

GOVERNMENT OF ALBERTA

Annual Report

Justice and Solicitor General 2020-2021

Justice and Solicitor General, Government of Alberta | Justice and Solicitor General 2020–2021 Annual Report

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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 20 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and a comparison of actual performance results to desired results set out in the government's strategic plan, previously published in one volume entitled *Measuring Up* report.

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 and Public Safety 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, 2021, 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 2, 2021 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Honourable Kaycee Madu
Minister of Justice and Solicitor General

Message from the Minister



The COVID-19 pandemic has been a supreme test of the dedication, resourcefulness, and ingenuity of every aspect of the Ministry of Justice and Solicitor General. But I'm proud to say that the ministry has more than risen to the occasion. From the earliest days of the pandemic, employees took decisive steps to limit the spread of the virus in their workplaces, and introduced and supported innovative new time-saving tools, all the while keeping Albertans safe and secure.

The launch of the Court of Appeal Management System (CAMS), for instance, was a particular success, allowing Albertans to initiate appeals, file materials, pay fees and perform other tasks remotely. Within our courtrooms, meanwhile, extraordinary steps were taken to avoid trial delays, with jury selection and some jury trials being conducted in off-site locations spacious enough to accommodate everyone's safety. New technology was also introduced to allow other matters to be heard remotely. These were undeniably challenging times, and the ministry played a key role in preserving a sense of normalcy and order.

During the past year, several issues predating the pandemic were also addressed. For instance, one particularly persistent source of anxiety, especially for Albertans living in remote regions of the province, has been the difficulty of quickly summoning law enforcement. In the past, because only a limited number of police are available at any given time to patrol these large areas, rural Albertans often felt helpless in the face of criminal activity. We took action to remedy that situation by introducing the Rural Alberta Provincial Integrated Defence Response program, or "RAPID Response." By training and empowering about 400 trained members of the Sheriff Highway Patrol and Fish and Wildlife Enforcement Services—men and women already out in the field—to respond to a wider range of calls, we will reduce response times. This work will also establish a more visible law enforcement presence in rural Alberta, further discouraging criminal activity. We allocated \$6.6 million to RAPID Response in 2020-21, with an additional \$10 million earmarked for 2021-22.

We also took action to highlight the importance of First Nations policing in Alberta. These police services have been patrolling and keeping communities safe for more than two decades, but until this past year, these bodies were not formally recognized within the *Police Act*. With the introduction of the *Justice Statutes Amendment Act*, we fixed that, ensuring that First Nations policing services would also benefit from any outcomes arising from the ongoing review of the *Police Act*.

One of the central goals of any justice system should be the equal treatment of all citizens. That is why I feel a great accomplishment of the last year was introducing Bill 63, the *Police (Street Checks and Carding) Amendment Act*. Even in a place such as Alberta, where well-trained, highly accountable police services patrol its streets, a fundamental power imbalance can underlie encounters between police and the public. In the past, this imbalance has, regrettably, wound up reinforcing social inequalities and targeting vulnerable members of the population.

No tool reflected this tendency more than carding, the practice of arbitrarily stopping members of the public to elicit personal information. This policy was used disproportionately against visible minorities, and only encouraged these communities to regard representatives of the justice system with distrust. Once passed and proclaimed, this bill clears the way for us to change the *Police Act* to outright ban police from carding anyone, while also setting out clear rules for street checks.

As important as this change is, it was far from the only work done this year to strengthen the rights of individual Albertans. Earlier in 2021, for instance, we brought forward a pair of important pieces of legislation as part of our government’s democratic reform. Bill 52, the *Recall Act*, would allow Albertans to initiate a process that could lead to the recall of elected officials, including MLAs, municipal officials and school trustees. Bill 51, the *Citizen Initiative Act*, would create a process allowing Albertans to initiate legislative action on issues that affect them.

Our government’s efforts to create a more responsive and responsible justice system continued with the creation of a new, independent Alberta Parole Board. This body—the third of its kind in Canada—will make decisions regarding the release of individuals back into society that better reflect the concerns of Albertans. In a similar vein, we continued the work to establish a provincially run firearms office, which would better reflect the concerns and needs of Alberta’s distinct, law-abiding firearms culture.

In April 2020, our government completed its legislative work to bring Alberta’s version of Clare’s Law into effect. Domestic violence has a devastating effect not just upon its immediate victims, but also entire families and neighbourhoods, but too often families and police have only limited options available to them to stop it. Clare’s Law allows Albertans to learn about current or potential partners’ potential for violence, and police to take proactive steps if it is suspected domestic violence is likely to occur. Importantly, it also strengthens the support system for victims of abuse and eliminates much of the fear that too often inhibits them from seeking help. Giving people access to the right information could potentially save their lives.

We also delivered on our commitment to build a province where people are free from exploitation and coercion by establishing the provincial Human Trafficking Task Force. Chaired by musician and activist Paul Brandt, the task force has spent the last year engaging with experts, community groups, and other stakeholders to identify the steps necessary to eliminate this terrible, yet underreported, practice and provide support for its victims. I look forward to reading their report and putting their recommendations into action.

With so many of us either working from home, or unable to freely socialize the way we did before the pandemic, it’s easy to lose sight of the fact that everyone at Justice and Solicitor General is part of a large, energetic, interconnected team. Our ministry has collectively done incredible work during the past year to serve Albertans, maintain public order and uphold the rule of law. I am confident that we have the resources and the talent to continue to do so in the months and years to come.

[Original Signed By: Honourable Kaycee Madu]
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 and Public Safety 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, which includes the financial information, performance results on all objectives and initiatives identified in the Ministry Business Plan, and performance results for all ministry-supported commitments that were included in the 2020-23 Government of Alberta Strategic Plan. The financial information and performance results, out 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 Government 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 2020*.

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 2, 2021

Results Analysis

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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. 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 Division 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 Division provides a range of public-facing programs and services including: facilitating court-ordered child, spousal, and partner support through the Family Support Order Services branch; 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 through the Motor Vehicles Accident Claims Program; and reducing crime by taking away money and property acquired through illegal means. The Office of the Public Guardian and Trustee may provide personal and financial decisions for those Albertans unable to

do so. The Office of the Chief Medical Examiner provides responsive frontline death investigation and death certification services for sudden deaths and is a strategic partner in Alberta's health and justice systems in identifying trends and emerging issues. 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.

Legal Services Division

Legal Services Division 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 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 Division 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, security guards and locksmiths; 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 and Public Safety 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 Parole Board

The Alberta Parole Board derives its authority from the federal *Corrections and Conditional Release Act* and the *Corrections Act (Alberta)*. The board is responsible for making parole decisions for inmates serving sentences of less than two years in Alberta correctional centres. The board members 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 and Public Safety 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. Changes in the *Victims of Crime (Strengthening Public Safety) Amendment Act* will remove the Criminal Injuries Review Board after all open class action files are completed.

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 and Public Safety Programs Committee

The Victims of Crime and Public Safety Programs Committee makes recommendations on grant applications and provides information on programs and services that promote public safety or 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 continued work to implement government commitments to Albertans. The province is standing up for rural Albertans by acting on concerns to deter crime and enhancing law enforcement's ability to respond when crime does occur. To help reduce law enforcement response times in rural locations, on April 1, 2021, Justice and Solicitor General launched the Rural Alberta Provincial Integrated Defence Response – RAPID Response, which expands the roles and authorities of provincial peace officers to support the RCMP in responding to rural crime.

Justice and Solicitor General established the Alberta Firearms Advisory Committee to provide recommendations on how Alberta can better assert areas of provincial jurisdiction while respecting law-abiding Albertans' long history of responsible firearms ownership. The ministry has been preparing for the implementation of a provincial chief firearms officer to replace the federal appointment; ensuring firearms policy and regulatory enforcement reflect the priorities and needs of Albertans. A provincial firearms examination unit was also setup to further improve firearms governance in Alberta and crack down on their illegal use by speeding up testing of guns seized as evidence in criminal investigations.

The ministry continued work with policing and law enforcement partners to modernize the *Police Act* to ensure an appropriate governance framework and policies are in place so Albertans are confident that police are accountable to the communities they protect. In November 2020, the ministry changed provincial policing standards to ban police in Alberta from randomly and arbitrarily stopping members of the public and asking for personal information – a practice known as carding. The new provisions also established clear rules for other common encounters – known as street checks – to ensure police officers respect the rights of citizens when requesting personal information.

On May 12, 2020, the Human Trafficking Act came into force. This legislation extends the definition of sexual exploitation to persons of all ages, makes it easier for survivors to get protection orders, enables police to take quicker action to rescue survivors, allows survivors to sue traffickers, and creates an awareness day to make Albertans more aware of this important issue. A seven-member Task Force was appointed to provide guidance and recommendations on how to best implement the government's nine-point action plan to combat human trafficking.

The government committed up to \$5 million annually to expand the use of Drug Treatment Courts in the province. In 2020-21, new drug treatment courts opened in Red Deer and Medicine Hat, and Calgary and Edmonton drug treatment courts doubled their capacity to help support addiction treatment and recovery. The ministry also provided Alberta Law Enforcement Response Teams (ALERT) with a \$50-million budget increase for initiatives to disrupt and dismantle organized crime, including the expansion of regional organized crime units across the province.

The ministry continued to develop democratic reform legislation to strengthen democracy and accountability in Alberta, including the introduction of citizen initiative and recall legislation, establishment of a set election date, as well as reforms to senate election, referendum, and election legislation.

The ministry has also been working to respond to Alberta's Fair Deal Panel recommendations by supporting government in asserting provincial authority, defending provincial constitutional jurisdiction, and challenging federal legislation that undermines provincial interests. The Alberta Parole Board began operating February 1, 2021 to better protect Albertans, their loved ones and their property from repeat offenders, including parolees. The Alberta Parole Board takes over responsibility from the Parole Board of Canada for determining parole or early release eligibility for offenders serving sentences in provincial correctional facilities, which are sentences less than two years.

Justice and Solicitor General continues to address backlogs in the justice system. To strengthen the province's ability to respond to rural crime and prosecute matters effectively, in 2020-21, Justice and Solicitor General hired 20 new prosecutors and support staff, and doubled its articling program from eight to 16 students. The *Provincial Administrative Penalties Act* came into force December 2020 to help restore justice system capacity and make Alberta's roads safer. The act established a new Immediate Roadside Sanction Program that creates a simplified, accessible and swift system for resolving matters involving most first-time impaired driving and other traffic safety offences.

The ministry remains committed to providing high quality, accessible, citizen-focused services. Budget 2020 allocated \$5 million in 2020-21 for the Justice Digital Program to deliver new or enhanced online services. In response to the COVID-19 pandemic and associated public health social distancing requirements, Justice Digital initiatives have been focused on maintaining essential court services, ensuring the safety of Albertans and reducing in person visits to the courthouse through the delivery of remote and digital essential 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 this ongoing review, the ministry is committed to making life easier for hard-working Albertans and job creators by reducing regulatory requirements by 2023, and eliminating administrative burdens through more efficient processes. This work will improve service delivery for Albertans; foster economic growth, innovation and competitiveness; create a strong and attractive investment climate; and make Alberta one of the freest and fastest-moving economies in North America.

Government has set an ambitious target of a one-third reduction of regulatory requirements by spring 2023. Justice and Solicitor General completed its baseline count in March 2020, with a final tally of 24,284 regulatory requirements across the ministry.

Justice and Solicitor General is responsible for several government priority and platform commitments, which may result in an overall increase in regulatory requirements as the government works to further strengthen its overall commitment to public safety and security. As of March 2021, Justice and Solicitor has reduced red tape requirements by 905 (3.7 per cent). The Alberta Human Rights Commission has also reduced 145 requirements from reviewing its forms. After completing reductions and adding regulatory requirements relating to new government legislative priorities, the ministry has completed a total net reduction of 521 regulatory requirements (2.15 per cent). There are no financial or initiative costs associated to these reductions.

Justice and Solicitor General is reviewing all program area forms and policies on an ongoing basis to continue to make administrative reductions that make the ministry more effective and efficient. The ministry has seen success in reducing administrative burdens, and while this does not count as a red tape reduction, it has been an important component of the ministry's efforts.

By 2023, JSG anticipates that all forms and policies will be reviewed and relevant reductions will be made to better streamline the justice system and the programs in the ministry, making the system better for anyone that needs to access it. For more details on ministry red tape reduction efforts, please refer to the results analysis for Key Objective 2.2.

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 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 better defend 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 Improve law enforcement's rural crime response capability by increasing RCMP resources and creating the Rural Alberta Provincial Integrated Defence Force (the RAPID Force), which will allow provincial peace officers to better respond and assist the RCMP and other police services.

The province is standing up for rural Albertans by acting on concerns to deter crime and enhancing law enforcement's ability to respond when crime does occur. Providing adequate and effective policing services in the province of Alberta is the responsibility of the provincial government under the *Police Act*. The police funding model, which came into effect when the Police Funding Regulation came into force on April 1, 2020, takes the total cost of frontline officers and redistributes a portion of those costs to municipalities who receive frontline policing from the RCMP Provincial Police Service.

While developing the police funding model, the ministry worked very closely with Municipal Affairs to assess the relative financial capacity of municipalities to pay for policing services. The new police funding requires those communities that have not previously paid for frontline policing to begin contributing a portion of the costs. To give communities time to adjust, the new funding model is being phased in, with communities contributing 10 per cent of policing costs in 2020 and then scaling up to 30 per cent in 2023 based on consideration of those rural municipalities' ability to afford such increases.

Stakeholders offered valuable perspectives on the costs of policing in Alberta. Some stakeholders identified concerns about having to pay for policing in their communities when this cost was previously fully covered by the province. The ministry continues to address their concerns and have begun implementation of the model at a 10 per cent cost-sharing level to allow time for municipalities to adjust to the new cost. Each January, starting in 2021, municipalities will receive an invoice stating the amount that the municipality will pay for that fiscal year. The ministry expects to recover about \$22.2 million in revenue, which will fund new positions in RCMP detachments and specialized units to benefit rural Albertans.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority 2:

Making life better for Albertans

Objective 4:

Make the justice system fairer, faster and more effective

- Justice and Solicitor General has created the Rural Alberta Provincial Integrated Defence Response, or RAPID Response, to help reduce law enforcement response times to rural crime.

Objective 3:

Supporting Albertans most in need

- In May 2020, the Protecting Survivors of Human Trafficking Act was proclaimed.
- The Alberta Human Trafficking Task Force was also formed to provide recommendations on how to best implement the government's action plan to combat human trafficking.

As part of the Rural Crime Strategy, an interim advisory board was created in spring of 2020 with representatives from the Rural Municipalities of Alberta (RMA), the Alberta Urban Municipalities Association (AUMA), and the Alberta Association of Police Governance (AAPG). The interim Board was formed to enhance the voice of rural municipalities (served by the provincial police service agreement) at provincial discussions with the RCMP and the ministry. Its mandate includes providing input into the provincial policing priorities, strategic plans and the RCMP multi-year financial plan, as well as input into the allocation of resources being funded as a result of the Police Funding Model. The interim Board is actively connecting with their communities, municipalities, the RCMP and the department to fulfill their mandate. To date, the interim Board has provided input on provincial policing priorities, a recommendation to allocate resources to achieve those priorities, and the RCMP multi-year financial plan.

Policing services to Indigenous communities are funded under a federal program, the First Nations Policing Program, in partnership with Alberta. This program provides Indigenous communities with the option of either a self-administered police service or dedicated RCMP policing. These agreements are cost-shared, with the federal government providing 52 per cent and the provincial government providing 48 per cent. Alberta also provided additional funding to crime prevention efforts within the three communities with self-administered police services and additional officers for Metis settlements. In 2020-21, the ministry provided over \$14 million for Indigenous policing, including:

- \$6.5 million through the 21 Community Tripartite Policing Agreements with the RCMP (for 64 officers) in First Nations communities across the province;
- \$1.3 million to Metis Settlements for an additional RCMP officer for each of the eight Metis settlements;
- \$6.1 million through the three Self-Administered Policing Agreements for First Nation police services (Blood Tribe, Lakeshore Regional and Tsuut'ina Nation).
- \$527,000 for three dedicated Crime Prevention Coordinators for each of the three self-administered police services. These Crime Prevention Coordinators offer numerous programs, supports and activities aimed at steering youth away from criminal involvement and encouraging them to make better life choices.

During 2020-21, legislative work was completed to make an amendment to the *Police Act* formally recognizing First Nation police services and placing them and their police commissions on the same level as municipal police services. Further, the authorities of the First Nation Chiefs of Police mirror those of the municipal police services. This amendment was proclaimed on April 7, 2021.

In rural areas, police presence can be stretched across large distances, which can lead to longer response times. To help reduce response times, Justice and Solicitor General has created the Rural Alberta Provincial Integrated Defence Response, or RAPID Response (formerly referred to as RAPID Force). The phased implementation of RAPID Response expands the roles and authorities of 400 peace officers within the Sheriffs Branch. 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.

The first phase of RAPID Response was launched April 1, 2021, and enabled officers from Fish and Wildlife Enforcement Services to respond to emergency calls for service to crimes in progress in rural Alberta when dispatched by the provincial police. Officers are dispatched based on their proximity to the site of the crime and are first in or back up to the provincial police. While phase one was initially scheduled for implementation in December 2020, the COVID-19 pandemic

resulted in delays to public engagement activities, procurement of goods and services, and delivery of staff training, and ultimately delayed implementation to spring 2021. Throughout 2020, in preparation for the launch of RAPID Response, work was undertaken to implement computer-assisted dispatching and radio communications. RAPID Response expenditures in 2020-21 included approximately \$6.5 million in operational costs and \$4.4 million in capital costs.

Phase two of RAPID Response will be implemented later in 2021, and will enable Sheriff Highway Patrol to augment the RCMP's ability to respond to complaints and occurrences related to traffic safety and enforcement so RCMP officers can focus on rural crime. The ministry continues to engage with Indigenous communities on this initiative. Refinement and evaluation of RAPID Response service delivery will be ongoing as the program evolves.

As the challenges of rural crime continue to pose significant concerns for rural Albertans, the Community Peace Officer Program has continued to expand. In June 2020, additional authorities were awarded to municipalities with an identified need for traffic enforcement on one, two and three digit highways and the Peace Officer Program participated in a joint project with the RCMP to implement Alberta First Responders Radio Communication System (AFRRCS) to provide greater communication between community peace officers and their policing partners. In addition, the Peace Officer Program is working with six First Nations and Metis communities to develop and implement community peace officer services that reflect the culture, values and traditions of Indigenous communities and support restorative justice initiatives in these communities.

Quick Fact

The Alberta Law Enforcement Response Teams (ALERT) Criminal Intelligence Service Alberta (CISA) has assisted 80 scrap metal yards in meeting compliance standards and accurately reporting sales.

The *Scrap Metal Dealers and Recyclers Identification Act*, which came into effect November 2020, makes it more difficult to sell stolen material for scrap. Over the past year, law enforcement and scrap metal dealers have continued to work to ensure that high-theft items such as copper wire and catalytic converters are recorded and reported through a central database. As a result of the legislation and regulations, there has been an increase in the number of businesses immediately reporting stolen metals. This has in turn led to arrests and the recovery of stolen property.

Along with Public Safety Canada, Alberta is co-leading a federal, provincial, and territorial working group on rural crime. This working group is developing a pan-Canadian strategic framework on rural crime to reduce the incidence of criminal activity in rural and remote communities, and improve the overall safety and well-being of the Canadians who live there by examining potential measures such as criminal law reform and enhanced enforcement practices. In December 2020, federal, provincial, and territorial Ministers Responsible for Justice and Public Safety provided their support for the work to date and continued development of a pan-Canadian strategic framework on rural crime.

The ministry is in the midst of a multi-year, multi-phased review of the *Police Act* to ensure an appropriate governance framework and policies are in place, holding police accountable to the communities they serve, maintaining a high level of professionalism and bolstering public trust in law enforcement in Alberta. Phase two of the Police Act Review engagement, launched in September 2020, focused on asking stakeholders to identify potential solutions to known concerns.

Quick Fact

In 2020-21, there were:

- 978 sheriffs and Government of Alberta enforcement officers
- 508 other Government of Alberta peace officers
- 3,014 community peace officers
- 318 peace officer agencies

Between September 10 and November 30, 2020, the ministry completed 13 engagement sessions with stakeholders representing law enforcement, the legal community, community-based organizations representing diverse communities, law enforcement oversight, professional organizations (e.g., the College of Alberta Psychologists), police associations, and Indigenous communities and organizations. Online discussions were held on five subtopics: governance, public trust, complaints, Indigenous police relationships and First Nations Police Services. Each topic had two rounds of meetings. The first round of discussions sought to identify the strengths and concerns with the current state, while the second focused on exploring possible solutions. Since these engagement sessions took place online, they incurred little to no cost.

Near the end of the engagement, groups representing minority, cultural, and ethnic diversity called upon the ministry to hold additional targeted engagement sessions with their communities. In response, an additional 19 sessions took place in March and April 2021 to continue conversations about the *Police Act* with stakeholders representing cultural and ethnic diversity. Given the government's efforts to address racism and promote more inclusive and accepting communities across Alberta, the goal of this continued engagement was to better understand the experiences diverse communities have with police; how their daily lives are impacted by policing and interactions with police services; how to improve areas where there is strain; and what these groups want and do not want from police.

A public survey for this review was launched on December 3, 2020 and closed on January 4, 2021. A stakeholder survey on the role of police opened during the week of December 8, 2020 and closed on January 4, 2021. The public survey collected 14,357 responses. The role of police survey collected 1,554 responses. Engagement sessions and surveys provided an opportunity for stakeholders and all Albertans to provide input on how policing can be improved as the province moves forward with revisions to the *Police Act*. A ministry working group is developing a list of potential amendments for Cabinet consideration later in 2021.

As part of the Government of Alberta's response to the Fair Deal Panel's recommendation to replace the RCMP with an Alberta provincial police, in October 2020 the department contracted with PricewaterhouseCoopers (PwC) Canada to conduct a study of a possible transition from the Royal Canadian Mounted Police (RCMP) to an Alberta provincial police service. PwC's report will provide an evidence-based and objective assessment of the operational requirements, process steps, and costs associated with establishing an Alberta provincial police service in order to assist the Alberta Government in its consideration of the Fair Deal Panel's recommendation. As part of the department's efforts to improve policing in the province, PwC's Transition Study will actively investigate innovative organizational designs, technology and policing concepts that could be incorporated into a potential provincial police service that might enhance policing services delivered in Alberta's communities.

1.2 Work with policing partners and community stakeholders to address drivers of crime, including focused work on organized crime, drug trafficking and proceeds of crime.

Through the Crime Prevention and Restorative Justice Unit, the ministry continued to support and work in collaboration with its provincial network associations. These include the Alberta Citizen's on Patrol, the Alberta Community Crime Prevention Association, and the Alberta Provincial Rural Crime Association; as well as, the Alberta Restorative Justice Association and the Alberta Hate and Bias Crime Committee. All of these efforts supported and increased voice in public safety issues, gave shape to projects and interventions that increase community safety, and supported community organizations in delivering services.

Community crime prevention is key to addressing crime in the province and mitigating individuals' involvement in crime. The ministry continued to administer multiple funding grants to promote innovative and grassroots approaches to crime prevention and restorative justice. This included

funds under the Proceeds of Crime, Civil Forfeiture and Alberta Community Restorative Justice grants.

Quick Fact

In 2020-21, crime prevention and restorative justice grants were provided to 31 organizations in 26 communities and 6 First Nations.

- \$80,000 in grants provided from the Proceeds of Crime.
- \$120,000 in grants provided from Civil Forfeiture.
- \$670,000 in grants provided from Alberta Community Restorative Justice.

The ministry worked to increase recognition and support crime prevention efforts throughout the province, hosting the 29th Annual Crime Prevention Awards, which recognized outstanding contributions to community safety in the province. The ministry sponsored Fraud Prevention Month in March, a unique collaboration between government stakeholders, police services, non-profits and community stakeholders to raise awareness of scams and fraudulent activities throughout the province. Work also continued with the Alberta Hate and Bias Crime Committee to support their efforts to better identify hate crime and hate incidents, promote community resiliency to hate crime, and share information across the province.

The ministry has been working with the Court of Queen's Bench to review the use of restorative justice as a referral program with the intent of increasing its usage. Restorative justice uses non-traditional

community based approaches to resolve disputes by addressing the harm caused by crime or conflict and promoting meaningful resolutions. It is a voluntary process that addresses the victim's needs and holds offenders responsible for their actions. As this work proceeds, stakeholders including the Court of Queen's Bench, Provincial Court, prosecutors, defence counsel, Indigenous groups and community stakeholders will be engaged.

On October 1, 2020, Alberta Justice and Solicitor General's peace officers were consolidated under the ministry's Sheriffs Branch. With the expansion of the Sheriffs Branch, several projects were undertaken using approximately three million dollars in capital funding, available through Service Alberta, to upgrade the computer-aided dispatch and telecommunications software, as well as the records management system and software interfaces. The COVID-19 pandemic resulted in additional duties for some areas of the Sheriffs Branch. Court Security Services sheriffs provided support for enforcing and educating the public about Public Health Orders at various court locations across the province, as well as providing security and transportation arrangements for jury trials that had to be moved to 11 off-site locations.

Sheriff Highway Patrol were tasked with providing a 24/7 presence at the Coutts border crossing to assist Alberta Health Services in ensuring travelers' compliance with self-isolation requirements. Sheriff Highway Patrol initiated an Impaired Driving Unit in July 2020 (initially a pilot) whereby sheriffs were trained to receive the requisite authority to investigate and lay charges for impaired driving offences. All sheriffs involved in the pilot were trained and sanctioned as provincial breath technicians, enabling them to administer tests for blood alcohol concentration. The next phase will see these officers working as instructors and coaches to train all Sheriff Highway Patrol sheriffs to investigate drug/alcohol impaired driving offences on Alberta highways as part of RAPID Response.

Quick Fact

In 2020-21, the Sheriffs Branch:

- Recorded 13,287 occurrences of human and wildlife occurrences, and issued over 6,000 enforcement actions.
- Screened over 624,000 visitors to provincial courthouses.
- Transported 21,803 offenders over 1.7 million kilometers.
- Completed 21,758 commercial vehicle safety inspections.

The Sheriffs Investigative Services Unit (SISU) provides investigative surveillance support to the Alberta Law Enforcement Response Teams (ALERT) for major and organized crime investigations in Alberta. In 2020-21, they assisted policing agencies on 113 files related to drugs, robbery, child protection, human trafficking and auto theft.

The Sheriffs Branch Safer Communities and Neighbourhoods Unit (SCAN) improves community safety by using civil legislation to target residential and commercial properties where specified illegal activity (including drug consumption, drug trafficking, gangs, and the exploitation of individuals for the purpose of prostitution) is occurring. The *Safer Communities and*

Quick Fact

In the 2020 calendar year, SCAN obtained 11 Community Safety Orders and issued 116 warning letters to property owners.

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. In 2020, SCAN received 1,038 public complaints, the highest annual number since its creation, up from 872 complaints during the previous year.

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 networks, and human trafficking. In 2020-21, the ministry provided \$4 million in funding to ALERT. Three hundred and sixty-nine ALERT positions (299 police office and 70 support staff) are partially funded by the Justice and Solicitor General grant, with an additional 52 full-time positions funded by partner agencies (municipal police services, Indigenous police services, and RCMP). Since 2006, more than 10,000 individuals have been arrested and over 34,000 charges have been laid as a result of ALERT's work.

ALERT is responding to emerging criminal market trends strongly linked to rural crime through the launch of a regional property crime unit and an auto crimes unit. These units recovered more than \$6 million worth of stolen property and vehicles during 2020. ALERT entered into a joint forces operation alongside Medicine Hat Police Service and the RCMP to establish the Southeast Alberta Regional Property Crime team, it became operational in April 2020, and this team is exploring the correlation of stolen property proceeds being used to finance drug addictions. ALERT has instituted a two-pronged approach to undermine organized crime's role in the opioid and methamphetamine trade: first by targeting street-level drugs sales; and second, by initiating project-based, intelligence-driven enforcement teams that will target wholesale suppliers and distributors. ALERT's Internet Child Exploitation (ICE) team is responsible for investigating offences involving child pornography,

any computer-related child sexual abuse, child luring over the Internet, voyeurism involving victims under the age of 18, and child sex trade/tourism. In 2020-21, The ICE unit doubled its number of positions from the previous year with the addition of investigators, forensic technicians, analysts, disclosure clerks, and software developers - bringing the total number of funded positions in ICE to 56. The ICE unit's caseload number continues to aggressively trend upward during the COVID-19

Quick Fact

In 2020-21, ALERT:

- Conducted 159 investigations into street-level drug sales, seizing 34.7 kg of methamphetamine and 2.2 kg of fentanyl; a combined street value of \$2.5 million.
- ICE Unit began 2,136 investigations and arrested 145 suspected child sex predators.
- Conducted 13 projects related to human trafficking, resulting in 88 charges laid against 29 suspects.

pandemic, with a 40 per cent increase in files over the previous year. ALERT added its eighth regional-based enforcement team as a Lloydminster unit, began operations in November 2020. The new dedicated team will focus on organized crime related to drugs, firearms, property offences, and emerging trends, while serving communities such as Cold Lake, Bonnyville, St. Paul, Saddle Lake First Nation, Wainwright, and Vermillion. ALERT's Auto Crimes unit became operational in April 2020, with a team of six in Edmonton and five in Calgary. The unit works collaboratively with industry partners, such as Insurance Bureau of Canada and Alberta Motor Vehicle Industry Council, to provide a coordinated response to auto crimes. ALERT's Human Trafficking and Counter Exploitation unit based in Edmonton and Calgary became operational in April 2020. They work alongside multi-disciplinary teams composed of existing law enforcement resources, government, and non-government agencies with a mandate to address sexual exploitation and forced sex labour.

The Integrated Community Safety Unit (ICSU) is working on another government platform commitment relating to addressing repeat offenders. The ICSU supports police and community stakeholders to provide coordinated services and meaningful consequences for offenders, with the aim of decreasing recidivism and increasing community safety. The ICSU helps build capacity within agencies and communities and removes organizational and systemic barriers preventing identified repeat offenders from addressing the criminogenic factors that lead to their offending behaviour. Over the past year, the ICSU worked with multi-agency groups and the RCMP in Wetaskiwin to address community safety and crime concerns, and to ensure coordinated services are provided to repeat offenders in that community to address the root causes of criminality. The ICSU recently developed a system to flag repeat offenders for police and prosecutors and helped create a network of collaborative teams across the province to address repeat offending, and the root causes of crime. Work is underway to develop policing standards to address repeat offenders and the harm they cause communities

Work continues under the Gun and Gang Violence Action Fund (GGVAF) with the development of a Gang Exit and Community Outreach Services (GECOS) program. This is a province-wide program to assist provincially incarcerated inmates with exiting gang lifestyles upon their transition to the community by connecting them with wrap-around community resources. Gangs have spread throughout many Alberta communities; these gangs are engaged in a variety of criminal activities including the sale of illegal drugs, extortion, fraud, identity theft, auto theft, human trafficking and living off the avails of prostitution. Using funding from the GGVAF to support law enforcement agencies and other organizations in enhancing efforts to prevent, disrupt, and combat guns and gang violence, the ministry provided \$1 million in grants for youth gang prevention programs, and \$170,000 to the Kainai Transition Centre Society, which provides post-treatment and/or post-custodial release care to Indigenous populations in Southern Alberta and contributes to programming aimed at rural communities. In addition, the ministry entered into multi-year contracts (2020-23) totaling \$5.15 million with community agencies to provide support and assistance to these offenders trying to exit gang-life, and about \$75 million of this was spent in 2020-21.

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, 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 2020-21, a record-high 78 ASIRT files were opened, which represents a 152 per cent increase over the last ten years.

A major initiative undertaken by the ministry over the last five years has been the implementation (and sustainment) of a new model for community corrections casework, which was developed by the University of Cincinnati Corrections Institute, known as Effective Practices in Community Supervision (EPICS). EPICS training teaches probation officers how to apply the principles of the Risk-Need-Responsivity model to their work with offenders, as well as identify and change offender thoughts that lead to criminal behaviour. The EPICS training model was incorporated into the

probation officer induction training program in the fall of 2020. However, due to COVID-19 pandemic restrictions, the first iteration of EPICS training within induction training has been delayed until June 2021.

Shifting focus from implementation to sustainment of EPICS has allowed probation officers to continue to be supported in the ongoing development of their EPICS skills while the ministry monitors model fidelity and the application of the Risk-Need-Responsivity principles in the day-to-day work of Community Corrections. COVID-19 required the ministry to explore and support use of EPICS skills virtually and over the phone, while engaging staff in creative approaches to achieve their ongoing skill development, helping to create an even more robust program. During EPICS implementation, and into sustainment, the data collection and analysis process, which includes a feedback loop with frontline operations, will continue to be instrumental in Community Corrections' ability to make evidence-based decisions.

The Government of Alberta committed to creating an Alberta Parole Board to replace the Parole Board of Canada for offenders serving a sentence of less than two years. The Alberta Parole Board came into force on February 1, 2021, transferring decision-making authority related to parole for offenders serving sentences in provincial correctional facilities from the Parole Board of Canada to the Alberta Parole Board, and eliminating federal involvement with provincially sentenced offenders. Having a parole board with provincially appointed members better represents the interests of Albertans, balancing public safety concerns with the rights of offenders to access conditional release. It shifts parole supervision from Correctional Service Canada parole officers to provincial probation officers, eliminating a transfer in supervision and providing greater continuity of offender supervision in the community. Members of the Alberta Parole Board have a diverse range of experience, are aware of social issues facing urban and rural Albertans, and possess specialized knowledge of local community support that allows them to offer parolees better risk mitigation strategies. Justice and Solicitor General established the Alberta Parole Board Secretariat, the administrative arm of the parole board, which is independent from correctional centre operations.

1.3 Collaborate with partners to address the issues of human trafficking, including the introduction of legislation to protect survivors of human trafficking.

In May 2020, the Alberta Human Trafficking Task Force was formed to provide recommendations on how to best implement the government's action plan to combat human trafficking. Since its inception, the Task Force has heard from more than 90 experts and individuals with lived experience to gain an understanding of the issues and ensure the key priorities to disrupt human trafficking are presented. The Task Force final report, which is due to government in fall 2021, will provide guidance and recommendations on supports for survivors of human trafficking, and strategies to help government implement the remainder of the nine-point action plan.

The Task Force has initiated a provincial analysis of government and non-government resources that intersect with human trafficking. It continues to update its social media channels to ensure the public absorbs key messaging regarding Alberta's efforts to combat human trafficking. Despite COVID-19 safety restrictions, the Task Force has continued to meet virtually and in person, demonstrating the dedication of all members.

In addition to the Task Force being established, in May 2020, the *Protecting Survivors of Human Trafficking Act* was proclaimed. This new legislation adopts internationally-recognized definitions of human trafficking related to forced labour, sexual exploitation and trafficking of organs and tissues. The legislation:

Quick Fact

Since the introduction of the *Protecting Survivors of Human Trafficking Act*, three Human Trafficking Protection Orders have been granted.

- makes it easier for survivors to get protection orders;
- enables police to take quicker action to rescue survivors;
- allows survivors to sue traffickers;
- creates a human trafficking awareness day in Alberta (February 22);
- adds a warrant permitting entry to help remove trafficking victims from unsafe situations; and
- includes pet provisions in human trafficking protection orders.

In order to develop a coordinated approach and address the recommendations put forward by the Task Force, the Government of Alberta also developed an internal Human Trafficking Working Group, led by Justice and Solicitor General with representation from Culture, Multiculturalism and Status of Women, Community and Social Services, Indigenous Relations, Children Services, Education, Health, Labour and Immigration and Service Alberta. The working group provides data and information to assist the Task Force in its recommendation development, and led the development of the *Protecting Survivors of Human Trafficking Act*. Justice and Solicitor General also participates on the federal, provincial, and territorial working group on human trafficking, which is examining ways to strengthen the criminal justice system's response to human trafficking.

1.4 Continue to enhance protection of Albertans' property rights, including introducing new legislation.

The Alberta government is committed to continuing to enhance protection of Albertans' property rights, including introducing new legislation. The Select Special Committee on Real Property Rights was established by the Legislative Assembly on March 22, 2021. The committee must report to the Legislative Assembly with recommendations by December 15, 2021.

The committee's mandate is limited to consideration of:

- whether the legal remedies available to a real property owner who is deprived of the use of their real property are adequate;
- whether real property rights should be expanded or, in the case of an individual, constitutionally protected;
- whether the law of adverse possession should be abolished;
- whether the expropriation processes provided under the *Expropriation Act* are adequate; and
- any other matter that the committee decides is necessary to ensure the completeness of its review.

As part of its mandate, the committee may review any part of the following statutes:

- Alberta Bill of Rights;
- Alberta Land Stewardship Act;
- Expropriation Act;
- Land Titles Act;
- Law of Property Act;
- Limitations Act;
- Responsible Energy Development Act; and,
- any other Act that the committee determines is necessary to ensure the completeness of its review.

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

Prior Years' Results				2020-21 Target	2020-21 Actual
2016-17	2017-18	2018-19	2019-20		
18%	48%	66%	95%	100%	92%

Note: 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. Beginning in 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.

As a result of COVID-19 restrictions, all planned training on the use of Effective Practices in Community Supervision (EPICS) was cancelled in 2020-21. As of March 31, 2021, 28 out of a total of 348 probation officers have been identified as still requiring training. Ninety-two per cent of probation officers have been trained on the use of EPICS. This is below the target of 100 per cent.

At the time the ministry business plan was developed, a target of 100 per cent was set based on the expectation that EPICS training would be provided in 2020-21 to all staff who continued to require it. Existing staff not yet trained were to receive training and new hires were to be provided with EPICS training as a part of Community Corrections and Release Programs Induction Training curriculum. However, due to COVID-19 restrictions, all planned EPICS training in 2020-21 was cancelled, with the list of staff requiring training expanding due to new hires. The total number of probation officers and senior probation officers in Correctional Services division had also changed (from 364 to 348) as a result of year-to-year fluctuations due to new hires, maternity leaves, attrition, leaves of absence and other unexpected circumstances.

The fundamental components of EPICS intervention techniques have been derived from evidence-based principles, which are offender risk, need and responsivity (RNR). As its name suggests, 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. Ongoing, supervision and coaching focus on the probation officer's interview with the client as both a skill development and a 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.

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

	2015	2016	2017	2018	2019
Alberta Violent Crime Rate	1,316	1,282	1,311	1,337	1,448
Rural	2,166	2,178	1,981	1,947	2,248
Urban	1,130	1,088	1,167	1,207	1,282
Alberta Property Crime Rate	5,247	5,335	5,530	5,466	5,861
Rural	6,844	6,676	7,126	6,863	7,438
Urban	4,887	5,032	5,178	5,161	5,523

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 committed with the intent of gaining property, which do 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 2019, Alberta's violent crime rate was 1,448, an increase of 8.3 per cent from the previous year. The violent crime rate was 2,248 in rural Alberta, an increase of 15.5 per cent, and 1,282 in urban Alberta, an increase of 6.2 per cent. While the year-over-year increase is significant, Alberta's violent crime rate is down two per cent overall compared to 2010, down five per cent in rural Alberta and up two per cent in urban Alberta. The increase in Alberta's violent crime rate from 2018 to 2019 was driven by an increase in homicide (21 per cent), sexual assault (nine per cent), major assault (six per cent), and robbery (two per cent).

In 2019, Alberta's property crime rate was 5,861, an increase of 7.2 per cent from the previous year. The property crime rate in rural Alberta was 7,438, an increase of 8.4 per cent, and 5,523 in urban Alberta, an increase of seven per cent. When compared to 2010, Alberta's property crime rate is up 19 per cent overall, up 19 per cent in urban Alberta and 26 per cent in rural Alberta. The increase in Alberta's property crime rate from 2018 to 2019 was driven by an increase in mischief (13 per cent), total fraud (four per cent), and breaking and entering (two per cent).

Communities in rural Alberta have been dealing with high crime rates, especially property offences, and are frustrated with long response times in isolated areas. The province is standing up for rural Albertans by taking action to reduce response times with RAPID Response, creating new legislation to regulate scrap metal dealers and recyclers, and strengthening trespassing laws with tougher penalties for trespassers.

There are many factors that influence police-reported crime statistics, including the fact that an incident must first come to the attention of police, as well as differences in available resources and priorities, policies and procedures between individual police services. 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 Canadians' attitudes toward crime and risky behaviour.

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

	2015	2016	2017	2018	2019
Violent Crime Severity Index					
Alberta	99	93	99	99 ¹	107
Canada	75	77	81	84 ¹	90
Non-violent Crime Severity Index					
Alberta	106	110	117	118 ¹	123
Canada	68	70	71	73 ¹	76

¹Data has been revised by the Canadian Centre for Justice and Community Safety Statistics since the 2020-23 business plan's publication.

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-reported 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 2019, Alberta's violent CSI was 107, while the Canadian CSI was 90. In the same year, Alberta's non-violent CSI was 123, while the Canadian CSI was 76. Between 2018 and 2019, 12 of Canada's 13 provinces and territories reported increases in their CSI. Alberta's seven per cent increase in violent CSI from 2018 to 2019 was driven by increases in homicide, sexual assault (level 1), and uttering threats. Over the same time-period, Alberta's four per cent increase in non-violent CSI was driven by increases in shoplifting of \$5,000 and under, and mischief. Increases in the national CSI can be attributed to increases in child pornography, uttering threats, shoplifting, fraud, mischief, and sexual assault (level 1).

Performance Indicator 1.d: Number of provincially funded police officer positions

Prior Years' Results*				2020-21 Actual
2016-17	2017-18	2018-19	2019-20	
1,918	1,900	1,963	1,947	2,143

Note: Since the ministry's 2020-23 Business Plan was published, prior years' results have been revised to include RCMP members funded under the First Nations Community Tripartite Agreements.

Over the past five years, the Government of Alberta has steadily increased the number of provincially funded police officer positions from 1,918 in 2016-17 to 2,143 in 2020-21. This represents an 11.7 per cent increase. This indicator helps inform the policing capacity within Alberta. As part of its commitment to address rural crime, the ministry is hiring additional RCMP members to strengthen the province's ability to respond to rural crime. Funding for additional police officer positions is provided through the new police funding model, whereby revenues collected from municipalities are directed back to policing and public safety needs in rural Alberta.

The 2,143 provincially funded police officer positions in 2020-21, can be broken down as follows:

- 1,698 RCMP Provincial Police Service regular and civilian members;
- 299 Alberta Law Enforcement Response Teams (ALERT) police officers and civilian members;
- 4 Integrated Threat and Risk Assessment Centre (ITRAC) positions;
- 9 Alberta Serious Incident Response Team (ASIRT) positions;
- 4 Integrated Community Safety positions; and,
- 129 First Nations Policing Program positions.

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

The ministry is committed to ensuring that Alberta's justice system is fair and effective. The ministry continues to develop a Public's Right to Know Act to provide timely information on the justice system. As of March 2021, the ministry has completed a total net reduction of 521 regulatory requirements to reduce red tape. Additionally, it is reviewing all program area forms and policies on an ongoing basis to reduce administrative burdens. The report for the Citizen Initiative Act and the Recall Act and the report for election legislation were tabled in 2020-21 to strengthen democracy and accountability in Alberta. Twenty prosecutors were hired in 2020-21 and more will be hired in coming years to ensure that criminal matters are dealt with in a timely and appropriate manner. These and other accomplishments listed below all contribute to a fair, effective justice system.

Key Objectives

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

Albertans want timely information on the justice system to guide decision-making related to their safety and security. The proposed introduction of a Public's Right to Know Act is a government commitment to annually report on justice statistics. Publicly reporting on key statistics will help Albertans, justice system partners, and ministry officials, better understand how the criminal justice system is functioning and will ensure the government is open and transparent. The act also supports mitigation of risks related to integration and coordination of data, as this work will help the justice system to better identify and respond to emerging and complex issues.

In 2020-21, work began to develop this legislation for future introduction. The ministry will continue to identify appropriate metrics to be published under the Public's Right to Know Act, develop definitions and methodologies for those metrics and collect and report on data for those metrics.

Once the legislation is introduced, the timing for releasing the first and future publication will be set. The ministry will continue to work towards the first and future publication releases.

Beyond Public's Right to Know legislation, the ministry releases statistical and performance measure data through the Government of Alberta open data portal, and provides data to Statistics Canada for release as part of the National Justice Statistics Initiative. On its website, the ministry also publishes statistics related to *Jordan* applications and inmate populations, as well as a listing of high-risk offenders.

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

The Office of the Public Guardian and Trustee (OPGT) led a review of the *Adult Guardianship and Trusteeship Regulations* and the *Adult Guardianship and Trusteeship (Ministerial) Regulations* to streamline forms and reduce the amount of duplicate information and the number of forms required to apply to become a guardian or trustee. The *Adult Guardianship and Trusteeship*

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority 2:

Making life better for Albertans

Objective 4:

Make the justice system fairer, faster and more effective

- Justice and Solicitor General hired 20 additional prosecutors, 16 articling students, and support staff to strengthen the province's ability to respond to rural crime and prosecute matters effectively.

Regulations were amended on May 13, 2020 and the *Adult Guardianship and Trusteeship (Ministerial) Regulations* were amended on June 5, 2020.

The revisions to the forms will reduce the costs related to unnecessary errors in guardianship and trusteeship applications. This will reduce the time it takes for the Court of Queen’s Bench to process and grant court orders. OPGT also worked with Service Alberta to have the new, revised applications forms converted into fillable XDP forms. It is anticipated that this change will have a positive impact on private applicants, stakeholders and the court by improving accessibility.

Quick Fact

Fillable application forms were posted to the Office of the Public Guardian and Trustee website in early 2021.

Justice and Solicitor General has been exploring a pre-charge assessment system where charges are reviewed by a prosecutor before being laid by police. This will help ensure prosecutors are able to focus their efforts on viable matters which in turn will help to reduce pressures on the justice system, as well as help with the sustainability of prosecutorial workforce. A pre-charge assessment system is expected to lessen the burden on trial prosecutors and the court system, by including investigative materials in the file at the earliest possible date and concluding follow-up investigation wherever possible before charges are laid. Pre-charge assessment also enables increased communication and improved relations between police and prosecutors, which may lead to enhanced collaboration and cases that are less likely to be stayed or withdrawn in court. The requirement of a substantively complete prosecution package for pre-charge assessment also enables prosecutors to fulfill the government commitment to provide disclosure by first court appearance. The implementation of pre-charge assessment will reduce the number of charges and cases coming into the justice system by screening out files that do not meet the prosecutorial standard.

Prosecutorial review of charges before they are laid by police will mitigate the risk of individual Albertans having their liberty restricted and needing to go through the court process unless the prosecutorial standard is met for pursuing a criminal prosecution. The prosecutorial standard requires that sufficient evidence exists to support a reasonable likelihood of conviction, and that the prosecution be in the public interest. The exclusion of charges that do not meet the prosecutorial standard from Alberta’s courts supports the government’s efforts to reduce red tape for Albertans who would otherwise have paid to retain counsel or use Legal Aid for court appearances until the file could be assessed fully by a prosecutor.

Quick Fact

A pre-charge assessment pilot saw RCMP detachments in Strathcona County, Hinton and Canmore send prosecutors investigative packages and proposed charges for review prior to officially laying those charges.

Between October 2019 and March 2020, the Alberta Crown Prosecution Service (ACPS) and Public Prosecution Service of Canada (PPSC) piloted a pre-charge assessment system with the RCMP. Following the pilot, the ACPS and PPSC evaluated the impact of a pre-charge assessment system upon the administration of justice. The evaluation included a survey of the pilot participants and an analysis of cases that went through the pre-charge process. Overall, both the police and prosecutor participants felt that the quality of cases going forward to the court process improved because of the pre-charge process, and that it would be worthwhile to collaborate with prosecutors to ensure strong cases are put into the court system.

The evaluation intended to follow the cases that underwent pre-charge assessment through the court system to determine the impact of a pre-charge assessment on file outcomes. However, these plans were derailed by the COVID-19 pandemic. Following the conclusion of the pilot, and shortly after the majority of courts closed in response to the pandemic, prosecutors conducted a detailed

file review of matters currently in the system to ensure that both existing and new serious and violent matters were able to proceed once courts resumed normal operations. Files were assessed for viability and opportunities for early case resolution, and viable cases were prioritized in consideration of public safety. As a result, it could not be determined whether the outcomes of the files that underwent pre-charge assessment were a result of the pre-charge pilot or ACPS' review of files to address pressures on the courts.

Still, based on their experience during the pilot, ACPS and PPSC decided to expand pre-charge assessment to Red Deer and Airdrie RCMP detachments. Province-wide implementation of pre-charge assessment is being planned, and will begin in 2021-22. A working group of stakeholders, including law enforcement agencies across Alberta, the PPSC, and ACPS prosecutors, was formed to develop a process for pre-charge assessment provincially, including way to integrate pre-charge assessment with other prosecution processes and applications. It is estimated that the technical solution will cost \$195,000. Work began on the technical solution, and \$38,227 of this budget was spent in 2020-21, while the remainder will be carried over into 2021-22. The cost will provide for the development of a secure and efficient method of transmitting pre-charge documentation, and enable more effective communication between prosecutors and law enforcement.

2.3 Introduce democratic reforms to strengthen government.

The Alberta government is committed to strengthening democracy and accountability in Alberta. Democratic reforms include the introduction of citizen initiative and recall legislation, establishment of a set election date, as well as reforms to senate election, referendum, and election legislation.

Quick Fact

Recall legislation introduced in Spring 2021 will strengthen democracy by allowing Albertans to hold elected officials accountable throughout their term, not just during elections.

The report for the Citizen Initiative Act and the Recall Act was tabled in the legislature in November 2020, and legislation was introduced in spring 2021. The Citizen Initiative Act will give Albertans a more direct role in the democratic system by enabling eligible voters to propose legislative, policy or constitutional action on issues that affect them. Recall legislation will allow Albertans to initiate a process that could lead to the removal and replacements of elected officials, including MLAs, municipal officials and school board officials. The report for election legislation was tabled in January 2021. Other democratic

reforms have also been made, including the Alberta Senate Election Act, which enables the election of Senatorial nominees for Alberta, and the Referendum Act and related regulations, which enable referendums on constitutional and non-constitutional matters to occur with provincial elections, municipal elections, or as a stand-alone referendum.

Quick Fact

If passed, the Citizen Initiative Act, would allow Albertans to bring forward important matters to the Legislature for consideration.

In addition to introducing democratic reforms, the ministry is acting on recommendations of Alberta's Fair Deal Panel. The Fair Deal Panel consulted tens of thousands of Albertans through in-person town hall meetings, an online survey, and stakeholder interviews to get input on how best to define and secure a fair deal for Alberta. The panel recommended, among other things, that Alberta appoint a chief provincial firearms officer to replace the federal appointment. The government accepted this Fair Deal Panel recommendation, and is on track to fully implement this initiative in 2021-22.

Firearms are federally regulated under the *Firearms Act* and Part III of the *Criminal Code*. A chief firearms officer's duties include issuing and revoking firearm licenses, approving firearm purchases

and sales, issuing authorizations to transport firearms, issuing authorizations to carry firearms, approving shooting clubs and ranges, administering the Canadian Firearms Safety Course, and approving and inspecting firearms businesses.

Quick Fact

In 2020-21, the ministry spent about \$300,000 for salaries and engagement to establish the chief provincial firearms implementation team and consult with Albertans on their expectations for this office.

While the federal government would still have control over which firearms are legally manufactured, owned and imported into Canada, the *Firearms Act* allows provinces to designate their own chief firearms officer. A chief provincial firearms officer will need to follow federal law, but will be able to give Albertans a voice on decisions about firearms. Upon the transition from federal to provincial administration of the chief firearms office, the federal government will provide an annual contribution that will fully or partially offset the cost of the office. Negotiations between the Alberta government and the federal government are underway, and will be concluded before the transition of responsibility for the chief firearms office occurs in 2021-22.

Alberta has been challenging federal legislation and defending provincial constitutional jurisdiction, including challenging the constitutionality of the federal government's carbon tax all the way to the Supreme Court of Canada (SCC). The Alberta government is steadfast in its commitment to stand up for Alberta, as was demonstrated during the recent successful challenge at the Alberta Court of Appeal, and through Alberta's support of Saskatchewan and Ontario in their legal appeal to the SCC.

The federal carbon tax appeals were argued at the SCC on September 22 and 23, 2020. The SCC released its decision on March 25, 2021. The majority upheld the constitutionality of the *Greenhouse Gas Pollution Pricing Act*, concluding that it comes within the federal parliament's power over peace, order, and good government. The Alberta government has publicly committed to consult with Albertans on options for responding to this decision.

Alberta's reference to the Alberta Court of Appeal challenging the constitutionality of Canada's proposed legislation to "modernize" the federal environmental assessment framework (Bill C-69 – Impact Assessment Act) was argued at the Alberta Court of Appeal from February 22 to 25, 2021. The decision is reserved. The Court's decision on the Bill's constitutionality is expected to be delivered in the fall of 2021. The decision of the Court of Appeal is open to appeal to the Supreme Court of Canada.

2.4 Hire additional prosecutors to ensure criminal matters are dealt with a timely and appropriate manner.

The additional resources will prioritize the safety of every Albertan with a fairer, faster and more responsive justice system, and strengthen the province's ability to respond to rural crime and prosecute matters effectively. The addition of new prosecutors and support staff will ensure that criminal matters are dealt with in a timely and appropriate manner, and mitigate workload pressures that can result in low employee engagement and high turnover.

To allow prosecutors to focus on higher-priority duties and to recruit lawyers who will eventually work as prosecutors, the ministry spent approximately \$1.4 million on expanding the articling program from eight to 16 articling students. By March 31, 2020, all 16 students had been hired and by July 2, 2020, they had begun working at Justice and Solicitor General. In 2021-22, the ministry expanded the articling program to 20

Quick Fact

Justice and Solicitor General has developed a strategy for the staged hiring of 50 new prosecutors. Twenty prosecutors were hired in 2020-21, 20 more will be hired in 2021-22, and 10 more hired in 2022-23.

students. Those 20 students have all been hired, and will start on July 1, 2021. Expanding the articling program will also ensure rural Albertans are better served by the justice system, by prioritizing the placement of new students in regional prosecution offices to support response to rural crime.

In 2020-21, work also began on building a statistical model to understand staffing needs at each of the prosecution offices in order to allocate prosecutors more effectively. The model takes into account workload, existing staffing patterns, and geographical considerations and needs, and will be used to allocate the 20 prosecutors being hired in 2021-22.

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

Prior Years' Results				2020-21 Target	2020-21 Actual
2016-17	2017-18	2018-19	2019-20		
24.1 weeks	22.3 weeks	22.1 weeks	24.4 weeks	21 weeks	23.9 weeks

In 2020-21, Provincial Court lead time for serious and violent offences decreased by two per cent to 23.9 weeks from 24.4 weeks in 2019-20. The decrease was achieved in spite of a 1.3 per cent increase in serious and violent charges commenced from 30,520 charges in 2019-20 to 30,922 charges in 2020-21.

Lead time to trial for serious and violent offences is a direct measure of the court's availability to process these types of criminal cases in Provincial Court. In 2016, the Supreme Court of Canada released a decision involving the right to trial within a reasonable time (*R v Jordan*). In response to this decision, 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. Since October 2016, the number of active serious and violent cases over 18 months in the 2019-20 fiscal year decreased by 14.2 per cent (as of March 31, 2020). With the advent of the pandemic and associated court closures, the number of serious and violent cases over 18 months rose by 64 per cent compared to 2019-20 and 41 per cent since October 2016.

A variety of different factors that can contribute to case processing times in the 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 is 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.

Over the past several years, the ministry and Alberta Provincial Court have worked to collectively implement several policy and program changes to reduce serious and violent case lead time to trial. The Court Case Management Program aims to effectively manage criminal cases outside of the courtroom in many locations in the adult Provincial Court, increase public confidence in the justice system and improve access to justice. Court Case Management uses new and innovative methods to ensure all Provincial Court matters are dealt with in a timely manner. A focused effort has been made for prosecutors to assess and resolve files at the earliest possible time. Implemented in phases, Bill C-75 made significant changes to the *Criminal Code*. It is 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. The impact of these changes is being monitored.

It is impossible to identify any one specific initiative as the source of the changes observed in the statistical trends of this performance measure. The trends reflect the cumulative impact of the above-mentioned initiatives and factors. Additionally, the closure of courtrooms and limitations of in-person court appearances resulting from COVID-19 restrictions have impacted the entire justice system.

Performance Indicator 2.b: Number of *Jordan* applications granted

Prior Years' Results				2020-21 Actual	Cumulative Total as of March 31, 2021
2016-17	2017-18	2018-19	2019-20		
6* (October 2016-March 2017)	6	9	7	9	37

Note: The tracking of *Jordan* applications began in October 2016

The number of *Jordan* applications granted within a fiscal year ranged from six to nine between 2017-18 and 2020-21. As of March 31, 2021, 37 cases were stayed by the Courts due to unreasonable delay, and represent 11 per cent of the *Jordan* applications filed since October 2016.

The number of active serious and violent cases over 18 months increased by 41 per cent since October 2016. Staffing issues, the pandemic and associated court closures, and Alberta's high crime severity index (the sixth-highest in Canada, and the third-highest among the provinces) all potentially influenced this metric.

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. The lack of availability of prosecution and court resources, disclosure issues, police issues, and the culture of complacency were found to impact judicial stays as they relate to *R v Jordan*.

A culture of complacency was noted by the Supreme Court of Canada in its *R v Jordan* decision, and remains a systemic issue nationally. ACPS continues to work with police and other bodies to improve the quality and efficiency of its disclosure process. Moreover, ACPS provided a Directive to police relating to delays, such as delays in setting first appearance dates and delays in executing warrants.

Justice and Solicitor General (JSG) is spending up to \$10 million annually over four years to hire 50 new prosecutors and additional support staff. Additional prosecutors and support staff will lessen workload pressures that can result in low employee engagement and high turnover, and ensure criminal matters are dealt with in a timely and appropriate manner.

Reforming the criminal justice system is a complex and difficult initiative, one single 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. Additionally, prosecutors are continuing to work with justice system partners to reduce the number of cases exceeding 18 months.

Performance Indicator 2.c: Number of trial prosecutors

Prior Years' Results				2020-21 Actual
2016-17	2017-18	2018-19	2019-20	
Not Available*	Not Available*	Not Available*	305	329

Note: Historical data for this indicator is not available because the collection of data began in 2019-20. Previous year business plan and annual report reflected the number of trial prosecutor positions available. The indicator noted here reflects the number of prosecutors on staff.

The data for this indicator is a snapshot in time, and the 2020-21 result is as of February 28, 2021. The snapshot reflects new positions that were filled, vacancies elsewhere in the ACPS, and also attempts to fill those vacancies.

As noted above, under key objective 2.2, Justice and Solicitor General will be investing approximately \$10 million annually to hire 50 new prosecutors and additional support staff over four years. In 2020-21, 20 prosecutors were hired at a cost of \$2.8 million. While the Alberta Crown Prosecution Service recruited to these 20 new positions, it also attempted to fill existing vacancies. Thus, the number of actual trial prosecutors increased by 24 from 2019-20 to 2020-21. Despite hiring 20 new prosecutors, there continues to be regular turnover, leaving vacant positions to be filled. Ongoing salary and workload issues continue to make recruitment a challenge.

Performance Indicator 2.d: Indigenous over-representation

Prior Years' Results				2020-21 Actual
2016-17	2017-18	2018-19	2019-20	
39.2%	40.3%	41.9%	41.2%	43.6%

The proportion of Indigenous persons in adult custody in 2020-21 was 2.4 per cent higher than that in 2019-20. The result has been trending upward in the last five years, with the exception of 2019-20.

Last fall, the government banned the practice known as “carding” and instituted regulations governing the practice of street checks. This reform was widely supported by cultural community groups, including Indigenous groups, criminal justice reform groups, and members of the legal and law enforcement community. Justice and Solicitor General is also undertaking a full-scale reform of the province’s *Police Act*. It included consultations with a wide array of stakeholders and an online survey that generated more than 19,000 responses. Those consultations will inform a modernized *Police Act* that better reflects the Alberta of today. The *Police Act* review is considering how to address Indigenous overrepresentation in the justice system, while exploring Indigenous/police relationships to make recommendations for improvement.

Through the First Nations Policing Program (FNPP), the ministry provides 100 per cent funding for three dedicated Crime Prevention Coordinators for each Indigenous police service. The Crime Prevention Coordinators at Blood Tribe, Lakeshore Regional, and Tsuut'ina police services offer numerous programs, supports and activities. They are aimed at youth intervention to help reduce youth criminal involvement and to guide youth towards better life choices.

The coordinators apply the principles and methods of crime prevention, communication, public information dissemination, public education, and community organization to effectively interact with their Nation. They regularly host education sessions, and provide opportunities to learn about crime trends and address root causes of crime in Indigenous communities. The programs include drug education, fraud awareness, bullying, animal safety, elder abuse awareness, impaired driving, human trafficking, cyber safety, and how to make homes less desirable for break and enters. School presentations allow police to spend time with students to educate them on the raw truth behind crime, and provide an opportunity to survey youth to ensure they are engaged with their community in a productive and impactful way. Lastly, a Youth Camp is offered at Tsuut'ina to engage youth on positive decision-making and to encourage them to consider a career in policing. These and many more programs and activities are aimed at reducing criminal involvement within Indigenous communities and surrounding areas.

The Indigenous Court Work Program (ICWP) ensures that Indigenous people receive fair, equitable, culturally responsive 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. They include 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. Indigenous court workers have in-depth knowledge of the programs, services and restorative justice options that are available within the local community. They also provide critical information to the courts regarding the circumstances of the accused at the time of sentencing. The program also reduces the number of Indigenous accused in remand by providing the court with release strategies that address an accused person's bail plan.

In 2020-21, ICWP provided court work services to 13,379 criminal law clients, including 5,680 new clients and 7,699 Indigenous individuals who utilized the service multiple times. ICWP court workers provided assistance to an additional 6,924 victims, witnesses, family members and other persons without a charge. The program also provided court work services to over 1,944 family law clients, including 1,271 new clients and 673 continuing clients.

The *Gladue* Report Program supports the reduction of Indigenous people involved in the criminal justice system by helping the court determine appropriate sentences for Indigenous offenders. *Gladue* reports outline factors such as the offender's individual history, intergenerational trauma caused by residential school experiences, residential day school experiences, the Sixties Scoop, historical trauma, effects of colonization, systemic racism, and socio-economic circumstances that the court must take into consideration during sentencing. The program ensures provincial compliance with the Supreme Court of Canada rulings in *Gladue* and *Ipeelee*. In 2020-21, 595 *Gladue* reports were provided to the courts.

The Indigenous Justice Program (IJP) supports the administration of Indigenous community-based justice programs. These programs reflect Indigenous values and ethics, and offer alternatives to mainstream justice processes. They 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. Individual programs are designed to incorporate community perspectives and capacity into mainstream justice processes.

The Alberta Community Restorative Justice Grant Program takes referrals from the justice system for youth and adult matters. It focuses on healing the harm that occurs as a result of crime, and is victim-centric. A number of funded programs operate in First Nations communities, and include First Nation victims and offenders.

Alberta has circuit courts located on Nation land at Alexis Nakota Sioux Nation, Siksika Nation, and Tsuut'ina Nation. The Alexis Nakota Sioux Nation uses a restorative justice model that promotes community involvement in the court process. The courthouse on Siksika Nation has its own courtroom on Nation land, and has a judge of Indigenous heritage with a dedicated prosecutor who supports the provision of culturally sensitive prosecution services. The Tsuut'ina Nation implements the Peacemaker process, which utilizes Provincial Court processes while encompassing peacemaker processes such as sentencing circles, workshops, and diversionary measures with a dedicated court clerk who is knowledgeable in Indigenous culture, values, worldviews and traditions. The Calgary Indigenous Court provides justice services that reflect the culture, values and traditions of Indigenous persons.

In the province's correctional and remand centres, programs and services are available that are aimed at promoting rehabilitation and reducing future interaction with the criminal justice system. Interventions are offered at various centres, and are tailored to meet the needs of the Indigenous population. Support is also provided in centres by Indigenous Program Coordinators and Indigenous Elders.

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

The Ministry of Justice and Solicitor General is committed to the ongoing review of programs and services, as well as significant investment in technology, to ensure seamless, timely and improved access to justice for Albertans.

Enhancing Albertans' interaction with the justice system was achieved through a more responsive victim service delivery model that protects the rights of victims; sustainable and modernized delivery of services and programs through technology enhancements; access to fairer, faster, and more effective programs for vulnerable Albertans; and targeted initiatives that mitigate the risks of reoffending. By optimizing program options and improving availability of technology, the ministry improved access to justice while also strengthening the provincial response to crime.

Key Objectives

3.1 Conduct a review of the current model of victim service delivery.

Protecting victims' rights is a core element of a responsive justice system. Justice and Solicitor General continued to work in partnership with law enforcement agencies and community-based organizations to ensure that the rights of victims are protected and prioritized through various victims-centered initiatives, including victim impact statements, a restitution recovery program, and financial reparation. Victims of crime can get financial assistance to help with emergency safety and security expenses, court attendance expenses, and psychological supports for injuries suffered at the hands of offenders. Victims who are seriously injured as a direct result of crime, and who require assistance to perform daily functions, can access serious injury benefits, while families of victims who died as a result of violent crime can access a death benefit that covers funeral costs.

In 2020-21, the government gathered input from stakeholders to inform the development of a new victim assistance program and to improve the current service delivery model. This engagement built on suggestions stakeholders provided during Phase 1 of engagement in 2019, which helped improve financial benefits delivered under the interim victim assistance program. Following the first phase of the engagement in 2019, the government introduced the *Victims of Crime and Public Safety Act*. The Act disbanded the Criminal Injuries Review Board, expanded the mandate of the Victims of Crime Fund to include public safety initiatives to deter crime and reduce victimization, and replaced the Financial Benefits Program with an interim program to provide new areas of support while stakeholders provide input on the development of a new victim's assistance model.

Quick Fact

The *Victims of Crime and Public Safety Act* came into force on June 26, 2020.

Between September and December 2020, MLAs Nathan Neudorf and Angela Pitt led stakeholder engagement with victim advocacy groups and victim-serving organizations to gather opinions on the current service delivery model and identify ways to better support victims of crime. The outcomes of the engagement will inform the development of a permanent victims assistance program and the updating of the service delivery model, including governance and funding structure for organizations that provide services to victims across Alberta. The new model will ensure that victims are treated with courtesy, compassion and respect; that the right supports are

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority 2:

Making life better for Albertans

Objective 4:

Make the justice system fairer, faster and more effective

- Justice and Solicitor General invested \$4 million in 2020-21 to expand Drug Treatment Court capacity in Edmonton and Calgary to serve additional participants.
- Drug Treatment Courts were opened in Lethbridge and Medicine Hat, increasing accessibility to Albertans in rural areas.

available to victims when they need them; and that services are consistent and accessible in all areas of the province. Cabinet approvals of final recommendations for both the victims assistance program and service delivery model are expected in Spring and Fall 2021, respectively.

Since 2016, the Government of Alberta has been working with justice system partners to develop programs to support the implementation of the *Canadian Victims Bill of Rights*, including the right of victims to seek restitution. In 2020-21, the ministry worked to identify and address gaps in the right to seek restitution, which resulted in the development and implementation of a new restitution program for Alberta. A new Restitution Recovery Program (RRP) was launched on June 1, 2020 to better support victims with the recovery of outstanding restitution payments. The program also developed policy and standard operating procedures and various informational materials to enable a consistent approach and increased knowledge of the services provided through Victim Service Units. An ongoing survey was also launched to understand the concerns of victims of crime and identify issues to be addressed through program enhancements.

In 2020, Public Security Division developed a comprehensive two-year evaluation plan to determine the initial effectiveness of the RRP, and to provide recommendations for addressing any additional issues and gaps. A final evaluation report providing recommendations for future enhancements and informing other new programs is anticipated for 2022.

The Community Impact Statement Program allows a single representative of a community to submit a statement to the courts, indicating how a crime affected the community emotionally, physically, and financially. The new Community Impact Statement Program became operational on June 1, 2020 and was used three times in Provincial Court by the end of the fiscal year. The Victim Impact Statement Program also continued to operate. In 2020, a total of 7,488 Victim Impact Statements were submitted by a victim and/or their family as part of the court process. This figure includes 1,651 statements related to domestic violence, giving victims a voice in court.

Quick Fact

- 7,488 victim impact statements submitted in 2020.
- 1,651 domestic-violence related victim impact statements submitted in 2020.

Quick Fact

- In 2020-21, ITRAC averaged five requests for threat assessments per week.
- 2020-21 saw a 25 per cent increase in requests for service from the previous year.

The Integrated Threat and Risk Assessment Centre (ITRAC) assesses threats and develops risk reduction plans for serious domestic violence and stalking cases in Alberta, as well as providing expert advice and training about threat assessment, domestic violence, and stalking to criminal justice and government agencies throughout the province. ITRAC is also responsible for the risk assessment phase of the *Disclosure to Protect Against Domestic Violence (Clare's Law) Act*, assisting in the provincial coordination of the act to ensure that all risk-relevant information is reviewed and assessed prior to its disclosure to Albertans. 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 authorized the "right to ask", where applicants can request information on their intimate partner and the "right to know", whereby police can proactively apply to Clare's Law to inform a potential victim at risk of domestic violence.

3.2 Develop a sustainable and modernized way to deliver justice services and improve Albertans' access to these services, including the implementation of technology enhancements.

Albertans deserve a responsive, sustainable justice system where updated technologies and processes facilitate access to justice and ensure services are delivered efficiently and adaptably. In 2020-21, Justice and Solicitor General made significant progress towards addressing the challenges of outdated technologies through implementation of key technological initiatives and processes, including Justice Digital, Justice Transformation Initiative and mobile monitoring technology.

Quick Fact

The ministry is investing \$38 million over five years into the Justice Digital initiative.

The Justice Digital initiative is a suite of projects intended to increase accessibility of court and resolution services through the digitalization and modernization of traditional methods of service delivery. The initiative is enabling Alberta's courts and the broader justice system to better meet the needs of the public, judiciary, staff and other stakeholders. In response to the COVID-19 pandemic and associated public health social distancing requirements, Resolution and Court Administration Services and the courts focused early Justice Digital initiatives on maintaining essential court services, thereby ensuring the safety of Albertans and reducing the need to pay in-person visits to the courthouse.

In 2020-21, the following enhancements and projects were completed under the Justice Digital initiative:

- Remote Appearances – Virtual court capabilities that enable parties to participate in court processes remotely, which helped maintain the health and safety of Albertans during the pandemic. The courts have been able to conduct thousands of court matters virtually since implementing this enhanced service.
- Email Filing – A process that allows lawyers to file documents by email was implemented in the Court of Queen's Bench. This initiative reduced the need for in-person attendance at courthouses, which enhanced public safety during the pandemic.
- Traffic Ticket Digital Service – This new platform allows Albertans to resolve their tickets with options for requesting additional time to pay, negotiating early resolution of tickets outside of court, requesting a trial date, and paying fines.

Future initiatives under Justice Digital will expand the ministry's ability to provide online, digital services to Albertans, and streamline complicated and expensive court processes. Among the initiatives underway and scheduled for implementation in 2021-22 are new digital services in areas such as adjournments, courtroom productivity, electronic filing, and further expansion of remote appearance capability that will save Albertans time, money and resources.

Quick Fact

MyAlberta Fines Search has generated increased revenue of over \$2.6 million.

All digital measures the ministry is undertaking are working towards the mitigation of a 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. Justice Digital will support innovation in Alberta's courts and in the broader justice system. It will undertake process improvement projects using agile development methodologies to implement modern, robust and sustainable digital services and technology solutions that will enhance Albertans access to justice, generate efficiencies and reduce processing time for heavily paper-based activities within the courts and justice system.

In 2020-21, Justice and Solicitor General worked collaboratively with Alberta Transportation to implement the first phase of the Justice Transformation Initiative (JTI), which is designed to make Alberta roads safer while also restoring justice system capacity. The JTI establishes a simplified, accessible, and swift system for resolving matters involving most first-time impaired driving and other traffic safety offences. As part of the Phase 1 of the initiative, the *Provincial Administrative Penalties Act* (PAPA) came into force on December 1, 2020. The act and its regulations provide the legislative framework for the initiative, and established SafeRoads Alberta within the Ministry of Transportation to manage the resolution of impaired driving related contraventions of the *Traffic Safety Act*. Through PAPA, administrative penalties were strengthened for impaired driving, making Alberta's impaired driving laws the toughest in Canada. Throughout the process, JTI engaged with law enforcement agencies to share training, policy, and system requirements in preparation for the launch. A public education campaign was planned for the launch of the JTI project, however, as a result of the COVID-19 pandemic and resulting economic impact, the campaign was cancelled and an alternate communications strategy, using social media, was developed to educate the public about the upcoming changes.

The implementation of the first phase of JTI, which deals with impaired driving offences, is expected to free more than 10 prosecutors to address other serious and pressing criminal matters, such as impaired driving causing bodily harm or death, as well as more than 30,000 hours of police time, allowing for greater enforcement of impaired driving and all other crimes. In Phase 2 of the project, the ministry will spend \$2.5 million over a two-year period to enhance the Administrative Penalties Information System which allows Albertans who are issued administrative penalties to pay through a website, request time to pay, or schedule a review. Through this online administrative system, Albertans with impaired driving charges will benefit from affordable, less legalistic, and less bureaucratic options, including administrative alternatives to court processes. Phase 2 is also expected to divert approximately two million tickets from the court system to the administrative model where traffic tickets can be addressed online, eliminating approximately 500,000 in-person visits that Albertans make to Traffic Courts every year.

Quick Fact

The Justice Transformation Initiative is an administrative system that provides alternatives to court processes.

With simpler and faster processes, Albertans can resolve disputes using an accessible and understandable system. Rather than wait for months for a court date, Albertans can have adjudication requested, scheduled, and decided within 30 days for most matters. Adjudications can also be done in writing or over the phone, eliminating the need for Albertans to travel to a courthouse to address their concerns. By removing these impaired driving and traffic matters from the court system, JTI will save thousands of hours of police and court time per year, ensuring that Alberta's prosecutors and courts can focus on the most serious justice matters and freeing up police to patrol the streets and address rural crime. JTI will save time and resources of justice system participants, and give Albertans dealing with traffic matters greater access to justice through enhanced technological advances, thus mitigating strategic risks related to outdated technology systems.

The ministry continued to improve community safety by creating greater capacity for probation officers to effectively supervise moderate and high-risk cases. In 2020-21, Community Corrections and Release Programs Branch (CCRPB) moved forward with the Innovative Offender Management and Supervision (IOMS) Project with a focus on mobile monitoring technology designed to support enhanced supervision of offenders in the community and efficiently manage the adult pre-trial and low-risk offender populations. The technology also allows pre-trial accused and low-risk sentenced offenders to report to their probation officers through a mobile application rather than in-person or by phone. Through a competitive procurement process, E-Hawk Solutions was selected as the service provider for this technology, and will provide an additional tool for CCRPB to support enhanced supervision of pre-trial accused and low risk offenders with reporting conditions. The

Quick Fact

The implementation of mobile monitoring technology is expected to result in an annual cost-savings of approximately \$1,250,000 for the province.

project is currently in the pre-implementation phase with gap analysis sessions in progress with E-Hawk Solutions, CCRPB, and the JSG Information and Technology Management Sector. The first phase of implementation is scheduled for Q1 of the 2021-22 fiscal year. In preparation for the implementation of mobile monitoring technology, a Pre-Trial Risk Assessment (PTRA) tool was developed and implemented in December 2020. This assessment tool identifies the risk of pre-trial failure, and complements Correctional Services Division's pre-existing suite of risk assessments for sentenced offenders supervised in the community. Implementation of the PTRA will assist probation officers in making evidence-based supervision decisions, and will streamline supervision of the adult pre-trial population.

Throughout the COVID-19 pandemic, Justice and Solicitor General worked to prioritize public health and safety in correctional facilities and in the community while maintaining existing supports for clients. Provincial correctional facilities implemented enhanced intake screening and 14-day quarantining for all new inmate admissions, and temporarily discontinued the use of inmates for internal services such as cleaning and kitchen support. Correctional Services division has increased the use of CCTV and video technology for court appearances and youth visitation.

In community corrections, technology such as software phones and web-based video calls have been used for remote supervision of clients. In-person curfew checks and in-class rehabilitative programming at attendance centres remain suspended, while Youth Centre school programming continues online. As of March 2021, a provincial casework audit began as a way of assessing the impacts of community corrections' COVID-19 service adaptations, allowing for a strategic, more informed approach to aligning with the province's phased re-launch plan.

A number of technology projects were expedited to address challenges that arose directly from COVID-19. These projects included expansion of video visitation to youth in custody, as well as eDisclosure and Video Court laptops to allow on-unit court appearances with the centres. In addition, government continued priority projects related to correctional services, such as upgrades to the Offender Records and Correctional Administration (ORCA) system to support the implementation of an Alberta Provincial Parole Board. Information about inmate populations was provided to operational areas to support decisions around Temporary Absence eligibility and better manage space within centres.

3.3 Work with the courts and other stakeholders to create and enhance specialized courts where feasible and appropriate.

The ministry continued to work with stakeholders, including courts, to develop options for Albertans accused of crimes who could benefit from targeted services, interventions and supports, where feasible and appropriate. Through specialized courts, Justice and Solicitor General provides support for Albertans who require extra help navigating the justice system through programs such as Indigenous courts and the mental health court. Specialized courts recognize that legal problems are often interlinked with family violence and/or breakdown, poverty, mental health concerns, and substance abuse. These programs' aim is to address issues rather than just decide a dispute or assign guilt.

The Mental Health Court in Edmonton addresses the overrepresentation of people with mental illness in the justice system by focusing on underlying mental health issues that often contribute to repeated involvement with the criminal justice system. Submissions from legal and health professionals focus on addressing the complex problems underlying the offending behaviour while still holding the individual accountable.

Alberta has circuit courts located on Nation land at Alexis Nakota Sioux Nation, Siksika Nation, and Tsuut'ina Nation. The Alexis Nakota Sioux Nation uses a restorative court model that promotes community involvement in the court process. A local justice committee provides recommendations for sentencing options as well as assistance to the court in identifying appropriate community-based alternatives. The courthouse on Siksika Nation has its own courtroom on Nation land, a judge of Indigenous heritage who sits regularly, and a dedicated prosecutor who supports the provision of culturally sensitive prosecution services. All participants in the Indigenous court sit at the same level, in a round non-hierarchical arrangement. The Tsuut'ina Nation courthouse opened in March 2021, and implements the Peacemaker process, which utilizes Provincial Court processes while encompassing peacemaker processes such as sentencing circles, workshops and diversionary measures with a dedicated court clerk who is knowledgeable in Indigenous culture, values, and worldviews and traditions. The Court has jurisdiction over criminal, youth, traffic and bylaw offences committed on the Tsuut'ina Nation.

Quick Fact

In 2020-21, upon completion of a new courthouse, the Alexis circuit court returned to Nation land with its first sitting in December 2020.

In 2019, the Calgary Indigenous Court was established to provide a culturally relevant, restorative, and holistic system of justice for individuals who identify as Indigenous, including offenders, victims and the community harmed by an offender's actions. The court is a response to the unique challenges and circumstances of Indigenous people to address the issue of their over-representation in the justice system. It is a step forward in implementing recommendations from the Truth and Reconciliation Commission (TRC) as well as the Missing and Murdered Indigenous Woman and Girls National Inquiry (MMIWG) Report. The Court conducts judicial interim release hearings, sentencing hearings, docket appearances, bail, dispositions, and probation reviews. The judges who preside at this court, together with the offender, the victim, representatives from the community, police, the prosecutor, and other stakeholders participate in circle hearings. A comprehensive evaluation of the Calgary Indigenous Court with the Elizabeth Fry Society is underway that will assess the impact of the court on clients and the feasibility of expansion.

Quick Fact

In 2020-21, Drug Treatment Courts opened in Lethbridge and Medicine Hat.

During the 2020-2021 fiscal year, significant work was done to expand access to Drug Treatment Court (DTC) services for all Albertans, with the overall intent of ensuring that offenders with drug addictions and facing a jail sentence have access to a judicially supervised drug abuse treatment and rehabilitation programs with a community restoration focus. DTC is an intensive court-supervised drug treatment program that provides participants with support to overcome drug dependence address criminal behaviour and reintegrate into the community. New contracts started with the

existing DTCs in Edmonton and Calgary, providing funding to double their government-funded capacity. These contracts established agreements that allow each DTC to serve 40 participants annually, an increase from 20 participants per year. Additionally, two new DTCs were established during the 2020-2021 fiscal year; the Lethbridge DTC opened on November 18, 2020; and the Medicine Hat DTC opened on January 27, 2021. Both courts are operational with active participants engaged in their programs. Engagement on the establishment of Red Deer and Grande Prairie DTCs has begun and will continue in 2021-22 with the goal of opening the new courts in Fall 2021. The COVID-19 pandemic resulted in a lower-than-anticipated increase in the number of admissions. Court closures and restraints, along with public health restrictions, prevented the Calgary and Edmonton DTCs from regularly accepting new participants between March 2020 and September 2020, and significantly reduced the number of new participants admitted during the remainder of the fiscal year. Likewise, these pandemic-related factors slowed the rollout of the newly created DTCs, and limited admittance of new participants in these programs. With two additional DTCs planned for late 2021 and a third DTC for Spring 2022, the investment in all seven provincial DTCs

is expected to double the total number of participants admitted to provincial DTCs, with at least 180 participants per year when they become fully operational.

The ministry continued to work with justice system partners to implement the Domestic Violence Justice Response (DVJR) service delivery model. DVJR is a recognized best practice where community and justice partners including prosecutors, correctional services, police, victim case managers, and community treatment partners work together to ensure that victims and their families affected by the complex crime of intimate partner violence (IPV) receive enhanced levels of services to support their need for information, support, and safety. The model also ensures that the integrated response system leads to more efficient court processes and better outcomes. In 2020-21, the ministry provided Victims of Crime and Public Safety Fund (VOCPSF) grants to HomeFront Calgary (\$600,000) and Edmonton John Howard Society's (EJHS) Nalah Centre (\$608,000) to deliver the victim-serving components of the DVJR service delivery model to victims in IPV charge files in Calgary and Edmonton. HomeFront Calgary is a long-standing DVJR program that has received grant funding since 1998. EJHS Nalah Centre is part of a pilot project that runs until June 2021, and is the first instance in which the foundational components of Calgary's successful DVJR service delivery model were replicated in another community. This is consistent with recommendations from the *Domestic Violence Courts White Paper*, which identifies the following foundational service delivery components:

- Direct referrals from law enforcement to the NGO victim-serving organization;
- Fully integrated and focused service delivery for victims of intimate partner violence;
- A single point of contact and enhanced supports that include case management, systems navigation, safety planning, and other criminal justice supports provided by specialized staff within the victim-serving organization;
- A fully operational Early Case Resolution (ECR) process that brings together all relevant stakeholders (i.e., prosecutors, defense, probation, Children's Services, police and victim case manager) to share information and discuss possibilities for resolution prior to docket court appearances; and
- Improved court efficiencies with optimal use of court resources

The COVID-19 pandemic presented several challenges to DVJR service delivery in the 2020-21 fiscal year. These included movement toward remote service delivery and postponement of in-person court proceedings in compliance with Alberta Health protocols. DVJR partners transitioned from in-person ECR meetings to a virtual platform, which resulted in increased participation of all parties compared to an in-person-only process. These benefits and efficiencies are likely to continue beyond the pandemic.

Moving forward, both HomeFront and EJHS have been approved for continued VOCPSF funding in 2021-22, at \$750,000 and \$606,000, respectively. This will enable continued integrated criminal justice supports for victims in IPV charge files in Calgary and Edmonton, and moves the Edmonton project beyond the pilot stage. Additionally, the ministry is exploring opportunities to expand the DVJR service delivery model to all other communities with DV courts (Fort Mc Murray, Grande Prairie, Lethbridge, Medicine Hat and Red Deer), and plans are underway to include DVJR expansion in the new provincial victim service delivery model currently under development. The ministry also continues to seek federal funding to assist in DVJR provincial expansion, consider opportunities to expand the model to rural communities without a specialized DV court, and explore possibilities to acquire a DVJR case management solution which would assist in standardized service delivery and data collection.

3.a Performance Measure: Alberta Justice and Solicitor General's Family Mediation Program resolution rate

Prior Years' Results				2020-21 Target	2020-21 Actual
2016-17	2017-18	2018-19	2019-20		
88%	88%	87%	85%	90%	89%

In 2020-21, the resolution rate for family mediations was 89 per cent, which was one per cent below the target of 90 per cent and four per cent above the previous year's result. Program resolution rate is affected by various factors, including the number of families attending mediation, the complexity of issues, and program resources such as availability of staff. There were also significant changes to service delivery due to the COVID-19 pandemic. The resolution rate remained consistent with expectations, and trend analysis shows consistency over the past five years. From 2016-17 to 2020-21, Family Mediation's resolution rate fluctuated from a low of 85 per cent to a high of 89 per cent.

The Family Mediation Program is a voluntary, affordable and less adversarial option for families to reach a mutual agreement, and applies in situations where one of the parties has a gross annual income of less than \$40,000. 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 program practices facilitative mediation, which means that the mediators do not dictate outcomes or suggest ways disputes can be resolved. Rather, mediators use communication techniques that allow participants own decisions. The program's success can be affected by the complexity of the individual cases.

This measure demonstrates the ministry's commitment to delivering alternative dispute resolution pathways to enable Albertans to resolve their legal issues outside of the courts where appropriate, and in a more timely and cost-effective manner than the courts can currently offer. The Family Mediation Program had an operational budget allocation of just over \$2,090,000 for the 2020-21 fiscal year. This includes 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 the general delivery of Resolution Services programs and not specifically attributed to family mediation services.

3.b Performance Measure: The Provincial Court Civil Mediation Program resolution rate

Prior Years' Results				2020-21 Target	2020-21 Actual
2016-17	2017-18	2018-19	2019-20		
49%	50%	46%	47%	53%	44%

In 2020-21, the Provincial Court Civil Mediation Program resolution rate was 44 per cent, which is nine per cent below the target of 53 per cent and three per cent below the previous year's result. This shortfall may be attributed to the impact of the COVID-19 pandemic, which limits person-to-person contacts. The program suspended face-to-face operations at the end of March 2020 and moved to remote service delivery in Edmonton and Calgary in May 2020. The accompanying financial challenges due to COVID-19 likely resulted in the lower resolution rate as fewer businesses and people had the financial means to settle. Moving from a co-mediation model to a solo model may have also impacted the resolution rate.

The Provincial Court Civil Mediation Program provides an opportunity for parties to resolve their disputes 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 do require a judicial decision. In August 2014, the financial jurisdiction of Provincial Court Civil increased from \$25,000 to \$50,000. This change resulted in more complex files being diverted into mediation; however, it should be noted that 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 employ communication techniques that allow participants to make their own decisions. It is up to the parties to choose whether to resolve their disputes through mediation. Mediation coordinators screen files for those that they believe are likely to succeed at mediation, based upon the parties' written pleadings. While coordinators use specific criteria to select 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 ability of parties to connect with the mediator, all likely impact the resolution rate.

This measure demonstrates the ministry's commitment to delivering alternative dispute resolution pathways for Albertans to resolve their legal issues outside of the courts where appropriate, and in a timelier and cost-effective manner. In 2020-21, the Civil Mediation Program's budget was just over \$969,000.

3.c Performance Measure: Proportion of fine payments made online rather than in-person at a registry office or courthouse.

Prior Years' Results				2020-21 Target	2020-21 Actual
2016-17	2017-18	2018-19	2019-20		
18%	27%	34%	37%	40%	48%

In 2020-21, 48 per cent of traffic fines were paid online, which is eight per cent above the target and 11 per cent above the previous year's result of 37 per cent. Trend analysis shows consistent increase in online traffic fine payments over the past five years. From 2016-17 to 2020-21, the proportion of online payments have increased by 167 per cent. The 2020-21 target was based on the data available in the first six months of the 2019-20 fiscal year. At the time, the imminent COVID-19 pandemic and the consequent closure of traffic court, as well as the waiver of online payment fees, were not taken into consideration in setting the target. Rather, it was a stretch target, and demonstrates the ministry's commitment to using a client-focused approach to deliver

resolution and court administration services to Albertans, enabling them to pay fines at their own convenience, at any time, from any location, rather than having to visit a registry office or courthouse during fixed business hours.

Online fine payments was implemented in July 2016, with a mandate of making fine payments more accessible for Albertans. During the first two years following implementation, there was a gradual uptake of online payments, as is to be expected with any new initiative. On September 30, 2019, MyAlberta Fines Search was introduced. 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 eServices website to pay their fines. The continuing work on digitizing fines payment through the Traffic Ticket Digital Service (TTDS), which is being developed under Justice Digital, is expected to positively impact this performance measure. The service will make ticket resolution more responsive by providing online ticket resolution and payment. The TTDS will enable partial payment options, which are currently not available through the eServices portal. The cost of developing the TTDS to date is approximately \$500,000.

This measure was included in the 2020-23 Business Plan for the first time. As the online fines payment is completely voluntary, a party's willingness, readiness and means to pay the fine online without going to court, the type of fine, and the amount of the fine will impact the measure.

3.d Performance Indicator: Number of individuals admitted to Drug Treatment Court

Prior Years' Results				2020-21 Actual
2016-17	2017-18	2018-19	2019-20	
28	43	49	56	49

In 2020-21, 49 individuals were admitted into the Drug Treatment Courts (DTCs) in Alberta, a 12.5 per cent decrease from the previous year's result. Data for this indicator is an aggregate of the number of participants reported by each DTC during the fiscal year. This included 22 for Calgary DTC and 21 for Edmonton DTC, and three each for the Lethbridge and Medicine Hat DTCs that opened in 2020-21.

The government has committed an investment of up to \$5 million annually, starting in 2020-21, to expand the use of Drug Treatment Courts, both in increasing the number of those who could participate in Calgary and Edmonton, and in increasing accessibility to Albertans in rural areas. In 2020-21, the Edmonton and Calgary DTCs had their funding increased to serve 40 participants per year each, and two new DTCs were created in late 2020 and early 2021. Even though the Calgary and Edmonton DTCs saw lower-than-expected admissions due to the COVID-19 pandemic, their funding increases were used to increase the operational capacities of their programs. This funding was used directly to support increases in fixed costs; such as staffing, support services, physical infrastructure, and program resources. These expanded elements are now in place to provide enhanced services to existing participants, and will allow for the immediate entry of new participants once health restrictions are relaxed.

The funding for future evaluations has also 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 all the Drug Treatment Courts will help to inform the government's commitment to expand and increase the accessibility of Drug Treatment Courts and inform the policy and program intervention at Drug Treatment Court.

Performance Measure and Indicator Methodology

Performance Measure 1.a:

Percentage of probation officers trained in the effective intervention techniques derived from 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 Measure 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. CCJCSS CANSIM Table data was available on October 29, 2020.

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 Measure 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. CCJCSS CANSIM Table data was available on October 29, 2020.

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 per cent 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 Measure 1.d:
Number of provincially funded police officer positions**

Source: Justice and Solicitor General Administrative Data, Public Security Division

Provincially funded police officer positions includes regular Royal Canadian Mounted Police (RCMP) members and civilian members under the Provincial Police Services Agreement (PPSA), the Alberta Law Enforcement Response Teams (ALERT), the Integrated Threat and Risk Assessment Centre (ITRAC), the Alberta Serious Incident Response Team (ASIRT), the Integrated Community Safety Unit (ICS), 48 per cent funding for the First Nations Community Tripartite Agreements (CTAs) with the RCMP, 48 per cent funding for the Self-Administered First Nations Police Services and 100 per cent funding for 3 Crime Prevention positions for the First Nations Policing Program (FNPP). Funding agreements exist between the ministry and police organizations, which identify the number of police officer positions being funded each fiscal year. Public Security Division then totals the number of funded positions for this performance indicator.

**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 Measure 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 Measure 2.c:
Number of trial prosecutors**

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

The number identified in the 2019-20 Annual Report is the number of positions, and the number identified in this annual report is the actual number of people. The actual number of people is obtained from an internal database, managed by the Director of Workforce Planning. This number is a point-in-time-number, as of a specific date, and changes often throughout the fiscal year due to staffing turnover.

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

**Performance Measure 2.d:
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 per cent. 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 3a:

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 3b:

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 3c:

Proportion of fine payments made online rather than in-person at a registry office or courthouse

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

The proportion of fine payments made online is determined by dividing the number of "online payments" made within a fiscal year by the total payments of all types made within the fiscal year using different delivery channels, multiplied by 100. Types of payment includes cash (in person at a courthouse), cheque (by mail or in person at a courthouse), credit card (in person at a courthouse), debit (in person at a courthouse), external (motor vehicle division, registry and fines collection), and online.

Performance Measure 3d:

Number of individuals admitted to Drug Treatment Court

Sources: Administrative Data – Calgary Drug treatment Court; Edmonton John Howard Society; McMan Youth, Family and Community Services (Lethbridge Drug Treatment Court); McMan Youth, Family and Community Services (Medicine Hat Drug Treatment Court).

The number of individuals admitted to Drug Treatment Court (DTC) is the aggregate of the number of participants reported by each provincial DTC during the fiscal year. DTC clients are tracked by each DTC as part of an administrative process. This fiscal year, the total includes data from Calgary, Edmonton, Lethbridge and Medicine Hat DTCs.

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Reporting Entity and Method 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 and Public Safety 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)

End of the year March 31, 2021

	2021		2020	Change from	
	Budget	Actual	Actual	Budget	2020 Actual
<i>In thousands</i>					
Revenues					
Federal government grants	\$ 50,434	\$ 46,351	\$ 46,068	\$ (4,083)	\$ 283
Premiums, fees and licences	57,900	49,323	56,193	(8,577)	(6,870)
Investment income	1,385	730	2,796	(655)	(2,066)
Other	334,208	241,822	254,964	(92,386)	(13,142)
Ministry total	443,927	338,226	360,021	(105,701)	(21,795)
Inter-ministry consolidation adjustments	-	(3,046)	(10,084)	(3,046)	7,038
Adjusted ministry total	443,927	335,180	349,937	(108,747)	(14,757)
Expenses - directly incurred					
Programs					
Ministry Support Services	25,188	23,137	24,004	(2,051)	(867)
Resolution and Court Administration Services	196,945	183,024	198,599	(13,921)	(15,575)
Legal Services	48,788	44,328	56,169	(4,460)	(11,841)
Alberta Crown Prosecution Service	101,581	102,753	104,330	1,172	(1,577)
Justice Services	164,092	161,491	161,641	(2,601)	(150)
Public Security	526,550	537,706	524,147	11,156	13,559
Correctional Services	287,361	288,843	295,186	1,482	(6,343)
Alberta Human Rights	7,027	6,189	6,904	(838)	(715)
Motor Vehicle Accident Claims	30,813	38,301	32,038	7,488	6,263
Victims of Crime and Public Safety Fund	60,858	56,279	43,347	(4,579)	12,932
Ministry total	1,449,203	1,442,051	1,446,365	(7,152)	(4,314)
Inter-ministry consolidation adjustments	-	(385)	(1,676)	(385)	1,291
Adjusted ministry total	1,449,203	1,441,666	1,444,689	(7,537)	(3,023)
Annual Deficit before inter-ministry consolidation adjustments	\$ (1,005,276)	\$ (1,103,825)	\$ (1,086,344)	(98,549)	(17,481)
Inter-ministry consolidation adjustments	-	(2,661)	(8,408)	(2,661)	5,747
Adjusted annual deficit	\$ (1,005,276)	\$ (1,106,486)	\$ (1,094,752)	(101,210)	(11,734)

Revenue and Expense Highlights

Revenues

Budget to Actual

Ministry revenues in 2020-21 are \$335.2 million, which is \$108.7 million or 24.5 per cent lower than budgeted. The decreased revenues are mainly the result of:

- \$80.4 million decrease in fine revenue due to lower than anticipated payments of *Traffic Safety Act* tickets and associated Victims of Crime and Public Safety surcharges;
- \$12.6 million decrease for Late Payment Penalty due to reduced number of clients paying late fees;
- \$8.6 million decrease in Premiums, Fees and Licenses due to reduced activity in the associated programs tied to COVID-19 resulting in less court fees, Motor Vehicle Accident Claims fees, and other fees;
- \$4.1 million decrease in Federal Government Grants due to reduced activity in the associated programs tied to COVID-19 resulting in less in-person training and travelling; and
- \$3 million for Inter-ministry consolidation adjustments.

Actual to Actual

- Actual revenues in 2020-21 reflect a decrease of \$14.7 million or 4.2 per cent:
- \$14.1 million decrease in fine revenue due to lower than anticipated payments of Traffic Safety Act tickets and associated Victims of Crime and Public Safety surcharges;
- \$11.4 million decrease in other miscellaneous revenue;
- \$9.9 million decrease for Late Payment Penalty due to reduced number of clients paying late fees;
- \$6.8 million decrease in Premiums, Fees and Licenses due to reduced court fees and other miscellaneous fees; and
- \$2.1 million decrease in Investment Income.

Offset by:

- \$22.3 million increase for implementation of the Police Funding Model;
- \$7 million increase for Inter-ministry consolidation adjustments; and
- \$0.3 million increase in the Federal Government primarily for Legal Aid.

Revenue and Expense Highlights (Cont'd)

Expenses

Budget to Actual

The total operating expense in 2020-21 was \$1,441.7 million, which is \$7.5 million or 0.5 per cent lower than budget.

- \$19 million lower in Salaries, Wages, and Employee Benefits is mainly due to vacancies throughout the ministry, delays in hiring, and reduced overtime;
- \$3.4 million lower in Amortization is mainly due to a large number of capital assets in use that are fully amortized;
- \$2.1 million lower in Other Financial Transactions is mainly due underspending in the Financial Benefits Liability Adjustment due to a reduction in active case files and underspending in the valuation adjustment for ticket write-offs;
- \$0.3 million eliminated for services provided primarily by Alberta Health Services;

Offset by:

- \$9.5 million higher in Supplies and Services is mainly due to Public Safety Initiatives in the Victims of Crime and Public Safety Fund as the budget was listed as other objects of expense; and
- \$7.8 million higher is mainly due to additional grant funding for ALERT.

Actual to Actual

Actual operating expenses were \$3 million or 0.3 per cent lower than 2019-20 with the following highlights:

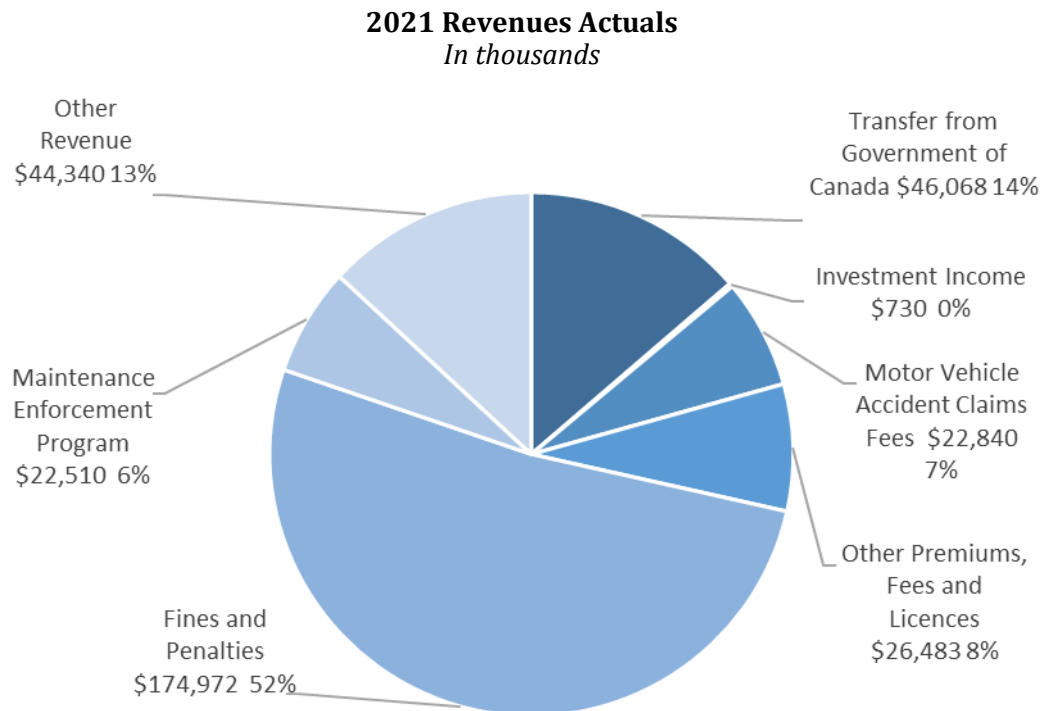
- \$30.8 million decrease in Salaries, Wages, and Employee Benefits is mainly due to attrition, recruitment delays, transfer of manpower expenses to client ministries, and lower overtime payments in adult remand and correctional centers;
- \$4.2 million decrease in Other Financial Transactions is mainly due a decrease in traffic ticket write-offs associated with a policy change;

Offset by:

- \$18.3 million increase in Supplies and Services is mainly due to additional funding for the RCMP to implement the new Police Funding Model which increased funding for police officers in rural communities and the implementation of the Rural Alberta Provincial Integrated Defence (RAPID) Response to help address rural crime in the province;
- \$12.1 million increase is mainly due to increased funding to Alberta Law Enforcement Response Team (ALERT) to fund up to 128 new positions under its new operating mandate; and
- \$1.3 million increase in eliminations for services provided primarily by Alberta Health Services;
- \$0.3 million increase in Amortization is mainly due to the purchase of new capital assets.

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.

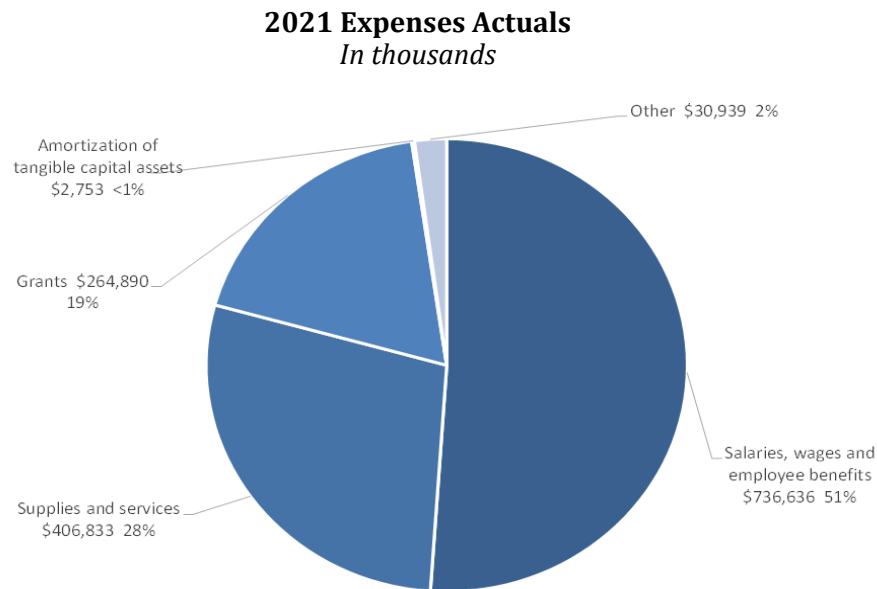


- **Fines and Penalties** (\$175.0 million). Overall, Traffic Safety Act fines make-up the majority of this category, and includes the following:
 - Ticket Processing Retention fee - 40% of all Traffic Safety Act fines across the province as well as the full amount of fines levied by Highway Traffic Sheriffs on Alberta highways;
 - Victims of Crime and Public Safety Fund (VoCPSF) also levies a 20% 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 VoCPSF; 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** (\$26.5 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 autopsies and toxicology fees.

- **Motor Vehicle Accident Claims (MVAC)** (\$22.8 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** (\$22.5 million). Comprised mainly of amounts subrogated by the Crown's Family Support Order Services for the Maintenance Enforcement Program.
- **Investment Income** (\$0.7 million). Comprised mainly of interest earned on the Human Rights Education and Multiculturalism Fund and Victims of Crime and Public Safety Fund, and department funds invested in the Consolidated Cash Investment Trust Fund.
- **Other Revenue** (\$44.3 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** (-\$3.0 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)

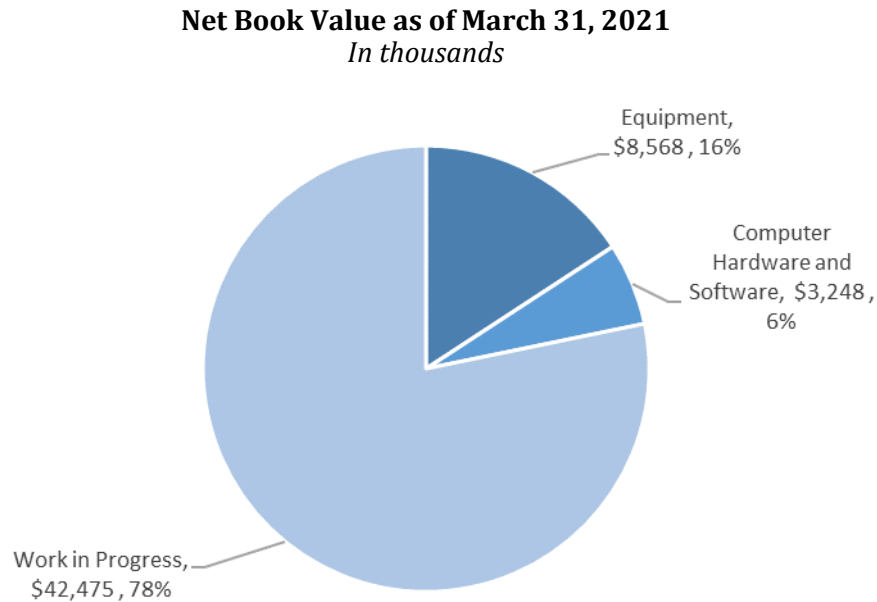
The following information presents expenses of the ministry that were directly incurred by object. The objective of disclosure of expenses by object is to provide information that is useful in evaluating the economic impact of government acquiring or consuming various types of resources.



- Salaries, wages and employee benefits expenses of \$736.6 million are the ministry's largest operating expense, or 51% 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 \$406.8 million or 28% 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 \$264.9 million or 19% 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 and Public Safety Fund.
- Amortization of tangible capital assets (\$2.8 million) and other expenses (\$30.9 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 (-\$2.7 million) for the services provided by Alberta Health Services.

Supplemental Financial Information

Tangible Capital Assets (unaudited)



- Tangible capital assets include work in progress (78%), equipment (16%) and computer hardware (6%).
- **Work in Progress** primarily comprised of \$29.0 million in Resolution and Court Administration Services mainly for Justice System Technology Renewal and Justice Digital, \$6.3 million in Public Security primarily for the Rapid Response, \$3.2 million in Correctional Services for video visitation and radio system, \$3.0 million in Alberta Crown Prosecution Services for Justice Transformation Initiative and \$0.9 million for others.
- **Equipment** primarily comprised of \$2.8 million in Correctional Services (e.g. body scanners), \$2.2 million for the Office of the Chief Medical Examiner (e.g. x-ray equipment), \$3.5 million in Public Security Division (e.g. vehicles, watch guard in-car video equipment and distributed antenna system), and \$0.1 million in the courts and other divisions.
- **Computer Hardware and Software** primarily comprised of \$1.4 million in Resolution and Court Administration Services (technology for courtrooms), \$1.4 million in Public Security Division (Panasonic Toughbooks, Guns and Gangs initiative and AVATAR victim grants tracking system) and \$0.4 million in Business Intelligence Analytics software.

Financial Statements of Other Reporting Entities

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Human Rights Education and Multiculturalism Fund

Financial Statements

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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 (the Fund), which comprise the statement of financial position as at March 31, 2021, 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 Fund as at March 31, 2021, 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 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 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* relating to the Fund, but does not include the financial statements of the Fund 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 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 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 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 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 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 2, 2021

Edmonton, Alberta

Statement of Revenues and Expenses

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2020

	2021		2020
	Budget	Actual	Actual
<i>In thousands</i>			
Revenues			
Internal Government Transfer			
Department of Justice and Solicitor General	\$ -	\$ -	\$ 500
Investment income	75	21	67
Premiums, fees and licences	25	1	16
Other revenue	10	-	-
	<u>110</u>	<u>22</u>	<u>583</u>
Expenses - Directly incurred (Note 2(a) and Schedule 1 and 2)			
Programs			
Support to community groups	-	-	109
Education programs	-	2	17
	<u>-</u>	<u>2</u>	<u>126</u>
Annual surplus	<u>\$ 110</u>	<u>\$ 20</u>	<u>\$ 457</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, 2021

	2021	2020
	<i>In thousands</i>	
Financial assets		
Cash and cash equivalents (Note 4)	\$ 4,183	\$ 4,158
Accounts receivable	1	7
	<u>4,184</u>	<u>4,165</u>
Liabilities		
Accounts payable and accrued liabilities (Note 5)	-	3
	<u>4,184</u>	<u>4,162</u>
Net financial assets		
	<u>4,184</u>	<u>4,162</u>
Non-financial assets		
Tangible capital assets (Note 6)	2	4
Net assets	<u>\$ 4,186</u>	<u>\$ 4,166</u>
Net assets at beginning of year	\$ 4,166	\$ 3,709
Annual surplus	20	457
Net assets at end of year	<u>\$ 4,186</u>	<u>\$ 4,166</u>

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, 2021

	2021		2020
	Budget	Actual	Actual
	<i>In thousands</i>		
Annual surplus	\$ 110	\$ 20	\$ 457
Amortization of tangible capital assets (Note 6)	-	2	2
Increase in net financial assets	\$ 110	\$ 22	\$ 459
Net financial assets at beginning of year	-	4,162	3,703
Net financial assets at end of year	\$ 110	\$ 4,184	\$ 4,162

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, 2021

	2021	2020
	<i>In thousands</i>	
Operating transactions		
Annual surplus	\$ 20	\$ 457
Non-cash items Included in annual surplus		
Amortization of tangible capital assets (Note 6)	2	2
	<u>22</u>	<u>459</u>
Decrease in accounts receivable	6	-
Decrease in accounts payable and other accrued liabilities (Note 5)	(3)	(20)
Cash provided by (applied to) operating transactions	<u>25</u>	<u>439</u>
Increase/(decrease) in cash and cash equivalents	\$ 25	\$ 439
Cash and cash equivalents at beginning of year	4,158	3,719
Cash and cash equivalents at end of year	<u>\$ 4,183</u>	<u>\$ 4,158</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, 2021

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.

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.

Notes to the Financial Statements (Cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2021

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

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

Expenses (Cont;)

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.

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.

Notes to the Financial Statements (Cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2021

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

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

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.

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.

Notes to the Financial Statements (Cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2021

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, 2021, securities held by the fund have a time weighted return of 0.42% (2020 - 1.9%) 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)

	2021	2020
Other Program Expenses	\$ -	\$ 3

NOTE 6 TANGIBLE CAPITAL ASSETS (in thousands)

	2021	2020
	Equipment	
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	13	11
Amortization expense	2	2
Effect of disposals including write-downs	-	-
	<u>15</u>	<u>13</u>
Net book value at March 31, 2021	<u>\$ 2</u>	
Net book value at March 31, 2020		<u>\$ 4</u>

Notes to the Financial Statements (Cont'd)

Human Rights Education and Multiculturalism Fund

March 31, 2021

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, 2021, the fund has no obligations under contracts and programs (2020-\$0).

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, 2021

	2021		2020
	Budget	Actual	Actual
	<i>In thousands</i>		
Supplies and services	\$ -	\$ -	\$ 15
Grants	-	-	109
Amortization of tangible capital assets (Note 6)	-	2	2
Total expenses	\$ -	\$ 2	\$ 126

Allocated Costs

Schedule 2

Human Rights Education and Multiculturalism Fund

Year Ended March 31, 2021

Program	2021			2020
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Total Expenses
Accommodation Costs ⁽²⁾		Total Expenses	Total Expenses	
	<i>In thousands</i>			
Support to Community Groups	\$ -	\$ -	\$ -	\$ 185
Education Programs	2	79	81	17
	<u>\$ 2</u>	<u>\$ 79</u>	<u>\$ 81</u>	<u>\$ 202</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, 2021

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>2021</u>	<u>2020</u>
	<i>In thousands</i>	
Revenues		
Transfer from the Department of Justice and Solicitor General	\$	- \$ 500

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 and Public Safety Fund
Financial Statements
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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 and Public Safety Fund (the Fund), which comprise the statement of financial position as at March 31, 2021, 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 Fund as at March 31, 2021, 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 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 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* relating to the Fund, but does not include the financial statements of the Fund 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 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 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 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 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 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 2, 2021
Edmonton, Alberta

Statement of Revenues and Expenses

Victims of Crime and Public Safety Fund

Year Ended March 31, 2021

	2021		2020
	Budget	Actual	Actual
<i>In thousands</i>			
Revenues			
Government transfers			
Federal and other government grants	\$ 1,362	\$ 630	\$ 1,077
Investment income	1,000	357	1,220
Other			
Provincial fine surcharge	59,350	39,274	41,901
Federal fine surcharge	2,500	668	(1,282)
Refunds of Expense	-	1,886	1,323
	<u>64,212</u>	<u>42,815</u>	<u>44,239</u>
Expenses - directly incurred (Note 2(a) and Schedule 1 and 2)			
Programs			
Financial Benefits	10,039	13,395	18,603
Assistance to Victims Organizations	24,030	18,563	23,527
Public Safety Initiatives	25,571	23,425	-
Criminal Injuries Review Board	400	164	427
Program Support Services	818	732	790
	<u>60,858</u>	<u>56,279</u>	<u>43,347</u>
Annual (deficit)/surplus	<u>\$ 3,354</u>	<u>\$ (13,464)</u>	<u>\$ 892</u>

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

Statement of Financial Position

Victims of Crime and Public Safety Fund

As at March 31, 2021

	2021	2020
	<i>In thousands</i>	
Financial assets		
Cash and cash equivalents (Note 4)	\$ 52,184	\$ 72,809
Accounts receivable (Note 5)	42,931	30,265
	<u>95,115</u>	<u>103,074</u>
Liabilities		
Accounts payable and accrued liabilities (Note 7)	<u>31,513</u>	<u>26,099</u>
Net financial assets	<u>63,602</u>	<u>76,975</u>
Non-financial assets		
Tangible capital assets (Note 8)	151	242
Net assets	<u>\$ 63,753</u>	<u>\$ 77,217</u>
Net assets at beginning of year	\$ 77,217	\$ 76,325
Annual (deficit)/surplus	(13,464)	892
Net assets at end of year	<u>\$ 63,753</u>	<u>\$ 77,217</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 and Public Safety Fund

Year Ended March 31, 2021

	2021		2020
	Budget	Actual	Actual
	<i>In thousands</i>		
Annual (deficit)/surplus	\$ 3,354	\$ (13,464)	\$ 892
Amortization of tangible capital assets (Note 8)	69	91	91
(Decrease)/Increase in net financial assets	\$ 3,423	\$ (13,373)	\$ 983
Net financial assets at beginning of year	76,975	76,975	75,992
Net financial assets at end of year	<u>\$ 80,398</u>	<u>\$ 63,602</u>	<u>\$ 76,975</u>

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

Statement of Cash Flows

Victims of Crime and Public Safety Fund

Year Ended March 31, 2021

	2021	2020
	<i>In thousands</i>	
Operating transactions		
Annual (deficit)/surplus	\$ (13,464)	\$ 892
Non-cash items included in annual surplus		
Amortization of tangible capital assets (Note 8)	91	91
	<u>(13,373)</u>	<u>983</u>
(Increase)/decrease in accounts receivable	(12,666)	2,270
Increase/(decrease) in accounts payable and other accrued liabilities (Note 7)	5,414	(5,058)
Cash applied to operating transactions	<u>(20,625)</u>	<u>(1,805)</u>
Decrease in cash and cash equivalents	(20,625)	(1,805)
Cash and cash equivalents at beginning of year	72,809	74,614
Cash and cash equivalents at end of year	<u>\$ 52,184</u>	<u>\$ 72,809</u>

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

Notes to the Financial Statements

Victims of Crime and Public Safety Fund

March 31, 2021

NOTE 1 AUTHORITY

The Victims of Crime and Public Safety Fund (the fund) operates under the authority of the *Victims of Crime and Public Safety Act*, Chapter V-3, Revised Statutes of Alberta 2000. The fund is renamed in 2020-21 from the “Victims of Crime Fund” to the “Victims of Crime and Public Safety Fund”.

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 and Public Safety 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 and Public Safety Fund

March 31, 2021

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.

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.

Notes to the Financial Statements (Cont'd)

Victims of Crime and Public Safety Fund

March 31, 2021

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

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

Financial Assets (Cont'd)

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:

- d) are normally employed to deliver government services;
- e) may be consumed in the normal course of operations; and
- f) 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 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.

Notes to the Financial Statements (Cont'd)

Victims of Crime and Public Safety Fund

March 31, 2021

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

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

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 \$42,931 (2020 - \$30,265) 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 \$947 (2020 - \$1,015) are based on the actual percentage satisfied in this manner from April 1, 2020 to March 31, 2021 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 (2020 - \$1,194) in these financial statements, is based on the actual percentage of surcharges written off from April 1, 2020 to March 31, 2021.

- Financial benefits program (Note 10) liabilities total \$16,794 (2020 - \$20,615) and include:
 - financial benefits reported in the amount of \$3,559 (2020 - \$7,626);
 - supplemental financial benefits in the amount of \$9,786 (2020 - \$9,099); and
 - compensation claims in the amount of \$3,449 (2020 - \$3,890).

Notes to the Financial Statements (Cont'd)

Victims of Crime and Public Safety Fund

March 31, 2021

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 safety 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, 2021, securities held by the fund have a time weighted return of 0.42% (2020 - 1.9%) 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 and Public Safety Fund

March 31, 2021

NOTE 5 ACCOUNTS RECEIVABLE (in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2021			2020	
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada Surcharge	\$ 2,277	\$ -	\$ -	\$ 2,277	\$ 1,940
Provincial	26,291	626	1,106	24,559	24,612
Federal	959	321	88	550	329
Other	15,545	-	-	15,545	3,384
	<u>\$ 45,072</u>	<u>\$ 947</u>	<u>\$ 1,194</u>	<u>\$ 42,931</u>	<u>\$ 30,265</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, 2021, the estimate of contingent assets for fines revenue is \$6,657 (2020 - \$6,770)

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

	2021	2020
Grants to non-profit organizations	\$ 1,735	\$ 4,612
Financial benefits program (Note 10)	16,794	20,615
Other program expenses	12,984	872
	<u>\$ 31,513</u>	<u>\$ 26,099</u>

Notes to the Financial Statements (Cont'd)

Victims of Crime and Public Safety Fund

March 31, 2021

NOTE 8 TANGIBLE CAPITAL ASSETS
(in thousands)

	2021	2020
	Computer Hardware and Software	
Estimated Useful Life	3 -10 years	
Historical Cost		
Beginning of year	\$ 868	\$ 868
Additions	-	-
Recategorization	-	-
Disposals, Including Write-downs	-	-
	<u>868</u>	<u>868</u>
Accumulated Amortization		
Beginning of year	626	535
Amortization Expense	91	91
Transfer-In/(Out)	-	-
Effect of Disposals	-	-
	<u>717</u>	<u>626</u>
Net Book Value at March 31, 2021	<u>\$ 151</u>	
Net Book Value at March 31, 2020		<u>\$ 242</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, 2021, the fund has obligations under contracts and programs totaling \$14,064 (2020 - \$13,856).

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

Obligations under Operating Leases, Contracts and Programs	
2021-22	<u>\$ 14,064</u>

Notes to the Financial Statements (cont'd)

Victims of Crime and Public Safety Fund

March 31, 2021

NOTE 10 FINANCIAL BENEFITS PROGRAM

(in thousands)

Financial Benefits

As at March 31, 2021, there were five hundred eighteen (2020 – one thousand five hundred ninety nine) active applications for financial benefits and nil (2020 – nil) action cases for class actions files.

Financial Benefits liability of \$3,559 (2020 - \$7,626) 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, 2021, twenty three (2020 – twenty three) eligible recipients received a monthly payment of \$1,000 for supplemental benefits.

Supplemental benefits liability of \$9,786 (2020 - \$9,099) 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, 2021, twenty four (2020 – twenty six) eligible recipients received a monthly payment for compensation claims assumed from the former Crimes Compensation Board.

Compensation claims liability of \$3,449 (2020 - \$3,890) 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 and Public Safety Fund

March 31, 2021

NOTE 11 BENEFIT PLANS

(in thousands)

At December 31, 2020, the Management Employees Pension Plan reported a surplus of \$809,850 (2019 – surplus of \$1,008,135), the Local Authorities Pension Plan reported a surplus of \$4,639,894 (2019 – surplus of \$7,913,261), the Public Service Pension Plan reported a surplus of \$2,223,582 (2019 – surplus of \$2,759,320), and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$59,972 (2019 – deficiency of \$44,698).

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 and Public Safety Fund

Year Ended March 31, 2021

	2021		2020
	Budget	Actual	Actual
	<i>In thousands</i>		
Salaries, wages and employee benefits	\$ 17,661	\$ 10,420	\$ 5,565
Supplies and services	1,630	9,267	1,074
Grants	41,498	40,322	40,531
Amortization of tangible capital assets (Note 8)	69	91	91
Provision for financial benefits program	-	(3,821)	(3,903)
Others	-	-	(11)
Total Expenses	\$ 60,858	\$ 56,279	\$ 43,347

Allocated Costs

Schedule 2

Victims of Crime and Public Safety Fund

Year Ended March 31, 2021

Program	2021				2020
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Total Expenses	Total Expenses
Accommodation Costs ⁽²⁾		Legal Services ⁽³⁾			
	<i>In thousands</i>				
Financial Benefits	\$ 13,395	\$ 125	\$ -	\$ 13,520	\$ 18,725
Assistance to Victims' Organizations	18,563	120	-	18,683	23,644
Public Safety Initiatives	23,425	-	-	23,425	-
Criminal Injuries Review Board	164	86	-	250	511
Program Support Services	732	10	2	744	810
	<u>\$ 56,279</u>	<u>\$ 341</u>	<u>\$ 2</u>	<u>\$ 56,622</u>	<u>\$ 43,690</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 and Public Safety Fund

Year Ended March 31, 2021

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>	
	2021	2020	2021	2020
	<i>In thousands</i>		<i>In thousands</i>	
Expenses - Directly Incurred				
Alberta Health	\$ -	\$ -	\$ 16	\$ -
Service Alberta	-	-	10	47
Public Service Commission	-	-	-	3
Alberta Risk Management	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 50</u>
Payable to	<u>\$ (10,192)</u>	<u>\$ (100)</u>	<u>\$ (1)</u>	<u>\$ -</u>
Receivable from	<u>\$ 12</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 Trust
Financial Statements
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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 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]

Barb Martini
Acting Assistant Deputy Minister
Justice Services Division
Justice and Solicitor General

[Original Signed By]

Cheryl Fix Public Trustee
Office of the Public Guardian & Trustee

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 Office of the Public Guardian and Trustee, Estates and Trusts, which comprise the statement of financial position as at March 31, 2021, 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, 2021, 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, Estates and Trusts 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

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. My report is not modified in respect to this matter.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* 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 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 the Office of the Public Guardian and Trustee, Estates and Trusts' 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, Estates and Trusts' 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, Estates and Trusts' 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 Office of the Public Guardian and Trustee, Estates and Trusts' 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, Estates and Trusts 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

May 28, 2021
Edmonton, Alberta

Statement of Operations

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

	2021	2020
	<i>(in thousands)</i>	
Revenues		
Pensions, Benefits and Settlements	\$ 128,266	\$ 121,545
Interest and Dividends (Note 5)	11,864	12,686
Common Fund Realized Gains	3,000	2,038
	<u>143,130</u>	<u>136,269</u>
Expenses		
Client Care and Maintenance	80,052	83,341
Administrative Fees (Note 12)	5,521	5,781
Management fees	1,038	791
Transfer from Common Fund to Ministry of Justice (Note 12)	2,115	2,010
	<u>88,726</u>	<u>91,923</u>
Annual surplus	<u>\$ 54,404</u>	<u>\$ 44,346</u>

The accompanying notes and schedules 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, 2021

	2021	2020
	<i>(In thousands)</i>	
Financial assets		
Cash and Cash Equivalents (Note 7)	\$ 7,481	\$ 3,952
Interest and Dividends Receivable	2,538	2,829
Common Fund Investments (Note 8)	534,884	512,980
Other Trust Assets Under Administration (Note 9)	157,552	136,774
	<u>702,455</u>	<u>656,535</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	2,295	2,169
Clients' Accounts, Mortgages, and Loans Payable (Note 11)	49,076	52,167
	<u>51,371</u>	<u>54,336</u>
Accumulated Remeasurement Gains	10,951	(158)
	<u>62,322</u>	<u>54,178</u>
Net financial assets	<u>\$ 640,133</u>	<u>\$ 602,357</u>

The accompanying notes and schedules 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, 2021

	Clients' Equity 2021	Accumulated Surplus 2021 <i>(in thousands)</i>	Total 2021	Clients' Equity 2020	Accumulated Surplus 2020 <i>(in thousands)</i>	Total 2020
Annual surplus	\$ -	\$ 54,404	\$ 54,404	\$ -	\$ 44,346	\$ 44,346
Allocated to Clients for Future Distribution Interest from Common Fund						
Earnings (Note 1d)	11,503	(11,503)	-	12,227	(12,227)	-
Excess of Revenues over Expenditures (Note 6)	42,921	(42,921)	-	32,688	(32,688)	-
Trust Assets Acquired (Note 9b)	53,177	-	53,177	30,337	-	30,337
Assets released to Clients, Beneficiaries and Heirs	(27,894)	-	(27,894)	(29,146)	-	(29,146)
Cash distributions to Clients, Beneficiaries and Heirs	(41,911)	-	(41,911)	(49,563)	-	(49,563)
	<u>37,796</u>	<u>(54,424)</u>	<u>(16,628)</u>	<u>(3,457)</u>	<u>(44,915)</u>	<u>(48,372)</u>
Increase/(Decrease) in net financial assets	37,796	(20)	37,776	(3,457)	(569)	(4,026)
Net assets at beginning of year	<u>528,346</u>	<u>74,011</u>	<u>602,357</u>	<u>531,803</u>	<u>74,580</u>	<u>606,383</u>
Net assets at end of year	\$ 566,142	\$ 73,991	\$ 640,133	\$ 528,346	\$ 74,011	\$ 602,357

The accompanying notes and schedules 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, 2021

	2021	2020
	<i>(in thousands)</i>	
Operating transactions		
Annual surplus	\$ 54,404	\$ 44,346
Items not affecting cash:		
Interest and Dividends from Clients' Investments outside of Common Fund	(228)	(265)
Amortization of Premium and Discounts	2,346	2,134
	<u>56,522</u>	<u>46,215</u>
Decrease in Interest and Dividends Receivable	291	571
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	126	(81)
	<u>417</u>	<u>490</u>
Cash provided by operating transactions	<u>56,939</u>	<u>46,705</u>
Capital Transactions		
Acquisition of Trust Assets	(4,544)	(3,561)
Proceeds of Sale of Trust Assets	6,186	8,723
Cash Provided by Capital Transactions	<u>1,642</u>	<u>5,162</u>
Investing Transactions		
Purchase of Portfolio Investments	(231,696)	(238,558)
Disposal of Portfolio Investments	218,555	231,995
Cash Applied to Investing Transactions	<u>(13,141)</u>	<u>(6,563)</u>
Financing Transactions		
Distribution to Clients, Beneficiaries and Heirs	<u>(41,911)</u>	<u>(49,563)</u>
Increase/(Decrease) in cash and cash equivalents	3,529	(4,259)
Cash and cash equivalents at beginning of year	<u>3,952</u>	<u>8,211</u>
Cash and cash equivalents at end of year	<u>\$ 7,481</u>	<u>\$ 3,952</u>

The accompanying notes and schedules 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, 2021

	2021	2020
	<i>(in thousands)</i>	
Unrealized gains/(losses) attributable to:		
Investments	\$ 12,501	\$ (5,687)
Foreign exchange	(1,713)	1,335
Amounts reclassified to the Statement of Operations		
Investments	997	(419)
Foreign exchange	(676)	(207)
Increase/(Decrease) in Net Financial Assets	<u>11,109</u>	<u>(4,978)</u>
Accumulated remeasurement (losses)/gains at beginning of year	<u>(158)</u>	<u>4,820</u>
Accumulated remeasurement gains/(losses) at end of year	<u>\$ 10,951</u>	<u>\$ (158)</u>

The accompanying notes and schedules 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, 2021

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.

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 Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (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 Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (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, 2021 is 2.50% (2020 - 2.75%).

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

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.

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

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.

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

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.

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.

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

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.

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.

5. INTEREST AND DIVIDENDS

	2021	2020
	<i>(in thousands)</i>	
Interest and Dividends - Common Fund Investments	\$ 11,636	\$ 12,421
Interest and Dividends from Clients' Investments outside of Common Fund	228	265
Interest and Dividends	\$ 11,864	\$ 12,686

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

6. EXCESS OF REVENUES OVER EXPENSES – ALLOCATED TO CLIENTS FOR FUTURE DISTRIBUTION

	2021	2020
	<i>(in thousands)</i>	
Interest and Dividends from Clients' Investments outside of Common Fund	\$ 228	\$ 265
Pensions, Benefits and Settlements	128,266	121,545
Total Revenues	128,494	121,810
Client Care and Maintenance	80,052	83,341
Administrative Fees	5,521	5,781
Total Expenses	85,573	89,122
Excess of Revenues over Expenses - Allocated to Clients for Future Distribution	\$ 42,921	\$32,688

7. CASH AND CASH EQUIVALENTS

	2021	2020
	<i>(in thousands)</i>	
Operating Bank Accounts	\$ 5,388	\$ 1,873
Consolidated Cash Investment Trust Fund (CCITF)	2,093	2,079
	\$ 7,481	\$ 3,952

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, 2021, securities held by the CCITF have a time-weighted rate of return of 0.42% per annum (2020 – 1.90% per annum).

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

8. COMMON FUND INVESTMENTS

	2021	2020
	<i>(in thousands)</i>	
<u>Items at Cost or Amortized Cost</u>		
Interest Bearing Securities (a)	\$ 472,981	\$ 457,703
<u>Items at Fair Value</u>		
Equities Listed in Active Market	44,028	39,709
Other Designated to Fair Value	17,875	15,568
	61,903	55,277
Total Common Fund Investments	\$ 534,884	\$ 512,980

(a) Quoted market value of interest bearing securities \$480,873 (2020- \$462,644) is arrived at using a combination of level one and level two valuation methods.

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.

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

8. COMMON FUND INVESTMENTS (Cont'd)

	Level 1	Level 2	Level 3	Total
	<i>(in thousands)</i>			
Equities Listed in Active Market	\$ 44,028	\$ -	\$ -	\$ 44,028
Others designated to fair value	17,875	-	-	17,875
March 31, 2021 - Total	\$ 61,903	\$ -	\$ -	\$ 61,903

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.

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.

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

8. COMMON FUND INVESTMENTS Cont'd

b) Foreign Currency Risk

OPGT is exposed to foreign currency risk associated with 5.51% (March 31, 2020 - 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 2.36% (March 31, 2020 - 2.40%) of total investments.

Approximately nil (March 31, 2020 - nil) of interest-bearing securities are invested with variable interest rate with minimum interest rate risk exposure.

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 -0.82% (March 31, 2020 -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 Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

9. OTHER TRUST ASSETS UNDER ADMINISTRATION

	2021	2020
	<i>(in thousands)</i>	
a) Trust assets under administration		
Accounts Receivable	\$ 9,044	\$ 9,530
Real Property	18,636	17,527
Other Assets	1,657	2,830
Clients' Investments Outside the Common Fund	72,684	64,215
Annuities	55,531	42,672
Total Other Trust Assets Under Administration	157,552	136,774
Clients' Accounts, Mortgages, and Loans Payable	(49,076)	(52,167)
Other Trust Assets Under Administration	108,476	84,607
Increase (Decrease) in Other Trust Assets Under Administration, net	\$ 23,869	(3,706)
b) Trust Assets Acquired		
Increase in Other Trust Assets Under Administration	\$ 23,869	\$ (3,706)
Assets Released to Clients, Beneficiaries and Heirs	27,894	29,146
Proceeds on Sale of Trust Assets	6,186	8,723
Acquisition of Trust Assets	(4,544)	(3,561)
Interest and Dividends from Clients' Investments outside of Common Fund	(228)	(265)
Trust Assets Acquired	\$ 53,177	30,337

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
	<i>(in thousands)</i>	
Transfer from Common Fund to Minister of Finance	\$ 2,115	\$ 2,010
Accrued Investment Fees and Other Payable	180	159
Accounts Payable and Accrued Liabilities	\$ 2,295	\$ 2,169

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

11. CLIENTS' ACCOUNTS, MORTGAGES AND LOANS PAYABLE

	2021		2020
	<i>(in thousands)</i>		
Accounts Payable	\$ 40,105	\$	42,098
Administrative Fees Payable	6,257		6,103
Mortgage and Loans Payable	2,714		3,966
	<u>\$ 49,076</u>	<u>\$</u>	<u>52,167</u>

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

12. RELATED PARTY TRANSACTIONS

	2021		2020
	<i>(in thousands)</i>		
Statement of Financial Position			
Transfer from Common Fund to Ministry of Justice	\$ 2,115	\$	2,010
Administration Fees Payable	6,257		6,103
Statement of Operations			
Administrative Fees	\$ 5,521	\$	5,781
Transfer from Common Fund to Ministry of Justice	2,115		2,010

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, 2021 the amount transferred was \$254 (2020 - \$364). The amount appears on the financial statements as part of the Cash Distributions to Clients, Beneficiaries and Heirs.

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, 2021, the operating costs were \$14,205 (2020 - \$14,633).

Notes to Financial Statements (Cont'd)

Office of the Public Guardian and Trustee Estates and Trusts

Year Ended March 31, 2021

13. CONTINGENT LIABILITIES

(in thousands)

The OPGT has been named in one (2020: one) claim of which the outcome is not determinable. The claim has a specified amount of \$6,500 (2020: one claim with a specified amount of \$6,500). Included in the total claim, \$0 (2020: 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

14. CONTINGENT ASSETS

The OPGT has 82 (2020 - 56) claims on behalf of clients for which the outcome is not determinable.

15. FUTURE ACCOUNTING CHANGES

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

- **PS 3280 Asset Retirement Obligations** (effective April 1, 2022)

Effective April 1, 2022, 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, 2023)

This standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions. Management is currently assessing the impact of this standard on the Estates and Trust Financial Statements.

16. 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

Office of the Public Guardian and Trustee Estates and Trusts

As at March 31, 2021

Schedule 1

	2021	2020
	<i>(in thousands)</i>	
Clients' Equity	\$ 566,143	\$ 528,346
Clients' Accounts, Mortgages, and Loans Payable	49,076	52,167
Total Clients' Liabilities and Equity	615,219	580,513
Less: Other Trust Assets Under Administration	157,552	136,774
Clients' Guaranteed Accounts	\$ 457,667	\$ 443,739

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

Other Financial Information

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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-Offs (unaudited)

Department of Justice and Solicitor General

For the year ended March 31, 2021

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.

	2021	2020
Compromises:		
Motor Vehicle Accident Recoveries	\$ -	\$ -
Write-offs:		
Motor Vehicle Accident Recoveries	\$ 2,896	\$ 6,757
Fines	-	4,927
Fines – Late Payment Penalty	-	2,240
Abandoned and Seized Vehicles	18	39
Maintenance Enforcement	1,113	302
	<u>\$ 4,027</u>	<u>\$ 14,265</u>
Total Compromises and Write-offs	<u>\$ 4,027</u>	<u>\$ 14,265</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 2020-21, 312 lawyers, paralegals and articling students recorded in excess of 315,514 hours of provided legal services and in 2019-20, 343 such staff recorded more than 328,392 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>2020-21</u>	<u>2019-20</u>
Total Civil Law Costs	\$ 40,785,956	\$ 52,596,485
Deduct: Contract Services, Grants, and Amortization	613,571	696,138
	<u>\$ 40,172,385</u>	<u>\$ 51,900,348</u>
Add: Support Services	548,687	775,548
Accommodation	2,422,509	2,677,941
Client Cost for Lawyers	11,476,438	3,733,990
Total Legal Services Costs for Allocation	<u>\$ 54,620,020</u>	<u>\$ 59,087,827</u>
Number of Hours of Service Provided	315,514	328,392
Average Hourly Cost	\$ 173.11	\$ 179.93

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*. Effective April 1, 2020, the Alberta government retains 40 of *Traffic Safety Act* fines. The Victims of Crime and Public Safety Fund receives 20 per cent 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 2020 to March 2021 and for the twelve months from April 2019 to March 2020 by the recipient level of government.

Fine Payments – April 2020 to March 2021

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Per cent of Total Dollar Value
Municipalities	1,570,177	\$ 142,948,059	45.3%
Alberta Government	156,421	25,679,279	8.2%
Victims of Crime and Public Safety Fund	Note	39,751,550	12.6%
Federal Government	571	3,845,925	1.2%
Late Payment Penalty	887,938	27,517,250	8.7%
Fine Retention	Note	75,585,168	24.0%
Total	2,615,107	\$ 315,327,231	100.0%

Fine Payments – April 2019 to March 2020

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Per cent 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 and Public Safety 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%

Note: The Number of Fine Payments for Victims of Crime and Public Safety 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, 2021

In thousands

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

	2021			
	Authorized	Actual Revenue Recognized	Total Revenue Received/ Receivable	(Shortfall)/ Excess ⁽⁵⁾
	<i>In thousands</i>			
Maintenance Enforcement ⁽²⁾	\$ 7,277	\$ 9,053	\$ 7,559	\$ 1,776
Provincial Civil Claims ⁽³⁾	1,500	1,077	1,077	(423)
Edmonton Regional Airport Authority ⁽⁴⁾	3,895	2,961	2,953	(934)
	<u>\$ 12,672</u>	<u>\$ 13,091</u>	<u>\$ 11,589</u>	<u>\$ 419</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, 2021

In thousands

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⁾	Over Expended (Unexpended)	
<i>In thousands</i>							
Program - Operational							
1 Ministry Support Services							
1.1	Minister's Office	\$ 859	\$ -	\$ -	\$ 859	\$ 884	\$ 25
1.2	Deputy Minister's Offices	1,328	-	-	1,328	2,148	820
1.3	Corporate Services	21,487	-	-	21,487	19,965	(1,522)
		23,674	-	-	23,674	22,997	(677)
2 Resolution and Court Administration Services							
2.1	Program Support Services	16,018	-	-	16,018	19,495	3,477
2.2	Resolution Services	11,989	-	-	11,989	14,054	2,065
2.3	Provincial Civil Claims	1,500	-	-	1,500	1,077	(423)
2.4	Provincial Court of Alberta	115,710	-	-	115,710	107,379	(8,331)
2.5	Alberta Court of Queen's Bench	36,773	-	-	36,773	36,146	(627)
2.6	Alberta Court of Appeal	7,503	-	-	7,503	7,286	(217)
		189,493	-	-	189,493	185,437	(4,056)
3 Legal Services							
3.1	Civil Law	45,132	-	-	45,132	41,077	(4,055)
3.2	Legislative Counsel	3,132	-	-	3,132	2,717	(415)
3.3	Law Reform	500	-	-	500	585	85
		48,764	-	-	48,764	44,379	(4,385)
4 Alberta Crown Prosecution Service							
4.1	Program Support	3,727	-	-	3,727	4,606	879
4.2	Appeals, Education & Prosecution Policy	78,512	-	-	78,512	78,387	(125)
4.3	Criminal and Youth Prosecutions	12,995	-	-	12,995	9,560	(3,435)
4.4	Specialized Criminal & Regulatory Prosecutions	6,188	-	-	6,188	8,078	1,890
		101,422	-	-	101,422	100,631	(791)
5 Justice Services							
5.1	Program Support	9,638	-	-	9,638	9,020	(618)
5.2	Family Support Order Services	17,449	-	-	17,449	16,947	(502)
5.3	Office of the Medical Examiner	12,872	-	-	12,872	13,528	656
5.4	Property Rights Advocate Office	195	-	-	195	195	-
5.5	Public Guardian Services	11,439	-	-	11,439	10,900	(539)
5.6	Public Trustee	15,614	-	-	15,614	13,979	(1,635)
5.7	Fines Enforcement	1,603	-	-	1,603	1,354	(249)
5.8	Support for Legal Aid	94,292	-	-	94,292	94,611	319
		163,102	-	-	163,102	160,534	(2,568)
6 Public Security							
6.1	Program Support	9,806	-	-	9,806	10,867	1,061
6.2	Law Enforcement Review Board	625	-	-	625	520	(105)
6.3	Alberta Serious Incident Response Team	3,987	-	-	3,987	4,195	208
6.4	Law Enforcement Standards and Audits	6,130	-	-	6,130	4,388	(1,742)
6.5	Contract Policing and Policing Oversight	279,766	-	-	279,766	276,301	(3,465)
6.6	Indigenous Policing Services	13,582	-	-	13,582	12,816	(766)
6.7	Policing Assistance to Municipalities	89,208	-	-	89,208	89,761	553
6.8	Organized and Serious Crime	30,061	-	-	30,061	38,973	8,912
6.9	Sheriffs Branch	91,797	-	-	91,797	97,676	5,879
		524,962	-	-	524,962	535,497	10,535

Lapse/Encumbrance (unaudited-cont'd)

Department of Justice and Solicitor General

For the year ended March 31, 2021

In thousands

	Voted Estimate ⁽¹⁾	Supplementary Supply ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimate	Voted Actuals ⁽⁴⁾	Over Expended (Unexpended)
<i>In thousands</i>						
7 Correctional Services						
7.1 Program Support Services	6,670	-	-	6,670	5,742	(928)
7.2 Adult Remand and Correctional Centres	205,980	-	-	205,980	205,986	6
7.3 Young Offender Centres	24,827	-	-	24,827	24,213	(614)
7.4 Community Correctional Services	37,891	-	-	37,891	38,132	241
7.5 Young Offender Community Correctional Services	10,707	-	-	10,707	10,679	(28)
	<u>286,075</u>	<u>-</u>	<u>-</u>	<u>286,075</u>	<u>284,752</u>	<u>(1,323)</u>
8 Alberta Human Rights						
8.1 Alberta Human Rights Commission	7,022	-	-	7,022	6,213	(809)
8.2 Assistance to the Human Rights Education and Multiculturalism Fund	-	-	-	-	-	-
	<u>7,022</u>	<u>-</u>	<u>-</u>	<u>7,022</u>	<u>6,213</u>	<u>(809)</u>
Total	\$ 1,344,514	\$ -	\$ -	\$ 1,344,514	\$ 1,340,440	\$ (4,074)
(Lapse)/Encumbrance						\$ (4,074)
Program - Capital						
1 Ministry Support Services	\$ 20	\$ -	\$ -	\$ 20	\$ 17	\$ (3)
2 Resolution and Court Administration Services	6,630	275	3,000	9,905	7,051	(2,854)
3 Legal Services	-	-	-	-	-	-
4 Alberta Crown Prosecution Service	380	-	-	380	762	382
5 Justice Services	449	400	-	849	467	(382)
6 Public Security	1,695	6,500	1,507	9,702	6,899	(2,803)
7 Correctional Services	288	3,660	-	3,948	3,063	(885)
Total	\$ 9,462	\$ 10,835	\$ 4,507	\$ 24,804	\$ 18,259	\$ (6,545)
(Lapse)/Encumbrance						\$ (6,545)

- As per “Expense Vote by Program”, “Capital Investment Vote by Program” and “Financial Transaction Vote by Program” page 147-158 of 2020-21 Government Estimates (Revised) on March 16, 2020 and page 55-59 of 2020-21 Supplementary Supply Estimates.
- 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.
- 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, 2021

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 \$58 (2020 - \$29) from the GNWT, \$56 (2020 - \$8) from the GN, \$0 (2020 - \$8) from the GS, \$49 (2020 - \$155) from the GC and \$46 (2020 - \$85) 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:

	2021	2020
Medical Examiner Services – GNWT	\$ 146	\$ 179
Medical Examiner Services – GN	74	87
Medical Examiner Services – GS	8	12
Medical Examiner Services – Yukon	6	6
Medical Examiner Services – GBC	-	3
Enhanced French Language Training – GC	204	155
Territorial Police Services - Yukon	224	179
	<u>\$ 662</u>	<u>\$ 621</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, 2021, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are \$496 (2020 - \$611) 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, 2019 to December 24, 2020.

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 2020 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, 2020 include:

- Number of times that acts and omissions were committed: zero
- Nature of conduct being investigated: N/A
- Nature of act or omission: N/A

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Interest 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, 2020 to March 31, 2021.

Chief Officer Report as at March 31, 2021

In relation to the reporting requirements under section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act*, designations for April 1, 2020 to March 31, 2021 include:

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

Ministry Response to Recommendations from the Alberta Child and Youth Advocate

In response to a recommendation from the Alberta Child and Youth Advocate, the Young Offender Branch of the Correctional Services Division has committed to public annual reporting of emergency incidents that required the use of Oleoresin Capsicum spray (OC spray) and incidents where Administrative Placement was required within a provincial young offender centre.

This constitutes the annual report of the Young Offender Branch covering the period of April 1, 2020 to March 31, 2021.

I. Total Number of Incidents of OC Spray Deployment in Provincial Young Offender Centres

The use of OC spray is based on a variety of exceptional circumstances that are unique to each situation. It is only used when all lesser use of force options are exhausted, and to reduce the likelihood of injury or harm for young person(s) and staff involved. Data is collapsed to the provincial level in order to protect privacy of individuals involved in the OC spray incidents. In 2020-21, there were a total of eight incidents of OC spray deployment in young offender centres in the province.

II. Total Number of Administrative Placements in Provincial Young Offender Centres

The Young Offender Branch executive director may authorize administrative placement if a young person has a recent and ongoing series of violent behaviour incidents, and if the current placement of the young person in a living unit is likely to pose a significant threat to other young persons, to themselves, or to staff. To protect privacy, the numbers for administrative placements are not reported when fewer than six, which is the case for fiscal year 2020-21.