

## Legislative Assembly of Alberta

Title: **Monday, March 7, 1994**

8:00 p.m.

Date: 94/03/07

head: **Committee of Supply**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: I'll call the committee to order.

MR. HAVELOCK: Where's the opposition? There are only three opposition members.

MR. CHAIRMAN: Order. Hon. members of the committee are reminded that we are not to comment on the presence or absence of hon. members who may have many other activities to take their time at this moment. The main thing is that we have a quorum.

head: **Main Estimates 1994-95**

**Labour**

MR. CHAIRMAN: To start off the evening we'll ask the minister to make his comments on his estimates. The hon. Minister of Labour.

MR. DAY: Thank you, Mr. Chairman. I'd actually like to begin tonight by refreshing people's minds, because I know it gets dulled after some time under this dome, of the responsibility this ministry has and what areas that it has to deal with. I think I can best do that by reading directly out of our estimates books, if I can so do that, and quoting the source so everybody knows where it's coming from and reminding people of the breadth and the scope and I might say the depth of this department.

The Ministry is responsible for the management of programs designed to assure a high degree of safety for the public and for fostering workplace health and safety through standards, inspection, research and education; to encourage the development of effective and responsible relationships between labour and management; to ensure the protection of rights of employees; provide advice and develop legislation respecting professions and occupations; all of which will contribute effectively to the attainment of the social and economic goals of Alberta.

That's a tall order what I've just read through there.

I'd like to give some acknowledgement in this last year to the vast resources of people in the many different areas that have had input into making this a successful business plan and a successful budget as related to the Department of Labour. I'd like to acknowledge my colleague the Member for Calgary-Varsity, whose name does not appear on the front page of these estimates, much to my chagrin. I had specifically asked that his name appear there, but through printing errors or printing omissions it wasn't there. The omission was not reflecting any lack of input that the hon. member has had, especially in areas related to Professions and Occupations, and I will invite him to make some comments should he so choose for a few moments when I complete my remarks.

I'd like to also acknowledge the input of each of my colleagues who over the last year have had significant input and good constructive criticism at times and shared with me the results of what they hear around Alberta in the rural areas and in the urban areas on matters related to this department.

I should acknowledge also the Occupational Health and Safety Council, who serve as an advisory to the minister on many different issues and to the groups and individuals around the province representing both labour and business, who have taken the time to sit down with me and give me information and advice

and work with members of the Department of Labour in terms of helping us deal with the many, many issues that we face on a daily basis.

Of course, I want to acknowledge my department officials and office staff, who regularly receive positive acclamation from both labour and management in terms of their abilities to facilitate and help people work through the sometimes difficult issues that face this department.

I'll even go so far as to thank members opposite, because, yes, indeed it has happened that they have from time to time had advice that has been constructive and even encouragement on rare moments. At times when the advice hasn't been constructive directly, it still has served to cause me to question what we do and to take a look at what we're going and in most cases to realize there are good reasons for it. So I thank them for their ongoing attentiveness and for the role they play.

Basically, the goals can be summed up. What I've wanted to see accomplished through the department is that Alberta would be and continue to be known as the most attractive place for employees and employers to work in all of Canada. That's really the goal that I see in terms of the many things that this department does and that this department accomplishes. We can talk a lot about regulation, and we can talk a lot about legislation and all the different things we do, but more than anything our goal is to promote goodwill and harmony, because at a workplace or on a business site if goodwill is there, almost any system can be worked within to accomplish the goals of seeing an effective and competitive and harmonious workplace. So the constant drive to maintain and establish goodwill is something that has been a priority of the department.

We've asked ourselves pertinent questions in terms of preparing our budget estimates and not small questions, I would suggest, Mr. Chairman. What the role of government is has to figure in everything we do in terms of our own budgetary process. Is the service that we are providing essential? Then if it is essential, we've got to go on and ask another question: is it essential for the government to be providing the service that we've deemed to be essential? We always look at our budget process not just in terms of a few percentages here or a few percentages there, but we look in terms of 20 percent reductions overall, 40 percent, and even a hundred percent. Even asking ourselves the question: does this particular function have to be done at all by Labour? Could it be done somewhere else? Could it be moved into the private sector?

The Department of Labour is known for developing a system of team-based management, of flattening of the hierarchy, and allowing for people's own resources and for people's skills to come to the surface. Seniority is not something that is touted within the department. When there are positions to be sought and when there are positions to be achieved, we ask the question: who's the most qualified? We believe firmly in providing career paths for people where they can follow the pursuit of instruction and the pursuit of developing their own skills to make themselves more qualified for jobs and for positions that come up in the future, be they within government or out of government.

This is the third business plan for this department. This is not something that is new to the Department of Labour, but in fact the realization that government must treat itself as a business has gripped this department in such a way that this is now the third business plan, and we're quite excited about the whole process. The bottom line is that when we look at the comparative figures from '92 to our present figures in this particular budget year, we're talking about figures in the comparable '92-93 actuals of some \$51 million. We're talking about that looking at the '94-95

estimates of \$42,474,000. That's approaching 20 percent, in a rough area if you want to apply your math to that.

No easy task, Mr. Chairman, to achieve those significant reductions, but looking for the easy way is not what the Department of Labour is all about. Looking for the best way is what it's all about. It hasn't been easy. Some of it has been achieved by reducing positions. That is not easy, because we're always talking about people being affected. However, I would like to emphasize that sometimes when a position is reduced or a person is no longer required, it doesn't mean that that person disappears off the face of the earth.

To give an example of what I'm talking about, I attended an opening in Red Deer last Friday of one of our new registry offices, combining where you can get your motor vehicle licence, fishing licence, do land and property searches. The opening of that office – it's actually been open since January – has seen 7,000 customers already. No lineups. In talking with the management there, all the offices that have closed down that were formerly provincial government offices – and there are now four separate private registry offices. Something like 96 percent of those previously employed government employees are now employed in these privately run offices. A hundred percent moving out of government does not mean a hundred percent no longer being productive. In fact, they've taken their skills and their experience and are now working in a productive way delivering a service without lineups in very exciting environments, which goes to show, Mr. Chairman, that when we look at reductions in terms of positions, it's not identifying: are there inefficient people or are there bad workers? In fact, as has been stated by someone wiser than myself, when you're looking at restructuring, it's not a matter of identifying bad people; it's identifying good people trapped in bad systems. When we see new systems being able to be developed, we can see some exciting progress being made, and that in fact is what happens and will continue to happen.

### 8:10

It hasn't been easy, as I've said. We've looked at and we are maintaining a goal of seeing our administrative costs coming in at approximately 19 percent. We've looked at analyzing who can best deliver a service and is it best delivered from within government or in fact is it best delivered from outside of government. We've looked at additional ways of achieving revenue sources, and we're not shy about that. We don't back away from that. For instance, the Alberta Fire Training School has been an ongoing, exciting process. Because of the expertise of the people there delivering the training, people come literally from around the world to receive their fire training there. We're able to charge some significant dollars and generate some revenue from that, and by doing that, we're still able to meet the needs of municipalities, smaller municipalities especially, who aren't able to take the full costs on themselves. In fact we're able to cushion those costs.

We look at fees in the area of Professions and Occupations. We've looked at fees in other areas. We firmly are committed to the concept that somebody who gains a particular benefit from a particular service should be willing to pay for some or in fact all of that service. So we see some of our gains in the area of revenue generation, and we don't back away from that.

We value our employees, and in doing that, I believe we've set a model for not just other departments but in fact for the broader working sector in Alberta to follow in terms of providing for programs, counseling, upgrading, training, whatever it may be, for people who either want to move on or may be forced to move on. We also were the first department to initiate an employee incentive program, whereby employees who identify areas of

saving and the saving can be absolutely catalogued and found to be real can actually gain financial rewards on a percentage basis of savings achieved. So we recognize achievement. We encourage the team-based approach, and we work with all Albertans who are willing to achieve harmony and goodwill and see Alberta truly become the most attractive place for employees and employers to do what they do best.

With those opening overview remarks, Mr. Chairman, I look forward to the incisive analysis from my own colleagues and from members opposite. I wonder if the chairman of the Professions and Occupations Bureau may want to make a comment or two.

MR. CHAIRMAN: Okay. Thank you, Mr. Minister.

Just a perception check here. In the last evenings when there was more than one person holding some level of responsibility for a department, we've let all of them go and then had the response. Is that agreeable?

I'll call on the chairman of Professions and Occupations, then, to add to the department's estimates.

MR. SMITH: Actually, Mr. Chairman, I'll pass and then respond to questions directly afterwards.

MR. CHAIRMAN: All right.

Then I'll call on the hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you. I would like to thank the minister for his overview of the budget and for his compliments and for his statements that were not so complimentary. I would also like to thank the staff who have put in many hours to prepare this budget as well as thank them in advance for the responses that they will be providing. I recognize that there are times that we ask questions that are nitty-gritty in terms of detail, but it's important that we do have all the answers to our questions, so I would like at the outset to indicate that.

The Labour department has through two ministers now, the current minister and the minister prior to the current minister, attempted to keep to a plan of changing its focus from intervention to facilitation. I would like to congratulate the minister for recognizing that changes are important in terms of restructuring in government and for looking at certain options with regards to providing employment opportunities for his own staff; in other words, the third option, which appears to be unique to the Labour department.

I would also like to point out that the cuts to the Labour department in this particular budget year are not that significant, but in the upcoming years, particularly in the third year of the plan, the cuts become more significant when 83 FTEs are eliminated. I must congratulate the minister on that in terms that it appears that most of the other budgets are somewhat more politically motivated and that within the last years of the plan there seem to be no cuts that come through, whereas in the Labour department they are proceeding through a process that was started about three years ago and is continuing along its course. I think that some of the other departments – some ministers are in the Assembly at this point in time – could well look at what the Labour department has done in the past and is looking towards in the future. So I think we agree that if downsizing needs to occur, it needs to happen in an orderly fashion with compassion and regard for the impact on the lives of those concerned.

There is, however, one fundamental problem, and that is that I can't agree with the direction this province is taking. I'd like to tell a tale of two budgets received about two weeks ago. Budget A talked about a game plan for jobs and growth, about the goals

being to have public finances in order. Budget B talked about balancing the budget. Budget A talked about a goal of having meaningful jobs for its citizens; budget B talked about creating a climate for jobs through the private sector. Budget A talked about becoming leaders in technology; budget B didn't say a word. Budget A said that its budget builds on the values of its citizens; budget B said that it would listen, interpret, and reflect those values. It's probably not hard to guess by now that budget A is not Alberta's budget, that budget A is the Canadian government's budget. Budget B, the Alberta government's budget, has only one goal, and that is reflected in the Labour budget cut, which is cut at all costs, whether the services formerly provided were required or not.

The Department of Labour does indeed have an important role to play, and I congratulate the minister on being aware of that role. It's responsible for, among other things, managing programs that provide a high degree of safety for the public, fostering workplace health and safety, encouraging the development of efficient, responsible relationships between labour and management and the Workers' Compensation Board. Through these stated mandates, however, there are problems in terms of the Labour department divesting itself of some key areas of responsibility with regards to regulatory authority. I'd like to point out that although the Department of Labour does have the responsibility of ensuring good relations between labour and management, it unfortunately has not been a major player in reflecting the viewpoint of labour at the caucus table, or it's just being ignored. How else can the failure of the work force adjustment programs in Calgary be explained? How else can the failure of the tripartite health process be explained? How else can the failure of the minister to adequately inform his colleagues that the unwarranted attacks on the ATA by the government's members should be avoided and are not in good form?

We have had in this province a reputation for having the second lowest incidence of work stoppages in Canada, and that's something to be proud of, but I'm afraid that with the current attitude and the hands-off approach that the Department of Labour has taken, this will change. We've already seen labour disputes involving the Canadian Auto Workers. We're looking at – and I'm sure that the hon. members read their newspapers – the possibility of a general strike throughout the public sector. These are not times of security, and it is this security that I would have hoped that the Department of Labour would have been able to provide.

#### 8:20

Another example is one that is currently occurring with Alberta Hospital Edmonton, where the tenders are out to private contractors before negotiations have even been completed. There's a prime example that we see in terms of the role that the Department of Labour could play with regards to the rollbacks that are not legislated, that are voluntary, but in fact are contemplated in all of the departmental budgets. The direction from government, from its ministers, seems quite clear that the rollbacks would be 5 percent for one year – no more, no less. What we are seeing and have seen for many months is employers who are going to the bargaining table with 5 percent as not even a primary consideration. Employers are asking 10, 15 percent and upwards with regards to rollbacks, and it appears that only today has the Premier become aware that maybe there is a problem. Again, that is something that I would have felt the Department of Labour through the minister would have informed the Premier of: some of the actions that are occurring within the public sector.

The budget leaves itself open to much debate. It opens the door to user fees more so than many of the other departments within this government, and it lends itself to question in terms of the role of estimates. I'd like to refer to some of the questions that have been raised in the Legislative Assembly within the last few days with regards to the budget and seniors. What we are being told by the hon. minister responsible for seniors is that in effect there is a budget – we are debating estimates – but there is nothing concrete; it's not in stone; we're still consulting. I guess my question to the Minister of Labour is: is this the fact with the user fees? Is it not set in stone? Are these just musings that have been put forward, or are we actually debating a budget and estimates that are concrete and that are being taken seriously by this government? If it is the former, if they are musings, I can tell you that the public is not happy with that kind of a foray by this government. I've heard the expression about rednecked Albertans. I think I know what that definition is. Those are Albertans who are embarrassed and ashamed to be called Albertans, given the attitude of this current government.

This Labour budget is setting the stage for further privatization and deregulation. It's not setting the stage for looking at more innovative ways to provide work force adjustment strategies, ways to ensure co-operation between organized labour and employer groups, ways to help employers and employees deal with the new realities in the workplace such as part-time workers, ways to ensure that the safety of workers remains paramount and that the proverbial fox is not let into the chicken coop with regards to the new, delegated regulatory organizations that we're going to see popping up all over the place. Instead, the energy of the department seems to be focused on user fees in areas like lightning rods and fire protection systems. I would appreciate it if the minister could tell me what lightning rods have to do with labour.

When we talk about job creation, there seems to be a focus on the Premier taking trips in order to ensure that jobs are created within Alberta. I've had construction workers approach me and say, "Well, I'm not sure how projects in Asia are going to help us build buildings in Alberta." It seems that this Premier has a penchant for traveling, whereas the last Premier had a penchant for golfing. I would wish to ask the Minister of Labour if there is anything concrete with respect to job creation that the minister can provide to Albertans who are out of work and have no hope for jobs.

There is another area that needs to be looked at with regards to labour, and that is an area that is becoming more prevalent within the workplace: work abuse. We are seeing that nurses and other professionals are being the subjects of abuse as the public is getting more upset at the fact that they are not being provided with the services they are used to having.

There are a number of specifics that I would like to query the minister on. I would like to start with the fact that personnel costs – and I'm looking at program 1, departmental support services – appear to be increasing for the department. In the last set of estimates I understood that there were amalgamation costs with regards to the minister's office and executive management. However, it seems that in this current year these divisions haven't been able to sustain or effect any cost savings. I find that a little odd, given this government's approach towards restraint.

The issues management group is an area that I have in the past spoken favourably about, and I know that the minister seems to have a high regard for it as well. It appears that the issues management group has been cut by 2.77 percent, and given the current changes occurring in the labour force today, I think we need to question whether, when we have double-digit unemploy-

ment, it's a good time to be cutting a group such as issues management.

When we talk about program 2, work and safety standards, the province's record on industrial safety is perhaps not quite what it could be. We're looking at a further .79 percent reduction in the safety standards budget, and we need assurances from the minister that workers will not be placed in great jeopardy and that workers and taxpayers and employers won't end up paying a higher price through increased WCB liability due to a growth in the industrial accident rate.

In program 3 there are a number of overlaps with program 2; namely, the enforcement of minimum pension standards, maintenance of certificate and examination programs, and educational services. I would like the minister to clarify where program 2 stops and where program 3 starts. There also is still a significant budget for the purchase of capital assets, and again we would appreciate if the minister can enlighten us as to the department's capital needs. Again, in this time of restraint it would appear that the capital budget should perhaps be the first budget to be cut as opposed to the personnel budgets.

The Labour Relations Board: it appears that the estimates are identical between '94 and '93. From my information it appears that this is more or less acceptable. There is, however, a question that perhaps the boards could do with more investigators with regards to some of the complaints that are put forward.

In program 5, occupational health and safety services – this is a program that is extremely important. Again it appears that the budget, while lower than '93-94 estimates, is higher than the '93-94 forecast. I'm wondering why this has occurred with regards to any potential savings.

The Professions and Occupations Bureau. This is an area that has no breakdown for the expenses. It's an area that I have yet to see any reports from. It is an area that has an MLA who is responsible for it, and I have yet to see what the MLA does that requires that kind of responsibility. I know that in answers to these questions in the last go-around I was informed that we needed an MLA to be able to represent the issues of professions and occupations at the caucus table. Perhaps it would help if we were to receive some reports as to the activities of this particular MLA. I wonder whether or not that could not be delegated to one of the team members in the Department of Labour or perhaps to one of the ADMs or DMs.

### 8:30

I think we need a lot more details regarding the expenditures, especially of this particular area, especially with the view that in two years this particular program will become a DRO. The question that I have is: if this is a DRO, does it still require an MLA to be the head of it? How will that be set up? I guess this could well be a candidate for self-funding. However, I think we need to know a lot more in terms of what the particular details of this program are.

I have a question which the minister, I'm sure, can answer off the top of his head with regards to not so much the Fire Training School as with regards to the insurance premiums that used to be allocated to the development of an institution such as the Fire Training School and with regards to the dangerous goods route. It's my understanding that about seven or eight years ago the premiums that were allocated through the general insurance – I think it was .3 of a percent – somehow disappeared. I wonder if that's not an avenue the minister could look at as a way of raising funds for this important area.

The other question – and I brought it up in the last budget, and I will bring it up again because there is still concern from the

public with regards to this – is the duplication between the kinds of services that the Fire Training School and public safety services under, I believe, transportation provide. If the government is looking at ways to avoid duplication, this is one way that perhaps we can amalgamate two services and provide the best service to the individuals requiring the training as well as to the public who will require those services.

There are some other questions that I have that are general questions. They deal with some of the initiatives that the government is putting forward. One is with regards to the delegated regulatory organizations. I understand that the first DRO, as it's known, will be with regards to boilers and pressure vessels. There's a lot of concern not only within Alberta but outside of Alberta with regards to the privatization of this particular inspection function. The concern is that Alberta has a first-rate experience in terms of this particular area, that the inspections that are done within Alberta are considered first-rate around the world, and there is a concern in areas such as China that with the devolving of this particular function into a DRO, some of the safeguards that we presently see may not be part of the inspection functions, and therefore there's concern. I think that if this province is looking at . . . [Ms. Leibovici's speaking time expired]

Thank you.

MR. CHAIRMAN: The hon. Member for Edmonton-Norwood.

MR. BENIUK: Thank you, Mr. Chairman. As the minister is also responsible for the Workers' Compensation Board, I will start off with a few comments on the board. Last budget I addressed the board. This time I will address the board as well as other parts of the Labour portfolio. I would like to remind the minister that he had made a commitment which he hasn't quite fulfilled. When I asked him for information on the \$2 billion that the Workers' Compensation Board has invested, the Treasury Branch investing on behalf of the board, he promised detailed information. I still await that information.

[Mr. Clegg in the Chair]

I would also like to just comment briefly on the fact that there is a reference in this budget that \$2,750,000 is being paid to the Workers' Compensation Board. I realize that there was an amendment to the WCB Act in 1990 to cover certain funds due to cost of compensation for accidents adjustments that were made prior to 1974. So the first question would be: would the minister be providing additional funds to the WCB over and above the funds that have been provided so far to the board, even though the Act no longer requires it? Specifically, the money that was allocated was there to cover certain costs. Is the minister satisfied that those costs have now been fully, 100 percent covered and that therefore he has no further obligations? If there is a situation where those liabilities have not been fully covered, will that mean that the employers will have to pay additional premiums to cover an obligation that was placed upon the board by this government?

I realize that there is a Bill coming forth, Bill 210, which will provide quite an interesting opportunity to address a number of issues related to the board, and I look forward to it, but on the board at the present time I would like to raise for the minister the situation that now exists there, which he is fully aware of. As this minister started off his presentation stressing three-year plans to reduce costs or transfer revenues from general revenue to user fees, will this minister explain if there is a WCB plan in place to reduce costs specifically in these areas? At the present time when medical reports are presented to the board, the board selectively

chooses the medical report that it will use. This in turn results in the injured workers getting more medical reports, increasing the costs to the board. If the Horowitz report recommendation was implemented establishing a three-member independent panel, the medical costs would decrease. Has the minister given some thought to encouraging the WCB to implement that recommendation?

In addition, the minister is aware that files are being reviewed at the WCB at a phenomenal rate. My information is that the backlog to the first level of appeals is increasing dramatically, which in turn increases the costs of the appeal process. It is also increasing dramatically at the final level, the appeals commission level, resulting in backlogs, resulting in expenses to the board at both levels. This also triggers emotional stress which increases medical costs through the Alberta health care system.

The WCB has many problems which the minister is responsible for helping overcome. Removing people from claims files, closing those files does not reduce costs. It delays costs in compensation to individuals, but it increases costs through the appeal process and other problems at the WCB.

As I indicated at the start, the Member for Lethbridge-West has a Bill which will allow quite an interesting discussion on the WCB. I would like to point out that the WCB raises funds which go into occupational health and safety. Among the groups that receive these funds are organizations like the Alberta Construction Safety Association and other associations to help fund their operations. These have been established by a group of people coming together. By ministerial and governmental legislation and ministerial decree, these organizations require many organizations, many companies to belong to them. The first question on this issue is: is the minister satisfied of their democratic process; in other words, that every single organization, company that is required to belong to one of these safety associations is fairly and democratically treated, that its voice is heard, and that they have the same rights equally to select the key administrators of the program? My information is that it is an organization usually – that is, from the top down – where once a group ends up controlling the organization, it can determine whatever fees the membership will pay and determine where the money goes. I would like the minister to clarify that issue.

**8:40**

I have to stress before I leave WCB that I really would like the minister to advise if he is satisfied that there is a plan at the WCB that is a rational plan to bring the situation under control there to benefit the injured workers, to benefit the employers, and not only to benefit the administrators, the top elite at the WCB. It's a very crucial issue that will not go away by being ignored.

I would like to switch for a few moments to another area. The minister in his plan for Labour stressed in writing and also verbally that the business plan targets are for expenditure reduction and revenue generation, and in the reports we have here a 50 percent reduction in administration costs, a 50 percent reduction in management and supervisory positions. This is very interesting. He points out the revenue enhancement, and I quote:

The annual revenue generated by the department will have increased by in excess of \$5.6 million by the end of 1993/94, an increase of 93.3% since 1990/91.

This is based on the concept of user fees.

To the minister. There are on page 55 of the budget plan some interesting figures for 1993-94 and for 1994-95, and I would like the minister to explain how these figures were arrived at. For example, under Labour you have employment standards fees, variance from code between \$25 and \$100. You have other items

here; for example, building safety fees for inspections being per hour between \$75 and \$100. You have expert witness fees, investigations, per hour between \$25 and \$160, and it goes on. The question I have for the minister: did he with his department select the rates per hour per item because they used certain criteria to determine that they would be fair? Or did he and members of his department turn around and say that they needed \$5 million, they needed \$10 million, they needed \$20 million, and then turn around and justify how they were going to arrive at it by saying: "Okay; we anticipate that so many people will require this service. If we charge them a hundred dollars an hour, we'll get the money"? If we can charge – for example, log haul permit fees, \$200; I gather that's per load.

You know, was it determined how much money you require, and then you broke down how you were going to get it, or did you turn around and use what was a rational figure that people could afford to pay in your estimation – I question if they can – that they could qualify, and then you expanded on it to determine how much money would be generated? I refer once again to the comment here in writing where you have pointed out that in three years, from 1990-91 to 1993-94, it went up by 93.3 percent, a phenomenal increase. The question is: would these rates increase as dramatically over the next two, three years? Will we see figures here that now say \$100 per hour suddenly jump to \$200, \$300, \$400 per hour to make up for what your perception is of the money you require as you no longer go to general revenue but fall back on user fees? It is a very crucial question for it implies that people are going to be put in a position of economic hardship to be able to receive services from a government that they have elected, from a government that they pay taxes to, from a government that they expect certain basic fundamental services from. If these services are not provided, then we have a very serious problem. User fees can become a tool that can be extremely abusive to all our citizens, all the companies and could drive some companies out of business, could create unemployment because companies could not afford to pay for their employees the way they have in the past.

In fact, we also arrive at another situation here. If something is charged by the hour, who determines if it is a one-hour job or a five-hour job? If something is placed on somebody's desk, one person can do that in an hour, somebody else could take four hours. This is a serious situation which cannot be ignored. Now, as the minister is aware, when he parks a car, for example, for a half an hour, he's charged so much and for an hour, more. In many of these places the minute you go five minutes over half an hour or an hour, they charge you for another half hour or an hour, not for five minutes. The question that has to be addressed: is this on a per hour basis, being one hour and 10 minutes, or does one hour and 10 minutes become one and a half hours and two hours, which will create a very profitable operation for the minister?

The items that are listed here are extremely important for the safety of our average individual. You're dealing with occupational health and safety. The WCB raises funds which it provides to help with occupational health and safety. If occupational health and safety becomes a luxury that people cannot afford, we are going to end up in a very serious situation. I'd like to just draw to the minister an item that I will always remember. The minister may not be able to relate to this, but it impacts on my concern for occupational health and safety. I have to go outside the country to refer to this. When I was in Ukraine, I was shocked. In many factories if a person worked for seven years, they were virtually guaranteed disability pension for the rest of their lives, after working a mere seven years. Our occupational health and safety

here is very high, good quality, and we should not do anything to jeopardize . . . [interjection] I didn't hear what the Minister of Family and Social Services was joking about. He was laughing there, so I can only comment on the fact that he found something I said humorous. I'm not too sure.

The point is that our occupational health and safety programs are extremely important, and we must do whatever we can to make sure they are preserved and that the standards are very, very high and that the employers are making sure that there is a fund collected by the WCB . . . [interjections] Does the Chairman want – the Minister of Family and Social Services was suggesting that I turn to you and ask you what your question was, sir.

MR. DEPUTY CHAIRMAN: Speak through the Chair, hon. member.

MR. BENIUK: Mr. Chairman, the comment made by the Minister of Family and Social Services was not that I should speak through the Chair but that I should look at you rather than look at the minister responsible for the workers' compensation, the Minister of Labour. That was the issue, not that I was not speaking through the Chair. I think that's a very important distinction. [interjections]

8:50

MR. DEPUTY CHAIRMAN: Order. No yelling across the floor.

Hon. Member for Edmonton-Norwood.

MR. BENIUK: So I look forward to the minister's comments upon how he arrived at the fees that are being charged and some assurance that the occupational health and safety operations would not be in any way jeopardized.

There are many items here that should be addressed, and I know many of my colleagues would like to address them. But I cannot resist going back just for a few minutes to WCB, even though I know there will be a massive opportunity when Bill 210 comes forward. I would like some assurance from the minister that he will present to this Legislature a plan, if it exists, of the WCB on how they are going to get their house in order to assure that the injured workers get fair and proper compensation, that the employers are not overtaxed through fees, and that the people of Alberta get good value for their money.

I thank you.

MR. DEPUTY CHAIRMAN: Thank you, hon. member.

The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you very much, Mr. Chairman. [some applause] I'm sure the Minister of Labour is delighted to see this amount of enthusiasm for his estimates.

In September of 1993 the Minister of Labour prefaced his introduction to estimates by saying that labour was one of those things that allowed Alberta to be "the most attractive and productive province in Canada . . . to work and to do business." It's a good statement, Mr. Chairman. When I look at the business plan and the budget, I guess that's sort of one of the tests that I use. In fact, do we have a labour regime here? Do we have a system in terms of law and regulation that makes us a tremendously attractive place to do business either as an employee or as an employer?

I find I have six observations I wanted to make, Mr. Chairman, with respect to the budget for this department and the business plan. The first one has to do with employees and the opportunity for employees to speak out when they see serious government

wrongdoing. I think there's a problem here. This is a particularly awkward situation in a province where you've had the same group in power for 20-odd years. Faces may come and go and personalities may change, but when you have the same party in power for such a long time – it doesn't matter whether it's the Liberals or Social Credit or the Conservative Party – there's a difficulty where you get this sort of fortress mentality or bunker mentality. Part of it is that you don't handle criticism well. Sometimes when parties are in power too long – it certainly happened with the federal Liberal government in Ottawa; it certainly happened I think with this government in this province, and we even look at other examples – what happens is that the ability to listen, the ability to encourage criticism and constructive criticism not only in this House but in departments is muted, is discouraged. When that happens, the taxpayers lose. When that happens, the citizens lose.

With that in mind, I want to raise a concern I have. We've seen it, and I'm happy that the Minister of Family and Social Services is here, Mr. Chairman, because it's been in his department that we've seen examples of issues and tension and problems that we have between the government as employer and individual government employees. I don't stand here holding a particular brief for government as employer or civil servants, but I do hold a brief as somebody understood in a government that works well, works effectively. What all of the experts I think tell us is that government works best if there's a lot of vitality within departments, if people on the front line of government departments are encouraged and given opportunities to raise concerns, to raise constructive criticisms of government plans, of government initiatives, of government regulation, and of government programs.

So what have we got in Alberta? Have we achieved that aim, Mr. Chairman? Does that exist in Alberta? Well, it doesn't. We've had ample evidence that what's happening here is that we haven't encouraged. The Minister of Labour can say that I'm being unfair and I'm picking on him, when the criticism I make really involves all government departments. It may be fair for him to say that, but this is still I think the best venue and the best opportunity to raise these concerns.

What I'm leading to is of course the need for two things: firstly, the need for whistle-blower protection in this jurisdiction. If you look at other jurisdictions, at American jurisdictions, at other Canadian provinces, at other nations that have decided that they're going to have whistle-blower protection, or complainant protection, you know what happens, Mr. Chairman? It doesn't mean that the whole machinery of government is ground to a screeching halt. It doesn't mean paralysis sets in in terms of the business of the province or of the nation. What it means is that employees, then, are given an opportunity to participate in a way that they're not now in this province. What it means is this: government should be encouraged to show leadership, to provide leadership. When I say leadership, what I'm talking about is simply encouraging people from your frontline counter clerk in a government complaint office right up to managers and supervisors. You create an ethic in the department and a policy which encourages that kind of free flow of information feedback. But what it takes is a minister, deputy ministers, and senior people in the bureaucracy who recognize the value of this and go out of their way to promote it and encourage it. Whistle-blower protection is not the last word; it's not the ideal solution. It's simply one tool, one means of being able to open up that type of communication. I think the most important thing is changing the attitudes, firstly, and then, secondly, having whistle-blower protection.

So that we're clear what I'm talking about when I say the need for whistle-blower protection, that is simply a question that if a government employee apprehends or is aware of serious govern-

ment wrongdoing, there's an opportunity to raise that outside of the immediate department. What happens now too often is if an employee is to raise that, it means that there's maybe direct disciplinary action. It may mean that there's some kind of a note put in the employee's file. The problem with that is that it's often government employees who see serious government wrongdoing. Sometimes it may be a breach of law, and, yes, Mr. Chairman, even departments of this government have from time to time found themselves in breach of regulatory or statutory authority. Sometimes it's a gross waste of taxpayers' money. Sometimes it happens that a government employee recognizes that taxpayers' dollars are not being well spent, that they're being misspent. I as a taxpayer and I think my constituents want to know about that, and if it's going on in a government department, they don't want to see all of the steel shutters roll down. They don't want to see the doors locked and the lead vault sealed. What they want to know is that that kind of information has a way of getting out and into the public domain.

I think if we had a whistle-blower statute using the Ombudsman office, an office that's well respected, that's firmly entrenched in terms of the political culture in this province, what we would have is a forum and an opportunity for those kinds of employees who see serious government wrongdoing to be able to go to the Ombudsman discreetly, in confidence, and say, "I think in my department of government there's a big problem." The Ombudsman would be able to investigate, and if he found that there was merit to it, there'd be some process for taking that the next step in terms of reporting to the Legislative Assembly.

The second item I wanted to deal with, Mr. Chairman, is a question of employment equity. Now, I don't believe in quotas. I'm not interested in quotas in terms of the provincial civil service, but it seems to me in 1994, unless one has been in a cave for a long time, there's a recognition that what has to happen is that you have to make the provincial civil service more representative of the population it serves. It's not a very radical proposition, and I think there's a way of doing it.

**9:00**

You know, if you look at the city of Calgary plan, Mr. Peter Cresswell runs the employment fairness office in Calgary. I know we've got some members on the government side who are better acquainted than I am with this process, but it doesn't work on the basis of quotas. It's simply a question of saying: how can we in the city of Calgary, in that civil service, find ways of encouraging aboriginal Alberta natives in this province? How can we encourage those people to participate in the civil service? How can we encourage people who are of a different race, a different ethnic background? How can we involve those people in the process? So to repeat again, it's not a question of quotas. It's simply a question of identifying barriers and then dismantling those barriers. In the city of Calgary - this isn't a very radical level of government, but they've created this model, and I think it works relatively well. I know there are people who think that without quotas you won't see change, but it seems to me that the modest and measured approach taken by that employment equity office in Calgary at least warrants consideration, Mr. Chairman, for the province of Alberta.

I was astonished, frankly, when I became an MLA to discover that the provincial Department of Labour, the provincial government, has no policy dealing with employment equity. It's just not something they've addressed. So, Mr. Chairman, I want to encourage the minister to look at the model in Calgary. If he's familiar with it, I haven't heard him speak of it. I'd like him to look into it, and then if there are problems with implementing that

at the provincial level, I'd like him to share those with us. If there's a reason why that kind of nonquota employment equity program won't work, I'd like to know that. I've got plenty of constituents that would like to know that as well.

The third item I wanted to raise, Mr. Chairman, was the observation the Auditor General made in his last report. I don't have the report here, and I don't remember the citation, but what I remember the Auditor General saying was that - and this is a rough paraphrase - it's a wrongheaded approach to say that we're going to focus on layoffs and we're going to focus on salary rollbacks. What government should be doing is encouraging innovation, encouraging creativity within the civil service, and that's not an oxymoron, as some may suggest. I think there are bright, creative, and committed people working in the provincial civil service. So I looked through the budget, and then I looked through the three-year plan. What I'm trying to determine: is there in these two documents some indication that the government listened to what the Auditor General said and responded?

Now, to be fair to the minister, I find a recognition on page 4 of the three-year plan that's called "Competency Based" classification. I don't know exactly what that means, Mr. Chairman. Maybe that classification is an attempt to incorporate what the Auditor General said and to somehow respond to that recommendation. If it is, then I'd like the minister to so advise us. If it isn't, then I want to say to the minister: what are you doing? What are you doing in the provincial civil service to create rewards, to create incentives for employees who can find more effective, lower cost ways of providing the essential services that Albertans look to their government to provide?

The fourth item I wanted to address, Mr. Chairman, has to do with delegated regulatory organizations, the so-called third option. I guess I look at mediation because that's something I've done and something I'm keenly interested in. I'm interested in finding out from the minister: how is mediation going to be provided? Does he see a bigger role for mediation within the mandate of his department, and how is that going to be realized? It's an easy thing to contract out mediation services. I'm more interested in terms of whether mediation is going to be more accessible, more broadly available or less so. That's the information that I think Albertans want to hear as well.

Mr. Chairman, moving on, the other thing I wanted to speak to was the Professions and Occupations Bureau. I note that there had been some reference in *Hansard*, I think in September of '93 at page 242, where the Member for Calgary-Varsity, the chairman of the Professions and Occupations Bureau, talked about what he hoped to achieve over the next two years. What he talked about was a more

deregulated environment, fewer regulations, a cheaper operating cost, allowing these occupations and these professions to operate more efficiently in the marketplace.

And then he said, in an interesting fashion, and I quote:

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.

Well, I have no argument with that original goal. My problem is that I see no bridge. In fact, I see a growing chasm between that original goal, which at least in a nominal way the government still subscribes to and supports, and all of these other things: the deregulated environment, the fewer regulations, and cheaper operating cost. I'm hoping that the chairman of the bureau can share with us some way he makes that linkage between the original objective of public safety. Mr. Chairman, I would have thought that there's nothing more important. I say this as a member of a self-governing profession. I now have the unique

advantage of being the Justice critic, and I can tell you that it's astonishing the number of people who seek me out to raise complaints that they feel they can't get addressed through my self-governing profession governing body. It makes me mindful of the fact that, you know, there's an amount that you can pass on to self-governing professions, but ultimately, it seems to me, the buck stops not there but it stops here, as long as it's this body that raises taxes, it's this body that sets standards ultimately, and it's this body and uniquely this body that passes the governing legislation.

The responsibility of this bureau is an important one. Whether it's a stand-alone office or whether it's fully integrated and tucked into the Ministry of Labour, I just have a real concern here. I've got questions. I know that I'm contacted by members of the dental mechanics profession, who are anxious for changes in our legislation. I don't know what the position of the chairman is on that issue. I know that there are other concerns that different groups have, and I assume the chairman is dealing with them. When I look at the three-year plan, my difficulty is that it's driven not by improved service, not by improved safety, but really by reduced spending. It just seems to me, Mr. Chairman, that reduced spending is certainly important and it's a nice thing to achieve, but I think it's no substitute for a safe environment and a harmonious working relationship.

Mr. Chairman, I think those are the principal comments I wanted to make in terms of the Labour budget. Thank you very much.

**9:10**

MR. DEPUTY CHAIRMAN: The hon. Member for Calgary-Varsity.

MR. SMITH: Well, thank you, Mr. Chairman. It gives me great pleasure to rise and I guess just address some of the concerns and indeed mention some of the opportunities that have been mentioned tonight. I'm a bit vexed in which direction to start, in that one member opposite wonders about the usefulness of my position, for which I am paid a modest stipend, and then the other member compliments me and recognizes the importance of the function. Knowing that in many cases the party opposite comes from two divergent directions, one perhaps more centrist and one perhaps more to the left of the political spectrum, I can probably satisfy both directions with an answer.

The importance of the chair of professions and occupations is noted by its budget of just under a million dollars per annum. This is tied up, Mr. Chairman, in salaries of \$671,000, supplies of \$301,000, replacement of assets of \$10,500, chair remuneration of \$15,000. The small budget that this group has in comparison to its influence over the complete array of professions and occupations throughout the province of Alberta certainly indicates its importance. The ability for the chair to liaise directly with the many professions and many occupations that are represented through this division is important, and it's one that promotes dialogue between government and the professions and occupations who are so keenly involved in the process of government. In fact, the initiative taken forward by Professions and Occupations with respect to the health professions in the work force is something that we can work on to indeed maximize the public interest and also to . . .

Excuse me one second. Guys, could you go talk somewhere else while I'm talking? Thanks.

It gives us the ability to be able to have the legislative input from a professional standpoint on a more directed basis without working directly through the minister, who, as the hon. member

opposite has pointed out, has a vast array of responsibilities and cannot in fact adequately represent what the profession has to put forth as an initiative for the Department of Labour and in fact for the professions that overlap not only the Department of Labour but indeed the department of public works with respect to the professional engineers and the engineering technologists, the Teaching Profession Act with respect to the Department of Education.

In fact, the Professions and Occupations Bureau is the catalyst that promotes this dialogue throughout government. Indeed, this government would be less than fully communicative if it did not recognize the importance of all professions in Alberta and the importance of their dialogue and input to the legislative and the regulatory process. The direction that this small bureau of reinventors is taking is indeed something that is foreword to much of government in that the desire to be a regulatory organization or a DRO, as the acronym is becoming more and more familiar to those involved, is one that reflects an attitude of service towards its constituents. In fact, the direct service of the bureau and its ability to relate with these professions is reflected in a modest surcharge to the over 128,000 professionals to which we administer. This would allow us to have sufficient revenue that we could in fact report to a board that would be representative of the professions and occupations and again be fully accountable and be able to provide a balance sheet determining revenue minus expenses. In that light, it's critical that this bureau continue to be avant-garde in terms of reinventing government. In fact, because of its interaction with the professions and its interaction with all government departments the chairman has been appointed to the Government Reorganization Secretariat as well. Although the party opposite will not recognize the importance of this small but daring group, certainly the government realizes the importance of it with respect to the balance of government and also to the numerous professions that are involved.

Without blowing the horn of this dedicated group of professionals anymore, Mr. Chairman, I feel that that adequately answers the questions. I'm sure as a new person in this august House that I would bow to the more experienced minister and indeed Government House Leader had I omitted anything by mere fault or by interruptions from members on this side and certainly in sympathy with the Member for Edmonton-Norwood in the many, many constant passes that seem to occur. [interjections] It's a tremendous respect. I notice how if you get heckled by members in your own backbench, it's indeed a sign of respect and admiration. So with that, thank you very much.

MR. DEPUTY CHAIRMAN: Thank you for the words of wisdom.

The hon. Member for Edmonton-Centre.

MR. HENRY: Thank you very much, Mr. Chairman. I have a few comments I'd like to make to the minister and questions I'd like to pose to the minister and as well the member who is the chairman of the professions and occupations board. I notice that the business plan outlined by the government indicates a move towards a user fee, and I just wanted to caution the minister that sometimes the user fee approach may balance the budget but may not always result in what Albertans want.

I want to relay a few concerns from my constituents of Edmonton-Centre. The minister in his budget has revealed that there are going to be more fees, taxes otherwise known as, more taxes for services such as safety inspections and such. I wanted to relay to the minister a concern by some senior citizen groups in my constituency who live in senior citizens' accommodation.



They're finding that their budget is being squeezed more and more and more because they're having to pay a higher amount for a service that used to be provided by the public for inspections such as elevator inspections and the like. Not only are they having to pay for that service now, which is one step, but they are now having to pay an inflated fee for the licence or the certificate that says that indeed the elevator works. So not only are private operators making a few bucks, which may be justifiable, but this government's making a few bucks on the backs of those senior citizens. I relay that because it was raised to me – and I can say this honestly – in a context where we were not even talking about safety code inspections. We were talking about the general life of senior citizens in our province and in our city.

I want to point out to the minister that we have two sectors in Alberta in case he's forgotten, one sector being the unionized workers and the other sector being the non-unionized workers. We all know that when the economy gets difficult, the pressure is on more and more and more for some employers, a minority of employers, to take unfair advantage of certain employees. In my experience and in the experience of my constituency – and I'm relaying constituent concerns that I received at my office – quite often it is those employees with the least income who are most taken advantage of, whether it be that they're denied the minimum wage, they're denied overtime, they're denied safe places to work, et cetera. Those employees are most often the least able to pay the fees.

9:20

So when we're talking about potential fees for workplace safety inspections or potential fees for individuals who lodge complaints with labour standards boards, I wanted to point out to the minister that it may seem very attractive to go out and get those bucks, but the reality is that the people who can least afford to pay them are the people who most need that service. The unionized workers have their union protection and have that kind of body. The non-unionized worker, often the minimum wage worker, doesn't have that protection. It's been suggested to me that the government's real objective here is to ensure that those kinds of regulations are not enforced, and that in fact we discourage people from lodging complaints even when they're justified. I would hope that isn't the government's intent, but I think it's important for the government to know that that is a perception in some areas of our communities.

I would go to page 10 of the business plan. The minister has indicated in his business plan, and I'm quoting, that

the Communications unit will be rationalized over the next 2 years . . . The resource levels will be adjusted to conform to the new direction for Communications which will be centred on a corporate communications function . . .

And here's the key.

. . . as educational and publishing activities are taken on by industry and other organizations.

Now, I recognize that this is for '95-96. What I'd ask the minister to do, perhaps, is to provide us, even in the next month or so, with some examples of the kinds of publications and services that have been produced by his communications department over the last five years that he sees will be done by the private sector or will be outsourced or however commercialized and privatized, because there are a lot of different publications by his department, and I think the public would like to know which ones in the future, in the next two years will be done by the private sector and which kinds of publications will continue to be done by him. So I'd ask him for examples or a list of those publications he's provided and which in the future would be provided by the private sector.

I would point to the statement on page 11 of his business plan where he indicates that "the Occupational Health and Safety Lab will be privatized." Commercialized is my word. "Services will be provided on a complete cost recovery basis." I would ask if that would include services such as when employees believe they are working in a sick building or they are suffering from sick building syndrome – if they needed to have their workplace tested or if they needed to have some independent advice, would that be covered under the occupational health and safety lab. Indeed, then, would employees have to pay for that out of their pockets? I raise that because if that is the case, I have some grave concerns. Quite often the employees that are most affected are pink-collar workers who again often don't have the bucks to pay and aren't always unionized and don't have an advocate for them. In those circumstances, if the minister wanted to provide tighter guidelines or a sliding scale perhaps, depending on an employee's ability to pay or an organization's ability to pay, there might be a differentiation. Perhaps if a union came to the minister, they might be treated differently than an individual worker who is not unionized. I would ask for some information and some consideration on that.

I am intrigued by the DROs, the delegated regulatory organizations, and I would specifically ask the minister to outline how the DROs are actually going to save dollars in the future or produce better service. It's really easy to jump on a bandwagon, and this seems to be the flavour of the month or the flavour of the week. If this is indeed a business plan and simply not a policy statement, I'd ask the minister to provide some detailed cost/benefit analysis to establishing the DROs.

I know the minister has spoken in this House several times about workplace adjustment, and in fact I know some of the employees in his department who have been involved in workplace adjustment. At this point, I would like to acknowledge to the minister that his deputy minister, who I believe may be in the members' gallery, has earned a positive reputation among his own employees and as well from other sectors of our economy. I know the minister is wondering if I was paid to state that, and I have to say no, that those are, as always, accurate reports from my constituents.

I have some questions about the kinds of workplace adjustment strategies that his department is employing with regards to the extensive downsizing that's happening in government. What I would like the minister to provide to us is: over the last 18 months how many employees have been laid off by various government departments, and then how many employees have actually made use of his department's workplace adjustment programs? In addition, I'd like to know what sorts of follow-up studies or evaluative studies the minister has done of his workplace adjustment plans; i.e., are we laying off employees, having them go through a workplace adjustment plan, and then not finding work and ending up on UI? Do we have any results orientation here or results analyses? So I'd like to know again how many employees have been laid off or downsized, whatever word you want to use. How many have used the programs offered by his department in terms of workplace adjustment, and what kinds of follow-up studies have been done and are planned in terms of following these individuals in six months, in a year to determine which ones entered retraining, which ones entered new departments?

I'd like to turn to a couple of other areas of the department. First I would like to bring to the attention of the minister, with regard to education, which I have a particular interest in, a report produced by his own department in 1993. The department specifically, after the strikes earlier in this decade across this province in education, underwent an extensive consultation with

parents, school trustees, teachers, business leaders, and the public in Alberta, and I want to point to him that there are several recommendations in that report. I won't go on forever, but I do want to note and I suggest that the minister pass on to the Premier the recommendation that bargaining through the media is not acceptable. I've seen that a lot in the last few months from this government. I think his own report says that this is not acceptable, and I regret the fact that not only has there not been any negotiation with employees to speak of, especially with teachers, but in fact there's been negotiation through the media. If the government wanted to go to teachers and say, "We need some help in balancing our budget; we want you to work with us in doing that," I think they may have been able to achieve more than just bashing. But we all know, of course, that the government's taken some polls which say that the Alberta Teachers' Association is not the most popular organization in the province, and I guess that bashing is the in thing these days.

I would like to turn my attention, Mr. Chairman, and address my further remarks to the Member for Calgary-Varsity, who is responsible for the Professions and Occupations Bureau. In my constituency I represent downtown Edmonton, which at last count has 29 different ethnocultural groups, most of which have recent immigrants to Canada. I'd like speak specifically to the treatment of foreign qualifications. I'd like to relay a couple of experiences and a couple of examples from my constituency.

There is a multicultural day care in my constituency that employs individuals who have come to Canada from a variety of countries and who have a background in child care. My children have used this particular day care, and I'm very pleased at the kind of care that's been provided there.

9:30

I want to point out to Members of the Legislative Assembly that we have situations whereby people have come to this country who have graduate degrees in a particular subject, this one being early childhood education. We have one who taught at the university of Peru in Lima. We have people who have four years' training from places like Somalia, Cambodia, Vietnam, Poland, Russia, Ukraine, and several other countries, who are qualified in their own country, but when they come to Canada, they are in the position in child care where they've got to go to the 50-hour course that the minister of social services deems is a minimum requirement. Now, part of this is because there are language difficulties; a lot of it is because we don't know what qualifications equal what qualifications in Canada. I can tell you that I think it's an incredible waste of talent when a practising pharmacist from Somalia who speaks a very fine English, who has acquired the language quite well, who came to Toronto and worked for three years, is now in Edmonton continuing to work, is stocking shelves in a pharmacy. What a complete waste of human resource. What a complete waste of talent. Perhaps it's true that the education . . .

AN HON. MEMBER: Give him your job then.

MR. HENRY: I hear one of the members talking about perhaps he should have my job. Perhaps he will someday, but I think that would be a credit to him. This is an individual who can match any individual in this Legislature for commitment, for hard work, and I think for professionalism, and this individual is stocking shelves. The Member for Cypress-Medicine Hat may find this incredibly funny, but I can tell you that I believe every member of this Legislature should acknowledge that this is a waste of talent.

Perhaps this individual's degree from Somalia doesn't meet Canadian standards, but the real tragedy in our province, Mr.

Chairman, is that there is no mechanism for this person's qualifications to be evaluated so that we can say to him: "No, your four-year degree does not equal the four-year degree at the University of Alberta. It equals year one, year two, or year three, and this is what you're going to have to do." What we're saying to that individual is: you're going to have to go back to high school, get a few credits, and demonstrate you can go to the University of Alberta, and start all over again. What a waste and what a slap in the face to somebody who has come to this country. I would like to remind most members of this Assembly that aside from aboriginal populations all of us have come to this country one generation, two generations, or the current generation ago.

I would like to relay another example of a man from Vietnam who worked as a senior municipal administrator in one of the major cities in South Vietnam prior to the communist takeover.

[Mrs. Forsyth in the Chair]

I'd like to welcome the Member for Calgary-Fish Creek to the Chair. I anxiously await the day when a Member of Her Majesty's Loyal Opposition will take that Chair by invitation as well.

If I can continue. The person I'm speaking about from South Vietnam has worked in this country for about the last 10 years. This individual has the capacity, has the knowledge, has certainly the brains to be able to be an administrator of any medium-sized if not large, major municipality in this province. However, there is no way . . .

#### Point of Order Relevance

DR. L. TAYLOR: A point of order.

MADAM ACTING DEPUTY CHAIRMAN: A point of order, Cypress-Medicine Hat.

DR. L. TAYLOR: *Beauchesne* 459.

MR. HENRY: If I could speak to the point of order, Madam Chairman.

AN HON. MEMBER: What's the point?

DR. L. TAYLOR: Relevance. This has little relevance to the estimates that we're looking at tonight. I'd appreciate a ruling from the Chair.

MR. HENRY: If I could speak to that point of order, Madam Chairman. If the member would open his estimates and recognize that there is a responsibility in this department for the Foreign Qualifications Information and Assessment Centre, then I'll continue.

The individual I am speaking about, Madam Chairman . . . [interjection]

MADAM ACTING DEPUTY CHAIRMAN: Thank you, hon. member. I'll take that under advisement.

Go ahead.

#### Debate Continued

MR. HENRY: Thank you, Madam Chairman. I'd like to just finish about the individual in my constituency, who I know is known to more than one or two members of this Assembly, who

has a strong track record not only in his own country but has come to this country and has contributed to the business community and the economic community of my riding in a very significant way and was in fact the founding executive director of the Avenue of Nations business revitalization zone. This individual's qualifications as a municipal administrator are not only not recognized in this country or in this province; they are not even assessed so that we know what management experience and what management capacity that individual has that can be transferable to our Canadian and Alberta situation.

Madam Chairman, prior to directly addressing the issue of the foreign qualifications review centre, I want to point out to all members that one of the realities today of Canadian immigration is that our immigration has changed dramatically over the last 50 years, and the majority of immigrants coming to Canada today are from different races, primarily Africa, southeast Asia, and the Indian continent. There were all sorts of allegations of our treatment of new immigrants as being racist, as being racially based, and I hope that is not the case. I'm certainly not making any accusations at this point, but I want to point out to all members that I remember a very, very vivid story, where my late grandfather spoke about being teased on the playground, being called a potato picker because he was from Ireland. Things don't change in this country, but we need to work at changing them more.

I'm going to speak some more another time on the so-called business plan for the foreign qualifications review centre. It was promised four years ago. It was promised two years ago. It was promised to actually assess qualifications and deem equivalencies. That isn't going to happen. It isn't happening, and I think all members of the government need to re-evaluate it not only on a humanitarian basis but on a purely economic basis. We cannot afford to be wasting the talents and expertise of people who come to this country, people who will help build this country into the next century.

Thank you, Madam Chairman.

MR. DAY: Thank you, Madam Chairman, for the wisdom of taking that questionable point of order under advisement. It was well considered on your part.

I'd like to make a number of comments and reflections, thanking the members, first of all, for some good input. I don't know that time will allow me to address all the items that were raised tonight, but I have a feeling I'll be back. If we miss some things tonight, we can possibly address them the next time around, and I don't mean next year but in a matter of days or even weeks from now. I appreciate the input also from our chairman of the Professions and Occupations Bureau and the adept manner in which he deftly handled many of the questions and also his openness to consider the others.

It'd be fun and it'd be nice just to keep it all positive reflection, but in fact it would not be appropriate for me to ignore some of the suggestions made opposite, so I'll comment both on what I see as the positive input and also some of the input which I think maybe just needs a little bit of explanation and awareness.

The Member for Edmonton-Meadowlark talked about or somehow intimated that labour's view does not get reflected at the table. I can tell you that an individual or corporate quizzing of my colleagues here will . . . They'll be very open to tell you that whatever table we're talking about – be it cabinet table, caucus table, standing policy committee table, or a public arena – the views of labour are made known very clearly, very explicitly, and in full detail, I can assure you. I am pleased with the fact that my department is in touch constantly and working with labour, as am

I, in terms of meeting either with what might be seen as individual people, the rank and file, or in fact members of unions, be they large unions or small. I can tell you, Madam Chairman – and my colleagues will respond to this, whether they agree or not with the representations that I bring to the table – labour is clearly and strongly represented. Any of their views and concerns are addressed very clearly. Can they always be accommodated? No, nor can all the views of my constituents in Red Deer be accommodated at all times, but their views are made known in the clearest of form.

9:40

The tripartite process in fact has not been a failure. It's been fairly successful. There's been some good agreement and discussion around that table. There's been progress made on issues like the work force adjustment, the different policies that will evolve from there, especially once the Minister of Health indicated the dollars and the resources that would be made available. There's been good discussion held on the challenges that are going to be faced in regionalization and amalgamations. I understand, too, there's going to be a reconvening of the tripartite table and ongoing discussions. So just because every single point of concern of both parties has not been addressed successfully in their view does not equate to failure. In fact, there's been some very good progress.

The question was asked: are the estimates concrete, or are these just musings? I'm surprised even by that question, but again, as I referred to this afternoon, there is always an ongoing suspicion of government, and healthy suspicion is probably a good thing. I can tell you that the figures which are projected are very concrete, as concrete as can be given that there are always uncertainties in the future. I think the best answer to that question is to judge the past performance of the department in terms of its projections and see that they're solid. Then you can know and have some kind of confidence that these are not just musings but in fact are very credible estimates based on fact, based on a lot of consultation with industry and labour and management, and these projections are solid.

I feel somewhat sorrowful for the Member for Edmonton-Meadowlark who talked about the Albertans she was talking to being embarrassed and ashamed to be called Albertans. I don't think I've ever been prouder to be an Albertan than the days we're in right now. Though the media refused to publish it last week, when Mr. Yerxa announced the results of his poll last Tuesday, he said he was astounded by the level of support in Alberta for what this government is doing in terms of deficit reduction and getting our fiscal house in order and restructuring, astounded by the level of support. We're getting, for what it's worth, national media attention and attention from other provincial governments. In terms of what we're doing, people are pointing to Alberta and saying: "Look what they're doing. Look at the innovative processes that they're undertaking." I look to the government in Prince Edward Island, for instance, which said that they're going to follow the example of the Klein government in terms of cutting their government spending. Maybe unfortunately for the MLAs in P.E.I., they also axed their MLA pension plan.

Other governments are following what we're doing, and they're commenting on it. People from other provinces – we're getting feedback, whether it's through people who travel to Alberta or in our business that we're doing in other provinces, from the citizens of other provinces. In British Columbia I've had people – I can't even give you the number of people – who've said to me, "We wish our government would do what the Alberta government is doing in terms of the innovative restructuring that's going on."

I've never been prouder to be an Albertan, and I feel sorry that you know people who are embarrassed.

The minister's office. There were comments made there on the minister's office in terms of reduction. I have to emphasize that there has been in the previous year – not this one, but in the previous budget year – up to a reduction of some 32 percent in comparable estimates in terms of what was amalgamated, yet the same staff are doing sometimes triple the amount of work. So overall, if it's a hold-the-line, you still have to reflect on a 32 percent reduction the year before and our overall budget. Remember the bottom line on our overall budget: some \$51 million down to \$42 million. So keep that in mind when you're looking at a particular line of the budget.

I want to ask the question and do some follow-up. I'd like some more detail from the member who raised the question about the insurance premiums being allocated through general insurance and could that be used to generate funds. I'd like a little more detail on that so we can do some follow-up on it. It looks like there might be some points of interest there that could be followed.

There have been points made on the DROs, the delegated regulatory organizations, specifically a concern as related to the boiler and pressure vessels. The member is obviously well informed, talking about the high degree of excellence of which our standards are accepted internationally and specifically referencing China, because there's some very positive work been done there in terms of what we have to offer and what they want. I can assure you that recent history shows that a move to an industry driven, delegated regulatory authority always results, if anything, in an increase in standards, because the industry is clearly focused on the ownership of those standards and recognizes they're fully responsible for them.

By way of explanation on how that works, the DROs provide the mechanisms that allow these stakeholders to assume those responsibilities, and that's where you see the stakeholders assuming responsibility and taking charge of their future. It becomes a highly responsible organization. The standards and level of service become clearly a focus. There are a couple of positive consequences of this strategy. First, there's the whole area of cost containment and reduction of costs and then the development of employment opportunities for staff who are presently within government who can move outside of government into areas where they've already developed the expertise. Especially if you want to relate this to boilers and pressure vessels, they're probably more experienced than anybody else in the province, and they're able to effectively move into the private sector with their expertise and carry on.

Now, the DROs can take a variety of organizational structures, but there are some things in common that people need to be aware of. A DRO is a nongovernmental, private organization. It does operate a program or service. It is run by a board of directors. The board of directors is selected by the regulated industry but in conjunction and in a manner which is approved by the minister. So that virtually assures that you're going to get the widest possible representation of that constituent base. Yes, the minister will make appointments to the board with negotiations with the stakeholders. The line that we are drawing here is that the number of board members appointed by the minister will always be less than 40 percent to make sure the industry again is taking the major share of responsibility and program delivery.

DROs are self-funded. Their fees are assessed from a point of view of the goods and services they provide. It can include anything from fees for certification, consultation, operating fees, anything like that. DROs do operate at arm's length from the

government. They're not Crown corporations, but they are legal entities under law. They do have all the rights and responsibilities of an individual or a corporation.

Another characteristic is that they operate under delegated authority, and that authority can be expanded or contracted. It's done at the minister's discretion. If a DRO is seen to be working effectively and achieving its goals, obviously it then gains the confidence of its own operation and of others to have an expansion of its role. If it's deemed not to be working well, it's going to see a contraction. So its own performance will determine the breadth of its responsibility.

DROs will operate under a set of bylaws that are approved by the minister, and the bylaws will regulate the services that the DRO will undertake. Also, a characteristic will be that the DROs will provide an appeal mechanism that is acceptable to the minister. Obviously there has to be that in place.

DROs will pay a fee for any services that are provided by the government. With that in place and then with the DRO having an official in the department who is their liaison, the DROs will also be subject to regular audits. With that type of mechanism in place you can fit into a variety of organizational structures. Those are the main characteristics that you're going to see and in fact that you see now in DROs or similar systems that are operating right now.

#### 9:50

Fees. The question again on fees – and that comes down to a philosophical argument that I won't bother to prolong – was asked and somewhat naively: do we make a determination of how many dollars we need in terms of retiring the deficit? There's this constant thing of: we've got to retire the provincial deficit; good, let's have fees. The whole philosophy behind fees is that the user, the receiver of the service, is in fact gaining a benefit and therefore should have to pay for that benefit. It's as simple as that.

I know members opposite are going to react to this. It is not a tax. It is a payment for what you are using. It's not a tax. If a person becomes an acreage owner and they need some specific septic tank permits or inspections, why should the person who lives in the city have to pay for that? That's not a tax. That's a user fee. The members opposite mentioned lightning rods. Actually, lightning rods can be pretty complicated and sophisticated pieces of equipment if you're dealing with tall buildings in cities with everything else that's going on. But in fact there's another case. Whether it's out on a silo or in the middle of an urban centre, why should the person who has nothing to do with it have to pay for that? It is in fact a user fee. The person is receiving a benefit; they pay. It is not a tax. Frankly, it's irresponsible for members or anybody to take a look at all our user fees and say that those are taxes, because they simply are not.

The Member for Calgary-*Buffalo* talked about employees and do they have the right to speak out. There's a difference here that has to be appreciated. In the Department of Labour we encourage – and we actively encourage – the active input of all employees in terms of how we can make the system run better. We are now even providing financial incentive through a rewards performance program to do that. We actively seek out those types of suggestions. Some of the suggestions can be used; sometimes they can't. But we actively encourage that process.

Now, that is very different from what the Member for Calgary-*Buffalo* referred to in talking about another department, an employee going to the media and saying, "This is a terrible operation that's going on." There isn't a business in this country where if an employee called the media in – and let's take any

example. Take any retail outlet. How long do you think an employee would be successful and happily working for the Bay, let's say, if they were calling news conferences and saying what a terrible job the Bay management was doing or in fact other employees were doing? I would suggest that they wouldn't be with that operation very long. Even private industry has mechanisms for employees to speak to the betterment of improving the work force situation or whatever might be taking place. So there's a very clear difference – it's not even a fine line – between having input in your organization to make it better and going outside of the organization and attacking it using sources like the media. I think if you're reasonable, you'll recognize that difference.

I think it's a fanciful suggestion to say that government might discourage frontline workers from bringing forth, for instance, safety concerns and other related things. No, there's no discouragement there. As a matter of fact, when we do investigations, whether it's a safety issue or an employment standards issue, it's always done in confidence with the anonymity of the employee protected. We actively encourage improvement. We don't actively encourage people just wanting to be a source of disruption in the workplace for something other than good motives.

Calgary-Buffalo also talked about employment equity and a process being used in Calgary. That's something that I'd like to look into a little more, because I, too, do not agree with quotas. Again, in the Department of Labour we have a competency-based system that is subject and open to innovation and even reward for that type of innovation. In terms of that Calgary operation referred to, I'll get some information on that and see if there's something we can learn from that.

I think that covers the reflection of the Auditor General but not focusing on layoffs. You know, we focus on restructuring. The media has a tendency, because layoffs themselves are an easy thing to pick up on, to focus on the layoffs, but we focus on restructuring. I think sometimes we inadvertently help, or some people do help the media to focus negatively on layoffs. If you remember last January, up to the January 24 announcements the Leader of the Opposition, the Member for Edmonton-Glengarry, was saying there were going to be 40,000 people laid off. When in fact it was 338, the mouths of the media dropped open. It was quite a difference. I think in terms of being responsible to our citizens in this province, we need to be taking a responsible approach to how we talk publicly about what we're doing, and restructuring is the prime focus.

Sometimes there are some layoffs involved, and we are doing the follow-up in terms of how many people actually use the counseling, the upgrading programs, and how successful they are. We're trying to track that. In fact, I've already referred to the situation in Red Deer alone, where the private registries have set up. There are four of them now. Of all the people that have been laid off in the previous government areas where there were motor vehicles or whatever registry, over 90 percent of them are actively working in these private-sector agencies. That's just one example. We're doing the follow-up to see if we can get more accurate figures for you.

Then there's the question of employees being taken advantage of and government discouraging people from making complaints.

If you can give me examples of that – I just don't think there are any. I know there aren't any. Government does not discourage people from making complaints. We would actively follow that up if you did think there was such a case.

Would employees have to pay for testing, let's say for air quality in a building? No, absolutely not. If the lab facilities are privatized, that simply means that the work that was previously done, the analysis that was previously done in the occupational health and safety lab would now be – that word you use – outsourced, and the testing would be done. But employees would not pay. There's no way employees pay for the testing or for analysis of safety in the workplace.

I agree that bargaining through the media is not acceptable. That's why we don't do it. That's why you will not find a case of government doing that. That is a plain and simple principle that we live by. I'm daily asked questions about negotiations by the media and others. I do not, nor do my colleagues, negotiate, quote, in the media.

Let's see here. [interjection] Yes, I'm getting to that. Now, I think I've touched on a lot of these. The LRB: there are no demands on the board that cannot be met right now. I know there was a question raised about having more officers for inspection or something to that effect.

Those are the comments that I can successfully deal with tonight. I'll get back on the other ones if I've missed any, and I've made reference to some areas that we're going to be looking into more. I appreciate some good suggestions coming forward there, and I want to do some follow-up.

On that particular note, Madam Chairman, and given the hour I would move that we adjourn debate. I would also move that the committee rise and report.

[Motion carried]

10:00

[Mrs. Forsyth in the Chair]

MR. TANNAS: Madam 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.

MADAM ACTING DEPUTY SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MADAM ACTING DEPUTY SPEAKER: Opposed? It is so ordered.

MR. DAY: Madam Speaker, given the hour is there any consideration under *Erskine May* to revert to certain elements on . . . [interjections] I can tell my colleagues don't want to move in that direction.

[At 10:02 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]

