capital assets (Note 8)	69	91	91
Increase in net financial assets	\$ 6,687	\$ 983	\$ 4,388
Net financial assets at beginning of year	71,604	75,992	71,604
Net financial assets at end of year	<u>\$ 78,291</u>	<u>\$ 76,975</u>	<u>\$ 75,992</u>

The accompanying notes and schedules are part of these financial statements.

Statement of Cash Flows

Victims of Crime Fund

Year ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	<i>In thousands</i>	
Operating transactions		
Annual Surplus	\$ 892	\$ 4,297
Non-cash items included in annual surplus		
Amortization of tangible capital assets (Note 8)	91	91
	<u>983</u>	<u>4,388</u>
Decrease/(increase) in accounts receivable	2,270	(1,198)
Decrease in accounts payable and other accrued liabilities (Note 7)	<u>(5,058)</u>	<u>(4,958)</u>
Cash applied to operating transactions	<u>(1,805)</u>	<u>(1,768)</u>
Decrease in cash and cash equivalents	(1,805)	(1,768)
Cash and cash equivalents at beginning of year	<u>74,614</u>	<u>76,382</u>
Cash and cash equivalents at end of year	<u>\$ 72,809</u>	<u>\$ 74,614</u>

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

Victims of Crime Fund

March 31, 2020

NOTE 1 AUTHORITY

The Victims of Crime Fund (the fund) operates under the authority of *the Victims of Crime Act*, Chapter V-3, Revised Statutes of Alberta 2000.

The purpose of the fund is to provide grants to victims' programs and to pay benefits to victims, or their dependents, who suffer injury or death as the result of a criminal offence specified in the regulations of the *Victims of Crime Act*, using provincial and federal surcharge revenues.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Surcharges on fine revenues are recognized at the point of conviction, which excludes certain outstanding federal statute and provincial statute fines that are satisfied by means other than cash payment.

Government Transfers

Transfers from all levels of governments are referred to as government transfers.

Government transfers are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the fund's actions and communications as to the use of transfers, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the fund complies with its communicated uses of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the fund meets eligibility criteria (if any).

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(a) Basis of Financial Reporting (cont'd)

Expenses

Directly Incurred

Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which comprise of the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other related entities in support of the fund's operations are not recognized but disclosed in Schedule 2.

Grant Expense

Grants are recognized as expenses when authorized, eligibility criteria, if any, are met by the recipients and a reasonable estimate of the amounts can be made.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, accounts payable and other accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(a) Basis of Financial Reporting (cont'd)

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are financial claims, such as receivables from other organizations, employees and other individuals, as well as the below listed assets.

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of the fund to external organizations and individuals arising from past transactions or events occurring before year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- a) are normally employed to deliver government services;
- b) may be consumed in the normal course of operations; and
- c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets.

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(a) Basis of Financial Reporting (cont'd)

Non-Financial Assets (cont'd)

Tangible capital assets

Tangible capital assets of the fund are recognized at cost less accumulated amortization and amortized on a straight-line basis over the estimate useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Amortization is only charged if the tangible capital asset is put into service.

Measurement Uncertainty

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount in the financial statements and another reasonably possible amount, whenever estimates are used.

The areas subject to measurement uncertainty include:

- Accounts receivable recognized as \$30,265 (2019 - \$32,535) excludes certain outstanding federal statute surcharges and provincial statute fine surcharges that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the surcharge. Outstanding surcharges expected to be satisfied by other means of \$1,015 (2019 - \$6,075) are based on the actual percentage satisfied in this manner from April 1, 2019 to March 31, 2020 and have been deducted from total outstanding surcharges. Changes in the proportion of surcharges satisfied by other means may have a material effect on future operating results.

The provision for doubtful accounts reported as \$1,194 (2019 - \$1,205) in these financial statements, is based on the actual percentage of surcharges written off from April 1, 2019 to March 31, 2020.

- Financial benefits program (Note 10) liabilities total \$20,615 (2019 - \$24,517) and include:
 - financial benefits reported in the amount of \$7,626 (2019 - \$11,052);
 - supplemental financial benefits in the amount of \$9,099 (2019 - \$9,057); and
 - compensation claims in the amount of \$3,890 (2019 - \$4,408).

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 3 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**
This standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3450 Financial Instruments (effective April 1, 2021)**
Adoption of this standard requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.
- **PS 3400 Revenue (effective April 1, 2022)**
This standard provides guidance on how to account for and report on revenue, and specifically, addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 4 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents include deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality, short-term securities with a maximum term to maturity of three years. As at March 31, 2020, securities held by the fund have a time weighted return of 1.9% (2019 – 1.8%) per annum. Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 5 ACCOUNTS RECEIVABLE
(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2020				2019	
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value	
Government of Canada Surcharge	\$ 1,940	\$ -	\$ -	\$ 1,940	\$ 2,287	
Provincial	26,479	761	1,106	24,612	24,306	
Federal	671	254	88	329	1,928	
Other	3,384	-	-	3,384	4,014	
	<u>\$ 32,474</u>	<u>\$ 1,015</u>	<u>\$ 1,194</u>	<u>\$ 30,265</u>	<u>\$ 32,535</u>	

NOTE 6 CONTINGENT ASSETS
(in thousands)

Fine revenues are recognized at the point of conviction, which excludes certain outstanding federal statute and provincial statute fines that are satisfied by means other than cash payment. At March 31, 2020, the estimate of contingent assets for fines revenue is \$6,770 (2019 - \$7,333).

NOTE 7 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES
(in thousands)

	2020		2019	
Grants to non-profit organizations	\$	4,612	\$	3,929
Financial benefits program (Note 10)		20,615		24,517
Other program expenses		872		2,711
	<u>\$</u>	<u>26,099</u>	<u>\$</u>	<u>31,157</u>

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 8 TANGIBLE CAPITAL ASSETS (in thousands)

	2020	2019
	Computer Hardware and Software	
Estimated Useful Life	3 -10 years	
Historical Cost		
Beginning of year	\$ 868	\$ 868
Additions	-	-
Disposals, Including Write-downs	-	-
	<u>868</u>	<u>868</u>
Accumulated Amortization		
Beginning of year	535	444
Amortization Expense	91	91
Effect of Disposals	-	-
	<u>626</u>	<u>535</u>
Net Book Value at March 31, 2020	<u>\$ 242</u>	
Net Book Value at March 31, 2019		<u>\$ 333</u>

NOTE 9 CONTRACTUAL OBLIGATIONS (in thousands)

Contractual obligations represent a legal obligation of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2020, the fund has obligations under contracts and programs totaling \$13,856 (2019 - \$24,231).

Estimated payment requirements for each of the next two years are as follows:

<u>Obligations under Operating Leases, Contracts and Programs</u>	
2020-21	\$ 11,106
2021-22	<u>2,750</u>
	<u>\$ 13,856</u>

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 10 FINANCIAL BENEFITS PROGRAM *(in thousands)*

Financial Benefits

As at March 31, 2020, there were one thousand five hundred ninety nine (2019 – one thousand four hundred thirty nine) active applications for financial benefits and nil (2019 – two hundred twenty nine) action cases for class actions files.

Financial Benefits liability of \$7,626 (2019 - \$11,052) is estimated based on historical decision patterns, average award values, and case progress at year end. Additional information may be required to determine the amount for individual cases under regulations of the *Victims of Crime Act*.

Supplemental Benefits

As at March 31, 2020, twenty three (2019 – twenty three) eligible recipients received a monthly payment of \$1,000 for supplemental benefits.

Supplemental benefits liability of \$9,099 (2019 - \$9,057) is estimated using a projection of monthly payments and statistical life expectancy figures. In addition, a present-value methodology has also been applied in calculating this estimated liability. This methodology projects benefit cost streams into the future and discounts them to present-value using a discount rate, which reflects the current return on assets used to fund the liability. The injuries of a recipient receiving a supplemental financial benefit must be reviewed every 12 months to determine whether the severity of injuries is still in accordance with regulations under the *Victims of Crime Act*.

Former Crimes Compensation Board

As at March 31, 2020, twenty six (2019 – twenty seven) eligible recipients received a monthly payment for compensation claims assumed from the former Crimes Compensation Board.

Compensation claims liability of \$3,890 (2019 - \$4,408) is estimated using a projection of monthly payments and statistical life expectancy figures. The same present-value methodology described above for supplemental benefits has been used to calculate this estimated liability. The payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount.

Notes to the Financial Statements (cont'd)

Victims of Crime Fund

March 31, 2020

NOTE 11 BENEFIT PLANS *(in thousands)*

The fund participates in the multi-employer pension plans: Management Employees Pension Plan (MEPP), Public Service Pension Plan (PSPP) and Supplementary Retirement Plan for Public Service Managers (SRP).

The fair value of the pension plans are subject to significant market volatility due to the economic crisis stemming from the global pandemic COVID-19 virus. To the extent that the pension plans may not recover market-losses during the remainder of 2020, the funded status of the plans would experience a correlated decline. The financial market impact of the outbreak has been rapidly evolving, which precludes a reasonable estimate of the impact.

At December 31, 2019, the MEPP reported a surplus of \$1,008,135 (2018 - surplus of \$670,700), the PSPP reported a surplus of \$2,759,320 (2018 - surplus of \$519,218) and the SRP reported a deficiency of \$44,698 (2018 - deficiency of \$70,310).

The fund also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2020, the Bargaining Unit Plan reported a surplus of \$63,707 (2019 - surplus \$110,320) and the Management, Opted Out and Excluded Plan a surplus of \$11,636 (2019 - surplus \$24,642). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The deputy minister and the senior financial officer approved these financial statements.

Expenses – Directly Incurred Detailed by Object

Schedule 1

Victims of Crime Fund

Year ended March 31, 2020

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Salaries, wages and employee benefits	\$ 6,505	\$ 5,584	\$ 4,864
Supplies and services	1,670	1,055	1,017
Grants	35,150	40,531	43,427
Amortization of tangible capital assets (Note 8)	69	91	91
Provision for financial benefits program	-	(3,903)	(6,371)
Others	-	(11)	(56)
Total Expenses	<u>\$ 43,394</u>	<u>\$ 43,347</u>	<u>\$ 42,972</u>

Allocated Costs

Schedule 2

Victims of Crime Fund

Year ended March 31, 2020

Program	2020				2019
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Total Expenses	Total Expenses
		Accommodation Costs ⁽²⁾	Legal Services ⁽³⁾		
	<i>in thousands</i>				
Financial Benefits	\$ 18,603	\$ 122	\$ -	\$ 18,725	\$ 19,498
Assistance to Victims' Organizations	23,527	117	-	23,644	22,629
Criminal Injuries Review Board	427	84	-	511	488
Program Support Services	790	9	11	810	729
	<u>\$ 43,347</u>	<u>\$ 332</u>	<u>\$ 11</u>	<u>\$ 43,690</u>	<u>\$ 43,344</u>

- 1) Expenses – Directly Incurred as per Statement of Revenues and Expenses.
- 2) Accommodation Costs, including grants in lieu of taxes, allocated by square meters.
- 3) Legal Services Costs, allocated by estimated costs incurred by each program.

Related Party Transactions

Schedule 3

Victims of Crime Fund

Year ended March 31, 2020

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel in the fund and their close family members.

The fund and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties reported on the Statement of Revenues and Expenses and Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	2020	2019	2020	2019
	<i>In thousands</i>		<i>In thousands</i>	
Expenses - Directly Incurred				
Service Alberta	\$ -	\$ -	\$ 47	\$ 11
Public Service Commission	-	-	3	2
Alberta Risk Management	-	-	-	7
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 20</u>
Payable to				
	<u>\$ (100)</u>	<u>\$ -</u>		

The fund also had transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not reported in the financial statements, but are disclosed in Schedule 2.

Office of the Public Guardian and Trustee Estates and Trusts

Financial Statements

Table of Contents

Management’s Report.....	92
Independent Auditor’s Report	93
Statement of Operations	96
Statement of Financial Position	97
Statement of Changes in Net Assets	98
Statement of Cash Flows.....	99
Statement of Remeasurement Gains and Losses	100
Notes to Financial Statements.....	101
Schedule 1: Clients’ Guaranteed Accounts	117

Management's Report

Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for all areas except trust assets under administration. The integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Public Trustee is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Office of the Public Guardian and Trustee. The Public Trustee reviews external audited financial statements annually.

The external auditor, Auditor General of Alberta, conducts an independent examination, in accordance with Canadian auditing standards, and expresses their opinion on the financial statements. The external auditor has full and free access to financial management of the Office of the Public Guardian and Trustee and meets when required.

On behalf of the Office of the Public Guardian and Trustee,

[Original Signed By]

David Peace
Assistant Deputy Minister
Justice Services Division
Justice and Solicitor General

[Original Signed By]

Cheryl Fix
Public Trustee
Office of the Public Guardian &
Trustee

To the Minister of Justice and Solicitor General

Report on the Financial Statements

Opinion

I have audited the financial statements of the Office of the Public Guardian and Trustee, Estates and Trusts which comprise the statement of financial position as at March 31, 2020, and the statements of operations, remeasurement gains and losses, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Office of the Public Guardian and Trustee, Estates and Trusts as at March 31, 2020, and the results of its operations, its remeasurement gains and losses, its changes in net assets, and its cash flows for the year then ended in accordance with the accounting policies as described in Note 2 of the financial statements.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Office of the Public Guardian and Trustee in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter - basis of accounting

Without modifying my opinion, I draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to account for assets held in trust under the *Public Trustee Act* and Public Trustee Investment Regulation. As a result, the financial statements may not be suitable for another purpose.

Other information

Management is responsible for the other information. The other information comprises the information included in the *2019-20 Annual Report Office of the Public Guardian and Trustee*, but does not include the financial statements and my auditor's report thereon. The *2019-20 Annual Report Office of the Public Guardian and Trustee* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies as described in Note 2 of the financial statements, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Office of the Public Guardian and Trustee's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office of the Public Guardian and Trustee's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

-) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
-) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Public Guardian and Trustee's internal control.
-) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- J Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Public Guardian and Trustee’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Office of the Public Guardian and Trustee to cease to continue as a going concern.
- J Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original Signed By W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 22, 2020
Edmonton, Alberta

Statement of Operations

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

	2020	2019
	<i>(in thousands)</i>	
Revenues		
Pensions, Benefits and Settlements	\$ 121,545	\$ 129,208
Interest and Dividends <i>(Note 5)</i>	12,686	12,418
Common Fund Realized Gains/(Losses)	2,038	(37)
	<u>136,269</u>	<u>141,589</u>
Expenses		
Client Care and Maintenance	\$ 83,341	\$ 81,582
Administrative Fees <i>(Note 12)</i>	5,781	5,320
Management Fees	791	1,885
Transfer from Common Fund to Ministry of Justice <i>(Note 12)</i>	2,010	2,082
	<u>91,923</u>	<u>90,869</u>
Annual Surplus	<u>\$ 44,346</u>	<u>\$ 50,720</u>

The accompanying notes and schedule are an integral part of these financial statements.

Statement of Financial Position

Office of the Public Guardian and Trustee Estates and Trusts

As at March 31, 2020

	2020	2019
	<i>(in thousands)</i>	
Financial Assets		
Cash and Cash Equivalents <i>(Note 7)</i>	\$ 3,952	\$ 8,211
Interest and Dividends Receivable	2,829	3,400
Common Fund Investments <i>(Note 8)</i>	512,980	513,529
Other Trust Assets Under Administration <i>(Note 9)</i>	136,774	139,882
	<u>656,535</u>	<u>665,022</u>
Liabilities		
Accounts Payable and Accrued Liabilities <i>(Note 10)</i>	2,169	2,250
Clients' Accounts, Mortgages, and Loans Payable <i>(Note 11)</i>	52,167	51,569
	54,336	53,819
Accumulated Remeasurement Gains	<u>(158)</u>	<u>4,820</u>
Net Financial Assets	<u>\$ 602,357</u>	<u>\$ 606,383</u>

The accompanying notes and schedule are an integral part of these financial statements.

Statement of Changes in Net Assets

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

	Clients' Equity 2020	Accumulated Surplus 2020 <i>(in thousands)</i>	Total 2020	Clients' Equity 2019	Accumulated Surplus 2019 <i>(in thousands)</i>	Total 2019
Annual Surplus	\$ -	\$ 44,346	\$ 44,346	\$ -	\$ 50,720	\$ 50,720
Allocated to Clients for Future Distribution Interest from Common Fund Earnings <i>(Note 1d)</i>	12,227	(12,227)	-	11,315	(11,315)	-
Excess of Revenues over Expenditures <i>(Note 6)</i>	32,688	(32,688)	-	42,660	(42,660)	-
Trust Assets Acquired <i>(Note 9b)</i>	30,337	-	30,337	24,833	-	24,833
Assets released to Clients, Beneficiaries and Heirs	(29,146)	-	(29,146)	(24,933)	-	(24,933)
Cash distributions to Clients, Beneficiaries and Heirs	(49,563)	-	(49,563)	(48,902)	-	(48,902)
	(3,457)	(44,915)	(48,372)	4,973	(53,975)	(49,002)
Increase (Decrease) in Net Financial Assets	(3,457)	(569)	(4,026)	4,973	(3,255)	1,718
Net Assets at Beginning of Year	531,803	74,580	606,383	526,830	77,835	604,665
Net Assets at End of Year	\$ 528,346	\$ 74,011	\$ 602,357	\$ 531,803	\$ 74,580	\$ 606,383

The accompanying notes and schedule are an integral part of these financial statements.

Statement of Cash Flows

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

	2020	2019
<i>(in thousands)</i>		
Operating Transactions		
Net Income	\$ 44,346	\$ 50,720
Items not affecting cash:		
Interest and Dividends from Clients' Investments outside of Common Fund	(265)	(354)
Amortization of Premium and Discounts	2,134	2,874
	<u>46,215</u>	<u>53,240</u>
Decrease (Increase) in Interest and Dividends Receivable	571	(115)
Decrease in Accounts Payable and Accrued Liabilities	(81)	(368)
	<u>490</u>	<u>(483)</u>
Cash Provided by Operating Transactions	<u>46,705</u>	<u>52,757</u>
Capital Transactions		
Acquisition of Trust Assets	(3,561)	(4,545)
Proceeds of Sale of Trust Assets	8,723	10,007
Cash Provided by Capital Transactions	<u>5,162</u>	<u>5,462</u>
Investing Transactions		
Purchase of Portfolio Investments	(238,558)	(164,383)
Disposal of Portfolio Investments	231,995	156,506
Cash Applied to Investing Transactions	<u>(6,563)</u>	<u>(7,877)</u>
Financing Transactions		
Distribution to Clients, Beneficiaries and Heirs	(49,563)	(48,902)
(Decrease) Increase in Cash and Cash Equivalents	<u>(4,259)</u>	<u>1,440</u>
Cash and Cash Equivalents at Beginning of Year	<u>8,211</u>	<u>6,771</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,952</u>	<u>\$ 8,211</u>

The accompanying notes and schedule are an integral part of these financial statements.

Statement of Remeasurement Gains and Losses

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

	2020	2019
	<i>(in thousands)</i>	
Unrealized Gains (Losses) Attributable to:		
Investments	\$ (5,687)	\$ 354
Foreign Exchange	1,335	849
Amounts Reclassified to the Statement of Operations		
Investments	(419)	-
Foreign exchange	(207)	-
(Decrease) Increase in Net Financial Assets	(4,978)	1,203
Accumulated Remeasurement Gains at Beginning of Year	4,820	3,617
Accumulated Remeasurement (Losses) Gains at End of Year	\$ (158)	\$ 4,820

The accompanying notes and schedule are an integral part of these financial statements.

Notes to Financial Statements

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 1 AUTHORITY AND PURPOSE

Office of The Public Trustee of Alberta (“Public Trustee”) was established in 1949 pursuant to the *Public Trustee Act* and now operates under the authority of the *Public Trustee Act, SA 2004, C.P. 44.1*, (“the Act”) and other provincial statutes to protect the financial interests of vulnerable Albertans by administering the estates of represented adults, decedents and minors. Effective April 1, 2014, the Office of the Public Trustee merged with the Office of the Public Guardian creating the Office of the Public Guardian and Trustee (OPGT).

The mandate of the Public Trustee is to:

- a) Administer the property and finances of adults who are incapable of managing their financial affairs;
- b) Administer the estate of deceased persons;
- c) Protect property rights of children under eighteen years of age;
- d) Management of Common Fund.

The *Public Trustee Act* Section 31(2) requires (with certain exceptions) that the money received by the Public Trustee for a client be paid into the Common Fund. Section 33(3) requires any amount paid into the Common Fund for a client under section 31(2) be credited to the client’s guaranteed account (Schedule 1) with the Public Trustee. Section 31(4) of the Act states that no client or other person has any claim to or against the Common Fund except as provided by section 33. Section 33(6) states that the amount outstanding on a client’s guaranteed account is a charge against the assets of the Common Fund and is unconditionally guaranteed by the Crown. Section 32(1) of the Act states that assets may be transferred out of the Common Fund only as expressly required or permitted under the Act.

Section 32(2) allows funds to be transferred out of the Common Fund to pay the client, to pay an expense or a liability of the client. Amounts transferred from the Common Fund under section 32(2) are deducted from the client’s guaranteed account.

Section 34 of the Act states that the Public Trustee, in accordance with the Public Trustee Investment Regulation (Regulation), sets the interest rate to be credited to client guaranteed accounts.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

(a) Basis of Financial Reporting

The financial statements have been presented to report on Office of the Public Guardian and Trustee’s fiduciary responsibilities in respect of the administration of client trusts and estates and Common Fund as required under the *Public Trustee Act* and the Public Trustee Investment Regulation.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICE (cont'd)

(a) Basis of Financial Reporting (cont'd)

These financial statements reflect the operations of the Common Fund and the assets held in trust and activity for the estates and trusts administered by Office of the Public Guardian and Trustee (OPGT).

The operating costs of Office of the Public Guardian and Trustee are paid by the Ministry of Justice and Solicitor General. As such, the operating costs are not included in these statements and can be found in the financial statements of the Ministry.

All balances except for other trust assets under administration have been prepared in accordance with Canadian Public Sector Accounting Standards. The accounting policies for other trust assets are described in Note 2(c).

(b) Common Fund Investments

Common Fund investments consist of bonds, debentures, mortgages, asset backed securities, shares and Exchange Traded Funds (ETF). The carrying value of all financial instruments included in the Common Fund is measured at cost or fair value. The long term investments, except shares and ETF, are reported at amortized costs less any write down associated with a loss in value that is other than a temporary decline. Discounts and premiums arising on the purchase of fixed income securities are amortized over the term of the investment. Shares and ETF are stated at market value determined with reference to quoted market value.

Short term investments are stated at cost, which approximates market value.

Forward foreign currency contracts are held to protect the fund from foreign currency exchange risk. Forward foreign exchange contracts are valued based on fair value.

Unrealized gains and losses are recorded in the statement of remeasurement gains and losses.

When a financial instrument is derecognized, the cumulative amount of the remeasurement gain or loss previously reported is reversed and the gain or loss on the disposal of units held by the Common Fund is recognized in the statement of operations.

Disclosure of the hierarchy of inputs used in the determination of fair value for investments is reported according to the following levels:

- (a) Level one: fair value is based on quoted prices in an active market.
- (b) Level two: fair value is based on model based valuations methods for which all significant assumptions are observable in the market or quoted prices for similar but not identical assets.
- (c) Level three: fair value is based on valuation methods where inputs that are based on non observable market data have a significant impact on the valuation.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICE (cont'd)

(b) Common Fund Investments (cont'd)

Reporting Entity

These financial statements reflect the assets and liabilities of the Common Fund and estates and trusts under the administration of the Public Guardian and Trustee of Alberta. In addition, these financial statements reflect the annual changes in those assets and liabilities including:

- i) Revenues earned on behalf of clients;
- ii) Income received on behalf of clients;
- iii) New client account additions;
- iv) Released client withdrawals;
- v) Payment made on behalf of clients; and
- vi) Administration fees payable to the Ministry of Justice and Solicitor General.

The clients' equity represents funds that are available for distribution to clients or their beneficiaries.

Revenues

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. Amount not received prior to the year end is reported as accounts receivable. Purchase price premiums or discounts are amortized on a straight line basis over the remaining term of the investment. Realized gains and losses on the disposition of Common Fund investments are recorded on the date of trade of the disposal transaction.

A portion of revenues generated by Common Fund investments are credited to clients' equity. Section 34 of the Act states that the Public Trustee shall set the interest rate for each category of guaranteed accounts in accordance with the Regulation. The interest is calculated on the minimum daily balance of each client's account according to the Regulation and is credited to the client's account monthly. The interest rate as at March 31, 2020 is 2.75% (2019 - 2.75%).

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICE (cont'd)

(b) Common Fund Investments (cont'd)

Expenses

All expenses are reported on the accrual basis of accounting. The cost of all goods consumed and services received during the year are expensed. Transfers from the Common Fund to the General Revenue Fund, investment management expenses related to the Common Fund investments, and assurance payments are recorded using the accrual basis of accounting with amounts incurred in the fiscal year but not paid prior to year end reflected as accounts payable and accrued liabilities.

Administrative Fees

Public Trustee fees on all official guardian accounts are calculated and collected in the month of the annual anniversary of the opening of the file. Fees are accrued for the period from the anniversary date to the date of financial statements.

Public Trustee fees for represented adult accounts are calculated and collected annually on the trust's anniversary date. Fees are accrued for the period from the anniversary date to the date of financial statements.

Public Trustee fees on decedent accounts are not collected until the trust or account is distributed. Fees are accrued from the period of the date the trust account was opened until the date of financial statements.

In addition to the above stated administration fees the Public Trustee may, in accordance with section 40(1)(a) of the *Act*, charge the client any fee that the Public Trustee deems is reasonable for any service. Under section 40(1)(b), the Public Trustee is entitled to collect from the client any expense reasonably incurred on the client's behalf.

Administration fees paid by the clients to OPGT, with the exception of cost recoveries, are remitted to the Minister of Finance and are included in the revenues of the Ministry of Justice and Solicitor General.

Cash and Cash Equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICE (cont'd)

(c) Other Trust Assets Under Administration

Trust assets under administration consist of accounts receivable, investments, real property and other assets that are held outside of the Common Fund. Assets acquired through new clients are recorded as direct increases to net assets and not as revenues. When assets are disposed of back to the beneficiary they are removed from net assets and not recorded as an expense.

Accounts Receivable

Accounts receivable consist of mortgages, loans, external bank account balances prior to the transfer to the Public Trustee, pension plan and other benefit and miscellaneous receivables. The accounts receivable are recorded at their estimated fair value.

Clients' Investments Outside of Common Fund

Clients' investments outside of Common Fund consists of retirement plans, registered disability savings plans (RDSPs), guaranteed investment certificates and deposits, Government bonds, shares and other securities. These assets are valued at fair value based on the information available at the time OPGT assumes responsibility.

On a go forward basis, the cost based approach for investments is considered most appropriate as it is not practical to determine the investment market value. Due to the numerous unique client investments the change in value is not easily measurable and not actively managed by OPGT.

Structured Settlements and Annuities

Structured Settlements and Annuities are recorded at the present value of their guaranteed term. If there is not a guaranteed term, the settlement or annuity is recorded at a nominal value of \$1.

Real Property

Real property consisting of land and buildings are tangible capital assets and are recorded at cost. The cost is considered to be the initially recorded fair value based on the property tax assessments and other information at the time OPGT assumes responsibility for the property.

Amortization is not appropriate considering the properties are held as inventory.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(c) Other Trust Assets Under Administration (cont'd)

Other Assets

Other assets are stated at amounts determined from information available to OPGT at the date the Trustee assumes responsibility of the assets. Subsequent adjustments are made if additional valuation information is received. If no valuation is available, these assets are recorded at a nominal value of \$1.

Clients' Accounts, Mortgages and Loans Payable

Client accounts, mortgages and loans payable represent the administration fees payable to OPGT and the encumbrances of client assets that are payable to independent third parties. These client obligations are settled as client resources become available. In some cases, a client's liabilities exceed the stated value of their assets. These items are included as accounts payable when they have been verified by the creditor and are paid as the resources of the client become available.

Liabilities

All liabilities are recorded at their estimated fair value at the date of assumption of the liability.

The carrying value of all liabilities approximates their fair value.

Net Assets

Net assets represent the difference between the carrying value of assets held by OPGT and its liabilities.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd)

(c) Other Trust Assets Under Administration (cont'd)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, interest and dividends receivable, accounts payable, accrued liabilities and clients' accounts are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of mortgages and loans payable are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

NOTE 3 MEASUREMENT UNCERTAINTY

Measurement uncertainty exists when there is a variance between the recognized or described amount and another reasonably possible amount. In particular, the fair value of many assets is estimated at the time that OPGT assumes the responsibility for the assets. Actual results could differ from those estimates.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses for the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

NOTE 4 BUDGET

Budget amounts have not been disclosed as Public Guardian and Trustee's nature of operations does not provide for relevant budget amounts to be reasonably determined.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 5 INTEREST AND DIVIDENDS

	2020		2019
	<i>(in thousands)</i>		
Interest and Dividends - Common Fund Investments	\$	12,421	\$ 12,064
Interest and Dividends from Clients' Investments outside of Common Fund		265	354
Interest and Dividends	\$	12,686	\$ 12,418

NOTE 6 EXCESS OF REVENUES OVER EXPENSES – ALLOCATED TO CLIENTS FOR FUTURE DISTRIBUTIONS

	2020		2019
	<i>(in thousands)</i>		
Interest and Dividends from Clients' Investments outside of Common Fund	\$	265	\$ 354
Pensions, Benefits and Settlements		121,545	129,208
Total Revenue		121,810	129,562
Client Care and Maintenance		83,341	81,582
Administrative Fees		5,781	5,320
Total Expenses		89,122	86,902
Excess of Revenues over Expenses - Allocated to Clients for Future Distribution	\$	32,688	\$ 42,660

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 7 CASH AND CASH EQUIVALENTS

	2020	2019
	<i>(in thousand)</i>	
Operating Bank Accounts	\$ 1,873	\$ 6,169
Consolidated Cash Investment Trust Fund (CCITF)	2,079	2,042
	<u>\$ 3,952</u>	<u>\$ 8,211</u>

Cash and Cash Equivalents in the Consolidated Cash Investment Trust Fund (CCITF) is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio comprises high quality short term and mid term fixed income securities with a maximum term to maturity of three years. As at March 31, 2020, securities held by the CCITF have a time weighted rate of return of 1.91 % per annum (2019 - 1.81% per annum).

NOTE 8 COMMON FUND INVESTMENTS

	2020	2020	2019	2019
	Cost	Market Value	Cost	Market Value
	<i>(in thousands)</i>		<i>(in thousands)</i>	
<u>Items at Cost or Amortized Cost</u>				
Interest Bearing Securities	<u>\$ 457,703</u>	<u>\$ 462,644</u>	<u>\$ 466,854</u>	<u>\$ 469,577</u>
<u>Items at Fair Value</u>				
Equities Listed in Active Markets	39,709	39,709	40,557	40,557
Cash and Cash Equivalents	15,568	15,568	6,118	6,118
	<u>55,277</u>	<u>55,277</u>	<u>46,675</u>	<u>46,675</u>
	<u>\$ 512,980</u>	<u>\$ 517,921</u>	<u>\$ 513,529</u>	<u>\$ 516,252</u>

Fair Value Hierarchy

The table below provides a summary of management's estimate of the relative reliability of data or inputs used by OPGT to measure the fair value of OPGT's investments. The measure of reliability is determined based on the following three levels:

Level One: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities traded in active markets. Level one includes primarily traded listed equity investments.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 8 COMMON FUND INVESTMENTS (cont'd)

Fair Value Hierarchy (cont'd)

Level Two: Fair value is based on valuation methods that make use of inputs, other than quoted prices included within level one, that are observable by market participation either directly through quoted prices for similar but not identical assets or indirectly through observable market information used in valuation models. Level two primarily includes debt securities and derivative contracts not traded on a public exchange and public equities not traded in an active market. For these investments, fair values are either derived from a number of prices that are provided by independent pricing sources or from pricing models that use observable market data such as swap curves and credit spread.

Level Three: Fair value is based on valuation methods where inputs that are based on non observable market data have a significant impact on the valuation. For these investments trading activity is infrequent and fair values are derived using valuation techniques.

	Level 1	Level 2	Level 3	Total
	<i>(in thousands)</i>			
Equities Listed in Active Market	\$ 39,709	\$ -	\$ -	\$ 39,709
Cash and Cash Equivalents	15,568	-	-	15,568
March 31, 2020 - Total	<u>\$ 55,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,277</u>

Financial Risk Management

OPGT is exposed to financial risks associated with the underlying securities held in the investment funds. These financial risks include credit risk, market risk and liquidity risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is comprised of currency risk, interest rate risk and price risk. Liquidity risk is the risk the Fund will not be able to meet its obligations as they fall due.

OPGT investments are managed in accordance with the Statement of Investment Policies and Goals (SIP&G). The policy and goals are designed to mitigate risks by placing restrictions on the overall content, quality and quantity of permitted investments. Pursuant to the policy and goals, the investments are high quality, highly rated fixed income securities, equity investments in Canadian and foreign currency and mortgages. Exposure to foreign currencies has provided diversification benefits.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 8 COMMON FUND INVESTMENTS (cont'd)

Financial Risk Management (cont'd)

OPGT works with an investment advisor and an investment manager that actively manages the asset class allocations based on the policies and goals in the SIP&G. On a quarterly basis, the investment manager provides performance and compliance reports and meets with the Public Guardian and Trustee, the investment advisor and the Investment Advisory Committee.

a) Credit Risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honour its financial obligations with OPGT. The credit quality of financial assets is generally assessed by reference to external credit ratings. Credit risk can also lead to losses when issuers and debtors are downgraded by credit rating agencies usually leading to a fall in the fair value of the counterparty's obligations. Credit risk exposure for financial instruments is measured by the positive fair value of the contractual obligations with counterparties. The fair value of all investments is directly or indirectly impacted by credit risk to some degree. OPGT's investments in debt securities are with counterparties considered to be investment grade.

b) Foreign Currency Risk

OPGT is exposed to foreign currency risk associated with 5.16% (March 31, 2019 5.16%) of the underlying securities held in the Common Fund investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The fair value of investments denominated in foreign currencies is translated into Canadian dollars using the reporting date exchange rate.

c) Interest Rate Risk

OPGT is exposed to interest rate risk associated with the underlying interest bearing securities held in the investment funds. Interest rate risk relates to the possibility that the fair value of investments will change due to future fluctuations in market interest rates. In general, investment returns from bonds and mortgages are sensitive to changes in the level of interest rates, with longer term interest bearing securities being more sensitive to interest rate changes than shorter term bonds. If interest rates increased by 1%, and all other variables are held constant, the potential loss in fair value to OPGT would be approximately 2.40% (March 31, 2019 - 2.50%) of total investments.

Nil (March 31, 2019 - nil) of interest bearing securities are invested with variable interest rate with minimum interest rate risk exposure.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 8 COMMON FUND INVESTMENTS (cont'd)

Financial Risk Management (cont'd)

d) Price Risk

Price risk relates to the possibility that equity investments will change in fair value due to future fluctuations in market prices caused by factors specific to an individual equity investment or other factors affecting all equities traded in the market. OPGT is exposed to price risk associated with the underlying equity investments held in investment funds. If equity market indices (S&P/TSX, S&P500, S&P1500 and MSCI ACWI and their sectors) declined by 10%, and all other variables are held constant, the potential loss in fair value to OPGT would be approximately 0.80% (March 31, 2019 - 0.80%) of total investments.

e) Liquidity Risk

Liquidity risk arises if OPGT should encounter difficulty in meeting obligations associated with its financial liabilities. Liquidity requirements of OPGT are met through income generated from investments, clients' revenues and by investing in publicly traded liquid assets traded in active market that are easily sold and converted to cash. These sources of cash are used to pay clients' obligations, their operating expenses and settle clients' final payments associated with the termination of OPGT's responsibilities towards clients.

OPGT currently has minimal liquidity risk.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 9 OTHER TRUST ASSETS UNDER ADMINISTRATION

	2020	2019
	<i>(in thousands)</i>	
a) Trust Assets Under Administration		
Accounts Receivable	\$ 9,530	\$ 9,344
Real Property	17,527	22,092
Other Assets	2,830	3,220
Clients' Investments Outside the Common Fund	64,215	61,640
Annuities	42,672	43,586
Total Other Trust Assets Under Administration	136,774	139,882
Clients' Accounts, Mortgages, and Loans Payable	(52,167)	(51,569)
Other Trust Assets Under Administration	84,607	88,313
(Decrease) in Other Trust Assets Under Administration, net	\$ (3,706)	\$ (5,208)
b) Trust Assets Acquired		
Decrease in Other Trust Assets Under Administration	\$ (3,706)	\$ (5,208)
Assets Released to Clients, Beneficiaries and Heirs	29,146	24,933
Proceeds on Sale of Trust Assets	8,723	10,007
Acquisition of Trust Assets	(3,561)	(4,545)
Interest and Dividends from Clients' Investments outside of Common Fund	(265)	(354)
Trust Assets Acquired	\$ 30,337	\$ 24,833

NOTE 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
	<i>(in thousands)</i>	
Transfer from Common Fund to Minister of Finance	\$ 2,010	\$ 2,082
Accrued Investment Fees and Other Payable	159	168
Accounts Payable and Accrued Liabilities	\$ 2,169	\$ 2,250

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 11 CLIENTS' ACCOUNTS, MORTGAGES AND LOANS PAYABLE

	2020	2019
	<i>(in thousands)</i>	
Accounts Payable	\$ 42,098	\$ 40,102
Administrative Fees Payable	6,103	6,681
Mortgage and Loans Payable	3,966	4,786
	\$ 52,167	\$ 51,569

The five year repayment schedule for mortgage and loans payable is not presented due to the uncertainty in timing for the clients' account settlements.

NOTE 12 RELATED PARTY TRANSACTIONS

	2020	2019
	<i>(in thousands)</i>	
Statement of Financial Position		
Transfer from Common Fund to Ministry of Justice	\$ 2,010	\$ 2,082
Administration Fees Payable	6,103	6,681
Statement of Operations		
Administrative Fees	\$ 5,781	\$ 5,320
Transfer from Common Fund to Ministry of Justice	2,010	2,082

Transfers to the Ministry of Justice and Solicitor General consist of system development costs to replace the legacy system and management fees that are remitted to the Minister of Finance and are included in the revenues of the Ministry of Justice and Solicitor General.

Estate administration fees charged to clients' accounts, with the exception of cost recoveries, are remitted to the Minister of Justice and are included in the revenues of the Ministry of Justice and Solicitor General.

The *Public Trustee Act* states that unclaimed property must be held for at least ten years from the date of an order declaring the person to be missing or after the date that the Public Trustee publishes a notice in The Alberta Gazette. After ten years of inactivity, trust balances held by the OPGT may be transferred to the Ministry of Justice. For the year ended March 31, 2020 the amount transferred was \$364 (2019 - \$240). The amount appears on the financial statements as part of the Cash Distributions to Clients, Beneficiaries and Heirs.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 12 RELATED PARTY TRANSACTIONS (cont'd)

The operating costs of the Public Trustee portion of OPGT are included in the financial statements of the Ministry of Justice and Solicitor General. For the year ended March 31, 2020, the operating costs were \$14,633 (2019 - \$15,104).

NOTE 13 CONTINGENT LIABILITIES

(in thousands)

OPGT has been named in one (2019: one) claim of which the outcome is not determinable. The claim has a specified amount of \$6,500 (2019: one claims with a specified amount of \$6,500). Included in the total claim, \$3,250 (2019: one claim totaling to \$3,250) is covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 14 CONTINGENT ASSETS

The OPGT has 56 (2019 - 50) claims on behalf of clients for which the outcome is not determinable.

NOTE 15 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**
Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets. Management has assessed that this standard is not applicable as the OPGT does not own any tangible capital assets.
- **PS 3400 Revenue (effective April 1, 2022)**
This standard provides guidance on how to account for and revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions. The OPGT does not own any tangible capital assets. Management is currently assessing the impact of this standard Estates and Trust Financial Statement.

Notes to the Financial Statements (cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2020

NOTE 16 SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID 19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies. Management is closely monitoring the situation. The overall effect of COVID 19 on the Common Fund Investments will be accounted for when they are known and may be assessed.

NOTE 17 COMPARATIVE FIGURES

Certain comparative figures have been reclassified, where necessary, to conform to the current year's presentation.

NOTE 18 APPROVAL OF FINANCIAL STATEMENTS

The Public Trustee and the Assistant Deputy Minister of Justice and Solicitor General Justice Services Division approved these financial statements.

Clients' Guaranteed Accounts

Schedule 1

Office of the Public Guardian and Trustee Estates and Trusts

As at March 31, 2020

	2020	2019
	<i>(in thousand)</i>	
Clients' Equity	\$ 528,346	\$ 531,803
Clients' Accounts, Mortgages, and Loans Payable	<u>52,167</u>	<u>51,569</u>
Total Clients' Liabilities and Equity	580,513	583,372
Less: Other Trust Assets Under Administration	<u>136,774</u>	<u>139,882</u>
Clients' Guaranteed Accounts	<u>\$ 443,739</u>	<u>\$ 443,490</u>

Other Financial Information

Certain disclosures (unaudited) required by legislation and regulations, and financial information relating to trust funds include the following where applicable:

- Statement of Compromises and Write-offs [FAA S.23]
- Civil Law Legal Services Delivery
- Fine Activity Information

In addition to the above, other schedules (unaudited) that form part of this section include the following and the presentation:

- Statement of Credit or Recovery [FAA S.24(3)]
- Lapse / Encumbrance [FAA S.28(5) and 28.1(4)]
- Payments Based on Agreements [FAA Sec. 25(3)]

Statement of Compromises and Write-off (unaudited)

Department of Justice and Solicitor General

For the year ended March 31, 2020

(in thousands)

The following Statement of Compromises and Write-offs has been prepared pursuant to Section 23 of the *Financial Administration Act*. The statement includes all compromises and write-offs that the Ministry of Justice and Solicitor General made or approved during the fiscal year.

	2020	2019
Compromises:		
Motor Vehicle Accident Recoveries	\$ -	\$ -
Write-offs:		
Motor Vehicle Accident Recoveries	\$ 6,757	\$ 3,149
Fines	4,927	5,140
Fines – Late Payment Penalty	2,240	2,204
Abandoned and Seized Vehicles	39	48
Maintenance Enforcement	302	448
Others	-	1
	<u>\$ 14,265</u>	<u>\$ 10,990</u>
Total Compromises and Write-offs	<u>\$ 14,265</u>	<u>\$ 10,990</u>

Civil Law Legal Services Delivery (unaudited)

Current and Prior Year Comparison

Staff Providing Services

Civil Law provides legal and related strategic services to all government ministries. Civil Law maintains a time keeping system to enable its lawyers, paralegals and articling students to record and report the hours of legal services provided in total to each ministry and their respective programs. In 2019-20, 343 lawyers, paralegals and articling students recorded in excess of 328,392 hours of provided legal services and in 2018-19, 336 such staff recorded more than 316,000 hours. The total hours of service to each Ministry is used as the basis to allocate legal services costs.

Cost of Legal Services

The costing methodology to estimate the costs for providing legal services for allocation to all client ministries includes the total cost of Civil Law less expenditures on contracted services and grants to third parties. A proportionate amount for support services provided by Corporate Support Services are included in the estimate. The estimate includes accommodation costs for office space in government owned or leased buildings as paid by and reported by the Ministry of Infrastructure and also includes all or part of salary and benefit costs for lawyers paid directly by client ministries. The estimated costs are allocated to each ministry based on the hours of service received. The Ministry of Justice and Solicitor General, as a service provider, sends the legal services cost information to each ministry for disclosure in the Related Party Transactions Schedule and the Allocated Costs Schedule to the Financial Statements of each ministry's annual report.

Current and Prior Year Comparison

The table below summarizes the estimated cost of allocated legal services, the number of hours allocated and the average hourly cost.

Cost Estimates	<u>2019-20</u>	<u>2018-19</u>
Total Civil Law Costs	\$ 52,596,485	\$ 51,234,609
Deduct: Contract Services, Grants, and Amortization	696,138	862,525
	<u>\$ 51,900,348</u>	<u>\$ 50,372,084</u>
Add: Support Services	775,548	706,505
Accommodation	2,677,941	2,609,799
Client Cost for Lawyers	3,733,990	3,498,640
Total Legal Services Costs for Allocation	<u>\$ 59,087,827</u>	<u>\$ 57,187,028</u>
Number of Hours of Service Provided	328,392	316,100
Average Hourly Cost	\$ 179.93	\$ 180.91

Fine Activity Information (unaudited)

Federal and Provincial Statute Offences and Municipal Bylaw Offences

A management information report summarizes fine activity by the recipients entitled to the fine or penalty revenue. The municipalities receive specific provincial statute offence fines and all municipal bylaw fines for offences occurring within municipal boundaries. The majority of municipal fine activity occurs in cities, towns, counties and municipal districts. The Alberta government receives fine revenue for provincial statute offences occurring on primary highways and other specific provincial statute offences. The Alberta government receives any late payment penalties on overdue fines and some fines under the *Criminal Code of Canada* and retains 26 2/3 percent of *Traffic Safety Act* fines. The Victims of Crime Fund receives a 15 percent surcharge on all provincial statute fines and a 30 per cent surcharge on selected federal statute offences. These surcharge revenues are used to fund victims programs in Alberta. The federal government receives fine revenue for federal statute offences and selected fines under the *Criminal Code*.

The tables below summarize fines payments for the twelve months from April 2019 to March 2020 and for the twelve months from April 2018 to March 2019 by the recipient level of government.

Fine Payments – April 2019 to March 2020

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	2,022,575	\$ 199,772,192	51.8%
Alberta Government	230,025	37,990,786	9.8%
Victims of Crime Fund	Note	41,923,487	10.9%
Federal Government	713	1,325,515	0.3%
Late Payment Penalty	1,039,851	31,417,511	8.1%
Fine Retention	Note	73,548,565	19.1%
Total	3,293,164	\$ 385,978,056	100.0%

Fine Payments – April 2018 to March 2019

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	2,063,399	\$ 203,009,594	51.8%
Alberta Government	235,526	37,782,326	9.6%
Victims of Crime Fund	Note	43,366,284	11.1%
Federal Government	992	3,341,744	0.9%
Late Payment Penalty	1,019,902	31,211,445	8.0%
Fine Retention	Note	73,325,681	18.7%
Total	3,319,819	\$ 392,037,074	100.0%

Note: The Number of Fine Payments for Victims of Crime Fund and Fine Retention have been accounted for in the other recipient categories.

Statement of Credit or Recovery (unaudited)

Department of Justice and Solicitor General

For the year ended March 31, 2020

The following has been prepared pursuant to Section 24(3) of the *Financial Administration Act*.

	2020			
	Authorized	Actual Revenue Recognized	Total Revenue Received/ Receivable	(Shortfall)/ Excess ⁽⁵⁾
	<i>In thousands</i>			
Maintenance Enforcement ⁽²⁾	\$ 7,170	\$ 6,994	\$ 6,994	\$ (176)
Provincial Civil Claims ⁽³⁾	1,200	1,333	1,333	133
Edmonton Regional Airport Authority ⁽⁴⁾	3,700	3,963	3,963	263
	<u>\$ 12,070</u>	<u>\$ 12,290</u>	<u>\$ 12,290</u>	<u>\$ 220</u> ⁽¹⁾

- (1) The revenue of each credit or recovery is included in the Statement of Revenues and Expenses.
- (2) Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.
- (3) Provincial Civil Claims revenues represent funding from fees levied to commence action in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.
- (4) Edmonton Regional Airport Authority revenues are received on a full cost recovery basis from the Edmonton Regional Airport Authority for policing services provided to the Edmonton International Airport under the Provincial Police Service Agreement.
- (5) Shortfall is deducted from current year's authorized spending.

Lapse/Encumbrance (unaudited)

Department of Justice and Solicitor General

For the year ended March 31, 2020

The following has been prepared pursuant to Section 24(4) of the *Financial Administration Act*.

	Voted Estimate ⁽¹⁾	Supplementary Supply ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimate	Voted Actuals ⁽⁴⁾	Unexpended (Over Expended)
<i>In thousands</i>						
Program - Operational						
1 Ministry Support Services						
1.1 Minister's Office	\$ 809	\$ -	\$ -	\$ 809	\$ 1,116	\$ (307)
1.2 Deputy Minister's Offices	1,328	-	-	1,328	1,371	(43)
1.3 Corporate Services	21,780	-	-	21,780	21,308	472
	<u>23,917</u>	<u>-</u>	<u>-</u>	<u>23,917</u>	<u>23,795</u>	<u>122</u>
2 Resolution and Court Administration Services						
2.1 Program Support Services	16,832	-	-	16,832	16,391	441
2.2 Resolution Services	16,137	-	-	16,137	15,368	769
2.3 Provincial Civil Claims	1,200	-	-	1,200	1,149	51
2.4 Provincial Court of Alberta	112,749	-	-	112,749	113,803	(1,054)
2.5 Alberta Court of Queen's Bench	35,595	-	-	35,595	36,603	(1,008)
2.6 Alberta Court of Appeal	6,901	-	-	6,901	7,004	(103)
	<u>189,414</u>	<u>-</u>	<u>-</u>	<u>189,414</u>	<u>190,318</u>	<u>(904)</u>
3 Legal Services						
3.1 Civil Law	50,618	-	-	50,618	53,565	(2,947)
3.2 Legislative Counsel	3,126	-	-	3,126	3,064	62
3.3 Law Reform	500	-	-	500	500	-
	<u>54,244</u>	<u>-</u>	<u>-</u>	<u>54,244</u>	<u>57,129</u>	<u>(2,885)</u>
4 Alberta Crown Prosecution Service						
4.1 Program Support	3,697	-	-	3,697	4,594	(897)
4.2 Appeals, Education & Prosecution Policy	8,260	-	-	8,260	8,392	(132)
4.3 Criminal and Youth Prosecutions	79,785	-	-	79,785	79,205	580
4.4 Specialized Criminal & Regulatory Prosecutions	12,995	-	-	12,995	11,181	1,814
	<u>104,737</u>	<u>-</u>	<u>-</u>	<u>104,737</u>	<u>103,372</u>	<u>1,365</u>
5 Justice Services						
5.1 Program Support	8,253	-	-	8,253	10,059	(1,806)
5.2 Family Support Order Services	18,419	-	-	18,419	17,778	641
5.3 Office of the Medical Examiner	12,622	-	-	12,622	12,897	(275)
5.4 Property Rights Advocate Office	241	-	-	241	316	(75)
5.5 Public Guardian Services	12,212	-	-	12,212	11,736	476
5.6 Public Trustee	13,234	-	-	13,234	14,630	(1,396)
5.7 Fines Enforcement	2,132	-	-	2,132	1,977	155
5.8 Support for Legal Aid	101,800	-	-	101,800	91,800	10,000
	<u>168,913</u>	<u>-</u>	<u>-</u>	<u>168,913</u>	<u>161,193</u>	<u>7,720</u>
6 Public Security						
6.1 Program Support	17,706	-	-	17,706	16,221	1,485
6.2 Law Enforcement Review Board	625	-	-	625	594	31
6.3 Alberta Serious Incident Response Team	3,987	-	-	3,987	4,058	(71)
6.4 Law Enforcement Standards and Audits	6,130	-	-	6,130	5,324	806
6.5 Contract Policing and Policing Oversight	263,149	-	-	263,149	265,693	(2,544)
6.6 Indigenous Policing Services	12,182	-	-	12,182	10,799	1,383
6.7 Policing Assistance to Municipalities	88,208	-	-	88,208	88,208	-
6.8 Organized and Serious Crime	32,100	-	-	32,100	24,825	7,275
6.9 Sheriffs Branch	69,750	-	-	69,750	70,503	(753)
6.10 Fish and Wildlife Enforcement	22,305	-	-	22,305	22,173	132
6.11 Commercial Vehicle Enforcement	15,205	-	-	15,205	14,875	330
	<u>531,347</u>	<u>-</u>	<u>-</u>	<u>531,347</u>	<u>523,273</u>	<u>8,074</u>

Lapse/Encumbrance (unaudited) – Cont'd

Department of Justice and Solicitor General

For the year ended March 31, 2020

	Voted Estimate ⁽¹⁾	Supplementary Estimated	Adjustments ⁽²⁾	Adjusted Voted Estimate	Voted Actuals ⁽³⁾	Unexpended (Over Expended)
<i>(in thousands)</i>						
7 Correctional Services						
7.1 Program Support Services	6,949	-	-	6,949	6,405	544
7.2 Adult Remand and Correctional Centres	204,845	-	-	204,845	209,624	(4,779)
7.3 Young Offender Centres	24,339	-	-	24,339	24,608	(269)
7.4 Community Correctional Services	41,487	-	-	41,487	41,978	(491)
7.5 Young Offender Community Correctional Services	10,222	-	-	10,222	11,024	(802)
	<u>287,842</u>	<u>-</u>	<u>-</u>	<u>287,842</u>	<u>293,639</u>	<u>(5,797)</u>
8 Alberta Human Rights						
8.1 Alberta Human Rights Commission	6,598	-	-	6,598	6,801	(203)
8.2 Assistance to the Human Rights Education and Multiculturalism Fund	500	-	-	500	500	-
	<u>7,098</u>	<u>-</u>	<u>-</u>	<u>7,098</u>	<u>7,301</u>	<u>(203)</u>
Total Lapse	<u>\$ 1,367,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,367,512</u>	<u>\$ 1,360,020</u>	<u>\$ 7,492</u>
						<u>\$ 7,492</u>

	Voted Estimate ⁽¹⁾	Supplementary Estimated	Adjustments ⁽²⁾	Adjusted Voted Estimate	Voted Actuals ⁽³⁾	Unexpended (Over Expended)
<i>(in thousands)</i>						
Program - Capital Investment						
1 Ministry Support Services	\$ 665	\$ -	\$ -	\$ 665	\$ 32	\$ 633
2 Resolution and Court Administration Services	5,630	-	-	5,630	1,517	4,113
3 Legal Services	-	-	-	-	-	-
4 Alberta Crown Prosecution Service	380	-	-	380	178	202
5 Justice Services	540	-	-	540	505	35
6 Public Security	1,695	-	-	1,695	1,531	164
7 Correctional Services	288	-	-	288	943	(655)
	<u>\$ 9,198</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,198</u>	<u>\$ 4,706</u>	<u>\$ 4,492</u>
Total Lapse						<u>\$ 4,492</u>

- (1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transaction Vote by Program" page 149-151 of 2019-20 Government Estimates on October 24, 2019.
- (2) Adjustments include encumbrances, capital carry forward amounts, transfers between votes and credit or recovery increases approved by Treasury Board and credit or recovery shortfalls. An encumbrance is incurred when, on a vote-by-vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding voted estimate in the current year.
- (3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

Payments Based on Agreements

Department of Justice and Solicitor General

For the year ended March 31, 2020

(in thousands)

The Department has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), the Government of Saskatchewan (GS), the Government of Canada (GC), the Government of British Columbia (GBC), and the Government of Yukon Territory (Yukon). Costs based on these agreements are incurred by the Department under authority in Section 25 of the *Financial Administration Act*. Accounts Receivable includes \$29 (2019 - \$25) from the GNWT, \$8 (2019 - \$19) from the GN, \$8 (2019 - \$4) from the GS, \$0 (2019 - \$3) from the GBC, \$155 (2019 - \$92) from the GC and \$85 (2019 - \$38) from Yukon relating to payments based on agreements.

The agreements with the GNWT, the GN, the GS and GBC are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

The agreement with the Yukon is for the purpose of conducting investigations of Serious Incidents respecting members of the Territorial Police Service.

Amounts paid and payable based on agreements with program sponsors are as follows:

	2020	2019
Medical Examiner Services – GNWT	\$ 179	\$ 151
Medical Examiner Services – GN	87	83
Medical Examiner Services – GS	12	14
Medical Examiner Services – Yukon	6	6
Medical Examiner Services – GBC	3	3
Enhanced French Language Training – GC	155	169
Territorial Police Services - Yukon	179	178
	<u>\$ 621</u>	<u>\$ 604</u>

The Department has also entered into an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of the Department of Justice Canada (Justice Canada). Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations based on this agreement are made by the Department under authority in Section 25 of the *Financial Administration Act*. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements. For the year ended March 31, 2020, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are \$611 (2019 - \$2,818) and are reflected in the Statement of Financial Position.

Annual Report Extracts and Other Statutory Reports

The *Criminal Code* requires the Minister of Justice and Solicitor General to report annually on the following parts of the Act.

Criminal Code s.83.31 – Anti-Terrorism Act

Section 83.31 of the *Criminal Code* requires the Attorney General of Alberta to publish an annual report on the operation of those parts of the Act dealing with investigative hearings and recognizance with conditions.

This constitutes the annual report of the Attorney General of Alberta covering the period from December 24, 2018 to December 24, 2019.

I. Report on the Operation of sections 83.28 and 83.29

(Investigative Hearing)

The Attorney General of Alberta reports that there were no applications initiated under these sections of the *Criminal Code*. As such, there is no data to report in relation to the reporting requirements under paragraphs 83.31(1)(a) to (c) of the *Criminal Code*.

II. Report on the Operation of Section 83.3

(Recognizance with Conditions)

The Attorney General of Alberta reports that there were no cases initiated under this section of the *Criminal Code*. As such, there is no data to report in relation to the reporting requirements in paragraphs 83.31(2)(a) to (f) of the *Criminal Code*.

Criminal Code s.83.3 (3) – Anti-Terrorism Act

In accordance with subsection 83.3(4) of the *Criminal Code*, a peace officer who suspects, on reasonable grounds, that the detention of a person is necessary to prevent a terrorist activity, may arrest the person without a warrant.

Pursuant to subsection 83.31(3) of the *Criminal Code*, the minister responsible for policing in every province shall publish or otherwise make available to the public an annual report for the previous year on the operation of subsection 83.3 of the *Criminal Code* that includes:

- The number of arrests without warrant that were made under subsection 83.3(4) and the period of the arrested person's detention in custody in each case; and
- The number of cases in which a person was arrested without warrant under subsection 83.3(4) and was released.

Information has been received from all police services in Alberta indicating that no arrests were made under this subsection in the previous year; therefore, the report for 2019 is zero.

Criminal Code s.25.3 – Organized Crime and Law Enforcement – Designations

Section 25.3 of the *Criminal Code* provides a limited justification for otherwise illegal acts and omissions by law enforcement officers, and others acting at their discretion. An essential condition is that it can apply only to officers designated by a competent authority. In the case of municipal police services, the Minister of Justice and Solicitor General is the competent authority.

The competent authority is responsible for publishing an annual report on the designations and authorizations provided under subsections 24.1 to 25.4 of the *Criminal Code*. This report shall include information on the amount and nature of the acts or omissions committed by those officers designated under this legislation.

Alberta began designating officers under this legislation in March 2003. The designations for January 1 to December 31, 2019 include:

- Number of times that acts and omissions were committed: 2
- Nature of conduct being investigated: Homicide
- Nature of act or omission: Property damage under \$5000; Theft under \$5000; False Pretence or False Statement, Sec 362(1)(c)(ii) *CCC Public Interest Disclosure Act*

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Disclosure (Whistleblower Protection) Act* requires the chief officer of a department to report annually on all disclosures made to the designated officer of the department, public entity or office of the Legislature for which the chief officer is responsible.

This constitutes the annual report of the chief officer of the department covering the period of April 1, 2018 to March 31, 2019.

Chief Officer Report as at March 31, 2020

In relation to the reporting requirements under section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act*, designations for April 1, 2019 to March 31, 2020 include:

- Number of disclosures of wrongdoing: two
- Number of investigations and reports submitted: one
- Number of wrongdoings identified: one

The wrongdoing in this file related to Sections 3(1)(c) and 3(1)(d), “gross mismanagement of public funds and knowingly directing or counseling an individual to commit a wrongdoing”. The specific wrongdoings cited by the disclosure involved some meal claims being made in contravention of GoA and Departmental Travel, Meal and Hospitality Expense policy.

The recommendations included that the department work with Treasury Board and Finance to clarify the intent of both the GoA policy and the Justice and Solicitor General (JSG) policy. Another recommendation was for the department to either amend their policy document to conform to the current practice, or, alternately keep the wording as is and enforce the policy.

In response to the recommendation, the department has consulted internally and with Treasury Board and Finance concerning the intent of the JSG and GoA travel and related policy. The department's policy was found to align with the GoA policy intent and simply requires more rigorous enforcement. The department has developed a plan to address the inconsistent application of the JSG Travel and Related Expenses Policy, which they are finalizing and will be implement over the coming year.

Departmental compliance sampling of meals claims over the past year has only identified a few instances of non-compliant meal claims and these have been addressed with the individuals involved. Furthermore, a year over year comparison of travel meal expenses for Traffic Sheriffs Operations shows a 14 percent decrease which is attributed to stricter and more consistent adherence to the travel, meal and hospitality policy.