

Legislative Assembly of Alberta

Title: **Wednesday, March 8, 1995**

8:00 p.m.

Date: 95/03/08

[Mr. Clegg in the Chair]

head: **Government Bills and Orders**
head: **Committee of the Whole**

THE DEPUTY CHAIRMAN: Order. I'd like to call the committee to order.

Bill 9 Appropriation (Lottery Fund) Interim Supply Act, 1995

THE DEPUTY CHAIRMAN: Okay. Any questions in committee on Bill 9?

The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. As I look at Bill 9, we made three requests asking to have more information tonight on Bill 9. We asked for a breakdown of the \$35 million that is basically a blank cheque. At this time we haven't received the information on the breakdown of where the \$35 million is going. It's important that we know where it's going, how it's broken down. We used to spend six to eight weeks at city council going over every line and how it was spent, and I know that this is what should happen again for this appropriation. The other aspect of it. I know the government will say we're trying to delay funding for these special lottery groups that do an excellent job, and they do. They need to know when the money's coming, but we believe it's important that the government provide the information needed: where this \$35 million is going.

With that in mind, Mr. Chairman, I won't be supporting Bill 9.

DR. WEST: The main thrust of this is the beginning of historic change in Alberta, where lottery funds are going to be totally accountable and transparent in this Assembly to the people of Alberta. The question that the member asked is, on the surface, I guess a credible question, but you have to understand that the way this fund is set up now, it's generating about \$9 million a week. If you took the \$35 million – that's about a month's worth of activities. That \$35 million is the base left in the account while the rest is transferred through to Treasury and to the general revenue fund. That \$35 million stays as a base operating fund, if you want to call it that, within lotteries and will serve as a minimum that's left in the account. The rest will be transferred throughout that year to Treasury. If you were to make it less, say you wanted \$10 million, then after about a week's business you'd have to transfer that, and if you're working in a five-day week and with the way that the funds come in, we felt that \$35 million was a reasonable amount to leave in there. If it's needed to be transferred later on or there are operations within lottery where it needs to be used, then it can be drawn on. It's a fixed figure left in the fund while we transfer all the rest of the surpluses over. It's like what you would call the operating account in lotteries as the business goes on, and you have to have a certain amount left in there. I hope that clarifies where we're going with this fund.*

THE DEPUTY CHAIRMAN: The hon. Minister of Justice.

MR. EVANS: Thanks very much, Mr. Chairman. On behalf of the Provincial Treasurer, I will undertake to the hon. member that we will endeavour to respond in writing to the three questions that he has that are outstanding as quickly as is humanly possible to ensure that the hon. member is up to date on this Bill.

That being said, I would call for the question.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Mr. Chairman, thank you. Is it likely that that information will be received prior to third reading of this Bill?

MR. EVANS: I will certainly pass on your concerns and the hon. Member for St. Albert's concerns to the Provincial Treasurer, and it would be our position that we would try to get that information to you prior to third reading.

MR. DECORE: Mr. Chairman, I asked this question of the Minister of Justice a few days ago. Perhaps with his attendance here and the minister responsible for lotteries they can help me.

We're talking about \$35 million to be left in as an operating account. The questions that I was pursuing a few days ago: what kind of impact will First Nations gambling have on this whole issue of lottery moneys? This does impact on the \$35 million. If they enter the field of gambling, perhaps the revenues that the ministers have calculated will no longer be appropriate. So, Mr. Chairman, we need to know the status insofar as First Nations are concerned. What is the position of the government? It's my understanding that the federal government has now opted to allow complete autonomy to the provinces to allow them to determine when and if First Nations can enter the gambling field. I'd like to know if the Minister of Justice has done the analysis to determine whether he could even stop First Nations from entering that field. If they want to go ahead, for example, and have a casino in Peace River, as has been suggested, can they do it? The second question is: what is the official position of the government? Has it come to a policy position as of yet?

THE DEPUTY CHAIRMAN: The hon. Minister of Justice.

MR. EVANS: Thank you, Mr. Chairman. From the Justice perspective, I think the hon. member is aware that gaming is controlled under the Criminal Code. You cannot enter into a gaming exercise unless you are a charitable organization. That is at the federal level. Then the licensing is done at the provincial level. So it's a matter of dual responsibility constitutionally.

We are working with our First Nations in trying to come to grips with this issue. It is an issue for First Nations. I understand that representatives from First Nations will be making presentations on their perspective on this issue to the committee on gaming and lotteries that has been set up by the hon. minister responsible for lotteries, that's chaired by the Member for Lacombe-Stettler. I think we'll get more information on this and the aboriginal perspective through those kinds of undertakings.

Just in terms of what additional moneys might come from that or might be available through it, I think that's speculation at this point in time, but the minister responsible for lotteries may have a comment.

*see page 484, right col., para 6

Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: Before I call the hon. Minister of Transportation and Utilities, it's extremely noisy in here. Could you keep your conversations down to a dull roar. Nobody can hear anything. So please be reasonable. If you really have to yell, there's a room at the back there. Go out and yell out there.

The hon. Minister of Transportation and Utilities.

8:10

DR. WEST: Thank you, Mr. Chairman. It's totally disrespectful to such an important issue for my colleagues to . . .

Debate Continued

DR. WEST: To the two questions you asked. I think you would agree that the first question is a bit hypothetical because there are none of those types of issues on the deck right now. To analyze what impact it would have on the fund would almost be impossible in light of the recent events that took place around VLTs. We had estimated that a VLT would generate \$400 a week in gambling by Albertans, and it did four to five times that. So the best estimates made by the great marketing group that we have in lotteries was only out by 300 to 400 percent.

The other issue, of course, is the challenge that might take place on whether First Nations could open a casino on their lands without a licence from the province. Mark my words right now: there is no licence going to be given to First Nations, and we are not in negotiations with First Nations in that light. In Saskatchewan they went ahead anyway without that licence, and you can remember that the RCMP, the law, went in under the Criminal Code and removed the machines on a reserve in Saskatchewan. Saskatchewan now has worked out an agreement with First Nations both in Regina and some other locations to give them a licence, but our policy at the present time in the province of Alberta is: no licence. Therefore, the Criminal Code applies. With precedents already set in court, so far they have upheld that, and unless there's a constitutional change or a change to the Criminal Code, under the existing law and precedents set by courts the natives cannot set up any gambling operation on their lands without a licence.

MR. SEKULIC: Mr. Chairman, I just want to recap some of the points of those questions that were posed by the hon. Member for Edmonton-Rutherford yesterday that received some assurance this evening from the Minister of Justice that we'd in fact have some answers forthcoming. However, Mr. Chairman, I have a problem with voting in favour of this appropriation Bill until some of these responses come back. I think the best term is that it would be negligent to stamp approval on something until we've fully clarified it, thereby giving it a passport to the next level.

Just one additional point here as I'm reading the Bill. It's on page 2. Certainly I find this point in the Bill to be transparent. It refers to accountability. It says:

(3) The due application of all money expended under this Act shall be accounted for.

You know, it's just like those forthcoming answers. It's a little vague; it's way too transparent. I just think that before we can take the next step, we do need to get these answers.

Thank you.

[Title and preamble agreed to]

[The sections of Bill 9 agreed to]

THE DEPUTY CHAIRMAN: The hon. Minister of Justice.

MR. EVANS: Thanks, Mr. Chairman. I move that the Bill be reported when the committee rises.

[Motion carried]

Bill 8

Appropriation (Interim Supply) Act, 1995

THE DEPUTY CHAIRMAN: Are there any questions?

DR. PERCY: Mr. Chairman, I rise to speak to Bill 8. This interim supply Bill will provide 32 percent of the total budgetary expenditures for the coming fiscal year. We view the expenditure at 32 percent of the total budgetary expenditure as being important; however, we will not debate this repetitively and endlessly because much of the debate is in fact subsumed in the debate over the budget estimates. In deference, then, to dealing with the estimates themselves, we're going to restrict ourselves just to making a number of important points with regard to the interim supply. So it is important. We believe that the expenditure of 32 percent of the total budget is worthy of prolonged debate, but since the issues that we will raise are part of the budgetary estimates, we will focus on the estimates themselves.

Having made that point, Mr. Chairman, let me then advance a couple of issues that do bother us. Last night in discussing the principle of the Bill I said: well, what are the grounds for allocating the interim supply? Is it pro rata, 25 percent or 32 percent? Well, Mr. Chairman, when you go down the list and ask, "How much is being allocated on a departmental basis, and what is the rhyme or reason?" there isn't any. We're dealing with interim supply of 32 percent, and if you look at the department of advanced education, for example, you find that the interim supply is 32.8 percent of the total supply. That looks pro rata. That's fine. However, you then go to the department of agriculture, which all on this side of the House view as being an important department, the agricultural sector being one of the most important in this province, interim supply is only 20.9 percent. Why would that be? Why would, in fact, the department of agriculture only get 20.9 percent interim supply?

I have to advance this proposition. Has the Treasurer feathered his own nest? I wish that he were here to comment on this. When I look at Treasury in interim supply, do you know what I see? I see that the Provincial Treasurer has interim supply that accounts for 57.2 percent of total supply. Now, why would the Provincial Treasurer give himself 57.2 percent and in fact shortchange the hon. minister of agriculture by only allocating 20.9 percent? Is the Provincial Treasurer making a statement about the importance of agriculture in this Legislature? I certainly would read it as such. So my first question to the Provincial Treasurer is: why 20.9 percent for agriculture, since all members of this Legislature view agriculture and the department as being important?

My second question, of course, is: why did the Provincial Treasurer take advantage of his position and in fact allocate himself 57.2 percent in interim supply? We would like, then, an explanation of why interim supply for Treasury in fact is the largest of any department for which the interim supply estimates have been brought forward.

You can go down the list and ask: well, who's number two on the favoured list for the Provincial Treasurer? I would ask hon. members on the other side to offer a guess. Who in fact is

number two? Well, if you look at who is number two, it turns out to be Executive Council. [interjections] Oh, excuse me. Actually, it's the department of environment. The department of environment gets 45.2 percent of its total budget allocation. Now, here again we view the environment as being important, but we would ask the Provincial Treasurer why environment gets 45.2 percent of the budget whereas the department of agriculture, which we view as being important and a mainstay of the provincial economy, only receives 20.9 percent in interim supply.

However, I would add that the Premier has something to grouse about, because although the Provincial Treasurer has given himself 57.2 percent, on the other hand, Mr. Chairman, Executive Council receives only 29.7 percent. Is, in fact, the Provincial Treasurer sending a message as to the relative importance of position and departments? Why is Executive Council only receiving 29.7 percent of its total budgetary allocation when in fact if he were going pro rata, they should receive at least 32 percent? So my question to the Provincial Treasurer is: why, in fact, has Executive Council got the short end of the stick, and what will the Premier have to say about this?

8:20

Now, the point that I'm making is that it's very clear that the allocation is capricious, arbitrary, and what other terms we can use to suggest random. We would like the Provincial Treasurer, then, to suggest why each department received a particular amount in interim supply. The Department of Education, because the minister is present, did receive 32.8 percent of its total budgetary allocation. So it's right on the pro rata basis, .8 percent above pro rata, and I'm sure we would like to know why so precisely we have eight-tenths of a percentage point above the 32 percent going to Education.

There is an issue here that we ask the Provincial Treasurer: can he in fact offer any lucid explanation as to the allocation by department of interim supply? We think not, and we think that of course is why he is silent this evening on this particular allocation, but we will await what he has to say in terms of the allocation.

MR. LUND: Point of order.

THE DEPUTY CHAIRMAN: The hon. Minister of Environmental Protection has a point of order.

**Point of Order
Questioning a Member**

MR. LUND: Mr. Chairman, I wonder if the hon. member would entertain a question.

DR. PERCY: Certainly, Mr. Chairman.

Debate Continued

MR. LUND: Mr. Chairman, I wonder if the hon. member would tell us how we would pay for fires in April, May, and June if in fact it wasn't in the budget.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. I have to commend the hon. minister because he has in fact provided at least the basis of an explanation of why interim supply ranges from figures of 20.9 percent to 57.2 percent. I would answer the hon. minister

by saying that in the case of environment that in fact is a reasonable argument.

I will then pose a question to the hon. Minister of Environmental Protection. Can he explain why the Provincial Treasurer has given himself 57.2 percent of the total budgetary allocation? [interjections] In fact, I'm sure that some members on the other side of the House are puzzled as to this allocation, and they offer guesses as to why it might be the case. The hon. Minister of Environmental Protection has offered a guess, and I'm sure that when he consults with his officials he'll see if his hypothesis is correct.

Now, in terms of other issues, Mr. Chairman, why, when you go through the interim supply – and, of course, this is an issue that we'll bring up by department with regard to the estimates themselves. You can through department by department and what you will see is that each has a communications budget. For example, in the Department of Advanced Education and Career Development there is a communications budget of \$188,000. Now, obviously a portion of the interim supply that has been requested for the department is for communications. My question to the hon. Minister of Advanced Education and Career Development is: what portion of that is for communications, and why in fact is there a communications component in this budget when there is a public affairs information office that is funded out of budgetary expenditures?

Mr. Chairman, you can go to each department, and I'll go to each in order. If I go to the department of agriculture and look at this department, I find again a communications budget here of \$2,642,000, which is part of the estimates. So I would ask the minister of agriculture: what portion of the interim supply that is requested for his department, again a department that got the short end of the stick in terms of receiving only \$77,930,000 interim supply, is allocated towards communications, and why, both in interim supply and in the budget estimates, is there an allocation by this department for communications when there is a public affairs information office and there is a central facility for the government in providing communications and outreach?

I then go in order, Mr. Chairman, to the next department, which is Community Development. If I go through Community Development, aha, again I see \$191,000 being allocated for communications. I then go to the interim supply, and I find that Community Development also receives 32.8 percent of its full supply. One again wonders why 32.8 percent. What portion of the interim supply for the Department of Community Development goes towards communications? Can the minister justify why in fact his department has a communications budget when in fact there is the public affairs office, the central facility for the government in providing outreach and communications?

I'll go in order to the next department, Mr. Chairman, to economic development. I look there, and what do I find? Well, \$922,000 allocated to corporate and public relations. Again a portion of the interim supply is for Economic Development and Tourism. They receive 25.6 percent of their full supply. My question to the Minister of Economic Development and Tourism: what portion of interim supply goes to communications? Why does that minister have in the budget estimates a communications budget, a public relations budget, when there in fact is a central office in this government, the public affairs office, which provides information and communications services?

I then go to the next department in sequence. Education.

MR. CARDINAL: Family and Social Services.

DR. PERCY: Well, we're coming. We're coming Mike.

I look again at the Department of Education, Mr. Chairman, and what do I find? I find communications. It's vote 1.0.7: \$327,000. Again if we look at Education, they receive 32.8 percent of their full supply in this interim supply Bill. My question to the hon. minister is: what portion of interim supply is allocated to communications? Why in fact would the minister have a separate communications budget when there is a central facility, the public affairs office, that provides outreach and communications? Why can't they consolidate? Why can't they in fact pool?

I then go in order, Mr. Chairman, to the next department, the Department of Energy. I'm hoping that I don't find a communications budget. However, I'm sadly disappointed because I look at vote 1.0.3, external relations and communications. Others have public relations. The Minister of Energy has external relations and communications, probably to talk to her counterpart in Ottawa. External relations, \$995,000.

MRS. BLACK: How much?

DR. PERCY: Nine hundred and ninety-five thousand dollars.

The Department of Energy, Mr. Chairman, receives 37.6 percent of its full supply in the interim supply Bill. So my question to the hon. minister would be again: why a separate communications budget? Why not consolidation through one major department? I won't in fact go through every department, but I think I have made the point that each and every department has a communications budget. This is again a question that we'll pose starting beyond Energy. We'll hit actually Environmental Protection in our next round of this. Why does every department have a separate communications branch? Why isn't there a consolidation? Why as the government attempts to downsize and consolidate and allocate function does each maintain a separate communications budget and office? [interjection] Well, I haven't said that, but one could construe that it is in fact that we have each department with its own set of spin maestros, each putting out the particular theme desired by the department.

So, Mr. Chairman, when I go through the interim supply Bill, I ask myself, "Where's that interim supply going? On what basis has it been allocated?" I find myself at a loss because it appears to be random. I do have an interest in more efficient government. I do have an interest in consolidation and efficiency gains that come from consolidation of a similar function, which is communications. So I would ask each of the ministers that I posed the question: how can they have a separate communications budget, what portion of interim supply goes to it, and can they provide a lucid and valid justification as to the share of full supply that they receive in this breakdown of interim supply by department?

With those comments, Mr. Chairman, I will take my place.

8:30

[Title and preamble agreed to]

[The sections of Bill 8 agreed to]

MRS. BLACK: Mr. Chairman, on behalf of my colleague the Provincial Treasurer I'd like to move that Bill 8 be reported when the committee rises and reports.

[Motion carried]

MRS. BLACK: Mr. Chairman, I move that the committee now rise and report.

[Motion carried]

[The Deputy Speaker in the Chair]

THE DEPUTY SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bill 8 and Bill 9.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: **Committee of Supply**

[Mr. Tannas in the Chair]

THE CHAIRMAN: Order. Hon. members are reminded that we're now in Committee of Supply. We'll endeavour to ensure that only one person remains standing and talking at the same time, although others are invited to carry on lively discussions outside the Chamber.

head: **Main Estimates 1995-96**

Municipal Affairs

THE CHAIRMAN: We would invite the hon. Minister of Municipal Affairs to begin this evening's deliberations with a few comments. Hon. minister.

MR. THURBER: Thank you, Mr. Chairman, and thank you fellow colleagues. I'm very pleased to present my first estimates for the Department of Municipal Affairs. Before I get into them, I would like to acknowledge my senior staff. It's one of the few evenings that we've seen anybody in the gallery, and I'm very pleased to have them here with me. This is also a test on their behalf to see how well they've done in the past two and a half months in trying to impregnate my mind with all the information involved in Municipal Affairs.

Mr. Chairman, my department has continuously become more productive and efficient in pursuing its mandate and will contribute substantially to the Alberta government's initiative of a sustainable balanced budget. The department has a strategy and a business plan that describes various phases for implementation. Municipal Affairs has successfully completed its first phase of its business plan. The department has reduced costs as quickly as possible to assist in eliminating the deficit. The total 1995-96 gross estimates for Municipal Affairs of \$409.8 million is \$161.7 million less than the estimates of the previous year. This represents a reduction of 28.3 percent from last year's estimates.

The '95-96 budget also calls for a reduction of 480 full-time equivalents. This 32.8 percent reduction in staff complement from the previous year is being accomplished through privatizing, outsourcing, and restructuring. The staff members leaving Alberta Municipal Affairs have provided a valued service to the

department and to the community and to the general public. To assist these individuals in the change, the department has provided training and career planning and job transition skills. As well and where possible, alternate employment has been arranged in many cases with either other departments or with private organizations.

Mr. Chairman, to prove that I was listening very intently last night to the Member for Redwater, I want to touch briefly on the nonbudgetary disbursements of which he talked last night. Nonbudgetary disbursements in the amount of \$100 million are included in the '95-96 estimates under program 3. This requirement relates to the current program to dispose of the nonsocial housing assets of the Alberta Social Housing Corporation.

The nonsocial housing assets of the Alberta Social Housing Corporation are the remaining mortgage portfolio, the vacant land and the real estate holdings, not being used for social housing programs or purposes anymore. These assets were originally financed through borrowings from the Alberta heritage trust fund. However, due to a downturn in the real estate market at the time, it was recognized that the actual market or realizable value of these assets would be less than the outstanding loan balances. At such time as the assets are sold, the province of Alberta through the general revenue fund provides funding to the Alberta Social Housing Corporation to fund the difference between the receipts from the sales and the associated debt owing to the Alberta heritage savings trust fund. There is no impact on the provincial financial position as a result of these sales.

Mr. Chairman, I'd like to take a moment to outline some of the major changes and initiatives reflected in this year's estimates. The department is completing the process of moving out of directly delivered property assessment services to municipalities. This program change is equivalent to a savings of 167 full-time equivalents and \$7.7 million. Six regional offices and six suboffices in the province have been closed. Many of the affected staff have gone to the private sector and have formed businesses to provide the same services to municipalities on a very competitive basis.

The province will continue to provide assessment services for linear assessment and some large plants, including electric power and pipelines. By April 1, 1995, this department will no longer provide planning advisory services to 82 municipalities in northeast Alberta which are not part of the regional planning commissions. Most municipalities have chosen to obtain their own requirements on an as-needed basis through the private sector. This initiative alone will reduce our expenditures by \$973,000 and 16 full-time equivalents.

In 1995-96 the unconditional municipal grant program decreased to \$129.8 million from \$169.8 million. In 1994 several municipal grant programs from various departments were consolidated under what is called the unconditional municipal grant program. This initiative eliminated duplication of grant programs between departments and reduced the administrative costs of the grants. This also allows the municipalities the flexibility of being able to spend this money where they see fit and where they see the need for it.

8:40

The property tax reduction program and senior citizen renters' assistance programs were discontinued in 1994-95. However, a benefit to compensate for the loss of the program has been calculated into the income-tested Alberta seniors' benefits. So it was a direct transfer of funds from this department to be coordinated in the Alberta seniors' benefit program. Other onetime grants for the seniors' independent living program and Alberta

family first-home program are winding down with a reduction in budgets of \$10.7 million.

Changes to the delivery of social housing and increasing the rental rates for subsidized housing to 30 percent of the income in '95-96 from 25 percent before will result in a decrease in the amount budgeted. Deficiencies resulting from housing management bodies will also realize some savings in that area. Operating support and subsidies for social housing programs delivered by the Alberta Social Housing Corporation will exceed \$107 million in 1995 and '96. CMHC and participating municipalities will contribute a further \$82 million towards these social housing programs.

The '95-96 estimates for registries have been reduced by over \$4.5 million from the previous year. These reductions were accomplished through restructuring and privatizing certain personal property registry services as well as outsourcing information technology related services. We've privatized Access. The provision of transitional funding for the turning over of CKUA Radio to a foundation and providing similar support for the television operations to be taken over by Canadian Learning Television has produced savings of \$9.2 million this year.

We've had minimal fee increases on the vast number of services and products provided by the department, and most of them have not been increased at all. This includes no increase in fees for a driver's licence and registrations, and we will continue to monitor the fee schedule to ensure that all fees are appropriate and as fair as is possible.

The department is on target to achieve its business plan goals. It should be noted that these are not all reductions, and the department is continuing with a number of initiatives that will include some of the following. We are repealing the Planning Act, and amendments to the Municipal Government Act will provide the framework for a municipally based planning system. We introduced a new real estate Act that will consolidate and streamline the legislation, define broad principles of fair practice in the industry, and establish a real estate council to oversee the administration of the standards. We have introduced a new Charitable Fund-Raising Act that will discontinue onerous approval and authorization processes and implement registration and disclosure requirements instead of that.

We will streamline the business legislation through revisions to the Business Corporations Act and develop a new fair trading Act that will define broad principles for fair trade practices for businesses and consumers and minimize government interference in the marketplace and harmonize legislation for credit disclosure and direct sales requirements with other jurisdictions across Canada. We are going to rationalize strategies for grant spending to target municipal grants and seniors' grants to those in greatest need. Let us also not forget that we are still providing grants of over \$315 million to these related areas.

We want to explore ways of encouraging social housing clients to move towards more self-reliance. We don't believe that social housing clients should be there on a long-term basis. It should be on a temporary basis so that when they can move into the productive work field, they can move out of the social housing, and people that are in greatest need can take advantage of that.

We want to improve services to municipalities and related associations through implementation of an electronic bulletin board. This is planned to be implemented in time for the fall municipal elections across Alberta, the fall of this year.

We need to expand the private registry agent network through continued development of a delivery service that provides access

to as many government services as possible and use information technology to facilitate new and better services at, of course, a lower cost. One example of the new services is the one-part operator's license and identification card which we made very public some weeks ago.

Mr. Chairman, I'd just like to say at this time that these estimates show that Alberta Municipal Affairs has achieved its restructuring and reduction targets during the first phase of the three-year business plan. The department will continue into this next phase by continuing to become more productive, responsible, and effective in pursuing its mandate.

Mr. Chairman, with that I would close my remarks and welcome any questions. I would only ask one thing, that you quote the reference clause, if you could, when you're asking your questions. It would help me in referring to the same item on the agenda.

Thank you.

THE CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. It's been an interesting and exciting year for me in the municipal affairs area. First of all, I would like to thank the former Minister of Municipal Affairs. At the different conventions, different activities he always was a class act. He always introduced me, and I thank you for that.

I'd also like to thank the staff. They've done an excellent job as they implemented and as they picked up the flack and all the anger and frustration of the different municipalities. They did it well and they did it with class, and I thank them for it.

Also, before I ask some questions, I'd like to thank the different municipalities around the province that I've been able to visit. They gave me tremendous input; they informed me and answered questions. It was a tremendous opportunity for me to learn more about the province and municipal affairs around the province. I met with the businesspeople, chambers of commerce, councils, clergy, liquor store owners, other businesses, the agricultural community, and I want to thank them for helping me do a better job.

One thing I hoped with the new minister – and I congratulate you on your position – is that we will have a more open communication. I feel it would be a bit more appropriate if I had somebody in the department to phone or call when I need information. When I get questions asked to me in a community, I'd like to have someone to phone so I don't give them misinformation or information that may not be the latest information out. There are times that if I write a letter, the letter in response may mean I have to ask several more questions to get a better understanding of what is happening. I want to have the best possible understanding of the events that are happening in your department. I know this information will be a positive for your department, too, when I have the correct information. So if that can be done, have some communication person, I would appreciate it. I'm not asking about personnel or that, just information that's public information that I could utilize.

I give as one example that I tried to get information for an investor who was in charge of a department, and I was not given this information because I was supposed to write a letter. The investors were in town for that day or two days, and they needed it right away. I guess if I had said I was Joe Citizen, I could have got it, but when I gave my name, they said I had to write a letter. So perhaps we can work something out there too.

A question I have. In 1992 they used 18 percent less paper. In '93, 50 percent less paper was the objective. I would like to

know if the former minister met that objective. In fact, in '94 he claimed the amount of paper would go right down to the floor. I would like a response. Did that happen or did it not? Was it possible, or was that just rhetoric on the former minister's part?

8:50

There was a 40 percent reduction in supply and services in 1993. What was the reduction in supply and services in 1994-95? If I could get that information.

Also, there was to be a reduction of \$4 million in computers over the last two years by outsourcing, and I would like to know if this \$4 million was reached. Was it more or was it less? What amount was saved? What is the amount that your department paid for outsourcing of computer services over the last year, and what do you anticipate it will be this year? Are we really having a saving on paper if we do go to computers and it costs us more, although the information is stored and handy? I want to look at the total picture before we say that we've saved this when it may cost us more for computing.

Reduction of staff was supposed to go from 1,200 to 400, and I see you're at 984 today. Are you planning to reach the 400 full-time equivalent mark in the next year or two? Or has the reduction in staff been changed as you looked at the department and saw different needs?

Registries. A question on the staffing there. It was 1,000 staff members and the goal was to reduce to 300. Are you at the 300 level now? Is there less, more? If you're not at the 300 level, are you planning to reach that level over the next two years?

On that, what follow-up has been done to ensure that private companies have the same high standards set by the province in issuing drivers' licences? Do the private owners still have and maintain high standards? Are these checked on a regular basis? Do you have inspectors who go out to inspect the private businesses that do this operation now? Have you received any complaints about this from across the province?

Next, moving on to housing authorities. There were 430 housing authorities in Alberta at the start of your plan, and there was a push by the former minister to amalgamate as many as possible. I'd like to know how many amalgamations have taken place, and I would also like to know why there was a push on for all these amalgamations. If they weren't going to amalgamate voluntarily, they were going to be forced into amalgamations. Then at the last senior citizens' convention there was a 180-degree turn taken by the minister. He was going this direction; he turned the other direction and said: now you don't have to amalgamate if you do not wish to. Some had amalgamated that may not have wished to. I would like to know the rationale, or why this was done. Some that amalgamated perhaps should not have amalgamated; some that should have maybe did not.

It's interesting to note, as I travel around the province, that some poorer areas through their housing programs are supporting housing programs in richer areas. I'd like to know how that makes sense or what the rationale is for that, where they are a poor area actually helping out the richer areas. Some areas are not paying at all and some are paying. I'd like to know the rationale why some get away with not paying and some in the same housing authority do pay.

The foundations have felt there was a lack of leadership from the province in setting up the new regulations for the foundations as they take over other housing units. They were left on their own, and they still are not sure where they're supposed to go. It's hit and miss. Why hasn't there been more assistance from the province?

Also, the housing authorities were supposed to be working with the regional health authorities so their boundaries would coincide, so there'd be maximum use of these boundaries when they amalgamated to prevent duplication and prevent what had happened in the past, where you would have three mental health units in a health unit. The boundaries overlapped and made it very inconvenient and costly to provide the services. I'd like to know how these amalgamations of these housing units fit into the regional health authority boundaries. Is there overlap? For the ones that overlap, what is going to be done about that to make them more efficient so they get the services where their regional health authorities are located?

Also, two of the elected members from the housing association were fired from the board, Ken Fearnley and Brian Bechtel. I'd like to know the rationale for the firing. Was it because they wouldn't toe the department's line? They're experts in the area, recognized around the province. In fact, the department has gone to them on many occasions to get their input and their leadership and have adopted the policies they have thought through, have developed for themselves. So I'd like an explanation of that.

There were 13 district offices and two regional offices. You mention they're now down to a lower number. They were supposed to go down to three offices. This has happened to a certain degree, you said earlier, but I'd like more information on this. How many offices are there? What are the plans? Is it down to three, and where will they be located? Edmonton, Calgary, and so on? I want to know what overlap has been eliminated by centralizing the offices and how it's been made more efficient for the housing authorities, for the department, and for the different municipalities.

Some of the municipalities have told me they've received a letter from your department on the housing authorities and they are unable to understand what the letter is saying. They're more confused by the letter than by what they knew before, and they would like it to be clarified more. What is your department doing to make sure this clarification gets out so they know where the department wants to go in the future, with the department going backwards or changing the way it looks at the housing authorities, volunteer amalgamations, enforced ones, and so on?

Next I'd like to move on to the lodges. Again, are you using your research dollars to make sure studies are being done to get accurate information? We had information from the federal government used that was inaccurate which determined the average senior's income. They got it from the government of Canada. Many of the seniors in those lodges do not file income taxes, so the true average wasn't there. There were some mistakes made on the assumption of the earnings of seniors in our province. I want to thank the Sturgeon Foundation, the Edmonton Foundation, and the Leduc Foundation for doing this survey and getting accurate information, which they forwarded to your department.

I'm still very concerned about seniors. A committee was set up to take calls. It was supposed to go for six weeks. Is this committee still receiving calls from seniors? I know it's not completely in your department; it's shared with the Minister of Community Development and seniors. Some of the calls were from the lodge residents and also from seniors, on their taxes and so on. Then it went up to 150,000 calls. We informed the Premier and the minister and asked for action to be taken. We're now up to 200,000 calls and doing a study on it. While they're doing the study, seniors are dying in some parts. They want answers, Mr. Minister. Some of them are living on \$265 a month, and they've asked me to challenge the Premier or the

minister to live on that for two or three months themselves and see what it's really like and from that to take out the medication or other necessities of life.

9:00

Moving on. What is your department doing to work with municipalities and with private enterprise to meet the needs of senior social housing in the future? Have you met with them? Have you got the demographics to show private enterprise what the numbers will be down the road and that they should be looking at a plan of action to meet the needs of the numbers that will be moving into seniors in the future? There are different models out there, different ways of looking at it, and we need some leadership from the government in this area. I know some of the real estate people in my community have been looking for answers and have not been getting the information that they would like to have.

The lodge renewal program, next. There's supposed to be \$20 million put into it over two years. Is this the same amount, or has this amount changed in the last year? If you could let us know how much was spent last year and on what lodges this money was spent. I would also like to know how much is to be spent this year on the different lodges. We'd like to be able to give the lodges the criteria for lodge renewal. Each lodge would like to know where they stand on a list for renewal of their lodge. I think it's very important for them to know so that they are able to make additional plans. If you could provide the list for renewals for this year and also for all the lodges that will need renewal in the future. Are the rules going to change after the lodge has been renewed or parts upgraded? Will the rules change for these lodges, or will that be left up to the foundation or the lodge management to decide? Also, are there any new lodges being built by the Department of Municipal Affairs this year? If so, how many and where? Will the municipalities have more say in this? Also, if we could get a list of how many new private lodges have opened this year and where they've opened so we have a better idea if some of the needs of the seniors are being met.

The seniors are very concerned especially in urban centres. Many of the apartment blocks that they are renting now are being sold as condominium units, and the number of apartments has decreased greatly. Of course, in the free market enterprise when there are fewer units, the prices go up. The rents go up. For seniors on a fixed income this is very difficult. What information or studies have you done or researched to make sure that this is looked at and that we work at solutions to this problem instead of it arising two or three years down the road and we're caught in a bind: seniors in a bind; the government in a bind. So this is one area that needs to be looked at and researched.

Again, regulations for lodges. We would like more information on that, what your department is doing. You have deregulated the rents and given more authority to the lodges, to the foundations. For many lodges this can be an advantage to use a dollar more wisely, but the seniors also need to know what the regulations will be. Is there an appeal board that they can go through that would be independent of the foundations or housing authorities if they have problems or concerns? I think that's a very important issue at this time: that there's some appeal process for the seniors.

Another, the health inspection. Is that going to remain as it is now, or is that going to be transferred over to the regional health authorities to go in and look at the lodges, the inspections? Some are being carried out. Have you met with the foundations and the housing authorities to work on probably the best possible solution to this for all parties involved?

Debentures on the lodges. What was the amount we paid off last year? How much will we be paying off this year? How much would we save in the long run if we could pay them off immediately? There are some where it probably wouldn't make a lot of difference, but there are others that are newer, that if they were paid off, if there was money, it could save the taxpayers a lot of hard-earned money. Do you have any plans to look at some sort of procedure or policy to pay off debentures that are out there?

Housing. January 1, 1994 . . . [Mr. Bracko's speaking time expired] Is that 20 minutes?

THE CHAIRMAN: Yeah. It seems to fly by.

The hon. Member for Edmonton-Glengarry.

MR. DECORE: Thank you, Mr. Chairman. I'd like to congratulate the minister on his new portfolio. I look forward to his answers on these issues that I raise tonight and on other ones in the future.

One of the big problems that I remember encountering in municipal government, Mr. Chairman, was the tension that sometimes exists between municipalities in the planning process. Edmonton, for example, if you go to the north and east and the south and east of the city, has a very porous soil, almost a sandy soil. Often I heard complaints or at least warnings that if people weren't careful with septic tanks and weren't careful with industrial waste, there could be a danger of affecting the groundwater table that moves around quite considerably in our area.

Now, Mr. Minister, when you get rid of planning authorities – and your plan is to phase out completely regional planning commissions, and you talk about some voluntary organizations in lieu of – I can see some real danger, and I can see harm coming from there not being this creative tension that gets resolved by some sort of planning authority. I remember the issue when I was mayor of Edmonton. The city of Edmonton believed there were too many small acreages being developed and that this would have an effect on the groundwater table. The city tried to impress the municipality and couldn't get through, couldn't make their argument, and had to go to that regional planning authority to have other municipalities help judge the issue and determine the issue. I'm worried, Mr. Minister, that this process no longer is there, and I'd like your assurance that there is a mechanism in place that's better than a voluntary mechanism, because I don't think a voluntary mechanism is good enough. How do you ensure the safety of Albertans when you get rid of these regional planning authorities? How do you ensure that there isn't some kind of a total disregard for another community's existence by building up, for example, industrial areas in a place that may affect another municipality? I think that there needs to be tighter control, and you haven't convinced me – maybe you can – in this new implementation scheme that this is going to be looked after.

The second issue that I would like you to give me some assistance on is the issue of grants in lieu of taxes. I notice that those grants are increased by some 2 and a half million dollars this year. I don't know where we're building anything. When we're getting out of the area of jails – the government is privatizing some of these facilities – how is it that we're suddenly getting an increase in grants in lieu of taxes? That's the first question.

9:10

The second is this. It is my understanding that the federal government has initiated a program of doing checks on municipal assessments. In other words, they're not prepared to completely accept holus-bolus the assessment that a municipality does. If

they have some suspicion that an assessment is too high, it's my understanding that they are using some private entrepreneurs to go in and do an assessment and say to the city, "Hey, your assessment is too high." I'd like to know what initiatives the provincial government has taken, if any, to look at the same problem. Explain the 2 and a half million dollars, and explain what sort of checks the provincial government uses in the whole area of grants in lieu of taxes.

Mr. Minister, Calgary is blessed in the sense that it has a very large area, and provincial planning legislation, when tested, allowed for tribunals in the past to amalgamate and bring together communities that were growing up around Calgary. That was a good thing. That didn't happen in the Edmonton area. For political reasons or whatever reasons, that hasn't happened. Now we're getting some interesting problems arising.

One of them is transportation. I don't think it's right that the city of Fort Saskatchewan has no public transit system to bring people into Edmonton. It's hard to reconcile how you can have a public transportation system in Sherwood Park and St. Albert but not in Fort Saskatchewan. It's hard to reconcile how Leduc can't have some kind of a public transportation system. When I posed this question to my colleague from Fort Saskatchewan, she said that they simply can't afford it. If you're a community that's in the vicinity of 15,000 or 20,000 people, you're a city, but you aren't big enough to make that kind of an expenditure. But if you're in the 40,000 or 50,000 people category, like Sherwood Park and St. Albert are, then you can. Well, is there an obligation, Mr. Minister, to provide a public transportation service for the greater Edmonton area? If that answer is yes, then what initiatives is the government planning to deal with that problem? If the government is prepared to force amalgamation of school districts and they're prepared to force amalgamation of hospital districts, is it prepared to say that three administrations in a transport system – that is, an administration for St. Albert and Sherwood Park and Edmonton – doesn't make sense, and to save the public from paying moneys for taxes, we're going to take an initiative and have a public transportation system for the greater Edmonton area?

I guess that leads to the next question, Mr. Minister. If you start to abandon this area of planning – and you're about to make wholesale changes to the Planning Act – I'd like to know what the government's position is with respect to the bringing together of communities in the greater Edmonton area. Do we just sort of fend for ourselves from now on and fight each other off? Is that the way the minister and the government intend it? Or is there some plan of working these problems out and perhaps legislation that allows us to solve these problems with some independent tribunal that can help resolve these areas of tension?

Mr. Chairman, there are issues involving local policing that I want to address now. It's great to have a business plan and have measurements on the provincial end, but I think it's important that the provincial government also respect business plans and objectives on the other end. I'd like to know what studies the minister has looked at, what consultation he's had with the city of Edmonton police force, for example. The Edmonton police force is an accredited policing agency, accredited by a North American rating agency. They took a long time. My recollection is that it took three or four years to get that accreditation through. Accreditation involves the process of looking at how much crime exists in your community and how many police officers are there to look after that crime, to chase down the criminals. It looks at a number of issues. It has business plans and objectives that they say should be followed by a municipal policing authority, by the city of Edmonton.

So, Mr. Minister, what did you do to check your business plan against their business plan? Can you assure this Assembly that the cutbacks you've effected – and it's too easy, Mr. Minister, to say that, you know, the municipalities are going to be able to look after this themselves; they can allocate whatever moneys they want to policing or whatever. I want to know how you're going to assure public safety, because that's the provincial government's responsibility, the administration of justice in the province. What have you done to make sure that your game plan, your business plan matches the game plan and business plan of the Edmonton policing authority?

Mr. Minister, the next issue that I would like your assistance on is a better explanation of the whole property assessment area. [interjection] Yeah, this is a minefield. I agree with you. I see you smiling there.

I want to know what we can do and what you will do to make this easier for municipalities. How can we get a better, calmer process? How can we ensure that there is fairness throughout the whole system? Is your game plan, business plan the same game plan and business plan of the city of Edmonton, for example? Are we going to be treated fairly? Is there fairness on the Edmonton end compared to the Medicine Hat end and the Lethbridge end and the Calgary end? Give us your assurance on how new legislation or new systems are going to handle that issue.

Mr. Chairman, I think I'll end there and allow the minister to pursue those issues.

Thank you.

THE CHAIRMAN: The hon. Minister of Municipal Affairs.

MR. THURBER: Mr. Chairman, thank you. I would like to try and answer some of the questions that have come forward now. I'm not trying to limit the debate or anything, but I think it's important that we address some of these, rather than wait till the end and try and address all of them at once.

Now, the hon. Member for St. Albert raised some very good questions and interesting questions. I have to tell you that it doesn't matter if you sit on that side of the House or you sit on this side of the House, if somebody asks me a question or needs information, I try to provide the most accurate information that I can provide. I don't like to do that over the phone because in reality I don't know who's on the other end of the phone. I would rather do it in writing so that you have the best information possible from my department and from my office. So I'm sorry if you were put in a spot because of a phone call, but I give out very little information over a phone call. I like to see it on paper, and then I can answer it properly and make sure that I'm doing the best thing by you.

You talked about the housing authorities that we have in Alberta. We've asked the different housing authorities to join and amalgamate for efficiencies, particularly in the administrative end of it. Now, we've cut the number of housing authorities, and they're in various stages of being approved right now, a different number of them. We've basically cut it in half so far, and we'll probably cut it down to, I would say, probably a third by the time it all gets through. In the reporting process it creates a lot of bureaucracy when they have to report every couple or three months, and if you've got a multitude coming in, of course it increases the cost of doing business. So we're trying to encourage them to continue to amalgamate as much as possible.

You talked in another area about the municipalities amalgamating. We have said to the IDs in this province that we would like

to see them amalgamate and become an MD, where they have local autonomy and can look after their own assessment base, their own transportation, and their own expenses. Now, we basically told the IDs that that's what they should do, because they were just an arm of government at that point in time. The Minister of Municipal Affairs was basically in charge of that. We wanted to get out of that business and let the people living in these IDs go ahead and get about their business and run their own area.

9:20

We've said to some of the MDs that, no, we're not going to force you to amalgamate, but you will know whether you can afford to keep operating, because as the assessment base, particularly in rural areas – you take a small village or a small municipality that has no large industrial assessment, in fact, if you take a village of 400 or 500 people and you move the elevator out of it or it shuts down and is gone, in a lot of cases that's half of their assessment base, or half of their taxation base, and they can no longer provide the services to their citizens. So they have to look at some other way. They either have to look at increasing taxes or disenfranchising themselves and becoming a hamlet within an MD or a county.

You made mention of some firing of some housing personnel. I'm afraid I don't know anything about it, and if I did, I wouldn't answer on a personal basis in the House because I don't believe in that and we can't do it.

You mentioned a letter to municipalities regarding the housing authorities. Yes, there have been different letters go out to them recommending that they look at this for efficiency's sake. The municipalities, I believe, want more local autonomy, and with local autonomy of course comes local responsibility. So there's a great number of them that are dealing with this in a very straightforward way.

You talked about seniors dying because of the reregulated lodge rents. I find that a very odd question, because if I said somebody was dying, I'd give you a name and I'd give you specifics. I can't deal with a general innuendo like that. There's no way that you can answer that question. The \$265 a month was a standard that we arrived at by a survey of seniors. The majority of them told us that they needed about \$265 a month; in fact, they said from \$230 to \$265. So we took the higher end of that, we reregulated the lodge rent, and we said that every senior shall have that much left over.

Now, if there are individual hardship cases – and the Premier has said this and I have said it many times – that we don't know about where the \$265 will not cover their medication or some other expenses that we're unaware of, we want to know about them on a very specific basis. It is not our intention to have people fall through the cracks. We look after the seniors. The seniors are looked after better in this province than most anyplace else, and we want to continue to do that.

I don't believe there were any new lodges built this year. I don't think there are any plans for any new lodges at this point in time. There are some conversions taking place throughout the country. The private sector is moving in and doing a lot of good things for seniors, and we think that's where it should be.

The inspection of lodges. I still have the authority as the minister to ask somebody to go in and inspect these lodges for any reason, a complaint on personal care or to actually inspect the facility. I can ask the Health Facilities Review Committee to go in and do it. They've done it before. They have standards and rules that they go by, and I can ask them to go in there and do an inspection.

Edmonton-Glengarry raised some very good points, and I have to say that you can tell that your background is municipal because you asked some very pertinent points. You talked about the tensions between municipalities on planning. I have to tell you that I attended an inaugural meeting this morning of at least 14 of the municipalities in the capital city region, and I am going to initiate meetings with all 19 of them on a regular basis because I think you are right, hon. member, that there are many issues that need to be dealt with. I have a lot of faith in people. There are a lot of intelligent people that sit on all of these municipalities, and one of the main things that I will do as minister is make sure that they have to consider their neighbours, their neighbour's planning facilities, and their neighbour's plan so that particularly the infrastructure and those areas are considered in their planning process.

From my talks with the people in the area here, I would have to agree with you that there are a lot of other issues that can be determined by a group, such as that representing the 19 municipalities. There is transportation. There's certainly fire, garbage, policing. Policing is a very important one. I intend to facilitate the meetings between these people to try and get the negotiations going and do some really good work in that. I have a lot of faith in the elected people around this city, and I think we can do it.

So I'll leave that for now. Any other questions that I didn't answer, we will get them to you in writing.

THE CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you very much, Mr. Chairman. Before I move into the area of consumer and corporate affairs within municipal government, I'd just like to pick up on the last point that the minister was discussing, and that was regional planning. I certainly share the same concerns that my hon. colleague from Edmonton-Glengarry has identified.

Just recently in a meeting in Calgary I became aware of that rural/urban conflict that clearly was not improving. In fact, it sounded, from listening to some municipal elected officials in Calgary, that it was actually more volatile than when I was still part of municipal government. I said: now that we see the repealing of the Planning Act and planning commissions not being a reality, what is the solution to this? I had the answer that Calgary had used a number of decades ago. The only answer really at this point in time that they could see was annexation. I thought: this is a sad reflection on where we're at.

Then I start to think about the Edmonton region. I look back over the years to when a previous annexation attempt by the city of Edmonton to neighbouring municipalities resulted in humongous costs to the taxpayers. The only people that got rich out of that process were the lawyers and the consultants. I would suggest that we're setting ourselves up once again for that potential.

I had been optimistic that a previous Minister of Municipal Affairs under the name of Julian Koziak might have had the solution. I remember him well coming to me and saying: look, we won't look at any future annexations or look at resolving any of your planning difficulties if you don't enter into joint municipal planning with your neighbours. So in good faith you develop a joint plan, and what did that result in? Unfortunately, that senior level of government, the provincial government, opted out. They wouldn't accept it, and it resulted in it going to the LAB. The LAB made a decision. Cabinet still wouldn't accept that.

Chairman's Ruling Decorum

THE CHAIRMAN: Order. I wonder if we could have the tone of the vigorous conversations low enough so that we can hear the one person that is authorized to speak aloud in the Chamber. Then we'll all be happy. [interjection] Yes.

The hon. Member for Clover Bar-Fort Saskatchewan.

Debate Continued

MRS. ABDURAHMAN: I will proceed, Mr. Chairman, but without the condition attached by the minister of social services. I have no intention of finishing at 9:30.

Carrying on on the point to the hon. Minister of Municipal Affairs, indeed the LAB decision wasn't honoured by the then cabinet of that government, and it resulted in a legal action, which once again cost a horrendous cost to the taxpayers.

What I'm seeing now, Mr. Minister, is I believe the potential of even a further financial disaster to municipalities, where the courts will end up having to resolve some of these further planning issues. It's gratifying to know that the municipalities have voluntarily got together. I know the city of Fort Saskatchewan is participating in that. But I wish I had the faith that we could see long-term resolutions to the type of conflicts we've seen over the past number of decades. I'm sorry, I don't have that degree of faith. I've looked at ambulance. I've looked at garbage. We haven't come up with joint municipal agreements that have resulted in substantial long-term planning, whether it be ambulance service within the constituency that I live in and represent, between the MD of Sturgeon and the city of Fort Saskatchewan, where you see these artificial boundaries being drawn because of a municipal boundary, or the Edmonton region, where we all know we've got a garbage problem that's not been resolved.

9:30

Now to some degree I felt that due to the fact that the provincial government played a key role in these areas, eventually we'd have some resolution, but what I'm seeing now is a further passing of the buck when really I think the conflict is going to be serious in the future. I would ask this government, through the Chair to the minister, to please in a meaningful way address how we're going to resolve our garbage problems with the municipalities, how through the regional health authorities we are going to come up with a provincial ambulance system that is a key component of that efficient and effective health care delivery system.

I'd like to leave the planning area alone right now and just say, Mr. Chairman, to the Minister of Municipal Affairs that I'm very disappointed and concerned that so little is said in the business plan about consumer affairs. There's one thing that I firmly believe: whether we're at the municipal level or the provincial level, we are the servants of the people, and the consumer should be protected at all costs. What I am seeing with this present government is a weakness in that whole process of ensuring that consumers indeed are protected.

We just look at the business plan and we talk about housing and consumer affairs. We identify

- debt and money management counselling
- administration and enforcement of consumer legislation, including investigation of significant consumer complaints.

Then we look at program 3, and I'm assuming, Mr. Minister, that 3.1.2, program services, the \$2.9 million, is the moneys that are designated for these housing and consumer affairs issues. I'd

certainly like some elaboration on indeed how that money is going to be expended.

I do acknowledge the initiatives that are within the business plan where we see a new real estate Act. From my very superficial perusal of that real estate Act, the work that's being done by the people in the field looks as though they're going in the right direction. It's in plain language, and I'm optimistic, Mr. Minister, that indeed we're looking at the potential for some good legislation there, and that is going a long way to protect the consumer in that area.

I have a level of discomfort when I'm reading Bill 15, and when Bill 15 is actually debated in the House, we can address some of the more significant areas that I have a level of discomfort with. When you look at section 50 and you're dealing with the restrictions on municipal powers it clearly states:

Despite the Municipal Government Act, a council of a municipality may not pass bylaws regulating or prohibiting solicitations made by charitable organizations or professional fund-raisers.

Now, a question I would have to ask and a concern that I have there is that one of the positive things I felt we did as a municipality for charitable organizations was ensure that they were spread out and that they weren't competing against each other at the doors or in fund-raising functions in the municipality. This was done, obviously, through a bylaw and through our development offices in municipalities. Now, I'm not suggesting that we have some bureaucratic process that gets in the way of the charitable organizations. I'm not advocating that. I'd say, yes, get rid of the bureaucracy that is a disincentive to fund-raisers, but I really have a concern, Mr. Minister, about section 50 in the new Bill 15 that will soon be debated in this House.

Another area I'll just touch on very briefly. I would commend the government for continuing on this pattern. We're looking at a proposed new Franchises Act. I commend the government of Alberta and past governments of Alberta for having a Franchises Act. I think that, in essence, does protect consumers, and I'm looking forward to seeing that process continued with an even strengthened Franchises Act.

Now, Mr. Minister, through the Chair, we have a focus in the province of Alberta right now on community health, community support systems, yet when I look at the Municipal Affairs budget, in particular vote 3, and look at the seniors' emergency medical alert program and see zero dollars in '95-96 compared to '94-95, I have a concern. The one thing we know to allow for independent living within the community is that you have to have the appropriate assistance programs at the community level, or you end up with a more costly institutionalization, whether it be senior citizens' lodges or long-term facilities. And I have to beg to differ with you. I honestly don't believe we have the best seniors' programs, and I'll use as an example my own mother, who still lives in her own home in Scotland at 89. What she has in the way of services, I would suggest, is less expensive to the taxpayer than what we do in . . . [interjection] No, she doesn't drink scotch. She doesn't drink alcohol. She just has the occasional sherry. The hon. Mr. Chairman's mother-in-law indeed knows my mother, which is quite unique, looking at the province of Alberta and Scotland.

Getting back to how my mother lives in Scotland, she has her lawn cut, she has her hedge cut, she has her windows cleaned, she has a lady that comes in once a day to make sure the fire's on and that there's a hot meal, and she's ensured that she gets one bath a week. She's 89, and lives independently, I call it, in her own home. I would suggest it was at a lot less cost than we have

when we take the independence away from our seniors and put them in senior citizens' lodges.

So I would say to the Minister of Municipal Affairs that when you're looking at the senior citizens' unique home program or the seniors' emergency medical alert program, the seniors' home improvement grants, it saddens me in some areas to see zero dollars, because I think we're going backward. I don't think we're going forward. I don't think this truly represents community support systems or independent living. You can call it social services if you want, but I don't think it's social services. I think it's us as a society doing what's right by our pioneers, doing right by our seniors. So I don't see it as a social service at all, and I think we do our seniors a disservice when we suggest that indeed that is the case.

I have concerns about another area. I really hope that we're going to see municipalities being well informed and being cautious when they start looking at doing services for other municipalities, whether it be snow removal, garbage removal; you name it. I could go on. Why do I say that? I see the same trend there that past Conservative governments got into. What I liken it to is a municipality getting into the business of being in business. They create their fleets. They go out and market their product to another municipality and compete against the private sector. To me that is not an efficient utilization of the taxpayers' money. What I'm hearing out there right now is municipalities looking at that, and I think some of it has to do with justifying their existence. My hon. colleague from Edmonton-Glengarry was talking about amalgamations of municipalities in the context of transportation and other areas.

Now, what I'm saying, Mr. Minister, is that if we start to see municipalities getting into the business of being in business for survival of independent entities or to be the central municipality when that amalgamation takes place, it's for all the wrong reasons. I honestly believe that's the route that they're being directed to to some degree by this government, and I would caution that that be stopped before we start.

9:40

The other area that I'd like to ask a question on is how long the Alberta family first-home program, 3.2.4, still has to go. I believe that is the first time you buy a home, the province puts funds forward for a mortgage. I don't recollect how long that program was to run, and I'd certainly welcome that being addressed.

Also, if I recall, I believe there used to be about - what? - \$4,000 for seniors' home improvement grants? I just want to highlight that again, because if we want independent living - and I'll use my husband and myself as an example. As you're getting older, the home that you live in may indeed not still accommodate your physical needs, and rather than ending up going into government housing of some sort that's subsidized, wouldn't it be better if an elderly couple or a couple who had physical disabilities had the ability to make the improvements so they could stay in that home environment? As I say, it would appear that that money has gone.

Now, with regard to consumer affairs, I'm reading from the very small statements that are in the business plan. It would appear that we're leaving consumers on their own. I'm looking at Consumer Affairs Activities.

- Complete the project to identify those areas requiring government involvement which should be the focus of consumer activities, with a general emphasis on investigation of significant consumer complaints, frauds, etc, and enforcement of legislation.

Then you state the Impact.

The department will encourage non-governmental involvement in activities outside its mandate. This will contribute to a level playing field for consumers and businesses in today's marketplace.

Well, the bottom line is: what is it you're saying? I think the consumers of Alberta want to know. What does this mean to them?

Also, the consumer debt repayment program. I'd like to know what is happening in that area. Are you going to continue to give that type of advice to consumers who have got themselves, as I understand it, into a fiscal mess and really cannot manage their affairs anymore?

The other thing, Mr. Chairman, to the minister, that I would want to ask – and it's going back to my first issue before I close my comments. We're looking at performance measurements, and what comes to my mind is: how is the Department of Municipal Affairs going to measure how successful they've been in land use planning? I need to know that; I think Albertans need to know that.

How are we going to measure how successful we've been in the whole area of assessment? I'd like to tie that assessment, then, to economic development, because one of the things that I would say has happened in the province of Alberta is that there's no incentive any more for a municipality to take heavy industrial developments within their boundaries. In fact, my constituents are telling me, particularly after the asthma study – people tend to think if you've got a health-related problem, why would you want to have industry on your doorstep? What they're saying is: well, if we can't get some tax benefit – and this is because of the minus 8 percent in education funding to Strathcona County, city of Fort Saskatchewan, minus 8 percent – what's the benefit of living here with all the disadvantage that industry brings to you, whether it's the heavy traffic, the noise, the odours, to some degree the pollution that comes every so often when there's an inversion? That's the kind of question they're asking.

I can remember well when I was the mayor of the city of Fort Saskatchewan, when we were looking at new developments coming in, well, you would have people out there at public meetings saying: "No, we don't want this industry. We don't want this industry." I think, Mr. Chairman to the minister, that there always has to be an incentive to a community why you would accept something. It was quite clear why Swan Hills wanted the hazardous waste treatment plant. They saw it as an economic benefit. If it was no economic benefit to Swan Hills, why would they ever want a hazardous waste treatment plant?

So I would say that when you're looking at assessment and how you're distributing that wealth across the province of Alberta, one should clearly look at the Alberta advantage and how you're going to continue to have a significant industrial base in this great province and ensure that municipalities will accept that further industrial growth.

With those comments, Mr. Chairman, I would thank you.

THE CHAIRMAN: The hon. Minister of Municipal Affairs.

MR. THURBER: Thank you, Mr. Chairman. Because the hon. Member for Clover Bar-Fort Saskatchewan asked some very interesting questions, I think I should comment on some of them at this time. She mentioned the solution to planning. If you go back to when the planning commissions were in place all around this province, you can't really say that they were successful, because you and your hon. colleagues said that they didn't work.

I have a lot of faith that saner heads will prevail, and I believe that the success of this country is dependent on people working together, and I believe that if they're given the opportunity, they will work together. As the Minister of Municipal Affairs I intend to facilitate as much of that as possible. I'm very reluctant to do things by regulation or by legislation. I think the people of Alberta want less legislation, want less regulation. We want to be deregulated. They don't want to be told by big, bad government, "You can't do this, and you can do that." I am firmly convinced that if we work down this path of co-operation and collectively work on these things, we can do that.

You talk about consumer affairs not doing their job anymore. We still receive better than 200,000 phone calls a year in trying to protect the citizenry from themselves. I want to give you an example of how citizens can rule their own life if they wish. On the recent cable TV fiasco the consumers actually said no. It didn't require legislation. They said no, and the cable TV outfits backed off. They said: "Look; the people don't want this. They're not going to put up with it, so we'll back off, and we'll do it in a different manner." I believe that that's where the power lies. The power does not lie in legislation or enforcement of legislation. I believe that the people have that.

The real estate Act. Yes, I agree with you. I think it's a progressive step.

The Charitable Fund-Raising Act of course, as you're probably aware, was brought about because of a challenge of the Charter of Rights. We tried to put in place some legislation that will indicate to people when somebody comes to the door that, yes, they have the freedom to come to your door, but they also have a responsibility to provide you with certain information as to their identity, whom they're working for, where the money is going to go when they donate to that charitable organization. If they hire a professional fund-raising association or company or something, they have responsibilities as well to tell you exactly where that money is going, how much of it is going to go for administration, how much of it is going to reach the needy kids or whatever they're trying to raise funds for. I think that's a better way to go.

You talked about seniors and how your mother, bless her, is doing quite well in Scotland. We have a trend in this province to go to more assisted living. I attended an opening in my colleague's constituency not too long ago about an assisted living project that is funded basically by the private sector and by the people involved in it, whereby they can get their meals on wheels, they get their baths, they get looked after, and they actually purchase their apartment or their house. If they decide to move on or are taken out of there, then there's an automatic buyback on it. I think there are a lot of innovative ideas coming from the private sector that will do exactly what you're saying your mother has in Scotland, and again we'll provide this service here. We do it now. I mean, home care goes into a lot of the lodges and places like that, and they do do it if people ask for it.

9:50

You talked about the grants to seniors. We re-evaluated the whole seniors' program, and the end result was that the people that are in the most need get most of the money. It's income tested, so the people that can afford to look after themselves are being asked to contribute something to it.

The other thing you talked about was co-operation in different areas and around particularly the large urban areas. I do know of an area in Alberta that's co-operating with a large city in the areas of policing, ambulance, RCMP, fire, garbage pickup, and the whole deal. So it can be done. All people need to do is realize

that they have to sit down with their neighbour and talk to them and negotiate how they can co-operate to do this.

The land use planning that you talked about. We believe that there should be less intrusion into people's lives by the provincial government. We believe that the local authorities can handle it. They may need some help sometimes. There should be a provincial level and a provincial blanket on things so that things are standardized throughout the province. We believe that the municipalities, the elected people in there are talented people, they're smart, and they're looking after the best interests of their constituents, who are right close to home. That's the area that we're going to continue to proceed on in encouraging this.

If you have heavy industry that you don't want in your community, please let me know about it. I have a lot of communities that'll take it, because we have areas in this province that would welcome the assessment base. We have enough rules and regulations in this province for environmental protection that they would be very glad to have any industry that you want to let go.

THE CHAIRMAN: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you, sir. Fundamentally, I have a difficulty with the philosophy of getting out of the business of being government. There's something wrong when a provincial government does not want to be of service to the municipalities any longer, wants to download and to move out of areas that are legitimate and were legitimately run prior to this date by virtually every provincial government in municipal affairs.

Areas of assessment. Now, that's plain and simply downloading when you can remove 350 people from the staff of the provincial government. There's no question about it. The work has to be done. Some of it may in fact be done more efficiently with some computing, yes, and it may in fact be done much more efficiently locally, but it certainly is not saving a single taxpayer – we've heard in this House before – of the province of Alberta money. It does make the department budget look better, and it does make the Treasurer's job easier to say, "Yes, we have cut all of this down," but the service level still has to be there, and it is legitimate and has been a legitimate operation of the provincial government for a long time, perhaps not in the heavy urban centres but certainly in the rural ones.

The same thing is true in the area of planning, withdrawing from the services of planning. It will be chaos out there fairly soon in planning. There is no authority. I see the minister waving his head. Well, I don't know whether that's a nod or a wave, but I'll tell you from having had some municipal experience, particularly in the area of planning, I found out that this is not an area that should be left to the holus-bolus lack of care from an individual municipality, particularly in the rural areas if you get into jurisdictional disputes that should not in fact be there.

Yes, the former system was cumbersome, and, yes, it needed changes. Many a time a municipal councillor said so, but it in fact worked. It was broken. It needed fixing, agreed, but it did not need to be totally and completely dismantled in aid of having nothing in its place. At least nothing as yet seems to have been put in place.

Yes, there were areas that were overplanned. No question about that. But in the planning world Alberta has had the single distinction of perhaps being the best planned area for land use in all of Canada certainly, in all of the Commonwealth, and a good deal of the world, save for some areas of Sweden and northern Europe that have planning procedures that far outlast ours.

They've been long in existence, but they still maintain some centralized control, if not centralized control at least a final determination by some central authority. That is now lost. It now appears that subdivision approval authorities can be from the smallest municipality to the largest municipality, and they can in fact have a great deal of effect on neighbouring communities, transportation, the socioeconomics of an area without having any regard for their neighbour. That, in my view, is classically wrong.

There are some areas that this government is getting out of again and some others that they're getting into. One of them that I'm not sure works well is getting into the area of charity regulation. That may, not having personal experience in a lot of rural Alberta, have been required. Yes, there are some regulations that would be required to, in the minister's words, protect citizens from themselves. Yes, that may have to happen. It does not have to happen in the urban areas. Urban areas in fact took care of it rather well for many years and did it not overly intrusively from my experience.

Now, I don't understand how one can cast this net so broadly to catch all of these dastardly deeds that are done to citizens themselves without having some regard for the urban municipalities and the regulations and in fact the agencies they have in place. Virtually every one of them had some sort of citizen volunteer regulatory body that in fact looked into exactly the same things the minister was speaking of in determining how much of the funds that were generated in these charities actually went to the charity as opposed to administration.

So I would expect that when that piece of legislation does come before us, we can look at some modifications for those areas and allow the administration of the Act to be delegated to the municipalities so they can continue on in the manner in which they were. I don't see that in the legislation thus far, although it may be in some regulation that hasn't been there.

[Mr. Clegg in the Chair]

The minister spoke of getting out of the business of regulation because citizens of Alberta, in his view, do not want regulation in any way, shape, or form. Well, that probably is so until such time as there is something put upon them. They do then want regulations to keep Big Brother or an industry or a corporation or another citizen from putting upon them in many areas under this minister's jurisdiction, whether it be planning, assessment, whether it be municipal grants and the like.

I'd point out particularly in the areas of amalgamations and expansions of urban areas into rural municipalities and those things, that there has to be – there absolutely has to be – some foundation, some test to regulate or to guide an adjudicator on the matter to decide how in fact the land is distributed, shall we say, and the tax that is attracted by that land. It currently is not there. In the municipal planning area there's a void in this particular area. The regulations are not there, and I suspect we'll be seeing more and more and more of these kinds of situations arising from time to time.

10:00

In particular, my colleague from Fort Saskatchewan was talking about a situation that occurred there. There was a long-standing argument, and it concerned the municipal councillors of the whole area. It was a dispute between the city of Fort Saskatchewan and the county of Strathcona, resolved, I might add, by a revenue sharing program which is designed to have the bureaucrats argue forever about how much of the levy should fall on one side versus

the other. Those are the kinds of areas for regulation or at least standards by which to test or a philosophical base on which to adjudicate these matters.

Further, there's an area that is akin to planning and municipal assessment and ties a lot of these things together but in fact is not in the minister's jurisdiction, and that's transportation and transportation planning. It seems to me and to many others with transportation planning expertise – some of my former colleagues in the engineering business have found that what is occurring now is that the planning for utility corridors, transportation, municipal land use, and the tax that is directed from that in order to afford these services and to basically pay the mortgage for these services is a planning bundle that cannot be separated. Consequently, you have those in the minister's department, those in transportation and utilities and municipal planning services that are planning for drainage and the like – generally surface drainage, sometimes in urban centres, sometimes in rural settings – and they all have to be planned together and it's planned disjointedly. It's not planned on the basis of final-outcome economics, which it really should be. That is the new generation. With the advent of being able to deal with computers, being able to deal with a great number of numbers and setting a great number of variables, you can do this with some ease. That is an area that should be dealt with.

In transportation planning also, there are areas fundamentally dealing with this minister's ministry in economic development. The transportation portion of that is the utility used in economic development. It is in fact one of the key elements of economic development. That's part of the infrastructure that is required in order to develop any particular area, and the minister well knows that. The municipalities are much more familiar with the members of this minister's department and would much prefer to deal with economic development. Therefore, bundling these services – transportation, utility planning, and municipal services – with the grants and the planning co-ordination, those areas would be well served under one ministry.

I point out another area that concerns me somewhat, having been an urban dweller for a long time and one concerned about economic development, an issue that is intermunicipal, which in this case is air transport. The major airport is in one county, it is close to another city, and it serves five larger cities, Edmonton being one of them. There wasn't any provincial guidance at the time that the federal government got out of the business of transportation, and we still have a great deal of difficulty dealing with those two entities, those two airports. It's my personal view that we've had 35 years of two airports in this city, all that time losing air service at a great rate, and it's about time the province aided and abetted in the decision for the larger area, not just the city of Edmonton but the larger area, to get it down to one airport. Now, I wouldn't like to say that it can be solely in the area of this minister or another minister, but it certainly could be a co-ordination effort or at least calling them together, because it is awfully difficult for the municipalities themselves to get together on this particular matter.

The large area of downloading comes to mind, and it's clearly intended as some 23 percent of the unconditional grant program. Now, we've heard in the last almost two weeks a great deal of squawking and kicking from this government about the downloading or the lack of expenditure from the federal government, notably the military bases, yet we don't hear anything about this government's downloading on the municipal governments. I should like to have a brief explanation of how and why the

minister feels that the municipal governments can do with so much less in this particular area.

Thank you for your time, sir.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. My questions to the minister. The first set concern vote 1, departmental support services. It's a little preamble to this question, not as long as a private member's statement. The issue is that if you look at Bill 6, Mr. Minister, you see that under Bill 6, should it be passed – and somehow my expectation is that it will be – there are certain assumptions that follow from it. One of these is: given that the Bill requires that the budget be balanced each year, if it should ever arise that the revenue cushions that exist for corporate income taxes and natural resource revenues are exhausted, what will happen is that there will be an automatic transmission to local government of any revenue shortfall. So my question is: to what extent, then, is the Department of Municipal Affairs looking at alternate mechanisms for distributing revenue, the equivalent of equalization, sharing tax points for example?

The issue here is really the sharing of risk, the risk in a very uncertain income stream. I think that as the government moves, particularly with Bill 6, to imposing certain types of fiscal restraints on what the provincial government can do and how it can spend money, it then requires Municipal Affairs in particular to look at other mechanisms for sharing the risk that exists with a very volatile revenue stream. I think it is the effect of Bill 6 to transmit a lot of that volatility in revenue directly to those levels of government that live on transfers from the provincial government. So the natural mechanisms that exist are tax points, for example, as opposed to block grants, the distribution of tax points, because then the revenue stream to local governments would vary with the value of the tax points. That would be one mechanism for spreading risk.

So I think there are a number of issues that actually follow from some of the legislative changes that are apparent in this session, that I think require examination and focus. My first question is: within block 1, then, is there research being undertaken that addresses these types of issues and looks at some of the broader implications of Bills that are coming forward and how, then, local government will be able to deal with the implications that follow, for example, from Bill 6?

10:10

I know that there have been a number of studies done on equalization among municipalities, looking at the pros and cons of those types of schemes, just the mechanisms that set the value of block grants and transfers. My question is: what's the state of research? Is it linked specifically to changes that we know are ongoing now so that we can anticipate a potential problem down the road?

Another question, Mr. Minister, refers to vote 2.1.3, local government development services. When I read on page 250 of the government estimates, it describes:

Assists municipal administrators and councils in managing the affairs of the municipality by providing information, advisory and management assistance.

One would think that management assistance and advisory assistance could be provided through the private sector as well. Perhaps there's a role for the provincial government in providing such services, but one would think as well that if that was fully

costed to local governments, it may or may not be competitive with the services offered by consulting firms. Then that brings up the issue as to what extent this should be tendered or what have you.

So my question is: what's the demarcation? When I look at that particular vote, to what extent are you duplicating services that are readily available in the private sector, and to what extent are you providing services to MDs and other governments that might not necessarily afford to purchase such services on the market? If it really is an issue that they can't afford to buy such services on the market, I would think it would make more sense to provide larger block grants rather than providing a service in kind. So the question, then, really is: what's the line at which point the services that your department provides are really just competitive with services that could be provided by the private sector?

Another question refers to the issue of grants in lieu of taxes. Again, I understand the purpose of that program. Certainly from the perspective of many municipalities it's an important element of their tax base. My question there is: to what extent, then, are the grants in lieu of? Are they in lockstep with assessments that are provided by local government? How up to date, then, are the assessments on which the grants in lieu of taxes are determined?

Another question, Mr. Minister, refers to the section called financial support to local authorities. Again, in reading on page 250 the description:

Provides financial assistance to municipalities, municipal associations and other agencies providing municipal services.

I guess the issue is that this is in a sense a tied program as opposed to an unconditional municipal grant program. What's the line in which an entity would be funded out of vote 2.5 as opposed to the service being provided in kind? To an extent you can either provide a grant under 2.5 to a particular entity or you could provide them the service in kind under 2.1.3. Again, it's a question as to how the line is drawn. Might not it make more sense that if you're going to provide, should it not be covered under block grants?

So with those questions, Mr. Minister, I will conclude. Thank you.

THE DEPUTY CHAIRMAN: The hon. Member for Fort McMurray.

MR. GERMAIN: Thank you very much, Mr. Chairman. Let me first of all indicate to the minister that this is the first time I have directed any commentary in this Legislative Assembly to him in his new role as minister of this department. I congratulate him on his promotion, and I want to remind him again tonight that it is because of the dedicated efforts of individuals such as myself that he got that generous promotion into that exciting spot that he now holds. I know that he's grateful for it, and I know that he will want to perhaps send me a little thank you note in the quietness of the day. [interjection] And there's another minister chirping there that has to thank me and other members here for the great promotion that he got recently as well, and I see that he's happy to acknowledge that promotion.

Now, Mr. Chairman, I want to go back to a theme that over the course of the last year I have become very sensitized to. It is easy to be sensitized to this theme because of all of the cuts that are going on and all of the slashing and all of the individuals in this province, good, hardworking, decent people that we always refer to as an FTE, a full-time equivalent. Well, that sounds like that's just picking up Lego chips after your 10-year-old child has left them where they fell. What these FTEs are are human

beings, people with heart, people with blood, muscle, sinew, and, yes, they do cry and they do feel awkward in the night. They have lost jobs. As a result of that, I've become very sensitized to the fact . . . [interjection]

Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: Hon. members. [interjection] Hon. members. [interjection] Order. I don't think we should be having any football huddles in the Chamber, so if you want to sit and talk . . .

AN HON. MEMBER: Fine. We're going home.

THE DEPUTY CHAIRMAN: You're not hurting my feelings any.

Hon. members, this is not a football huddle. This hon. member has the floor, and he should be able to be heard. [interjections] Order.

The hon. Member for Fort McMurray.

Debate Continued

MR. GERMAIN: Thank you. I know that the suggestion was made that I should wrap it up by no later than 10:30 this evening, and I am prepared to do that as long as I can plow through the comments that I have to make.

Now, as a result of that, Mr. Chairman, I have become very sensitized to the fact that the Alberta public is very self-conscious about fat at the top of the upper levels of government, fat dripping from the corridors at the highest areas of government. I know that the minister himself, coming from small-town Alberta, coming from rural Alberta, a man of modest dress, modest expenditure, moderation in all things, before he finishes this session of the debates and the committee discussion on his budget will explain to us why there appears to be little fat cut from the top of this ministerial budget.

When this minister came into this department as a new broom sweeping clean, why has he been unable to chop away at programs 1.0.1, 1.0.2, 1.0.3? I want to challenge the minister that there is no way that you can't squeeze 10 or 15 percent more out of those three programs. There is no way whatsoever. I urge you to advise the Assembly in your written responses to these questions what steps you can take in this department to slash those three components. What those three components do, Mr. Minister, is represent the upper echelon. That is where the public has told all elected officials to cut: at the top, to cut fat from the top. Given your reputation for frugality, I cannot believe that you cannot cut from that department. It is particularly important, I suggest to you, Mr. Minister, that you do so when others have spoken eloquently tonight in this Legislative Assembly about some of the cuts that have been achieved in this particular department that have come clearly as a result of retractions of programs to seniors and to the disadvantaged among us. I will not repeat those observations that have been made, Mr. Chairman, but it is clearly an opportune time for the minister to shed the reputation of fat dripping from the walls and the ceilings and cut into his own ministerial department.

10:20

Now I want to move on to an issue that is of some concern always to the community of Fort McMurray, whom I am honoured to represent as their elected member. One of the items buried in this ministerial budget, Mr. Minister, is the grants in lieu of taxes. You will recall that this is primarily paid, as I understand it, for government land located in municipalities where

the city and the municipality cannot tax you. The government pays a grant in lieu of taxes. I would like your confirmation, as it relates generally in this province and as it relates specifically to the community of Fort McMurray, whether in all cases those grants in lieu of taxes match exactly what would be achieved by the municipality if there was a legitimate taxpayer paying taxes on those lands. I think that is a reasonable request to make for all Albertans. I recognize that you can't answer it in the give and take of the debate, particularly with the Minister of Justice wanting to assist from time to time and add a comment or two and other members wanting to encourage your task.

The last thing that I would like to ask you to do, Mr. Minister, and set a trend – and during the course of the debates I'll be asking other ministries to do it. I am becoming increasingly concerned about the details of these budgets as they relate to the economics but the lack of details as it relates to the human factor. It would be very useful for me as one member of this Legislature to be able to run down this budget and see the full-time equivalents on a per vote basis, the same way that they are collected globally. Down at the bottom of your particular budget you show this year that we will have 984.4 full-time equivalents. It would be very interesting to know how many of those are in the operating expenditures – heading 1, heading 2, heading 3, et cetera. I do not know if the minister can fairly and reasonably get that information for the members of the Assembly. If you can get that information for the members of the Assembly, I think it will herald a yet further effort in terms of transparency in your budget.

Lastly, Mr. Chairman, I'm concerned about item 4.0.2. Others have asked you about 4.0.2, but it is of particular interest to me because in another life as a practising lawyer I used each and every one of those registry services that are spoken of in that item. When I see what the public pays to register a transfer of land and to get a search of title, I cannot believe that the slippage can be as wide as the slippage between your dedicated revenue and your expenditure. I cannot believe, for example, that the land titles office is not working on close to a break-even point. I

would be grateful if in your written responses you would expand and blow apart that particular item by showing us more of the details behind it.

On that note, Mr. Chairman, looking at the time, I would move that we adjourn debate at this point.

THE DEPUTY CHAIRMAN: The hon. Member for Fort McMurray has moved that we adjourn debate. Are you all in favour?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed, if any? Carried.

The hon. Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Chairman. I now move that the committee rise and report.

[Motion carried]

[The Deputy Speaker in the Chair]

MR. CLEGG: Mr. Speaker, the Committee of Supply has under consideration certain resolutions of the Department of Municipal Affairs, reports progress thereon, and requests leave to sit again.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

[At 10:26 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]