

Legislative Assembly of Alberta

Title: **Tuesday, September 14, 1993**

8:00 p.m.

Date: 93/09/14

head: **Committee of Supply**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: Hon. members, please take your places.

Tonight, hon. members, we're in committee stage, which, for the benefit of people in the gallery, is an informal part of the Legislative Assembly. People are allowed to take off their jackets, to move around, to converse very quietly with one another, and even to go over to opposite sides of the House: that kind of thing.

Before we begin tonight's considerations, Deputy Government House Leader, you have a point that you'd like to make?

Designated Supply Subcommittees

Moved by Mr. Day:

Be it resolved that pursuant to Standing Orders 56(2) and 56(2)(a)(ii) five designated supply subcommittees be appointed comprised of the following members:

1. Advanced Education and Career Development: Mr. Richard Magnus, chairman; Mrs. Bonnie Laing; Mr. Victor Doerksen; Mr. Al Zariwny; Mr. Paul Langevin; Mr. Harry Sohal; Mr. Gary Friedel; Mr. Rob Renner; Dr. Don Massey; and Mr. Andrew Beniuk.
2. Treasury: Mr. Richard Magnus, chairman; Mr. Wayne Jacques; Mr. Rob Renner; Mr. Sine Chadi; Mr. Terry Kirkland; Mr. Murray Smith; Mrs. Jocelyn Burgener; Mr. Mark Hlady; Dr. Michael Percy; and Mrs. Muriel Abdurahman.
3. Family and Social Services: Mr. Ty Lund, chairman; Mr. Denis Herard; Mr. Dave Coutts; Mr. Peter Sekulic; Mr. Duco Van Binsbergen; Mr. Roy Brassard; Mrs. Heather Forsyth; Mr. Clint Dunford; Ms Alice Hanson; and Mrs. Bettie Hewes.
4. Health: Mr. Ty Lund, chairman; Mrs. Yvonne Fritz; Dr. Lyle Oberg; Mr. Howard Sapers; Dr. Ken Nicol; Mrs. Bonnie Laing; Mr. Ed Stelmach; Mr. Dave Coutts; Mr. Grant Mitchell; and Mrs. Colleen Soetaert.
5. Executive Council: Mr. Richard Magnus, chairman; Mr. Hung Pham; Mr. Stan Woloshyn; Mr. Bruce Collingwood; Dr. Michael Percy; Mr. Murray Smith; Mr. Jon Havelock; Mrs. Judy Gordon; Mr. Laurence Decore; and Mr. Danny Dalla-Longa.

MR. DAY: Yes, thank you, Mr. Chairman. Before we get into the actual estimates, I'd like to move – and this is after discussion with and in conjunction with the Opposition House Leader – a motion, copies of which will be landing in front of members, literally, as I speak, I hope. You will have this in front of you, so if you'll allow me to move through this fairly quickly.

MR. CHAIRMAN: All right. Do you care to speak to the motion, hon. Member for Calgary-North West?

MR. BRUSEKER: Thank you, Mr. Chairman. I am looking forward to the arrival of the motion, but I'm looking at the list that arrived earlier that is substantially similar. Just a couple of comments. I noticed that there was in fact a reduction from seven to six members from the government side, so I express the appreciation of the Liberal caucus to the government side on that.

We did have one concern, Mr. Chairman, and that deals with the dates issue, I suppose would be the best way to describe it. I'm not sure if the one that's coming around has different dates than the one from this afternoon, but as I'm sure you can appreciate, with four hours of debate on these five different departments, it will require substantial preparation both from the government side of the House and from members on this side of the House. Some of the dates are fast approaching, the first of them being a scant 48 hours away, not even that: Thursday, September 16. I'm wondering if the hon. Deputy Government House Leader has given some consideration to at least pushing back this week's meetings to sometime next week so that all members on this side of the House and that side of the House could have a little more time to prepare. We certainly appreciate that there's a desire to get on with the business of the House and of the subcommittees as quickly as possible. So I'll leave that as a question for the Deputy Government House Leader.

The other question I have is just, I guess, a procedural matter. Because we're embarking on a new procedure here, I imagine that when we get into the committees for the first time, there will be some structuring. For example, I think about Public Accounts, whereby we outline the parameters of how the Public Accounts Committee or the different committees will work. I guess we have a bit of a concern that we'd like those procedural matters dealt with outside of the four-hour time frame allocated for the subcommittee development.

So I'll put those two issues forward, Mr. Chairman, if I may, as issues of concern, and perhaps the Deputy Government House Leader might address them.

Thank you.

MR. DAY: Mr. Chairman, those concerns are valid, though they don't affect the motion itself. If I can allay some of the concerns of the member opposite, it is my understanding that the chairmen have agreed that there would be some time set aside in each of their respective committees to look at the procedural items. In terms of the dates, I know that the ministers involved, who are anticipating being called, have certainly indicated to me that they are ready and looking forward to this. So again that would be an item of discussion that each committee would want to take up. Those are valid concerns. They don't actually affect this particular motion.

MRS. HEWES: Mr. Chairman, just a couple more questions. I understand that we were to have had five days' notice, and this really doesn't concur with that understanding. It is going to be somewhat of a handicap, Mr. Minister.

The other item is the procedural things that will be exclusive of the four hours. I wonder if I can ask the minister: if, for instance, procedure takes a fair amount of time and the four hours is eaten into in some way or another by difficulties in understanding who's to be there and who's to speak and so on, would the time be extended? I need to know that. The other thing I need to know is: exactly when is the determination made as to who is to be called as a witness? Suppose, for instance, that we had suggested a number of people to be called as witnesses and there was some disagreement about that, how would that be resolved? Has that been discussed?

MR. DAY: The first item in terms of the question of procedure and is there a guarantee that it won't actually take up the estimate time: I think you just have to – and I'm not saying this tongue in cheek – take at good faith the statement that has been indicated that the various chairpersons do want to deal with procedural items

and not have that carve into the time of the actual committee. That's something that's been indicated. I can't sign that here in an ironclad way, but I can say that that's the indication that I've been given, certainly. That, again, is a procedural item that really isn't falling within what I've asked for in terms of the vote, but we all have agreed that we want to see this process move ahead, and I think – I'm speaking I hope not in an untoward way for my colleagues who chair these committees – we all want to see progress here; we want to see goodwill. I think those types of concerns need to be brought to the various committees when they have their procedural meeting, and I have a high degree of expectation that they'll be dealt with.

The topic of witnesses: again, it's been indicated that the final decision on that obviously in terms of who is going to be called with the minister would lie with the minister. Every member would be absolutely free to bring to the committee suggestions on who they would like to have there also. The decision, though, would rest between the minister and the chair. That would be the minister's prerogative, in the final analysis.

MRS. HEWES: Surely, Mr. Minister, the witnesses would need to know in advance of 8 o'clock on Friday morning that they were expected to be present. Would that not be your understanding? And that would have been agreed to in advance of the time of the beginning of the exercise?

MR. DAY: Sorry; I was caught up with an intense piece of communication here. Could you repeat that, please?

MR. CHAIRMAN: Edmonton-Gold Bar.

MRS. HEWES: Yes. Thanks, Mr. Chairman. Just to clarify. Say the meeting that I'm going to be involved in is called for 8 o'clock, 8 to 12 on Friday of this week. Somehow at 8 o'clock we must all know who is going to be there to answer questions. That must have been agreed to in advance of the 8 o'clock beginning so that the witnesses would know that they were expected to be there, and the minister would have agreed in advance of that time.

MR. DAY: Well, Mr. Chairman, again these are bona fide procedural concerns. I can't speak to or guarantee them. Certainly if a minister who has agreed to or is going to be calling a certain witness and the event starts at 8 in the morning, I can assure you that that individual would be notified before 8 o'clock. In discussions with the Opposition House Leader today it was indicated to us that the very minimum notice that could be given was two days' notice. In fact, this is two days' notice, as we stand here, three if you're looking at Friday. We want to do all we can to accommodate the concerns, and we also want to see it move ahead. I think I've exhausted what I can say as far as the procedural items without actually committing the various chairpersons or indeed the ministers involved.

I'd like us to, if we could, turn to consideration of the motion itself. I think all members now have the motion in front of them.

8:10

MR. CHAIRMAN: Hon. Deputy Government House Leader, there does seem to be a question of procedure as to the witnesses and certainly the calling of the times and that kind of thing. I don't know that this evening is the appropriate time to debate this at any length, but it would be instructive, I'm sure, for all hon. members if the House leaders had some sort of clarification among themselves as to the terms of notice. The hon. Member for Edmonton-

Gold Bar suggested five days. We're scrambling here to try and find where it is there. We can't find that particular reference, but the one that you were just speaking on rather laterally is 56(4), the calling of witnesses. If there are some questions, it might be useful for the Government House Leader and the Opposition House Leader to get together so that they might bring that forward and let us all know, because we're all working out of these mimeographed copies, and it is rather awkward to do so if there is a question that you want to get to.

The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I don't mean to delay it, but I do have one more question. Mr. Minister, the motion that we have now has no times on it. As it's at variance with the notice we received this afternoon, is it the intention that the meetings referred to in this motion would meet at the times proposed on this afternoon's sheet?

MR. DAY: I believe that is the indication. I don't have the old one in front of me, but I believe that's the agreed intention.

[Motion carried]

MR. CHAIRMAN: Do we have anything else? If not, then we'll proceed to government estimates.

head: **Main Estimates 1993-94**

Department of Labour

MR. CHAIRMAN: Minister of Labour, would you like to open with your comments?

MR. DAY: Yes, I would. Thank you, Mr. Chairman. To that spontaneous, thunderous applause I will begin my remarks.

What I'd like to do, if I can let the committee know my intentions for this evening, and I'd hope people would concur, is after some introductory remarks, at which time we would also hear from the chairman of the Professions and Occupations Bureau for some introductory remarks, then open the floor to questions, suggestions, maybe even on a long shot some criticisms; I don't know. I'd like to allow several members the opportunity to raise various points. I'll try and keep track, address those, and then allow several more. So I won't be getting up after each one. I want to make sure everybody has the opportunity to rise and address elements of concern.

I'd like to say from the outset that I do encounter people almost on a daily basis who say: as far as being Minister of Labour, you have my sympathies. There seems to be a sense that this must be a very tough, agonizing, grinding situation to find oneself in. I have to say that I haven't found that myself. What I try to communicate to people in terms of my goals and what I see for the Department of Labour and the areas of responsibilities under that is that what we do in Labour through the government would be just one of a number of things that would allow for Alberta to be the most attractive and productive province in Canada in which to work and to do business. I think that's a goal. As I've talked with people, whether they're in business, management, labour, it doesn't seem to matter where they are, nobody can argue against that, that we can work towards that goal of seeing Alberta in terms of being so attractive to business and to workers on the safety side, the productivity side, innovation, all those types of things. I think that's a goal that is shared by all Albertans. So choosing that as the starting point of every meeting helps to move us a long way along in our discussions, regardless of the group that I meet with.

I find to no surprise that people can share those kinds of goals and those kinds of hopes and actually put their minds to working towards them.

I think it's fair to say that on any issue there are extreme positions on either side. That's not to say an extreme position is a wrong one, but there are invariably extreme positions. I was at a dinner meeting not long ago, and the topic of discussion was the Labour Relations Board. Most of the people at that particular meeting were on the labour side of issues, and one concern was raised that the Labour Relations Board seemed to be all business oriented and inclined to making decisions toward business. Well, I just sort of took that on notice. It wasn't long after that I was at a meeting that was predominantly business representatives, and they said that the Labour Relations Board was all labour inclined and all the decisions going that way. It helped me to see that it's a matter of perspective.

There are extreme ends on issues, but in fact in that large middle ground – and I'm not talking politically now, because I believe politically if you're driving down the middle of the road, that's where you get hurt and cause traffic jams. But I do think there is a lot of room there. More and more I'm talking with labour representatives, business and management people who are agreeing on more and more items, and we're actually seeing progress being made. So that's why I find it encouraging to be working in this particular portfolio, notwithstanding some of the extremes that we do run into from time to time on either side of an issue.

I think it's beginning to dawn on people that economically and industrially we are at war, whether they want to use those terms or not. It's true that there are competitive forces worldwide. I know some people shrink at the use of the words "competition" or "competitive," but that's a reality. There are other entities geopolitically that want to be the best in everything they do, everything they market, and unless we have a vision to provide the best service and the best product for the best prices and the best quality, then we're going to be in trouble. In talking with representatives in labour and in business I see a growing understanding of that.

I see on many fronts an increased amount of co-operation where we have management more and more opening their books to those who are labouring for them, their employees, and saying: "Here's the situation. What can we do to improve it?" and more and more where employees are saying to the management side: "Here's our situation as employees; here are the needs we're having and the pressures we're under. How can we work together?" The adversarial approach to labour/management issues belongs in another century. We're moving into the 21st. There are some people that are still in the 20th, and frankly there are some that are still in the 19th. We know the confrontational approach to issues causes energy drain and deflects the energy, the resources, the powers of innovation and research, and workability that are so vital to success in the workplace. I can say for a fact that we're seeing really encouraging developments on the labour and management field in terms of the recognition of this.

In terms of the department itself and some of the changes that have happened, I'll just briefly comment that the Department of Labour today is quite different than it was a year ago in terms of the areas of responsibility that go under that umbrella. Most of you are familiar with those. As a quick update, you will recall that at one time occupational health and safety was not involved right in with Labour. It was relatively a division unto itself with a minister over it. That's been a very interesting exercise in terms of seeing OH and S, occupational health and safety, coming alongside of Labour. It was a very significant merger. It required

a high degree of co-operation among employees at all levels, and employees are to be commended, because there were some very significant changes there as we moved to bring people together, bring offices together, bring administration systems, personnel, financial systems together. There is a lot of grinding that goes on in a situation like that. That has largely been completed, though I see Labour as a constantly evolving department and portfolio. But that was a very major change in what we do. There was no diminishing of the mandate of OH and S in wanting to see health and safety on the workplace. What we've seen is an increase in the area of industry associations, safety associations, more and more rallying and taking up the issue of safety on the workplace and seeing that happen and become a reality.

8:20

The Labour Relations Board and the Public Service Employee Relations Board used to be totally separate. There's been a merge there administratively and a coming together that has been not only cost-saving but I believe has made for a more effective organization. Again, those things don't come easily. The people involved in that merger: there's been good co-operation, and we've seen some exciting things happen there.

I'm sure there'll be interest along the idea of the Safety Codes Council. You know, in this department we don't have enough resources to hire enough people to do the inspections that need to be done. So by going with the Safety Codes Council, a council made up of various disciplines and representatives of those disciplines and those who are affected, those councils being the ones who make the determinations after consultation on what various codes should be and how they should be applied, having industry do that, working in conjunction with government allows across the province for a very integrated and cohesive network of safety applications being in place. That process is moving along. We're not rushing it. We're doing it carefully, and we're seeing good developments there.

There's been a lot of discussion around various pieces of legislation, changes to legislation and that type of thing. I'm always open to suggestions on how things can be improved, be it the administration of a department or a particular piece of legislation. So I'm saying: give us your ideas, and let's see what we can do.

As you go through the estimates themselves, you'll observe that in some places there are increases and in other places there are decreases. When you look at Minister's Office, for instance, it's important to note that in a number of different areas, administratively and operationally, where it says Labour for this year and you compare with last year, you were comparing it before without occupational health and safety. There's been an actual blend, as I've already indicated, so there might be slight increases. I can hopefully get the numbers to you on the comparable increases in terms of what the real saving was by putting the two offices together, by putting the two departments together. So keep that in mind as you work your way through the various estimates.

There are a number of officials here tonight, too, who represent a variety of areas that are under the portfolio of Labour. The reason I've asked them to be here and actually the reason they want to be here is because they recognize that when they're listening to MLAs, they're hearing what you're hearing about what we're doing, and that's why they want to be here. They recognize that working in the department they need to have an open view, and that's why I look forward to you raising the issues, because it's important they hear the reality of what's going on out on the front lines as it were, and that's going to be valuable information for one another here, for them, and for myself.

With that, Mr. Chairman, I would like to ask the hon. Member for Calgary-Varsity, who is the chairman of the Professions and Occupations Bureau and doing a very effective job – there's quite a learning curve there; he's taken it on very open mindedly and very energetically – if he would like to make a few remarks also. Then we would open the floor to questions.

MR. CHAIRMAN: Calgary-Varsity.

MR. SMITH: Thank you, Mr. Chairman. Well, I'm just a small spoke in the giant wheel of government, but I have been given the privilege of administering and acting as chair to the Professions and Occupations Bureau.

The bureau's purpose is to regulate and administer functional Acts and bodies of legislation that administer to the professions and various occupations throughout Alberta. Indeed the present chairman is a past chair of the Professions and Occupations Bureau himself. The program has a budget in the Labour estimates of a million and four thousand dollars. This is down. It has a staff of about 13.

There are a number of initiatives that are coming forth that I think reflect the new direction that government takes in line of deregulation and operating in a more facile environment, that being the Universities Co-ordinating Council and the foreign equivalency desk. The purpose of that is to provide information and to provide an entrance for immigrants to come into the bureau and be able to check out their foreign equivalencies, whether it be in a high school format or an expanded level of postsecondary education. We think that's a very vital service to provide, Mr. Chairman, insofar as it allows for a more rapid settlement period of the new Canadian and allows him or her to enter into the work force at a much accelerated rate.

The bureau has a number of initiatives. It has an umbrella Act called POARA. This is the bureau of acronyms, as you'll probably find as you go through it. POARA is an umbrella Act that allows a number of agencies, occupations, and professions to register with us and work under an omnibus type of legislation. We also have a number of freestanding Acts that regulate the professions; namely, the Chartered Accountants Act, which also includes certified general accountants. Chiropractors. We have the Dental Mechanics Act. The Occupational Therapy Profession Act. There are quite a number of separate Acts to cover off the occupations and professions. Probably the most controversial Act – the registration of a profession was taken through last year and shepherded by one of the past chairmen from this party – was the issue of registering midwives.

The budget will probably continue to be downsized as we evolve through this. There's a real need to take this program and make it responsible to the public interest. The public interest is served by this bureau establishing boards and disciplinary practice boards so that the public can make complaints about violations of the various professions and Acts. That can be brought forward, and we provide a facilitating device that allows the market to adjudicate and the violaters to be offered a fair hearing.

The major initiative again, Mr. Chairman, that we'll see come through this bureau over the next two years will be a move towards a very much deregulated environment, fewer regulations, a cheaper operating cost, allowing these occupations and these professions to operate more efficiently in the marketplace. Indeed it's the responsibility of this bureau to maximize our protection of the public interest, and that will be our original and ongoing goal. I'd be pleased to entertain any questions that may arise to this bureau.

Thank you.

MR. CHAIRMAN: Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Chairman. I'd like to congratulate you on your election. I haven't had the opportunity to do that before.

I would first like to start with making some general comments and then get to some of the specifics on the programs that are provided for in the estimates.

8:30

The hon. Minister of Labour and I have met, and we both agree that we would like to see Alberta have the most attractive and productive economy in Canada. We've also agreed to potentially disagree as to the method of getting there. I think that tonight is one way that we can look at, in effect, how some of the elements in the departmental estimates may not be actually attaining the goals of making Alberta an attractive and productive economy.

I think consultation is important, and I think the economy is rapidly changing. I think what is happening is that both the unions and the employers are realizing that there are better ways of agreeing on issues within the workplace and that one of the things that this department has done in the past is to look at engaging with the stakeholders in communications. There were symposiums held to discuss employment standards and minimum wage. However, when I've looked to see what has happened with those symposiums, those initiatives seem to have died.

There are several other issues that come to mind when looking at the budget, and one is whether the expenditures as outlined in the estimates do in fact reflect the changing requirements of the workplace, the employees, and employers. There are a number of dramatic changes that we will be looking at in the future: those of part-time workers, those of increased unemployment and increased bankruptcies in the workplace. The question remains as to whether the resources have been adequately allocated to respond to these trends.

I also understand that the department has in the past put together a video on the future of work, but I wonder whether this will really help an individual who is having problems claiming wages from an employer.

Another key issue is in the area of health and safety for employees. I don't think that anyone in this Assembly would stand up and say that we should not be enforcing the inspection of work and safety standards or that we should not be promoting prevention strategies to avoid injury in the workplace. These are issues of paramount importance, and not only are they of paramount importance, but what they do affect is the bottom line on any profits that a corporation has.

In my short tenure as MLA numerous issues of safety, particularly in the construction industry, have been brought to my attention. I thank the Minister of Labour for indicating that he is willing to look at constructive criticism and that he is looking forward to working with us to resolve some of these issues as they arise.

Employment standards and the enforcement thereof is, for those of the MLAs who are new, probably an area that you have never had to deal with. I am sure that your constituency office workers and you yourselves are coming to realize that there are some inadequacies in the system. To cite just a few examples: the employee who works overtime and isn't paid and can't get his money; the employee who's worked for a company that's now bankrupt and even with a court order there are problems in terms of that employee getting the wages that are owing to him. I'm sure that as you're sitting there, you can think of examples of constituents that have walked into your offices that are having

problems in relation to the area of receiving the wages that are owing to them. These situations will occur more and more often.

Three general comments. One is that there was mention made in 1992 of a long-term business plan for the Department of Labour. I would like to know if that business plan was in fact implemented and if there are goals and objectives that the Legislative Assembly can see. Another area is in terms that I do commend the minister for the fact that the budget estimate has decreased by almost 5 percent, 4.6 percent to be exact, but when I compare the 1992-93 estimates and the actuals for that year, it seems that the estimate was overshot by about \$638,000. What I would like is for the minister to provide us with information as to where these overexpenditures occurred. Does the minister anticipate that these same problems will occur in the 1993-94 estimates?

The third issue. It seems that there was a loss of approximately 63 employees. It was 643.5 FTEs. Though some of that might be attributable to the transfers, and perhaps it is wholly attributable to the transfers in terms of the Human Rights Commission, I would like to know if we can get a breakdown as to whether these lost positions were through attrition, voluntary severance, or because of the transfer of various sections of the departments. Unless it is somewhere that I am not seeing it, I find it unusual that I do not have a breakdown of the FTEs by program, which has been provided in the past. I would like to know if we can get the breakdown by program.

Specifically, I would like to ask the following. Program 1, Departmental Support Services, vote 1.1.1, Minister's Office, increased by \$26,150, which, as the minister himself alluded to, is understandable, given the restructuring. However, my comment is that the minister's office perhaps should have set an example of restraint.

Vote 1.1.3, Personnel, has increased by 37 percent, which I believe is the largest single increase in this whole budget. My question is: if the overall budget is decreasing and there were 63 less positions in the department, why did the personnel area increase? Would those resources not be better placed to serving clients? Would those resources not be better put to the frontline workers?

Vote 1.1.5. Again, systems operating has increased over the previous year, with some investment in terms of capital, for a total of 4.6 percent. I'm aware that there have been some efforts in the department to upgrade the data processing services and the development of systems to support the information requirements. My question is: are these expenditures still a result of the upgrading that occurred over the last year? It also begs the question that if the system is so efficient, why is there still the requirement for so much additional personnel staff?

Vote 1.2, Issues Management, is a program that saw a decrease of 7 percent. I agree that this is an important area. The rationale behind the issues management group is to be proactive in their approach to issues of concern in the area of labour. We know from what we have been hearing in the Legislative Assembly in the past few days that there are many such issues. My question is: if the purpose of the issues management group is to be proactive and respond to the changes occurring, what mechanism is in place to ensure that their recommendations or reports are followed up?

Program 2, Work and Safety Standards: relatively no change except for a decrease in vote 2.0.4. My questions: where did they cut; why was the cut; was it as a result of manpower?

8:40

Program 3, Work and Safety Client Services. Vote 3.0.1 saw an increase in Divisional Support, yet if you look at the divisional

areas – southern region, central region, north-central region, northwest region – which are the outreach areas, those operations have decreased. Again the question is: how can this be? If this is mostly salary dollars, are support staff doing more than just administrative duties, or are there just too many? Are the systems that we saw in program 1 not performing their function?

Fire Commissioner, vote 3.0.6, saw a 6 percent increase in operating costs. This is an area that, again, increased last year in terms of operating costs, and I would like the minister to explain why this is occurring.

Program 4, Labour Relations Adjudication and Regulation. This area has decreased by 13 percent. I would like to have the information in terms of is this decrease relative to the number of cases that were dealt with? Has there been a decrease in the number of cases that the Labour Relations Board is dealing with? What is the average turnaround time for these cases? Is this an area where the number of FTEs has decreased, and are there any dollars that have been allocated to an educational component in this area?

Program 5, Occupational Health and Safety Services, which is a program that we've discussed at the outset in terms of the importance of having good promotion of occupational health and safety, sees 5.0.2, Health and Safety Programs, and 5.0.3, Workplace Environment programs, having the same amount of dollars, Workplace Health having an increase of 2.6 percent and Radiation Health and Safety a 5.8 percent increase. Again, Divisional Support has increased in that area. Not to be boring, but again I ask why that is occurring. My question in terms of radiation health areas and the Workplace Health is: what increased demand in services are anticipated to have produced those increases?

Program 6, which is the professions and occupation policy development area, is an area I will not deal with at this point in time but that one of my colleagues will be addressing.

The Department of Labour's mandate is

to assure a high degree of safety for the public . . . fostering workplace health and safety . . .

This is from your mandate.

Encourage . . . responsible relationships between labour and management; to ensure the protection of rights of employees in order to contribute to

the attainment of the social and economic goals of Alberta.

These are lofty goals, and I'm sure, though the minister made light of it at the beginning, that your job is not as easy as you indicated, especially in light of the recent announcements of the closure of the ALCB retail outlets and other areas of potential privatization, in light of potential rollbacks to public-sector employees as well. I would therefore encourage the minister to be active in pursuing the goals that are outlined in his mandate and to represent all of those workers who are affected by the Department of Labour as well as those employers at the cabinet table. I think above all else the minister and this government must concern themselves with ensuring that the dignity of employees remains intact.

Thank you.

MR. CHAIRMAN: Hon. minister, do you wish to reply? Okay. We'll let the debate continue. We'll go in a back and forth manner.

Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Chairman. There are about three programs that I would like to address tonight and make some comment on and ask questions. They are program 1, Departmental Support Services, specifically under Issues Management; program

5, occupational health and safety; and then program 6, professions and occupations.

Mr. Chairman, my background is in labour relations, and I have noted with some interest the evolution of the Department of Labour over the years. I can recall back in the late '60s the somewhat manipulative way in which conciliators used to get involved in the bargaining process. They would put the union people in one room and throw those of us in management in another room, badger us, lie to us, do whatever they felt they had to in order to arrive at an agreement. It seemed like part of their strategy was to wear us down, and it was not uncommon in those particular days to have agreements arrived at at 4 in the morning or perhaps midafternoon, but that might have been after 30 hours of bargaining. One of the refreshing things that I note on the scene today is that those things don't seem to happen quite as often. I must say that the last time I was personally involved in a collective bargaining process, the conciliator at that time was very open. In fact, most of the meetings that the parties had were held in concert with each other. I think this is a reflection perhaps of the way we do things now in the '80s and the '90s. I think the people responsible in that area should be commended.

One of the things that I'm curious about – and I would turn this into a question – is the manner in which the negotiating in the area of wages may have tended to evolve, perhaps in recognition of what has now become a rather lengthy recession. Clearly, union leaders, like business leaders, have recognized that there's no longer a pattern that can be developed of constant increases. Productivity concerns are there. Bottom-line concerns are there. I'm curious as to whether or not the unions and the employers themselves have made the shift away from demanding additional wages paid by the employer into perhaps demands where they're now expecting the employer to make additional investments in the actual human resources that they have.

It's been my experience in some major corporations that there have been rather extensive investments by corporations in their people, but in my involvement in the small business area, having been a small businessperson myself, it still seems to permeate the attitude of employers that that human resource is still a line item on the liability side of a balance sheet under wages payable instead of something that I have always felt should be on an asset side of a balance sheet. It used to amaze me that people could go out and hire an employee and pay him whatever the going rate might be. There'd be a probationary period, and that employee could be dismissed, terminated, whatever the popular word was, again with just one signature, that being the supervisor's, on a piece of paper. But if we had to purchase a typewriter or a machine tool or a copy machine, it seemed like it had to go through about five different levels of approvals. I always felt that there was a message that was being sent out to employees in that sense as to their relative worth.

8:50

I think I would find it particularly encouraging if I could hear from the minister that his issues management group was coming back to report that at the bargaining table we had a situation where unions were perhaps not demanding wage increases any further but were demanding that some dollars be put into their personnel development, their retraining so that if something happened to that particular employer, they would then not be left out in the cold and we'd have to have these last-minute consultants come in that had some sort of aptitude toward downsizing, or again whatever the popular word was. I think that an employer that was involved in a significant investment in his employees could truly then say in an annual statement that his human resources were what he

considered his biggest asset. I think in most cases it's been probably empty verbiage.

The only other area I might indicate is that I believe I heard the Minister of Labour indicate in one of his passages about unions starting to get into a competitive mode, where unions felt like they had to be in a position now, probably primarily in the construction industry, where they have to market their particular membership to an employer in the sense that they could not only perform work on a timely basis but also on a quality basis. I'm not sure how that fits into the programs in the element book that I'm particularly looking at, but certainly I would be interested in hearing further on that.

Moving to program 5, occupational health and safety, I note with some interest that if we looked at this summary by elements, we see an increase from '92-93 to '93-94. There might be some of us that would be applauding, perhaps, that the Department of Labour is showing an interest in the field of occupational health and safety services. Again, I don't want to belabour the point about how many times I've been around the block and how long I've been here, but to me this indicates that occupational health and safety services is just now a shadow of its former self. I can remember days when the budget for occupational health and safety would have been in double-digit millions, and now we're looking at a quarter of that.

Now, I understand, you know, that there are some new realities. I understand that there are safety associations who have got on the particular bandwagon in terms of developing safety programs, and I think that's good. With my business background and, I believe, my philosophical background I certainly would encourage this. The only thing that does bother me is that in the matter of inspection and compliance, this is again another area that we're turning over to those that are involved in the actual – I can't use the word "profession" at this particular point but perhaps similar to professions. We then have the people that are not only putting together the programs but are also likely to be responsible for the inspection of those programs. I think there's a requirement and a need for someone within the government bureaucracy to be able to then assess the compliance aspect of that. I'm just a little bit nervous when I see just how occupational health and safety over the years has been diluted.

I don't know that it's any secret certainly to the Minister of Labour, nor should it be secret to anyone here in the House, that I spent quite a number of years on the Occupational Health and Safety Council, and we were a body that was set up under the legislation to report to the minister. We're really at the minister's beck and call, and it was through that experience that I became much closer to this particular topic. I have to admit that when I was first appointed to the Occupational Health and Safety Council, I went in with a very conservative attitude. Dresser-Rand came up in the House today. In 1974 I was the first Canadian employee of Dresser-Rand in Canada and was situated in Lethbridge at that time. So I'm sure you can appreciate the question earlier today. There's certainly a personal connotation there.

In terms of occupational health and safety, we were one of the companies that became designated to have a worksite safety committee. This was the hon. minister Crawford. It was one of his last official acts as the Minister of Labour. There were a number of companies in Alberta – I believe the year was 1978. That's easily checked, if it has any significance. But at that particular time Dresser-Rand in Lethbridge became a designated worksite under the then regulation. I can remember at the time being the industrial relations manager, being quite upset. We were trying to lobby our MLA. How could this Conservative government have done this to us? What we discovered over time

with this worksite safety committee as we got the workers involved more and more in this particular aspect, maybe a little bit to our surprise, was that they not only knew as much about their jobs as we did, they knew a lot more. It turned out they were just a tremendous resource in our ability to increase the occupational health and safety within that particular plant.

Now, I know there are problems with how you would rate any particular ongoing operation in terms of its occupational health and safety, but we found that we were actually reducing our lost-time accidents. This then led to some rather substantial decreases in our workers' compensation premiums. We had to take a look at this, you know, after a number of years in operation, and in fact what we had whined and cried so much about in 1978 had actually worked to our advantage in a significant way.

Well, that direct experience came back, and I used it when I was on the Occupational Health and Safety Council. There was an initiative, I guess I'll call it, that was funded by WCB and, I think, spearheaded, and I guess the intellectual input to it came from the then department of occupational health and safety, where a program was developed that became known as the partnership program. There was a lot of discussion by the council at the time as to whether or not this particular partnership program should be on a voluntary basis or whether in fact the government should step in and enforce this program onto businesses within Alberta. I believe that cooler heads prevailed at the time, and it was agreed that this would remain a volunteer program. The question I would have, then, to the Minister of Labour tonight in this particular area is: is the partnership program still ongoing, and how is it being currently assessed by the department officials and really by yourself as the minister? I hope I hear that it is ongoing, that it is expanding, that there are more individual companies and more industries getting involved in this, because I would hate to see the day that we had to discuss in this House some revised regulation or legislation where we were going to mandate the partnership program in a sense of its workplace safety programs for employers in Alberta.

9:00

The last program is the Development of Policy and Legislation for Professions and Occupations. The only thing I would state there is that I've had presentations and representations from the APEGGA people. I'm not sure I know all of the acronym of that, but the geologists and geophysicists. They have been objecting to I guess a presentation by the Alberta Society of Engineering Technologists, who are seeking a designation.

Certainly this MLA in Lethbridge-West is having these things brought forward to him. I'm certainly not knowledgeable in either of those areas, and I would look to your guidance and leadership in this particular matter.

Thank you. If you'll be able to reply to those, I'd appreciate it.

MR. CHAIRMAN: Edmonton-Norwood.

MR. BENIUK: Thank you, Mr. Chairman. May I first also extend my congratulations on your election as Deputy Speaker and Chairman of Committees. I do hope we will have a productive four-year period.

Like my colleague I also met with the Minister of Labour, the minister responsible for the WCB. The meeting was most interesting, and I think we have a mutual understanding. I take the hon. minister at his word that he will listen, and I do hope along the way he will respond in a positive fashion to comments.

I will concentrate on the WCB, a board created by this Legislature and that survives at the will of this Legislature. The WCB

reports to the minister and, unfortunately, not to this Legislature directly.

The budget of the WCB is very interesting. I would like to dwell on it, and I would like the hon. minister to respond to certain comments. The WCB was formed as a trade-off, as a deal between the employer and the employee. The employer put money into a fund. In exchange, the employee could not sue the employer. The fund paid for rehabilitation, for financial compensation during a time of injury when the injured worker could not work, for retraining.

The WCB at the present time has an unfunded liability in the vicinity of \$570 million. The WCB has indicated that over the next five years it will eliminate this unfunded liability, it will significantly reduce administration expenses and significantly improve core client services. These are wonderful things to try to achieve, but unfortunately, Mr. Minister, it appears that it will be carried out on the backs of the injured workers and higher assessments on employers, who are going through hard times.

The first item I would like to look at specifically – and I have the 1992 annual report of the WCB and, courtesy of the minister, some estimates on the WCB for 1993. It appears, Mr. Chairman, that the board has an investment fund in the vicinity of \$1,878,000,000. My understanding is that this investment fund is under the control of the Provincial Treasurer, who handles all investments in it. He's nodding in agreement. There is a list in this booklet of what the investments are. They include, in general categories, bonds. I would like to know what kinds of bonds: government, corporate, foreign bonds? There's \$868,600,000 in that. There are mortgages held by the WCB in excess of \$91 million. There is a real estate pool, a real estate investment – in other words, they own real estate – in excess of \$77 million. There's an equity pool, which implies shares in corporations, but there is no indication which corporations. Foreign? Canadian? Are they solvent? Are they in trouble? Keeping in mind that the WCB sends out assessors to determine what the assessment rate of employers is, I think it's fair, so there is no conflict of any type, that we in this Legislature know which companies the WCB has investments in so that all companies are dealt with fairly.

There is something called a balance pool. I don't know what that is; there is \$21,700,000. It goes on with other items. It comes out that there's \$1,878,000,000 in this statement. Now, what is also interesting: there is \$308,600,000 in foreign investment. That implies that the minister or the Provincial Treasurer or the WCB lacks the confidence to invest that money in this province, because they're investing it abroad. That would create many jobs in this province. The WCB apparently doesn't have control over it. It is the government.

MR. DINNING: Is this the guy that beat Ray Martin or is that Ray Martin?

MR. BENIUK: No, this isn't Ray Martin. This is Andrew.

Mr. Chairman, if the government honoured its commitment to privatize, then it should establish at an arm's-length basis this investment fund. It should not be invested by the Provincial Treasurer, who is determined to wipe out the provincial deficit, so he tells us.

One percentage point in interest on bonds or better share investments or non politically motivated share investments or real estate equity – a one percentage point return would increase by \$18 million, \$19 million each year the return on this. In five years one percentage point would make it \$100 million. The deficit, the unfunded liability right now is in excess of \$500 million. The interest alone will start cutting into it, rather than taking benefits

away from the injured workers and raising assessment fees to employers.

There is an interesting item also here, Mr. Chairman. It reads: write-down of investment. That normally implies there is a loss. A mistake was made; money was lost. In 1991 it was \$3,677,000. In '92 it dropped to \$2,360,000. Combined, we are looking at \$6 million that has been lost, money that could have been used to look after the injured workers.

Mr. Chairman, there is another interesting item here which is in one general category in 1992 but does not appear on the forecasts, the estimates for '93. It is the second largest item under administration expenses. It is called consulting fees. In 1992 it came to almost \$14 million, to \$13,946,000. It does not appear in 1993 in the estimates. One assumes there are no consulting fees, or are they coming?

9:10

We have other problems, Mr. Chairman. Privatization is now a catchword with this government. A few years back, as the hon. minister is fully aware, and to his credit he was not the minister at that time, there was a computing section in WCB that employed 50-odd people. [interjection] Pardon? I didn't quite understand what the member said. There was a contract let out to a private computer company. All 50 employees were transferred over. Some were let go, but the majority ended up being transferred over, and that company started off with 50-odd employees. Today that company, with the wages being compensated by WCB I am told, has 125 people specifically doing work for the WCB. There are people in WCB also assisting them, and over and above that, yes, the figure is 50 people in WCB working in the computer section. So we privatized, and we have the same number of people a few years later, plus we have a private company with 125 people working there.

There are certain problems that arise. The WCB is having financial problems. The Provincial Treasurer is also having problems reducing the deficit, and the minister helping in his department. There is in the department this year for Occupational Health and Safety Services \$3,100,000 in the estimates. It is interesting to note that WCB was required last year to put up money for occupational health and safety grants of twice that amount: \$6,343,000. This year the estimate is \$3,500,000, very close to what the Department of Labour's budget is. Is there a difference where this money is being targeted? Is it replacing, compensating, in competition with the minister's department? What is the function of these two funds?

Mr. Chairman, if I sound critical, I do not intend to be. I wish answers which I believe the people of this province would like. When you look at a financial statement and you see figures, figures of consulting fees, figures of how much money has been invested abroad, when you look at figures that say that the accounting procedure has changed, resulting in 1992 in an increase on paper in investment income of \$8,343,000 because of an accounting change . . . It's one thing to play with figures, but what we're dealing with here are people who have been injured and need compensation, need financial assistance during the period they can't work, need rehabilitation and retraining.

Mr. Chairman, I had asked the question a few days back on education, and it is a fundamental question: what is the responsibility of WCB? Is it simply to go through the motions of retraining people or is it to provide them with a basis for re-entering the work force? What standard should be used? Is it acceptable for this Assembly to allow the WCB to spend \$3,700 by sending someone to an unlicensed vocational school? Or should the money be accounted for so that the person can re-enter

the work force and contribute in a positive fashion to the economy, to their own life-style?

Mr. Chairman, I have been advised by people who were more knowledgeable about the WCB in years past that at one point there was a ratio of 1 to 1 between caseworkers and noncaseworkers working at WCB. This was in the '70s. Today there are between 300 to 400 caseworkers, frontline people dealing with the injured. There are around 1,500 in total – the exact figures varying because of layoffs – which makes it a 1 to 5 or 1 to 4 ratio, depending on how you look at it. What are the rest of these people doing?

The WCB, I repeat, as I said at the beginning, was established with a fundamental principle by this Assembly. Is it fulfilling its obligation? Is it wise, as I indicated – and I hope the minister will really look into this – to have funds invested by the Provincial Treasurer? I am not in any way implying anything negative on the Provincial Treasurer. It is the principle: arm's length. Your responsibility is to make sure that the WCB and the injured workers and the assessed employers are well looked after. It's a judgment call from your side. I don't think this is happening today.

If I have an opportunity, I would like to continue. However, I think I will yield to my hon. colleague. If the opportunity permits, I will rise again. I do not wish to dominate.

MR. CHAIRMAN: The next one is Rocky Mountain House.

MR. LUND: Thank you, Mr. Chairman. First of all, I'd like to congratulate the minister on his reappointment and also commend him on the tremendous job he is doing. We're very appreciative of the work you are doing.

I just want to make a few brief comments. I know in the minister's opening remarks he commented on the labour laws in the province, about how progressive they are and some of the best in the country. I certainly agree with that. However, there are some problems and a couple of things that certainly have bothered me and I hear a lot of comments about in the constituency. That's to do with strikes and how there are third parties that usually are hurt more than anyone else in this process of striking. Surely there has to be a better way. As many members in this House are fully aware, in the area I'm from a little over a year ago we had a major teachers' strike. The teachers were out for a long period of time, and of course the people that suffer in that . . .

MR. CHAIRMAN: Hon. members, there's only to be one debate going on at a time. If you want to engage in lively debate, we won't stop you from going outside and carrying that debate out there. In the meantime, we'll resume the debate in here.

Rocky Mountain House.

MR. LUND: Thank you, Mr. Chairman. Getting back to this problem with strikes, I remember at the same time there was a strike going on out at the west coast. It involved eight people. That was costing the Alberta farmers about \$1.5 million a day for every day those people were on strike. This seems very ludicrous, how a third innocent party gets caught in these strikes and really pays the price. Now, I know with the teachers' strike the former Minister of Labour put in place a consultative process that started at the local level and moved to the regional and finally the provincial. I have had a lot of criticism about the final report that was issued. People say that it did not clearly address the issue; it will not assist in settling these disputes in the future. So as many members realize, I have on the Order Paper a Bill I would hope I get support for that of course would solve the problem. I

won't go into it tonight because time is running out, but I hope we will have an opportunity to debate that.

9:20

Moving along to the WCB, certainly the member that spoke ahead of me raised a number of concerns. The unfunded liability is a great concern of mine as well. While I know that the former minister did a tremendous job with the WCB, there really are some problems that I see. I guess I'm concerned that if we continue to do things the same way without change, we can't expect an improvement in the output. So I hope we would be looking at how we are retraining and how we are dealing with the injured worker, because certainly it is very important that they get back into the work force and become productive like all of them would like to. But I think we have to go beyond that as well.

[Mr. Clegg in the Chair]

The rates are getting to be substantial. I have seen some figures that come out of a number of states. I don't mean to compare the work people there are doing with the workers with what's happening here in Alberta, but we do have to be competitive. We're into a world market, and if things like WCB rates get far in excess of our competitors', we are suddenly in a very difficult position. I will float an idea. I'm not sure how acceptable it would be. I would like us to have a look at the possibility of the workers contributing as well. [some applause] Thank you. I've got one fan anyway.

Mr. Chairman, I believe we could easily work out a scheme whereby the worker would pay a percentage and have that set at a level, but with good work experience and no claims, that in fact would be reduced. So the worker would carry this good record with him. I believe it is something that could assist greatly in reducing accidents, because I've seen many times – and I've hired a lot of people myself – that very often workers do not take safety seriously. You can do whatever you like as an employer but you have difficulty getting the message through, and I believe this is one possible way we could assist in getting that message through.

I'm also somewhat concerned and would like the minister to look at the 90 percent that we pay. From the checking I've done, that is above what many other jurisdictions pay, and possibly that would assist in our unfunded liability. Now, a question related to that unfunded liability. I would be very interested to know: how far from being actuary is the WCB account currently? Never mind the unfunded liability that is there. That's a major concern, but I guess really the question is: is it growing?

Turning to the estimates, I notice that in the heritage savings trust fund we have some \$750,000 being spent for some research projects. I would really like to know what types of projects we are dealing with there.

Moving over to the programs, I notice that in program 2, under safety standards, we see a slight decrease of about \$65,000. I believe that's the element that deals with the safety codes. A couple of questions relative to the Safety Codes Act. Where are we at in the implementation of that Act, are you seeing any improvement in service to the clients, and are any efficiencies being realized by implementing that program?

I'm also looking at the Fire Training School in Vermilion. I'm wondering what that is costing us. I know that it's a tremendous facility. It's recognized outside our borders as one of the top training schools in the world, I understand. I'm wondering if there's any ability there to recover some costs, or are we in fact recovering costs of the operation of that school?

With that, Mr. Chairman, I will conclude my remarks.

MR. DEPUTY CHAIRMAN: The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. It's always a delight to jump in and ask a few questions about Labour of the reappointed Minister of Labour. I'm pleased the Treasurer is here tonight, because I have a comment directed toward the Treasurer as well. I was just wondering why the Treasurer is not including percentage increases as he used to do in the old budgets, which was always kind of nice.

The first percentage I calculated here was with respect to the minister's office, line 1.1.1. The former minister, the sugar plum fairy who was going to wave a wand and solve all the problems of the earth, charged \$210,000 for her office. The new minister, who has yet to see the light of day, is charging \$311,000 for his office, which, ballpark, is about a 50 percent increase. So my first question is: how come?

Mr. Chairman, I don't want to deal with all the different areas of the department's budget, but there are a couple of areas that over the years I have worked on and find particularly interesting. I want to start off with following up on the questions the hon. Member for Rocky Mountain House asked, which is the safety codes legislation.

The safety standards section. I looked back on some previous years' budgets, and we were spending on safety standards about \$3 million in the '90-91 budget, then up to \$3.1 million. Last year's budget was just over \$2.9 million, and now we're proposing to spend just under the \$2.9 million. The Liberal opposition was opposed to the safety codes legislation when it was introduced in this Legislature. We were opposed to the amendment to the safety codes legislation. The concern, I think, follows along the line of what the hon. Member for Rocky Mountain House raised, which is: what's going on with it? We don't see much of a reduction in cost. The main goal, as the hon. minister referred to in his opening comments, was that the inspections that used to occur were becoming more and more difficult for the government to attempt to manage. In fact, I looked back through some of the former government departments' annual reports, and I see we used to do inspections on a whole variety of things. Elevators, of course, was one. We used to do inspections on building plans. We used to do a long list of electrical inspections, electrical permits, elevator related equipment, building fire inspections, and so on. I note in the few most recent years that inspections have gone down, which ultimately led to part of the reason for creation of the safety codes legislation.

We've privatized all these inspections, and yet I don't see a significant reduction in the expenditure for safety standards under this line. So my question is: now that we've gotten rid of the need for all these inspections and inspectors and the salaries for these individuals, why do we still have a dollar figure that really is substantially similar? I mean, it has varied by about as much as \$150,000 on a \$3 million budget, but given that we've given all the inspections to the private sector, I'm wondering why that line is still as high as it is. I wonder if the minister could address that.

Mr. Chairman, along that line of safety inspections and so forth, the number of inspections would be a question I would like the minister to address. When we looked at the past record of inspections of all those long things I referred to earlier, we saw that the number of inspections declined because the government claimed they couldn't keep up with the needs and the drives of inspections because of legislation. I'm wondering: has the number of inspections increased now that the safety codes inspections are privatized? My second question, along that same line, is dealing with the inspectors themselves, the individuals that

are given the task of doing the inspections. Is the department ensuring that the people conducting these inspections are truly qualified for the inspections they're being mandated to do? Now, I know we have the Safety Codes Council. I know that there is supposed to be close monitoring of that. I'm asking the minister if in fact that is happening. I think that regardless of partisanship, or whatever you want to call it, the bottom line here that I'm addressing is safety. I expressed concerns about safety when the safety codes legislation was introduced, and I still have that concern, Mr. Chairman. So with respect to the safety codes legislation, I think there's real room for some improvement, and I'd like to hear the minister make some comments about that.

9:30

Mr. Chairman, the other area that I really would like to have a look at briefly is the professions and occupations section, chaired by the hon. Member for Calgary-Varsity. The member talked about some contentious legislation that went through the House here not long ago, which was midwives. I imagine that his office, as well as probably a good number of hon. members, has been besieged by a number of letters from the engineering technologists and the engineers. The Alberta Society of Engineering Technologists, also known as ASET, has been requesting registration under POARA, the Professional and Occupational Associations Registration Act, and the engineers have sent to the Liberal caucus a number of letters saying that they are dead set opposed to ASET being registered under POARA. So I guess my question to the chairman of professions and occupations is: what's the government doing on that issue? There are a number of people who are very concerned on both sides of the issue. We in the Liberal caucus have asked to have a meeting with representatives of both groups, the engineers and the engineering technologists, so that they can put forward their viewpoints to us, but of course, ultimately, it's going to require an amendment, if there is to be one, from the government side. So I'm wondering what's going to happen in that particular regard. That is one particular area within professions and occupations that I wanted to address.

The other one is a report, that I'm sure the hon. minister recalls, called Bridging the Gap, a report of the Task Force on the Recognition of Foreign Qualifications. Mr. Chairman, this is a fairly hefty document that was produced by the government, the Department of Labour, some 361 pages in length. The key part was that there were nine recommendations that were put forward by the review committee. Of the nine recommendations that came out of this report, we see still in the budget that the government is finally looking to now develop the centre that was proposed as recommendation 2. Recommendation 2 in the report, just if I turn to it really quickly, recommends

that the Government of Alberta establish a centre to assess academic qualifications in terms of Alberta high school, trade, college, and university standards.

Now, Mr. Chairman, we have had this recommendation. The task force was started in 1988. June of 1992 this document finally became public, which is better than a year ago, and we're still waiting, I guess, to see whether or not or when or how or where this centre is going to be created, that will in fact facilitate new Canadians and new Albertans getting into the work force. A great number of people that come to this country, to this province come from other parts of the world not with hat in hand but with a great deal of expertise that we not only want but quite frankly need in this province, and to not avail ourselves of their services is an injustice both to ourselves, from a purely selfish standpoint, and our economy and also an injustice to them in terms of personal development and growth and so forth.

So a couple of questions on the development of the centre to assess foreign qualifications: at what stage of planning is the centre; will the centre be up and running within this 1993-94 fiscal year; and how many resources have been allocated? I'm not talking, Mr. Minister, just about dollars and cents resources, because I recall seeing a figure in here of just under a million dollars towards the development of this. I'm also wondering about personnel, about getting office staff and so on in the centre up and running. There's no doubt that the sooner we can get this working, the sooner we can get people on track, the better off I think we'll all be with respect to these people.

Now, Mr. Chairman, the figure in the estimates here is, as I said, just under a million dollars, \$993,590, but I do have a question on this. The foreign qualifications information and assessment centre is the full title, and it's going to provide for newcomers to the province on a fee-for-service basis. While I recognize that there's a move towards privatization, there's a move towards balancing the budget and so on, some people are going to come to this country, perhaps as refugees, perhaps without much money in their pocket, and to charge them on a fee-for-service basis might be a hardship for some individuals. Is there a contingency plan to do an assessment for those individuals and allow a deferred payment so that an assessment can happen? Get them into the work force, get them employed, and they can pay the fee once they're up and rolling and employed and contributing to our economy. I have no problem with the concept of a fee-for-service basis unless it interferes with them getting into the marketplace, because that's what we want them to do. We want them working in our society.

Finally, Mr. Chairman, just a couple of issues about the whole concept of training while I'm on the issue of professions and occupations. I'm not sure what the linkage is here between the Department of Labour and the Department of Advanced Education and Career Development, but very often people find themselves in a job, and they very quickly discover that the job isn't all or is more than what they thought it might be. There are instances whereby suddenly people find that they're asked to do perhaps more than what they have been trained to do, which again is a safety matter. I'm not sure whether it falls under the safety codes legislation or whether it falls under apprenticeship and training legislation, but my question again to the minister is: what is his department doing to address the concerns of individuals who are being asked to perform duties as a result of their employment that perhaps they're not really trained for? Again the issue here is safety not should the person be working or not working. The question is: are they doing things that are beyond their control or beyond their training?

So, Mr. Chairman, with those comments I will stop and look forward to some responses from the minister. Thank you.

MR. DEPUTY CHAIRMAN: Thank you.

The hon. Member for Calgary-Varsity, please.

MR. SMITH: Thank you, Mr. Deputy Chairman. The member opposite actually brings up some interesting points. I'd like to address the discussion about ASET and APEGGA, ASET being the Alberta Society of Engineering Technologists and APEGGA being the professional engineering body. This is an ongoing issue that has been discussed by both parties for at least a year and a half, certainly prior to my arrival. The key issue is that there are a large number of engineering technologists that feel they have a mandate to practise in their own domain under the present regulatory systems of engineering supervision but still being able to govern themselves. Essentially their position, Mr. Deputy

Chairman, is to put forth a definition of their scope of practice or define their level of work that is acceptable to APEGGA, because in this issue both parties must be in accord before any change can be made.

Where the department comes in is strictly on a facilitating basis. We're there to make sure that the public interest and public safety is indeed protected in this issue. We have been waiting for ASET and APEGGA to formally come through this. We've already offered a mediation process. APEGGA has flatly rejected that. Now it's the next step of some sort of consultation, that we can facilitate the process, that both professional societies in this sphere's practice can function in a manner that's mutually inclusive. So it's really our responsibility to facilitate the process, certainly not to adjudicate, and as long as I'm chair that's the approach we'll be taking.

9:40

The issue actually brings up a statement of a little bit broader depth towards what we're doing at the Professions and Occupations Bureau and that is transforming rule-driven organizations in becoming rather more mission driven in the sense of what we do over there. The development of the rules and regulations has been something that's happened over a long period of time. We're now looking at a position where we want more the market to make the decision of where these people can fit and let the market make the decisions of how they can fit into the marketplace. So it's more important in our opinion, Mr. Chairman, that the marketplace is being serviced, that the public interest is being protected, and that the professions and occupations are living under a deregulated environment. The importance of deregulating without incurring additional expense to either the department or the user group is very critical to us, and I believe it's something that we'll be pursuing further as we go along. The bureau along with all the other groups have put forth a deregulation plan and a business plan that will expand over the next three years. What we seem to have coming forth from the bureau is an entrepreneurial approach to deal with obsolete regulations, and certainly if there are any obsolete programs, we'd be covering off on those.

It's important that the bureau over there focus on the mission. We're looking strongly at the budget, and we want to make sure that we continue to provide this level of public interest and public protection at a reasonable cost.

Reasonable cost is what brings me to the second point that the member raised, and that's dealing with the foreign equivalency desk. As this is being set up – and it's in its preliminary stages at present – the importance of providing an expeditious service for the user to get involved in the system, get quickly on his or her feet and get effectively involved in the work force is going to be an important one to us and one that we want to quickly respond to. In that light we've put through a multidesk entry point so that they would be able to access the facilities through both Edmonton and Calgary. The fee for service would be graduated based on the level of expertise that the candidate would bring to the desk.

It is a good point that you mention: can we establish some sort of credit rating to determine, say, how we can balance what the person wants to receive from us and in turn from his or her payability or indeed repayability? So it's something that we'll take under advisement and we will have a look at. Thank you for that. [interjection] I guess it's difficult for the popular group in the front that have always been used to springing their feet to realize there are in fact people back this far. We certainly feel much taller of course.

It's important, Mr. Chairman, that we speak to this in a framework of results-oriented government. That's exactly what

this government is intending to do, and it's exactly what I intend to do as chairman of the Professions and Occupations Bureau. It's important that we fund outcomes and not inputs, and it's that framework that we want to put forth in developing an effective way of serving the public interest, serving the clients of our bureau, and we intend to do that at a reasonable cost.

Thank you.

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Chairman. I won't take a great deal of time. I want to speak mainly on the workers' compensation. I just want to touch on the labour part of the portfolio and point out to the minister my emphasis that I see in labour right now, the major, major area of concentration, the major trend that of course is occurring, and that is that the stats clearly point out the substantial number of increases in part-time employment as we see the permanent, the full-time employment decrease. We see in the city here what's happened with Telus. We've seen what's happened with Safeway, with Woodward's, and the list goes on and on. ALCB: another 1,500 employees; many, many of them full-time employees. Many of them will be forced to find part-time employment and won't have the same protection under the labour Act and under collective agreements that full-timers have, and that's an area that's going to become more and more troublesome.

Occupational health, Mr. Chairman, just very briefly. It has to be of concern that a worker in the workplace has to feel that the employer is providing every avenue of protection that is possible. Yes, there is responsibility on the part of the employees as well, but too often it is negligence on the part of an employer. Myself, I was injured in an industrial accident as a result of some lack of foresight. Of course, it's a problem that's always corrected after the fact. No worker should be subject to intentional abuse of safety violations.

I did carry workers' compensation for four years, and being on workers' compensation myself for 28 years, I've become very, very familiar with the process then. I've seen a great change in workers' compensation, Mr. Chairman. For an injury back in my day the whole role of the WCB was different. The role back then was basically more one of giving a person a pension and not so much emphasis on the retraining. It was just about that time that that door was opening, and there were possibilities there. I took advantage of that possibility and the encouragement that the Workers' Compensation Board gave me and the additional financial assistance they gave me to encourage me to retrain, which I did.

Even in our caucus we'll have some disagreement as to whether that is the responsibility of the Workers' Compensation Board or whether that's the responsibility of, let's say, advanced education: to provide assistance when it comes to retraining. I think the WCB can play a very, very meaningful role in attempting to get the injured worker back into the workplace. I believe most people, by and large, want to be productive members of society. They don't want to sit back and vegetate and draw a monthly paycheck. They would like to in fact have the opportunity to retrain, to go on to seek new careers, new possibilities, in many, many cases much more challenging careers than the career they had prior to their injury, such as my own particular case. I do consider this much more challenging than the career I was involved with when I was injured back in 1964.

Workers' Compensation, of course, now deals with a lot of areas that are becoming a lot more troublesome, the so-called gray areas

– back injuries, head injuries, very, very severe cases of pain, respiratory problems – areas that are very difficult to define as to whether the responsibility or the occurrence of that injury or that disease is attributable to the workplace or if it is because of some other reason. That does become a very, very troublesome area for the WCB.

When we talk in terms of the retraining, getting a person back into a productive way of life, we're also compounded with the problem of the board spending, in some cases, fairly substantial numbers of dollars to allow that person to become productive. Then of course that pension will continue even after that time. That's one of the reasons why the Vern Millard report some years ago recommended an emphasis towards loss of earnings. Loss of earnings would be very difficult to sell to those that are currently on a pension, because nobody wants to lose voluntarily something they're already receiving, but somewhere down the road it's an area that's going to require a great deal more addressing than is occurring at the present time. In other words, the board has to clearly start to define, even more so as the demands become increasingly substantial on them: is the emphasis on retraining, or is it simply providing them with a loss of income? Can employers afford the benefit of providing both the retraining and to continue paying for that loss of earnings even though there is no longer a loss of earnings because of the ability to re-enter the work force possibly in some different career?

9:50

Now, some specific questions, Mr. Chairman. I can understand if the minister doesn't have the opportunity to respond to them tonight, because the Member for Banff-Cochrane is eager to stand up, but even if he can do it further down the road.

I'd like to get some type of assessment as to what the projection is for rates, for assessments in terms of the next two or three years. I'd really, really like to get an update on that whole computerization project that was started about two years ago, about a \$70 million undertaking, that there were some difficulties with: as to whether it is complete now, as to whether things are working the way they were originally anticipated.

Thirdly, Mr. Chairman, I believe we are aware that there was some action filed by a number of employees that were terminated fairly recently. I haven't heard recently what has occurred with that particular action: as to whether there's been some type of settlement, as to whether it's just been dropped or if it continues. That's when the new chairman of the board came on, and there was some downsizing of roughly a hundred employees.

Lastly, approximately three years ago there was a rehearing of roughly 250 very, very troublesome cases that were heard possibly at that point a third or fourth time, whatever the case may be. The current Minister of Transportation and Utilities I believe was the minister at the time that was launched. Possibly it wasn't even him; possibly it was the minister prior to him. Whatever happened to those 250 cases? Are there any stats as to how many of those were upon being re-examined resolved, or are they still kind of out there in limbo? Are they still going around to the various constituency offices attempting to get what they feel in their mind is some sort of fair resolution?

On that note, Mr. Chairman, I'll conclude. Thank you.

MR. DEPUTY CHAIRMAN: Thank you.

The hon. minister of the environment and Deputy Government House Leader.

MR. EVANS: Thank you very much, Mr. Chairman. I am going to be brief because of the hour, but I would like to begin by congratulating the minister on his reappointment to this portfolio.

I have found in the period of time since he became the Minister of Labour that he certainly dealt with the issues I have brought to his attention at the constituency level in a very conscientious manner. He's been very, very prompt with the kinds of responses he's given to me.

I must say, though, that I am concerned about one particular aspect of the Department of Labour's budget, and that is the Workers' Compensation Board component. I'm particularly concerned when looking at the budget for this year under Executive Council that we have quite a substantial reduction in the '93-94 estimate, down to \$5.5 million from \$8.2 million. The reason I say I'm concerned is that back in 1989 when I was elected, I had very, very few Workers' Compensation Board claims brought to my attention by my constituents. I thought that perhaps, Mr. Chairman, that was because of the type of work that was going on by those who were employed in my constituency. When I analyzed it more closely, I realized there was oil and gas exploration, there's agricultural production, ski area folks, a number of people in areas where there is danger, and that's reflected in the rates that individuals and employers are paying to the Workers' Compensation Board. Nonetheless, back in 1989 there were very, very few claims.

Over the past couple of years, I've noticed that there are more claims coming to my attention. I think, consistent with probably all of the other hon. members here, many of them are back pain injuries. They're very difficult to diagnose, and as a result of that we tend to have files that go on and on and on. There's an increasing frustration in the minds of my constituents who unfortunately are in a process where they have to access the Workers' Compensation Board because they have so many adjudicators who they deal with over a period of time. One individual that comes to mind who lives in the town of Cochrane has had well in excess of 26 or 28 adjudicators over a period which began his relationship with the WCB in 1984.

I appreciate the difficult job for adjudicators, the pressure that they're under, and the difficulty of dealing with a diagnosis which oftentimes is not very precise. That being said, I am more concerned about those workers who find themselves having to access the Workers' Compensation Board to alleviate the economic problems that they have when they can no longer work full-time or even some part-time. So I would certainly appreciate hearing from the minister if, notwithstanding the changes that have been made to the WCB intended to improve the level of service to the public – and I certainly don't make light of those changes that have been made; I don't make light of the fact that Mr. Millard has spent a great deal of time trying to focus on this issue. I'm just concerned that that's not happening, as I see it, with a number of my constituents. Their frustration is my frustration with this process. So if the minister could please try to deal with back pain, and back injuries in particular, but basically all of the Workers' Compensation Board types of claims, the service delivery that we are giving the adjudicators, the stress that they have to deal with, and how that relates to a fairly substantial reduction in the budget estimate for that part of the hon. minister's budget, I would certainly appreciate it.

On a more positive note, I think most hon. members are aware that side agreements have been signed now or are going to be signed. I guess today was the announcement date for side agreements both on the labour side and the protection of the environment side. I would be interested in hearing the minister's comments on the impact of the side agreements with respect to labour and how he sees this side agreement affecting Alberta Labour and the opportunities that we have through NAFTA.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Would the hon. Minister of Labour like to answer a few of those questions?

MR. DAY: I'd love to answer all of them, Mr. Chairman, but I'd be here till midnight. I don't know if we could see by a show of hands how many would like to stay here with me till midnight. We have four opposition members who weren't going anywhere anyway, and the rest don't seem to be . . .

I'll just quickly zero in on a number of these, if I can. To reassure members, I've been making notes here. The areas I can address tonight I will, and other areas that I can't address tonight, the only reason I'm not is because I want to make sure I've got the facts when I send them to you. I'll compile a report of everything we look at here tonight, which we'll send out to those who ask. This isn't a matter of privilege, but in the interests of duplication, efficiency, and restraint, anybody who is interested in getting the report of the questions from tonight, if you'd call my office. I will be sending it automatically to people who've raised different issues, but any others, contact my office and we'll see that you get that.

10:00

This is not necessarily in order of significance, Mr. Chairman, of the questions that were raised by members, just the order in which I've jotted things down. To my – what should I say? – main critic, the Member for Edmonton-Meadowlark. In terms of the breakdown of those lost positions the overwhelming majority of those in the amalgamation significantly of OHS and Labour was accomplished through the VS agreements. I'm also going to send to you a breakdown program by program of the FTEs because we do have that, and I can make that available to you.

A number of members have raised the issue of Minister's Office increase. Actually it was the Member for Edmonton-Meadowlark who I suppose could have tried to misread the figures and make some political gain out of it, but she didn't. She correctly identified that there's been an amalgamation of two departments here, and therefore what was done by two ministers' offices is now being done by one, with no increase in staff. I won't say no increase in stress of the staff that are there, but it is the same number of staff in the minister's office which used to be Labour, just dealing with the Labour side, which is large enough, also dealing with the WCB, professions and occupations, OH and S, and labour relations matters: the same number of people.

I just want to go on record commending those people. They don't start at 8:30 or 8:15 in the morning and go home at 4:30. You'll notice that as the days shorten, the lights are on at 7 o'clock or so most mornings, and often they're leaving at 6 o'clock and they're not always or hardly ever filing for that. So I want to commend them for taking that on.

The actual number, the change when you combine the two budgets for '93-94, when you look at the comparable estimate, is actually a decrease in the Minister's Office of \$184,653. So picture those two coming together, and now operating: a 37 percent decrease is the actual comparable figure. Some of that was noted by the Member for Edmonton-Meadowlark and missed by the Member for Calgary-North West and even by some of my colleagues.

Issues management was raised also by the Member for Edmonton-Meadowlark. I want to say that when you look at the Department of Labour, close to 85, 87 percent of the budget is now personnel. This department is very highly intensive, people-service delivery. We don't deliver a product; we deliver a service at a very high level. Somebody else mentioned it also in terms of the budget. Issues management: when you really sit down and

look at everything that is accomplished in a proactive way in terms of meeting and facilitating on labour issues, whether it's union or whether it's business associations, the work that goes on is hugely significant. I'll send some of that out in the report.

I can tell you that one example is the difference we've seen this year in construction bargaining alone, which, if you remember back in the early '80s, was just a formidable area. It was an area nobody wanted to get into because of the animosity and the intense feeling. I'll get the updated report, but of the roughly 25 different sectors in construction bargaining there are over 20 that have settled now. The two or three that are still outstanding don't appear to be presenting huge problems; there are some minor issues that they're dealing with. That just doesn't happen by accident. There's been a lot of work by our issues management people in a facilitative way, talking about and promoting the whole idea of mutual gains bargaining. It doesn't have to be win/lose; it doesn't have to be lose/lose. In fact, it can be win/win. That's just one example, one area alone, and I could go on and on in terms of the issues management people and the job they do in a proactive and preventative way.

There were some questions the Member for Edmonton-Meadowlark had on professions and occupations. I don't know if they were all addressed by the chairman, but we'll go into those in detail and try and get them to that member. The Member for Edmonton-Meadowlark has obviously done some extensive work on a line-by-line basis in terms of the different votes. I won't take the time to address the many areas. You've got very specific questions, obviously using research dollars and not the *Edmonton Journal*, so you are to be commended for that. I will reply to those with the same vigour that went into asking the questions and see if that satisfies those questions.

In answer to the Member for Lethbridge-West – and some members I'll come back to as we move through these because there's been doubling up of questions. You're right, there isn't a pattern of constant increases on the negotiation side, and there has been a shift in terms of people in dealing on labour/management issues looking at the human resource element. We're not living in utopia yet; it's not perfect. There has been a considerable and positive shift in those types of issues. Some of that's related to the economy and the realization of where we're at. A lot of that again comes back to the work done by our issues management people in bringing sides together. The Department of Labour has moved significantly in a philosophic way from an interventionist and paternalistic type of approach to much more of a facilitative role in bringing people together and realizing that if a decision or a dispute is not settled by the people themselves, if it's something that's imposed on them, the chances of an ongoing, positive working relationship are not that great. So, again, as a credit to the issues management people, we've seen some real progress on that. It's not utopia; I'm not trying to say it is.

I would like you to know that in 1993, and this is up to June, in terms of our lost person-days per 10,000 – that's how these are measured in terms of strikes and lost days – Alberta ranked the second lowest. The Canadian average was 5.36; Alberta's was .99. That's not perfect, but it's not bad. If you want to look right back to '92, of some 1,300 collective bargaining agreements and some 600 or so – I can get the exact figures to you – coming to an end and being negotiated, I think there were five work stoppages out of several hundred agreements being negotiated. It's not perfect, but it's not bad.

The Member for Lethbridge-West said that the health and safety side is a shadow of its former self. In fact it is. That's intentional, because the move very significantly has been to the safety associations, and they're doing an incredible job. So, yes, that's

been intentional. Has the emphasis on safety and health decreased? No, it has increased, and you can see that through measuring lost-time injury rates. They continue to go down, and we're making those public.

The partnership program: yes, it is ongoing. It's expanding. It's being supported now by most major industries, and some industries have experienced wage-loss costs due to injury reductions up to 50 percent. Actually, in southern Alberta, down in the Brooks area, XL Meats, for instance, established a safety program. This is just an example of a safety program supported by management and going right from all the levels down. They experienced a 100 percent decrease in their injury rate: very significant.

The Member for Edmonton-Norwood talked extensively about the investment portfolios, and I want to continue to try and give that member more information and an evaluation of the portfolios. I appreciate the concerns.

The unfunded liability raised by the Member for Edmonton-Norwood and the Member for Rocky Mountain House and others: it's not even a five-year plan any more; it's a four-year plan in terms of removing the unfunded liability. Back in January we were being optimistic about this year's figure of around \$160 million, to see that reduced, and up to the end of August the numbers that are coming in are very, very positive. We are holding our breath a bit on it, but we think we're going to make that first year and the subsequent year reductions. It's been very positive, and it's not being done on the backs of workers. We've significantly reduced administration costs. We're actually going to have a surplus this year in that area, which has been a real turnaround. By reducing injury rates significantly, you're paying out less. Those are two of the main areas where we've been able to see the reductions.

10:10

I will get the final report on the education bargaining to the Member for Rocky Mountain House. There has been a suggestion of more co-operation, more information sharing between the parties when they are bargaining. There's been some agreement made there that will hopefully go a significant distance to reducing the length of time here.

A number of concerns related to professions and occupations have been raised and addressed quite adequately by the Member for Calgary-Varsity, the chairman of that particular committee, and he will be sending out some more detailed information.

We're getting there, folks. I know you want me to continue. I can tell by the glazed eyes behind me here.

Calgary-North West talked about the safety aspect, people being asked to do either more than they know how to do or that they feel safe with. In fact, it is law that if you are asked to do something unsafe, you have to report that. We do all we can to support the worker. We even do investigations on an anonymous basis when workers feel they're being asked to do things that are unsafe. It's a matter of legislation, but also it's a matter that we're trying to facilitate and work with employers on.

I will get the update on the computerization. That's been a concern of mine also. The Member for Edmonton-Rutherford talked about that. That's been a concern, the evaluative process there.

The downsizing of WCB. You know, there are a lot of employees there. It was downsized 130 people in January, mainly senior management and middle management. Of all of those disputes that arose from that - I'll get you the exact figure - I think there are three that may be going on to court, and we'll just see how those work out.

The side agreements for NAFTA. I'll close on that one. We were significantly involved in the ongoing process as those negotiations over the summer were coming to a close, because the environment and the labour side are clearly two areas of provincial jurisdiction. Through the conferencing that went on with the ministers from each province, I can tell you that Alberta and Quebec were very strong on maintaining that if there was going to be a side agreement, provincial jurisdiction had to be acknowledged and maintained and that we would not support the federal government in even moving to these side agreements if that wasn't maintained and upheld, and it has been. I thank my colleagues across Canada who also took part in that with me but especially the minister from the province from Quebec. [interjections]

Even though I hear people asking me to continue, I feel that the hour is moving on, and I will complete my comments.

MR. DEPUTY CHAIRMAN: The hon. Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Chairman. That was an absolutely incredible summary by the Minister of Labour. I would now move that the committee rise and report.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. DEPUTY SPEAKER: Order. The Deputy Chairman of Committees.

MR. CLEGG: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of the Department of Labour, reports progress thereon, and requests leave to sit again.

As well, I'd like to table a copy of the motion establishing the five designated supply subcommittees pursuant to Standing Order 56(2) and 56(2)(a)(ii).

MR. DEPUTY SPEAKER: Thank you. Does the committee concur with the report?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.
The Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Speaker. Despite the enthusiasm for more debate, given the hour I would move that we adjourn until tomorrow at 1:30.

[At 10:17 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]