

STANDING COMMITTEE ON PUBLIC ACCOUNTS – NOVEMBER 26, 2024
SERVICE ALBERTA AND RED TAPE REDUCTION
Supplementary Responses

Question	Response
<p><u>Question 1: Ms. Renaud</u> How many consumer complaints total, and perhaps not even life lease holders, were received in this reporting year related to Greg Christenson Group of Companies?</p>	<p>Service Alberta and Red Tape Reduction received a total of 25 complaints in this reporting period against Christenson Developments.</p>
<p><u>Question 2: Ms. Renaud</u> Any consumer complaints by guardians or families of life lease holders who had to move or did move to long-term care and have not had their life lease investment returned? Do you have any of that data?</p>	<p>This information was not specifically tracked. Upon review, however, it was noted that one of the 25 complaints did reference that a family member had moved to long-term care.</p>
<p><u>Question 3: Mr. Schmidt</u> Can the deputy minister provide the committee a sense of the processing times for licence applications to operate a liquor outlet in '23-24? What was the shortest, what was the average, and what was the longest processing time for those applications? In your response to the committee if you could provide not only a sense of how long it takes to process those applications and, whether or not there's a target, how often you meet that target?</p>	<p>Alberta Gaming, Liquor and Cannabis (AGLC) is responsible for licensing.</p> <p>The service target for processing liquor licence applications is seven days after AGLC receives all the necessary requirements from the applicant. During the 2023/24 fiscal year, AGLC processed 100 per cent of liquor licence applications within the targeted seven-day period. AGLC does not track the data in a way that enables the reporting of the shortest, longest, or average processing time.</p> <p>Applications received by AGLC sometimes lack required documentation, such as environmental assessments, municipal business licensing, and approval to occupy a premise from fire authorities. In turn, AGLC cannot process these applications until the necessary approvals from other agencies and municipalities are provided.</p>
<p><u>Question 4: Mr. Schmidt</u> Capital City Casinos was denied their application to move their casino from Camrose to Edmonton in June of 2023. I'm curious. When did they reapply to move their casino?</p>	<p>AGLC is responsible for decisions regarding casino relocations. These decisions are based on a thorough review process.</p> <p>AGLC has confirmed it received the latest application from Camrose Casino in January 2024.</p>

<p>What aspects of their application did they change between their initial application? They went to a hearing. Then they reapplied. The reason that they were denied was because they would cannibalize existing land-based casinos here. What did they change in their application?</p>	<p>The 2024 proposal differed from the previous one, including changing the ownership group and the proposed games for the site.</p> <p>In balancing all the options, AGLC advises that the decision to approve the application will support continuous business operations, provide jobs for Albertans, and will significantly improve returns for rural charities with minimal impact to charities assigned to the Edmonton pool.</p>
<p>Question 5: Mr. Ellingson</p> <p>a) Is the achievement of 33 per cent red tape reduction since 2019 cumulative or was that in the year '23-24?</p> <p>b) How many people work in red tape reduction audit and investigations?</p> <p>c) The ministry states that it typically identifies regulations to be just through a word search for “must” and “shall.” Is this the only method employed? What other methods are used to identify those regulations?</p> <p>d) The ministry does this work to remove unnecessary regulations. Who and how is the determination made if the regulation is necessary?</p> <p>e) The report talks about the use of a cost-estimator tool. When was this cost-estimator tool developed, who developed it, and what was the process to incorporate the range of needs and decisions from industries, businesses, and business processes that are all engaged in red tape reduction?</p>	<p>a) Thirty-three per cent is the cumulative reduction since 2019.</p> <p>b) The Red Tape Reduction Audit and Investigations division consists of approximately 90 FTEs when fully staffed, with approximately 80 per cent working in the Audit and Investigations branch.</p> <p>c) Service Alberta and Red Tape Reduction provides leadership across government, providing guidance to other ministries to identify and address opportunities to reduce red tape, focusing on continuous improvement in the way that government delivers programs and services.</p> <p>Each ministry reviews their legislation, regulations, policies, and forms to identify and eliminate requirements that are redundant and duplicative, streamline processes, and reduce compliance costs for Albertans and Alberta business.</p> <p>A large number of red tape concerns, and corresponding solutions, are provided through input from the public (through the Cut Red Tape website) and meetings with industry stakeholders.</p> <p>d) Service Alberta and Red Tape Reduction ensures the ongoing momentum across government in driving the development and implementation of red tape reduction initiatives and implementing government-wide policies to streamline, reduce, or update regulatory requirements. When developing or reviewing regulation, ministries employ the approaches outlined above, balanced with considerations of the public interest, including ensuring that appropriate safeguards to protect health, safety, and the environment remain in place.</p>

<p>f) The ministry states that an industry-led stakeholder-driven process resulted in 450 recommendations and that 300 had been addressed. Approximately how much time does it take to review a recommendation; identify the applicable regulations; review the original cost-estimation tool or complete a new custom tool evaluation; engage with other ministries and stakeholders to ensure there are no safety, health, economic, or environmental consequences in that red tape reduction move?</p> <p>g) The ministry states that \$2.75 billion has been saved since 2019. How was this number calculated? Was it just through the cost-estimator tool, or is there another way to do these calculations?</p> <p>h) Does the department make recommendations for red tape reduction to other ministries or only what comes to your ministry?</p>	<p>e) The Regulatory Cost Model (RCM) was developed by the Government of Alberta in 2011, based on consultation across government, in cooperation with a third party experienced in financial management. The RCM provides a standard analytical framework to estimate the direct compliance costs imposed on stakeholders by new or amended regulatory instruments (statutes, regulations, policies, and forms).</p> <p>The model relies on pre-populated data from industry, Statistics Canada, and other sources relative to things like current industry and employment size, wage rates, and average business rental rates. Departments may also have internal data and/or data gathered from targeted engagement with stakeholders, such as:</p> <ul style="list-style-type: none"> ▪ the nature/size of the stakeholders impacted (i.e., small/medium/large enterprise) and the industry they represent; and ▪ the compliance steps/actions stakeholders will have to take to comply with the proposed requirements. <p>f) The timeline for reviewing and implementing recommendations received from Albertans varies depending on the complexity of the proposed change. Service Alberta and Red Tape Reduction leads and advises on review processes, and provides tools and guidance, but implementation is primarily conducted by the responsible ministry.</p> <p>Policy or program-level changes may be more straightforward and able to be implemented quickly, while others that require legislative or regulatory changes may take longer to address, and may require stakeholder engagement and necessary approvals. Further, as indicated, ministries also work to ensure that appropriate safeguards to protect health, safety, and the environment remain in place – meaning that not all recommendations will be implemented given the need to maintain these important considerations.</p> <p>g) The \$2.75 billion savings figure is calculated through a combination of ongoing cost data collected by government, in some cases identified through the use of the RCM tool, and often in conjunction with external stakeholders. In 2022, a third party was engaged to</p>
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	<p>assess the cost savings created by the government’s most high-impact red tape reduction initiatives that saved money and time for Albertan businesses, individuals, and non-profits. This work was reported on in the 2021-22 Red Tape Reduction Annual Report, along with the top 10 red tape reduction savings at that time. The combination of one-time and annual savings data continues to contribute to the cumulative savings of \$2.75 billion and counting.</p> <p>h) Service Alberta and Red Tape Reduction leads and coordinates government’s work on red tape reduction, develops key policy and legislation on this work, and provides guidance, training, and support to ministries. While Service Alberta and Red Tape Reduction does not typically make recommendations to other ministries on specific changes, it plays a crucial role in ensuring that suggestions and recommendations from Albertans, businesses and industry, and other stakeholders to address red tape is communicated to the appropriate ministry for review and potential action.</p>
<p>Question 6: Mr. Schmidt Capital City Casinos was denied their application to move their casino from Camrose to Edmonton in 2023. What aspects of their application did they change when they reapplied for their licence to move their casino to Edmonton?</p>	<p>AGLC has indicated that the 2024 proposal differed from the previous one, including changing the ownership group and the proposed games for the site.</p> <p>In balancing all the options, AGLC advises that the decision to approve the application will support continuous business operations, provide jobs for Albertans, and will significantly improve returns for rural charities with minimal impact to charities assigned to the Edmonton pool.</p>
<p>Question 7: Ms. Renaud The ministry developed an online portal for Family Support for Children with Disabilities (FSCD), helping to expedite the review and approval process. How will the ministry determine if this is improving the review and approval times? What are the targets, given that the ministry itself has stopped reporting wait times?</p>	<p>This is a Seniors, Community and Social Services related question that would be better addressed by the lead ministry.</p>
<p>Question 8: Ms. Renaud How many individual life lease holders did the minister meet</p>	<p>Prior to developing legislation to protect life leaseholders, the Minister and ministry staff engaged with 178 individual life leaseholders. In addition, all known life lease operators</p>

<p>with before drafting the life lease legislation? How many unique for-profit and how many unique nonprofit operators did the minister meet with prior to developing and tabling the legislation?</p>	<p>(17 not-for-profit and five for-profit) and eight organizations representing seniors, Indigenous groups, and legal stakeholders were engaged. There were over 30 stakeholder meetings held in total.</p>
<p><u>Question 9: Mr. Lundy</u> Looking at key objective 3.2 I see that the ministry was looking to “balance effective industry regulation and protection of consumer interests while building strong relationships between industry and regulators.” Firstly, can the deputy minister highlight how modernizing governance frameworks and mechanisms works to ensure clarity regarding roles and responsibilities? Secondly, what is the process of modernizing these frameworks to ensure that Albertans have the highest degree of service possible for the best possible dollar?</p>	<p>In 2023-24, Service Alberta and Red Tape Reduction updated the Mandate and Roles Document between the ministry and the Alberta Motor Vehicle Industry Council, to ensure that there was clarity on the roles and responsibilities between the Council, the Minister, and department, supporting effective accountability and oversight.</p> <p>The department continually monitors the effectiveness of regulatory frameworks, including legislation, regulation, and policies, to ensure there is an effective balance between industry regulation and consumer protection. When necessary, steps are taken to clarify and strengthen these frameworks.</p> <p>Ongoing oversight of our delegated regulatory authorities is also carried out through in-depth review of business and financial plans, annual reports, and audited financial statements. This helps ensure strategic directions and priorities of each regulatory body is focused on outcomes that protect consumers and effective regulatory strategies, that trends and risks are being effectively mitigated, and there is responsible spending.</p>
<p><u>Question 10: Mr. Lundy</u> Effective industry engagement is critical to ensure any regulation meets its objectives while not stifling industry. Looking at this point under key objective 3.2, I see it has been identified as a priority for the ministry, so through the chair, for written, what are the ministry’s metrics when it comes to ascertaining the right-touch regulation? Also, can the deputy minister explain how the ministry ensures effective engagement with</p>	<p>The Government of Alberta continues to focus on regulatory excellence, ensuring that, where it is necessary to regulate, we are doing so with the lightest touch appropriate. This means maintaining a focus on outcomes rather than overly prescriptive rules that bog down businesses.</p> <p>Our new Red Tape Reduction Regulation, which came into force in August 2024 in support of key updates to our <i>Red Tape Reduction Act</i>, outlines seven principles to be used in the development and review of government regulation to help support effective regulation. These principles ensure:</p> <ul style="list-style-type: none"> ▪ the necessity and need for regulating, in alignment with government priorities;

<p>industry to ensure this outcome is achieved?</p>	<ul style="list-style-type: none">▪ that regulation supports the public interest, including necessary protections in health, safety, and the environment;▪ that new regulatory requirements achieve the necessary outcome at minimal cost to Albertans and Alberta business;▪ that the potential impact on businesses is proportionate to the value of the regulatory outcome;▪ regulatory efficiency by considering how any new requirements to be added are minimized to the extent possible; and▪ that plain language is used in Alberta’s regulatory language, to support Albertans’ understanding of the rules and compliance requirements. <p>Service Alberta and Red Tape Reduction continues to hold ongoing formal and informal roundtables and regular meetings with stakeholders from across Alberta’s key economic sectors, while providing a portal on our Red Tape Reduction webpage that continues to allow Albertans to provide feedback directly to our ministry on ways to reduce red tape.</p>
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