

Legislative Assembly of Alberta

Title: **Thursday, February 29, 1996**

Subcommittee C

Date: 96/02/29

3:00 p.m.

[Chairman: Mr. Tannas]

**Committee of Supply: Subcommittee C
Municipal Affairs**

THE CHAIRMAN: I'll call the subcommittee to order. Just so that we all are in agreement with the rules: as in committee you may sit where you wish, but as in committee when you wish to speak and address, you do so from your normal place of occupation. I'll need a little bit of guidance from the subcommittee. Normally we allow the minister to speak, then the critic to ask questions. If you wish, we can go back and forth with a few questions, and then the minister may from time to time get up and answer two or three. Or would you like the minister to respond to each of the questioners and we then go still back and forth in terms of the questions being asked, with the minister responding? It's up to you. All those in favour of the minister responding immediately following any member's set of questions, please say aye.

SOME HON. MEMBERS: Aye.

MR. WICKMAN: Can I speak to that?

THE CHAIRMAN: I'm trying to determine, hon. Member for Edmonton-Rutherford, whether or not we wish to go with the convention of a member asking questions of the minister, the minister responding right away to that person, or would you rather have two or three people ask questions and then the minister responding.

MR. WICKMAN: I know what we're doing, but the experience last night – you know: one question here, the minister speaks. It's an inordinate amount of time that goes to that side of the floor when – and Tom's laughing because he knows I'm right. As opposition this is our opportunity to ask questions about the budget. It's a very limited opportunity, so we don't want anything taken away from us.

THE CHAIRMAN: The chair wasn't in any way trying to take anything away from you.

MR. WICKMAN: No, but it does though.

THE CHAIRMAN: I'm the servant of the subcommittee. It is a matter of asking: would you prefer the minister to answer the questions of two or three members, rise up from time to time when he's ready and do so? How many would like it that way?

MR. DICKSON: I wanted to raise a matter before we vote on it, Mr. Chairman.

THE CHAIRMAN: Oh, okay.

MR. THURBER: Mr. Chairman, could I comment on that?

THE CHAIRMAN: Mr. Minister.

MR. THURBER: Thanks, Mr. Chairman. The hon. member is perfectly right there. I'd like to see as much input as possible from the opposition and from our own side here, but there are times when it seems to be appropriate that you stand up and answer a question during the question time as opposed to leaving them all to the very end to try and answer. In prior times we've allowed some latitude in that, and each minister handles it a little

bit differently as we go along. Certainly that seems to be as good a way as any.

MR. DICKSON: I appreciate the minister's comments, and my respectful submission is that this is such a small group, we don't have to be hidebound by rules. I'd sooner ask for an undertaking from the minister that the questions asked in this subcommittee will be answered before it reports. If that's the case, then the minister could determine as we go on from session to session if he wants to respond after he's heard four questions or whatever, but the key, I think, from my caucus's perspective is: we're keen on getting responses while we're still in the subcommittee. I think that if we had some assurance that that would happen, then I think we could be a whole lot more flexible in terms of when the minister responds, and it could be done mindful of what's been said by my colleague from Edmonton-Rutherford.

THE CHAIRMAN: Is that agreeable then?

MR. THURBER: Certainly, Mr. Chairman. I can agree to that. The other commitment that I'll make: if there are questions unanswered at the end of the process here this afternoon, generally I will put them in writing and get back to you with those. Sometimes there's such a wealth of questions that you don't have enough time to answer them all. But any that are unanswered at the end, we'll get back to you in writing.

THE CHAIRMAN: Okay. Then we're ready to begin with those understandings. We would invite the minister to start off, and then we'll ask the hon. Member for St. Albert to lead off with the questions.

The hon. Minister of Municipal Affairs.

MR. THURBER: Thank you, Mr. Chairman. I'm very pleased to present the '96-97 estimates for the Department of Municipal Affairs. I'll keep my remarks fairly brief, but I want to give you a little bit of an overview of what's been happening and where we plan to go with our business plans.

These projections are based on our continued focus on streamlining the business process to better meet the needs of all Albertans through implementing our business plan strategies. This will complement the Alberta government's initiative of a sustained and sustainable balanced budget.

Over the past two years Municipal Affairs has been one of the leaders in improving efficiency and making legislation work better for Albertans. We're estimating that the total gross operating expenses in '96-97 will be \$304.6 million. This is a reduction of \$182.5 million, or 37.5 percent, in a two-year period, or 17.4 percent less than the previous year.

The '96-97 budget also calls for a reduction of 130 full-time equivalents. This 14 percent reduction from the previous year is being accomplished through continuing downsizing activities and administrative efficiencies. I recognize that those staff members who are leaving have provided valuable service to the department and to all Albertans, for that matter, and often for many, many years. We're interested in the welfare of these individuals and are providing assistance in the best way we can in the form of training and career planning and job transition skills. As well, for some of them alternate employment has been arranged with other departments or with the private sector.

There are other various efficiencies and savings to be achieved throughout the department. However, I'd like to focus just briefly on some of the major changes and initiatives reflected in these estimates before you.

Under program 2 funding allocation related to the unconditional municipal grant program has been reduced by \$39.4 million, to \$57.7 million. This reduction is due to the elimination of the municipal assistance grant portion of the unconditional grant for larger municipalities with populations over 10,000 people. However, we've budgeted \$20 million for smaller municipalities with populations under that figure of 10,000 who are eligible to receive 39 percent of the '92-93 municipal assistance grant. This program change was announced two years ago, so we have been continually encouraging municipalities to adjust their organizational and administrative economies. Municipalities may need to look at such ideas as sharing services with neighbouring municipalities to try and reduce the administration cost. Municipalities that want to review options to their current structure may want to contact our department staff who are available to work with them to determine appropriate courses of action. Mr. Chairman, we further allocated \$5 million in this year's estimates to assist municipalities with restructuring or dissolution.

Under program 3 there is a \$6.9 million reduction in the grant to the Alberta Social Housing Corporation. This projection is partly due to lower debt servicing costs owing to the disposal of some of the nonsocial housing assets. Other reasons for the reduced projection include lower interest rates, savings achieved through the consolidation of management bodies, and decreased subsidies under the rent supplement program because of lower market rent rates. Social housing will be targeted to Albertans in the greatest need, who will be encouraged to use it during times of temporary financial difficulty, resulting in greater self-reliance and less dependence on social housing.

An example of involving the private sector in the delivery of our services and the administration and enforcement of legislation is the establishment of the Real Estate Council. We already have that board in place who will take over all related functions from the department in this coming year, and we'll no longer be responsible for accounting for its expenditures and revenues.

A number of programs are in the process of being wound down. The seniors' independent living program accepted applications until December 31, 1993, with the four-year grant payment period expiring on December 31, 1997. After that time it will no longer exist.

Other seniors' benefits were consolidated into the seniors' benefit program at Alberta Community Development. Another one is the Alberta family first home program, and this has expired. The five-year grant payment period ends February 29, 1996, in fact today. These are specific examples of programs that have had a sunset clause and do not continue forever.

The '96-97 estimates for registries is reduced by \$5.3 million, or 11.8 percent, from the previous year. At the same time, we intend to expand our product line further while streamlining operations and reducing costs.

As I mentioned in the House the other day, our aim is to try and bring that up near to 150 products from the 84 that they started out with in 1993. For example, in '96-97 we're investing in major redevelopment of the corporate registry and vital statistics systems. We'll be introducing new products for the public as a result of this systems redevelopment, registration service transfer from other departments, and continued streamlining of the service delivery process.

Fees on the vast number of services and products provided by the department haven't been increased. I'll continue to monitor this fee schedule to ensure that all fees to the public are appropriate and as fair as we can make them.

3:10

Finally, program 5. Funding for the Access Network has been eliminated as a result of the sale of its radio assets to CKUA Radio Foundation and the television assets to Learning and Skills Television of Alberta.

The department has exceeded the fiscal goals of its previous business plans. While the focus of the activities had been on achieving efficiencies that result in fiscal reductions, various new legislative initiatives are being undertaken. We're in the process now of revising the Condominium Property Act and bringing it up to date with changes in the marketplace. We're proposing amendments to the Builders' Lien Act to reduce the holdback requirement for owners to 10 percent from 15 percent. There's a repeal of the Fuel Oil Licensing Act, which will reduce costs to certain small businesses.

Other operational changes include continued work towards a more equitable property tax system through assessment audits and current market value assessments, sale of surplus social housing inventory and other nonsocial housing assets that are not working, transfer of consumer debt repayment programs to the private sector – and that's an initiative that we're starting on this year – investment of up to \$1 million in information systems development to ensure accurate assessment information and efficient operations in the whole assessment program. Investment in other systems related to consumer information and apartment rental vacancy surveys will assist us in providing much-needed information for more efficient operations.

Mr. Chairman, I believe that the estimates reflect Alberta Municipal Affairs' commitment to implementing its three-year business plan. The department will continue to work on these initiatives and serve the people of Alberta.

I will welcome your questions, and as I mentioned before, we'll try and leave it a little bit flexible. If I feel the need to answer one of your questions on the spot, I'll do that. Otherwise we'll hold them.

Thank you.

THE CHAIRMAN: Okay.

The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. First of all, I would like to thank the staff of the Department of Municipal Affairs. Some I've known since my city council days. Perhaps the minister could introduce them when he speaks again. We'd appreciate that. They are very hardworking staff, and they go the extra mile. I've been at many conventions, and the last one I was at, the Alberta Senior Citizens Homes Association, they were there and put on an excellent presentation, and I heard nothing but good comments about the work they do. So I want to thank the staff and appreciate that.

I also want to thank the municipal councils throughout the province that I've had the privilege of visiting with, spending time with, getting their input, and who have helped me do the job that I need to do here as the Municipal Affairs critic.

I'd like to thank the minister for the five-year plan in the lodge renewal, for naming the lodges and which year they will be repaired. That is really important. It allows everyone to know where they stand, and the integrity of the department is clarified that way. That's very important, and we thank you for following my suggestion to that two or three years ago.

I also want to thank the department for changing the funding to a per unit grant instead of whoever has the biggest deficit gets the most money. That's been an excellent move, and I thank you

again for listening to us and moving in that direction.

My questions now. There have been a number of foundations in the past, many of them amalgamated, and I was wondering if I could get from the department a list of all the foundations, the number it has decreased from and the number we have at the present time.

Secondly, if I could get the average lodge rate at this time across the province. What would that be? Also the highest lodge rate in the province and the lowest, so I'd have some idea of what the differences between the two are.

Moving on to, again, the renewal of the lodges. Many are in the process over the next three or four years. The age of seniors has greatly increased. When I first started visiting the lodges – I was on the Sturgeon Foundation – the average age was 65. Now it is in the high 80s – I travel around the province and visit the lodges – 83, 85, 88 years old. What's happening is that the needs are different.

Before, they were walking through easily. Now you get traffic jams of walkers, wheelchairs, things that are needed by the clients of the lodges. I was wondering what steps are being taken as we renew the lodges to take into account the aging of the seniors. Are the halls being widened? Are the doors maybe made larger, bathrooms, things that are needed not only now but for the future?

We know that right now there are 230,000 seniors. In the year 2020 that doubles. The needs of the lodges have changed even in the last 10 years, from healthy seniors to some who perhaps would have been in a long-term care facility previously. We also have to look down the road, that this is again going to increase, perhaps even having older seniors, and the needs are going to be different. Are you making provisions for having oxygen in some of the lodges or the ability to do it as the repairs are being made? It's perhaps more cost-efficient to do this at this time than later on having to redo certain issues. So I'd like a list of things that you're looking at as you redo these lodges to meet the needs in the future.

Another concern with some of the lodges. It's maybe not your department. As they get older, some have more difficulty, and transportation is a problem in some of the lodges. I don't know if your department can do anything about that, but it is becoming more and more of a problem as the seniors age and don't have the mobility they used to.

Also, concerns of seniors who have been in lodges in different spots in the province. Their health has gone down, and they have to be moved one hour or two hours away. This is more of a comment for the Minister of Health. It's extremely difficult for them at that age to leave the support group they have in the lodge and go to a facility 60, 100 kilometres away. I would like you in your discussions with the Minister of Health to address that too. That is very important and very heartbreaking for me to hear that 93 year olds are moved, when all of their support is in one place, to another town where there's no support. Again – I mentioned this earlier – a grade 3 teacher: it took her six months to move from one facility to a facility where they would give her more care. Just the stress of moving is very traumatic.

My next question is: will there be any new lodges built in '96-97 or over the next five years? Do you have any plans for that? The population is doubling again. What are the future plans of your department for senior housing? There are different models out there. Have the different foundations access to these models? I would like a copy of the information so I can take it with me when I meet new groups planning senior housing so they can see that there are different types of models out there that can work very well. So I would like more information on that.

The next question. The lodge foundation program. In dollars

I'd like to know the total debt of the foundation, the mortgages and how much was paid down since 1993. What year will the mortgages or debentures go to?

Moving on to the planning commissions. This is of concern to some politicians around the province, not to all. It depends on the size of the community. They're very concerned that what happened in B.C. will not happen here. They did get rid of the regional planning commissions in B.C., became deregulated, and it became chaos in some areas where there wasn't the planning over time, which was needed.

DR. WEST: Because of the socialists over there. That's not because of that.

MR. BRACKO: It's planning; it doesn't mean it's socialism. This is good thinking. [interjection] No, no. It's a \$32 billion debt. That's true socialism on the other side there. Anyway, I want to continue; I don't want to debate with the minister. He got afraid of me and went to transportation because I was too tough on him.

Now in British Columbia they are reintroducing the commissions. A lot of our best planners are going to B.C. We're losing them. I would ask the minister to make a commitment to evaluate what's happened every two or three years so that if we need to change back or if things aren't working, we can do this. This is planning for the future. I think it's very important that we don't go to the level that it did in B.C. They had a disaster. It costs more money by not having these commissions than it's worth, and that really is important to me and to Albertans, because it's taxpayers' dollars that cost in the long run.

3:20

My next area is the Alberta Municipal Financing Corporation. In 1992 your government took \$200 million – or was it \$300 million? I'm not quite sure, but at least \$200 million – from these municipalities. Now, the shareholders of the financing corporation are the municipalities, and the money has been returned on a pro rated basis, those who borrow more get more. We fought this from taking place in 1992. It was the wrong way to go then, and we still believe it's the wrong way to go. We know that the government has realized the error of their ways, following our concerns, and they're returning \$75 million to municipalities this year.

My questions on this. What was the rationale for taking this money that belonged to the shareholders and not to the province; why was that done? It did not belong to the province. The minister was a member of the Assembly at that time. I know it may not have been in his time as minister, but I'd like a government response to that. My second question is: if the \$200 million or \$300 million was returned, what amount of money would go to the 28 or 30 – I'm not sure of the number of municipalities that are near the debt limit or over the debt limit. Could you give that to us in dollars? If that money would have been distributed to those municipalities, what amount would they have received? Secondly, if they'd received that money and used it to pay down their debt, would they still be classified as near the debt limit or over the debt limit? The government has to take some responsibility for not returning that funding to the municipalities.

Moving on now to another area. The previous minister said that he wanted to reduce the number of municipal councillors from 2,200 to about 20 percent, to 450 or so. This was stressed, and he backed off a bit. Is it still the department's policy to try and reduce the number of municipal councillors in our province, members of the AUMA and AAMDC to 20 percent? Or will that maybe take place more so after the next election?

The paperwork: has that been eliminated and now computerized, as the former minister had promised? What percentage of the department is computerized, and what amount of money was spent on the computerization program? What programs do you have on-line at this time so that as I go around the province I can also let the municipalities know?

The next: housing authorities. How many housing authorities are there? I know some are with seniors lodges foundations. The goal was to reduce it to a third. Apparently it was reduced to a half at one time. Have you reached that one-third goal level? What are the plans for that? Is that on hold now, or is it optional for different housing authorities to join?

The other area that they would like assistance in is a provincial registry for bad clients, the social housing aspect of it. There are clients that will go in and destroy a home, move out. The damage deposit's lost, if they gave one, and they're moving to a surrounding municipality or a new one.

DR. WEST: You can't do that. The Human Rights Commission won't allow you to do that.

MR. BRACKO: Well, we're the Legislative Assembly here. We can make a law.

AN HON. MEMBER: No. Human Rights overtakes us.

MR. BRACKO: Well, there at least should be a list of names. They may not be able to refuse entry, but at least the facilities would know if this should happen. I'd like you to look into that further if that's the case, human rights. I would like to see the legislation that says that is true, because this is costing some of these housing authorities who are using their money wisely, doing an excellent job, a fortune for repairs because of a few bad people. If that's happening, then we should make sure it doesn't. I know the socialists on the other side would like Human Rights to protect everything, but we have to take a step forward and protect the taxpayers.

Moving on. The sale of housing units. I'd like to get some information. There were \$200 million in mortgages, and this was January 31 of '94. This is the sale of housing units, \$200 million in mortgages. The real estate was \$91,867,000; land, 434 pieces of property valued at this amount above; 1,859 lots; 1,257 mobile home stalls; 201 industrial and residential stalls; other property that wasn't suited for housing. Could we have an update on what's sold, what's happened, how many we have left, how much money was taken in on this? They said that they would sell these properties at 90 percent of their value. They would not go below the 90 percent of the value. Was this the case, or were some sold for less, some for more? If you could give us the information on that.

Also, there was housing loaned to other departments. What has happened to the Municipal Affairs housing that has been loaned to other departments? Has it been sold off? Is it still on loan? Is there a return from these housing units that other departments have, if they still have them?

The other question I have: how many of the housing authorities fit in with the regional health authorities? This again is a problem. They live in one area. The housing authority is in one area. They have to go to another area for their regional health authority. This is something I asked the government to do when they were making these boundaries, to make sure that they would be coterminous so it would benefit everybody and save the taxpayer money.

The nonprofit groups around the province and in some of the

bigger cities are very concerned about their tax status: the education tax and the municipal tax on their organizations. I know that in different parts of the province some of the seniors' centres may have to close if they have to pay a tax of \$2 a square foot, or whatever, on their facility. It could be up to \$30,000, \$40,000. They're running on a shoestring budget right now. They have many programs: preventative programs and programs that keep our seniors healthy. They would like clarification, and March is getting to be late for that, the tax notices having to go out. So if we could get a reply on what groups are and what aren't, and will the education tax be lifted on some of these organizations?

[Mr. McFarland in the Chair]

Moving on to fees for motor vehicles. Are they still fixed by the province by an order in council? Is it still a flat rate, or has this been changed in the last while?

Drivers' licences. The computers in the system: have they been upgraded so it speeds up the service to the clients in the different areas of the province?

Those are some of my questions. I will thank you for your responses to them.

THE DEPUTY CHAIRMAN: Thank you.

The Member for Lethbridge-West, but before you do, hon. member, I would just like to make a comment to people in the gallery. For the benefit of those wondering why there aren't many people sitting around here, this is a subcommittee of Municipal Affairs, one of four subcommittees, debating estimates today, and other members are in other subcommittee meetings. So thank you.

The Member for Lethbridge-West, please.

MR. DUNFORD: Thank you, Mr. Chairman. I want to begin by acknowledging the comments of the Member for Edmonton-Rutherford. He felt last night that he perhaps didn't get enough time, so in showing that sensitivity, I want to relay to him that if he was here last night when I was talking about a SWAG, today I will talk about a SNAG. I am a SNAG. What that stands for is sensitive new-age guy, and I'm sure you appreciate that. So I will be short and succinct. Now, I'm already short, and I'll try to get to the succinct part.

3:30

First, I want to congratulate the minister on the job that he is doing. I want to congratulate the staff both here in the members' gallery and also throughout the department. I really believe that Municipal Affairs is proceeding in a way that has clearly seen the vision of this particular government. Municipal Affairs, along with certainly Transportation and Utilities, Labour, and others that I could mention, of course are leading the way to this new, leaner, and streamlined government that we are trying to achieve, and I want to compliment all of you.

I really only have three areas that I want to touch on. I'll give you the three: housing agencies, municipality regionalization, and then registries.

Now, in the area of housing authorities. I'm not very adept at reading financial statements, and it has created some hardships in my financial planning over the years, I have to admit.

DR. MASSEY: Not the chairman of the heritage trust committee? You can't say that.

MR. DUNFORD: Well, a member has commented about the heritage savings trust fund. The great thing about being a chairman to that, hon. member, is the fact that as a good chairman or a good manager I get to delegate, so I have very good people around me in that particular exercise that then clearly spell things out for me in a fashion that I can understand. Now, I don't mean to infer that the documents before us are not easy to understand. It's just that I'm not sure exactly where to look.

In terms of housing agencies I do like phrases like amalgamation, consolidation. I hate duplication, and I hate waste. So I'm pleased to hear those words in the context, then, of regions or communities when we attempt to amalgamate or consolidate housing agencies. Now, what concerns me, however, is with my own community in Lethbridge. I'm assuming that in our estimates we have made some allowances for the fact that there might be cost savings in those particular areas, but I was sent some news clippings today, and I want the minister to respond, if he can, as to what this might do to timing.

A copy of the *Lethbridge Herald* that I picked up – well, the one I picked up is actually about my town hall meeting on Saturday. Sorry; that's the wrong one. In fact, it's at 10 o'clock at the public library, should anybody be interested. It's a town hall, Mr. Chairman, for the budget process.

February 29, which is today, front page, *Lethbridge Herald*: Police Probe Green Acres Finances. It's a police matter, so we certainly don't want to get into any concerns about why the police might be involved. I'm simply wanting to know if in the city of Lethbridge and the housing agencies that are concerned there we had projected some savings. What will a story and a probe like this do to those, and are we in somewhat of a hazardous position of being able to attain those savings in '96-97?

In terms of municipality regionalization, obviously, having just talked about consolidation and amalgamation, I don't want to look like a turncoat on this one. I just want you to be careful in this particular area and to ensure that when municipalities go together, they're really doing it because it's coming out of the grass roots. I don't have particular experience here in Alberta; I want to indicate that I, like others from this Assembly, grew up in Saskatchewan. I've always maintained a loyalty to my hometown of Portreeve. Portreeve now is almost a little dot in the middle of a field. It no longer has any sort of corporate identity. It is now simply another part of a greater municipality, and I think that's the way it should be. I'm not arguing that these things shouldn't have happened, because simply we lost businesses, we lost population, so we could not have carried on as a village in the manner in which we had. But I know that it hurt the people who lived in Portreeve, who are from Portreeve. As I recall the situation – I don't have this exactly in front of me – it seemed like there was undue pressure placed upon that community in order to have their identity lost and become, then, just this little portion of this much larger municipality.

So I'm hoping that the minister will be a SNAG as well in the sense that he will be a sensitive new-age guy and understand that when the requests come forward, this might be an opportunity, of course, to perhaps jump on them. But I would hesitate, for this government that I belong to, to develop a policy that we will regionalize municipalities. I would not support that sort of proactive move in this particular area.

The last one is registries. Now, on this one I want to move to the revenue side, which is on page 326, if any of the members are following my comments. The first thing I want to comment about is to congratulate the Treasurer for the manner now in which the estimates come before us. It was interesting. A person in my constituency asked me one time, you know, how did I like going

up to Edmonton. What were the sorts of things that I dealt with? I remember saying to the person – and I'll be paraphrasing because I don't remember the exact comments – that it was one of the most bizarre situations that I'd ever been in. We had a situation where estimates would come out – and of course we understand the role that the MLA has to play, because while we're not handing these folks a blank cheque, we're certainly handing these folks cheques that have big numbers on them when we pass their estimates.

What I found bizarre and confusing was the fact that we spent no time on revenue. A budget speech would be made. There'd be a revenue statement. There'd be the fact that we're going to be, thank goodness, finally into a surplus situation, but once we got into estimates, we seemed to focus entirely on the area of expense. [interjection] Well, that's why they call it a budget debate. I agree with that, but part of the budget is the revenue side. So I was always anxious, of course, then to find an opportunity to ask questions or enter into some sort of discussion and even debate over the revenues that the government was projecting.

Well, now I have an opportunity, because I see on page 326 under revenue, under premiums, fees and licences – and I guess to get into the point I want to make, I'm going to have to stick simply with motor vehicles. I'm assuming that in that of course would be not only motor vehicle licences. Having just reached a milestone birthday, I had to get my driver's licence renewed, and it cost me X amount of dollars. I'm not going to whine and complain about what I paid for my licence plates and for my driver's licence. I felt it was quite appropriate, and I'm willing to do that. It's great to see something like \$167,974,000 come into play.

3:40

Now, where I'm heading on this, Mr. Minister, is in terms of a concept of reinvestment as it would relate to registries. Recently I held a meeting in my constituency with the six licence holders that I have in Lethbridge, and they had two concerns. This should not surprise the minister because I did send a note to him, but I do want to bring it up at this time because I feel it is important. One area of concern was the matter of the number of registry licences. Certainly as a right-wing, free market, small "c", big "C" Conservative I do not believe in establishing monopolies for people in the business community. However, I would again ask the minister to have a sensitivity if we are to expand the licences, to be extremely careful in the manner in which that is done.

I don't know that these numbers are exact, but I'm prepared to say them here in the House because I think they certainly will be somewhat relevant or close. You have a situation in Calgary where, based on the licences that exist in the city of Calgary and the number of registry agents, they probably have a market of about 25,000, whereas in Lethbridge, if we do that simple math, then we're looking at about 13,000. So it would seem to me that if there are to be any additional licences, then you might start looking at the major cities. I would ask you, then, to tread carefully if we were going to add to anything in Lethbridge, because it leads to the second point.

I believe, without having seen financial statements – while they offered them to me, I refused to see them; I didn't think it was any of my business, and I didn't want to get into that – that they feel they are struggling. Now, they receive, of course, a transaction fee of some \$4. I'm sure there were people within the ministry who, again through experience and intuition and perhaps even basic mathematics, were able to determine that this should

be an appropriate fee, but it was a fee that was placed at the start of something, not at the end of something.

So my sense of it is that there is an issue regarding the per transaction fee. First of all, of course I'm hopeful that the minister will examine that, as I'm sure he will, but I want to offer perhaps a solution and perhaps put it under the headline of reinvestment. I'm not sure that the Alberta citizen is ready for an increase in licence plates or driver's licence fees. While I've indicated I thought it was appropriate, I'm not sure I want to pay any more. But there might be an opportunity here for some sharing of this revenue in terms of whittling down the \$167,974,000, because simply all he would need to do – and I'm saying “simply”; I'm not sure it is simple. All you would need to do, from the way I would see things, is simply carve back the province's take. You know, if a licence plate is \$52, the province is now getting \$48 and the registry is getting \$4. Perhaps you would look at a split of \$47 and \$5 or something like that.

I hesitate to deal with those numbers because in that meeting they wanted me to agree to go from \$4 to \$6 per transaction. I refused to do that. That was a 50 percent increase. Now, I worked for a guy years ago. He'd spend a hundred thousand dollars on the spot, but when I was negotiating an agreement, if we were looking at a 4-cent increase and I wanted to make it 5, he'd always tell me, “Look; that's a 25 percent increase.” You know, he used to drive me to distraction because of his mind, the way it looked. When it was big numbers, it didn't seem to mean anything to him, but when it was little tiny numbers, he always knew the percent. So I use that same argument, I guess, with these registrars. I indicated to one of them that if I were to agree to this and all of a sudden he had a villa in Mexico and a boat in Greece, he might be happy, but it was my political anatomy that was going to get chewed on and chewed on really well. So I refused to agree with that sort of increase, but I do believe there is an opportunity for some sort of flexibility in that particular area.

Maybe a solution is that instead of the province taking the whole hit, maybe it's as simple as now the province would get \$47.50 and now a licence would cost me \$52.50. Maybe that's a way to handle it. I wouldn't begrudge this industry being able to stay in business in a profitable manner by me simply having 1 percent added to the price of a licence plate.

So with those comments, I would appreciate, whenever you're able to respond, that you would direct yourself, then, toward those areas.

THE DEPUTY CHAIRMAN: Thank you, Lethbridge-West.

Our next speaker is Edmonton-Rutherford, please.

MR. WICKMAN: Thank you, Mr. Chairman. I, too, want to start by congratulating the members of the staff of Municipal Affairs that are up in the public galleries. When I'm reminded that the former Minister of Municipal Affairs was the Member for Vermilion-Lloydminster, I'm surprised there were even any jobs left in that particular department. If they're still there, they gotta be good. They gotta be good.

Mr. Chairman, civic government, local government, is very, very special. There's no question about it. We've heard this before, and many of us have shared that experience or gone through the experience of participating at that level. Really, when it comes to government, there is no level of government that is closer to the people, that deals with them on a one-on-one basis, from the smallest type of problem, like snow-removal or a little pothole, to major things like redistricting and freeways and preservation of green areas and so on and so forth.

I was reading, for the benefit of the minister, some stats the other day from the Canadian Taxpayers Association, I believe it's called, about people's concerns on taxation. Generally speaking, there is a vast discontentment with the federal government and provincial governments with the level of taxation, other types of taxes like GST and so on. There was a consensus that taxes were too high. But when it came to property tax, I believe, if I remember correctly, only 2 percent thought that property taxes were too high. The reason for that, Mr. Chairman, is because there is an appreciation at the local level that there are good services provided in exchange for those tax dollars. However, when it comes to the federal and the provincial governments, it's a little more intangible as to what services are being provided for the dollars that are deducted, in most cases, from one's pay-cheque.

So it's a form of government that people can identify with, and it's a form of government where people are closer to their representatives. They don't hesitate to phone an alderman at 2 o'clock in the morning and complain about snow on Whitemud Drive, for example. Even though there's the worst blizzard of the winter going on, they want to know why Whitemud Drive hasn't been plowed. They don't mind phoning an alderman at 2 o'clock in the morning to ask that question. But they hesitate, they really hesitate to have the same type of communication – I'm not sure everybody wants it – with representatives from the federal and provincial governments.

Mr. Chairman, with that for an opening, I now want to go into the business plan and some of the specifics in terms of budgeting. One of the things that really struck me is the department's goals. The department lays out seven goals, and I just kind of want to run through them very, very quickly. Goal one:

Ensure that the department's programs, legislation and policies are adequate and fair, and that services and grants are targeted to those citizens, municipalities and organizations in greatest need.

A question arises out of that, Mr. Chairman. The question that arises out of that is when we talk in terms of municipalities and organizations in greatest need, one of those services that was being provided by an organization is the planning aspect that was normally handled for the smaller municipalities under the regional planning commissions. Yet that is a mechanism that was of course taken away. So there's a service that should be targeted to municipalities and organizations and such in the greatest need, because it was the smaller municipalities that were in the greatest need. They're the ones that now are struggling in that particular area. It didn't affect to the same degree the larger municipalities like Edmonton and Calgary because of the extensive planning departments that they have.

3:50

Goal 2: “Change the role of the department from service deliverer to that of facilitator.” There's no difficulty with that, generally speaking. The concept of allowing the department to shift implies, of course, that the service delivery or the delivery of the programming and such is done at the municipal level, that more decision-making takes place at that level, and that's fine. The only difficulty is: how does the minister expect the municipalities to be able to deliver those services that the department has funneled down or downloaded to them without the dollars following suit? We see that the dollars that have been transferred from the provincial government to the municipal governments have declined considerably. So the question specifically is: how are municipalities expected to provide these services that are downloaded on them when the dollars don't follow?

Goal 3: “Maintain high quality and increase accessibility of

registry and information services” and such. That's an admirable goal. It's more, I think, a wish than a goal. If the minister could respond as to how he attempts to achieve the goal. What performance measures are in place to ensure that high quality – assuming high quality is there in the first place – will be maintained?

Goal 4: “Involve the private sector and other agencies in the delivery of services and in the administration and enforcement of legislation.” Again, that can seem good from the outside looking in or from the inside looking out, whatever the case may be, but you can't simply assume that because certain services are put over to the private sector it's going to mean greater efficiencies.

I'm going to cite two examples. One example is the outside security people that are being laid off, that have gotten their notices: 12 people. The impression is given that there are going to be tremendous savings in dollars because you're now going to replace people that are making \$27,000 a year with people that are making \$6 an hour. The thing that is not reported, the thing that is not spelled out very clearly is that it's not going to cost the department \$6 an hour for each person. It's going to cost the department, not this particular department but the department in charge of that, a lot more than \$6 an hour. Because they contract out, there are administrative costs and all that. So you can't assume those savings are that real. In fact, we don't know at this point exactly what those savings are, and we don't know what kind of service is going to be provided for that \$6 an hour in comparison to what's being provided at the present time.

Another example that relates directly to municipal services: the city of Edmonton, water and sanitation. When there was a big thrust to privatize, the department objected saying: we want an equal opportunity to also compete against the private sector because we feel we can provide a much better service at a lower price, a more efficient, effective service. Surprisingly, in many, many instances water and sanitation was able to outbid, given the opportunity, to come in lower than the private sector.

Just to dump everything off to the private sector and say that it's going to be better for the taxpayer – it's not. So we've got to be very, very careful when we privatize. Some things are meant to be privatized, but when we get into the delivery of human services, programs that affect people directly, programs that people are dependent on day after day, we want to make sure that we're getting the biggest bang for the buck and that the human considerations, human values are taken into consideration. If we keep going at times the way we are, we're going to end up privatizing this particular Legislative Assembly and maybe replacing us with computers that'll pop information out at \$6 an hour. Some people will say, “Well, maybe that would be more productive.”

Goal 5: “Strive for more efficient administration and improved productivity within the department and in dealings with other levels of government.” Well, one would assume that that's being done at the present time, has always been done as efficiently and effectively as possible. If there can be greater dealings with other levels of government, so be it, but the trust has to work both ways. There has to be a feeling of security, a feeling of trust by the municipalities when it comes to the provincial government as well. It isn't always there. We have some municipalities that have been asked to accept the consequences of downloading that now find themselves on the verge of bankruptcy.

Goal 6. I'm a little puzzled by this. “Encourage consumer awareness and self-reliance, and foster a fair marketplace.” It's a contradiction in the sense that we're advocating or preaching consumer awareness and fostering a fair marketplace, but on the other hand, if one looks at what's happened in the past, we've

eliminated really the department of consumer affairs, which was there at one particular time to ensure that there was consumer awareness and self-reliance and that it would foster a fair marketplace. The minister is going to have a difficult time justifying how his department, Municipal Affairs, is capable of doing that when other members of the front bench there are saying: “There is no need for consumer protection. If one wants to go out and buy a Lincoln that isn't any good, that's their right to do it.” So there is a contradiction, and it's a very, very distinct contradiction.

Goal 7: “Provide municipalities and housing management bodies with greater administrative flexibility.” Well, again, that really is the question of downloading in terms of programs, regulations, and such. Yes, local government, like any other government, wants to accept responsibility, and they want to ensure that they have their own flexibility and that they have their own decision-making. But, again, they want to make sure they're not doing it while they're strapped for dollars.

Going into some of the expenditures, Mr. Chairman, the unconditional municipal grant program is slated for a further decrease this year from \$97 million to \$57.7 million. That, I guess, points out what I'm talking about: the downloading in terms of programming but not the dollars following as they should be. Again, I'd like the minister to respond. How are municipalities expected to carry on and to take on this additional burden as a result of downloading with fewer dollars? The same pressure is on them. They can't find new sources of revenue. Taxpayers all over are conscientious. Although they do accept the level of service that they get for property taxes at the present time, they don't want to see property taxes go up.

The national infrastructure program, which is called NIP, was part of the Red Book of the federal government. I think it's one of the policies or one of the proposals that really, really made a difference in the federal election. It pointed out that there was a government in waiting that was prepared to recognize that there was a great need for job creation, something that would not only create jobs but would benefit municipalities in terms of improving the infrastructure. It has been a tremendous benefit to provinces, to municipalities all across the country.

Now, there is some rumour that there is a possibility of this program being carried on. I don't know if there have been any discussions between the minister and his federal counterpart, but if there have, I'd certainly appreciate being made aware of it. I think there are a lot of Canadians that would look at this as a great thing. I'm not one that advocates government creating jobs; that should be left to the private sector. But by and large this fills that role in that because these are temporary projects, the private sector will normally fulfill these jobs. So it's a win/win situation all around. It benefits the private sector, it benefits those that are unemployed, and it benefits the municipalities in terms of getting improved infrastructure.

Some of the specific programs. HAP – the housing adaptation program – now allows \$5,000 for persons in wheelchairs to make their unit or their rental unit more accessible. It's a good program. It's benefited many, many, many people. The former minister had sent out correspondence to agencies a year ago asking for their advice as to whether this program should be replaced and so on and so forth, which at the time caused a panic. There was a fear by agencies that this program was going to be chopped like the seniors' program was chopped. So could the minister state whether he's reversed that particular train of thought, and can he give assurances that this program is in place, that this program will continue to be in place, recognizing that it does benefit many, many persons out there that want to live in the community and not in institutions?

4:00

The impact of Municipal Affairs on seniors of course is not as great as that of one of his colleagues, the Minister of Community Development. But there are some specific programs, of course, that have affected the seniors: the tax exemption allowance that had been granted in the past, a property tax exemption provision. I just remind the minister – and I'm not asking for this to be reinstated, because we know it's not going to be reinstated – to be sensitive when it comes to the pioneers of Alberta, the people who built this particular province. They should not be kind of shuffled off and forgotten about and put in a state of quality of living that is not fitting in recognition of their contribution.

I want to touch on innovative, affordable housing, which is a dear subject to me. My son is an architect who is particularly keen, particularly interested in innovative, affordable housing. We've seen the city government involved in this to a degree: innovative housing competitions and such. We now see the federal government in a national competition broken down by regions, what they call flex housing, affordable housing, innovative housing, sustainable housing, and so on. The provincial government, Mr. Chairman, in my opinion, has an opportunity to work here with the private sector, to work here with nonprofit groups – and there are many nonprofit groups throughout the province that are involved in housing for the disadvantaged – to develop ways, develop incentives, develop some motivation to have these forces out there in the community find new ways of putting housing on the market that is more obtainable for those that have difficulty in achieving that ultimate Canadian or American dream of owning your own little piece of property, your own little property title that you can call your own. I'd really like to see the minister really give this one a great deal of thought, pull in a number of people from the community that can advise, that can maybe come up with some initiatives and pass those on.

Mr. Chairman, because our time is limited and many people want to speak, the last area I'm going to touch on is following up on questions asked by the Member for Lethbridge-West. South? East? North?

[Mr. Tannas in the Chair]

MR. DUNFORD: West.

MR. WICKMAN: West. I was right right off the bat.

On the private registries. Mr. Chairman, I was somewhat horrified – and I discussed this in the hallway with you – when I learned that there was an approach made by those existing shop owners of the private registries to advocate or go for a closed shop. Now, I can understand that they want to protect their own interests. Everybody wants to protect their own interests. Those that own liquor outlets, those that own gas stations, those that own shoe stores: everybody would like to protect what they have. But that goes completely against the grain of what we call the private marketplace, the entrepreneurial system. It reeks a little bit of socialism when you talk in terms of closed shops for businesses.

However, there is one aspect – and the member may be right on this if that one aspect turns out to be the case. The information that has been provided to us – I haven't seen it; I'd certainly like to see it if it's there. That is that there was an agreement when this was put in place that no shops other than those initially approved would be allowed in the first five years. If that is the case, if new businesses were lured into the marketplace by that type of commitment, that type of promise, then certainly there is an obligation for us to uphold that. But that can only be spelled

out if the minister or the former minister can produce a letter to the effect that, yes, this was agreed upon or it wasn't agreed upon. Fair is fair, and we have to be fair to these people. We can't live on broken promises.

On that note, Mr. Chairman, I'll conclude because there are many others that want to speak on this matter.

THE CHAIRMAN: I have next on my list Clover Bar-Fort Saskatchewan. Hon. member.

MRS. ABDURAHMAN: Thank you, Mr. Chairman. I rise also to speak to the estimates on Municipal Affairs and have, of course, naturally a specific interest in consumer affairs, that falls under the mandate of the ministry.

What I'd like to do, Mr. Chairman, is just take Agenda '96, the business plan. I'm somewhat puzzled as to how I can connect the business plan to the supplementary estimates to ensure that the mission of the Department of Municipal Affairs is indeed met. Of course, one of the mission statements is "basic shelter for those most in need." So I certainly would want the minister to tell me within these estimates how indeed you're going to meet that portion of the mission statement: basic shelter for most in need. I need to have some understanding in this budget year of how you're going to meet that mission. What dollars have been targeted to ensure that across the province of Alberta in the different municipalities there is a program and funding in place that would assist, whether it be the private sector, whether it be not-for-profit, or what other examples the minister could clearly demonstrate?

These are admirable missions, but I need to see some demonstration that there is the ability to meet that mission statement and that indeed if the program and the funding is there, at Public Accounts I'd like to be able then to tie it back to the mission statement when we're looking at past expenditures and see if we got value for the dollar. To me that's when you start getting to be fiscally responsible and you start to see good government happening. So we're talking about "a fair marketplace," and I want to tie that statement, "a fair marketplace," into consumer protection to ensure that there is a fairness, that consumers are well informed when they enter into contracts.

I can think of some instances where I would suggest that there isn't a fairness in the marketplace. Right now in my constituency I've got constituents who have become condominium owners. It's a small condominium development. They're proud of them; some of them are first-time homeowners. They find that their fireplaces don't meet Fire Code standards, that their furnaces have been put in place wrong, that the appropriate licensing or examination hasn't happened, and that indeed the people who were marketing, the parties who were building, and the purchasers all were represented by the same lawyer.

Now, that in itself isn't a problem when the consumer actually signed knowing that the lawyer was acting on behalf of all the parties. But my point, Mr. Minister, is that when you're talking about "a fair marketplace," we've a responsibility to ensure there is education out there that indeed creates a fair marketplace and that consumers become aware that it may not serve their best interests if they have the same lawyer representing all parties and that there's a clear declaration, not unlike with the Real Estate Act, where we saw a dual agency. There had to be full disclosure by the real estate people that they were representing the buyer and the seller. I think when we start seeing the area of consumer affairs reflected in the mission statement of Municipal Affairs, we may start to see a little bit of light when we talk about a fair marketplace. Quite frankly, Mr. Minister, unless I see more

resources going towards the consumer aspect of these supplementary estimates – and that leads me to the question.

4:10

When I look at program 3, we're talking about administration of housing programs and consumer services. I'd like to know what portion of that program is allotted to consumer services and indeed what are the programs that the funding supports, so that next year when we're back looking at supplementary estimates and when I'm in Public Accounts, hopefully someone will be able to go back and look if indeed we have value for our money and if indeed there is a fairer marketplace out there.

With regards to the legislative review as well, which is the focus – “this ongoing legislative review will also complement the government's regulatory reform plan” – one of the things that I don't see demonstrated is where the consumer is truly involved in this whole program of reviewing regulations and deregulations. What I see, Mr. Minister, through the chair, is the stakeholders who have a self-interest. They're certainly very much involved, the government standing committee. This standing committee doesn't have any Official Opposition members or independents that sit in this House on it. I don't think we're consulting consumers enough to make sure that whatever regulations are removed indeed are not self-serving to the stakeholders that are so involved in that process. I want to make sure that the average Albertan's interests are indeed protected. So once again I'm going to hold you to your business plan and see in fact if you're going to do the job. I mean, I think this is beautiful. I couldn't have written it better myself. But you put your money where your mouth is, and I don't see that through the estimates here.

You go down to Department Goals and Core Businesses – and if the staff is sitting up in the gallery, Mr. Minister, I would hope that they're taking notes – and it says, “Encourage consumer awareness and self-reliance, and foster a fair marketplace.” How are we educating our consumers? The Consumers' Association chapter of Alberta, through Wendy Armstrong, does a commendable job, but, you know, their biggest task probably is raising funds to make consumers more aware of what their rights are. So if we're going to say this is Department Goals and Core Businesses, I'm looking for some support for the consumer protection Act that's coming up, because quite frankly it's not out there in the province of Alberta.

“Provide municipalities and housing management bodies with greater administrative flexibility to direct their activities.” Admirable. It sort of leads me to the question that I'm hearing from not only the boards of our foundations but the residents of our foundations: will these foundations remain under the jurisdiction of the Department of Municipal Affairs? It is their home. It's no doubt that it's a home. It's not a health care facility. It's not a long-term care facility that needs nursing. It's indeed their home, and it would be most inappropriate to move that.

Now, looking at your strategies and looking at the budget and where we're going in municipal government and acknowledging that when you look at the province of Alberta and you look at the population, I think it would be a fair comment to say that we are overgoverned. There's no doubt in my mind. Some days when I sit in this Assembly, I have to say: now, what would be the most appropriate government to remove? I'm getting closer to believing that maybe it's this one that I represent, the provincial level, because often when you get closer to the people, you actually make better decisions and you really know the needs of your communities out there.

What I want to ask the minister is: how are we going to support these intermunicipal efficiencies without people feeling threatened

that you're going into these agreements because they're going to be taken over or it's a subtle way of creating amalgamations? In other words, what I'm saying is that I still believe in being straightforward and putting your cards on the table. I just listen to the municipal governments that are out there and the administrators, and I mean people are talking about it and they talk about it with fear. To me, if you're wanting to create efficiencies, it shouldn't come through fear. It should be saying: “This is what's right for our municipalities. This is what's right for the people of Alberta. These are viable economic entities that have got marketing patterns, that will serve that geographic region in a positive way. It's not powerbrokering, where people are eyeing another municipality to take it over just to create a larger empire.”

So, yes, this is an admirable strategy, but I want to see the actions. I want to have an understanding. You know, what is it that this government of Alberta is saying there? Are we going to be going into another election and then right after it suddenly you've got 17 or 24 municipalities, not unlike what happened in Health? I would hope that if that's the move, you would do an analysis and in actuality ensure that the people of Alberta have bought into it, that that's what's right for Albertans, that that's what's right for Alberta, that it moves us into the next century in a very positive way, that it's not done in the way that health care has been done, where it's to some extent been divide and conquer and has created, I would suggest, not the effective and efficient delivery system that we had hoped in that restructuring of the health care system.

Now, once again going to Consumer Services on page 277, it says, “Individuals and families will continue to receive, through the private sector, assistance in avoiding bankruptcy.” I find this ironic. Here we are leading in bankruptcies, double the national average, over 10,000 bankruptcies, and you look at the Goals, the Strategies, and the Expected Results, and all I want to ask is: what are you going to be doing differently to get that expected result that you haven't been doing the past year and the year before? I'm horrified that people, over 10,000 Albertans, have been put through the agony of going through bankruptcy, whether it be a business bankruptcy or a personal bankruptcy. I haven't had that experience myself, but I think it must be one of the most painful experiences that anyone could ever go through. So one has to ask the question: how could we allow so many Albertans to get into that position that resulted in bankruptcy?

Through the chair to the minister, one of the things that has alarmed me is that I have been told that a large number of those bankruptcies resulted from people who had been given packages. Whether they were from the private sector or the public sector, they were given their severance package. In other words, that was their security that was going to move them on into whatever their new life was going to be. They took that security and invested it in a business and lost it, whether it be in a consulting business or retail or whatever. That's a double tragedy, because the profession that they had, the business that they had – suddenly with this changing global economy, they find that there isn't a place for them in there with the downsizing of government, the downsizing of health, the downsizing in education. These are learned people, hardworking people, and then to go and lose what rightfully was their money I think is a travesty.

4:20

So, Mr. Minister, admirable goals, admirable strategies, and admirable expected results, and I'm going to hold you to each and every one of them. I want to see positive results from those, because you're not doing a job for the consumers unless you can

show me that we are not above the national level when it comes to bankruptcies. I would say that we're really doing the job when we can show we're significantly below the national level, because that would mean that we're using our resources in the province of Alberta in a very effective way when it comes to consumer education. It also means that those dollars are probably adding value to the economy in the province of Alberta. I don't buy what the minister of economic development said, that because you had over 10,000 bankruptcies, this showed our marketplace was really stimulated, and that GDP indicators being so high was the reason we had so many. To me that isn't an acceptable answer. It just won't fly as far as I'm concerned.

Now, the other area, Mr. Minister. Yes, we were bloated – and I mentioned this in the last estimates – when it came to planning, but I really have a concern where we're going with our planning in the province of Alberta. I'd like, Mr. Chairman, to the minister, to try and get an understanding of how we're going to meet that need to ensure that our planning is done in the most positive and conducive way, to ensure that the quality of life in our municipalities continues in a positive vein and we don't end up with negative results from the lack of provincial planning, the way it was done through the regional planning commission.

You know, we've downloaded to the municipalities. You want them to become more efficient. You want to reduce the costs on property taxes and to industries, but how do you expect municipalities that possibly are not as wealthy as some to make sure that that planning continues in a very positive way? I can't tell that from these estimates. You want the municipalities to become more efficient. How can they become more efficient if you keep downloading on them? I can see a level of efficiency: if it's been well thought out, at what point in time is this going to become your responsibility and how are you going to meet that responsibility, and you work in partnership to achieve that.

Now, the other one that fascinates me is the Key Performance Measures, you know, "Client Satisfaction with the Restructuring Process," and then next – and I'm on page 322 – "historical data not available," and the target is "not yet determined." I'm interested in how you are going to develop this survey for client satisfaction and who's going to determine the results of that survey, because it has to be independent of the Department of Municipal Affairs. You can't be both judge and jury. You can't create the client satisfaction survey and then analyze it and say, "Hey, boy, we're doing a good job," and pat yourselves on the back. You've got to somehow have a level of independence in there to ensure that we can truly say that those key performance measures are credible. So I'd like to hear, and I can acknowledge that we haven't got to that point yet. I don't think it's going to be easy, quite frankly, but I'd like to have a sense of how indeed you're going to achieve that.

Now, my colleague from Edmonton-Rutherford and also the Member for Lethbridge-West touched on registries. I hope I'll have an opportunity, Mr. Chairman, to talk on that at a later time because it's a very important area.

Thank you.

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

MR. SEKULIC: Thank you, Mr. Chairman. I do have a very brief question, and I won't take much of the Assembly's time. The question is pertaining actually to an issue which was brought forward the other day during question period by the Member for Calgary-Cross. It's the increase in taxes being imposed upon mobile-home owners in mobile-home parks. I have one in my constituency which has 700 families residing in the mobile-home

park, and they're very concerned. In fact, some of my colleagues share the same concerns. There are 700 families residing in this mobile-home park which are now being faced with significant increases in their taxes. The real concern here is that the demographics of the area are such that these aren't necessarily people who are in the \$100,000 per year income category. A \$200 increase in their taxes is a significant percentage, in fact disproportionately perhaps one of the greatest tax increases that's been brought in as a result of a change in government policy.

I would like the minister to address those concerns. I know that he has also heard from individuals around the province as well as the Member for Calgary-Cross on this issue and that he is pursuing something. I'd like him to perhaps give a detailed outline as to which direction we can anticipate him going and how this issue can be brought to resolution.

With that comment, Mr. Chairman, I will take my place.

THE CHAIRMAN: Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Chairman. Actually, the Member for Edmonton-Manning brought forward one of the questions I was going to ask today. I appreciate that. I know, Mr. Chairman, that you are anticipating the minister responding to questions, and there's just a short time left, so I'll be very brief.

My comments today are relating to the family and community support services program, known as FCSS, which is a joint municipal/provincial preventative social services program. I know there has been an announcement, Mr. Minister, that this program is going to be returning to Alberta Family and Social Services effective, I think, April 1, 1996. In looking at the estimates, I can see the total funding for the program. The funding will actually be, I'm hoping, back into conditional funding for municipalities. I understand from earlier conversation, Mr. Minister, that 47 percent of municipalities, which included the larger municipalities such as Edmonton, Calgary, Red Deer, actually took conditional funding and that that resulted in about \$25.7 million being awarded, whereas the unconditional funding had been for 53 percent of the municipalities, and that was I think approximately \$7 million.

Now, my question to you: will you encourage consultation to take place with the hon. Minister of Alberta Family and Social Services? Will you encourage the minister to have consultation with all stakeholders that are involved to design this new program that's to be effective January 1, 1997? I mean that with all sincerity, Mr. Minister, that the actual elements of the FCSS program which are currently defined in provincial regulations continue to be incorporated – and that means encouraging and promoting and facilitating volunteerism, too, the use of volunteers – and, as well, that the programs continue to be of a preventive nature.

I know that one area we've discussed in this Legislature this session where I've heard questions from my colleagues put forward to the ministers and one area I would like to see especially looked at is, of course, the area of youth. Whether that deals with violence and safety, street youth, illiteracy, unemployment, what have you, when you're having those discussions with your fellow minister, I would like to see that you include that. I do recognize, too, that this program is primarily rehabilitative. It's not recreational. It isn't capital funding, and it's not a provider of direct financial assistance, actually, to individuals. I would hope that those principles continue to be incorporated when you're looking at this program as a whole.

Thank you, Mr. Chairman.

4:30

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

MR. BENIUK: Mr. Chairman, I'll be very brief. If the minister would look on page 329 at the bottom of the page, this deals with Alberta social housing and changes in capital assets. Normally, buildings would be depreciated at 5 percent. If one looks at those figures, the depreciation figure is almost constant, which means a value of about half a billion dollars in housing. Depreciation is the same figure year after year after year. So I was wondering if the depreciation figure varies, if some property is not depreciated, or if you would be so kind as to explain exactly how that table was put together.

Also very briefly, on page 323 at the bottom there's a table: consumer satisfaction – registry services. The last part of the sentence is – well, I'll read the sentence very quickly.

This measure provides information on the level of customer satisfaction with the licensing and registry services being provided to Albertans by the private sector and the average cost per transaction to [the] government.

In '92-93 it was \$5, when I could have gone and got a land titles search for \$2, making it a total cost of \$7, the government cost and what it cost me, if you want to look at it that way. Today it's \$3.39, yet if you go do a title search, it costs the individual about \$8 or more. So what we're looking at here is an increase. I was wondering if the minister could explain why a cost of the government to the citizen would have gone up so dramatically? That's on page 323.

Thank you.

THE CHAIRMAN: The hon. Minister of Municipal Affairs.

MR. THURBER: Thank you, Mr. Chairman. I was a little negligent in my opening remarks not to introduce all of my staff that was up here, but I know that most of you have worked with nearly all of them. A lot of them . . . [interjection] That's my whole department. That's the whole department right there. They're good people. They're here to see what kinds of questions you had and see what kind of customer satisfaction we have with our department from the opposition as well as with our own members here. Of course, there's Ed McLellan, my deputy, who came over with me from public works, and Bob and Gary and Bruce and John and Ray, and there's also my executive assistant Darlene up there. We really work hard at consumer satisfaction, and I know that a lot of you have had some satisfaction when you were dealing with them. So thank you for that.

I'll try and answer some of your questions here. I'm not sure we're going to have enough time to get through them all, but as I said before, any of them that I can't get through . . . [interjection] No, I'm not going to talk for an hour. I know you couldn't stand that. If I don't get through them all, as I said before, we'll do them up in writing. We'll peel them out of *Hansard*, and we'll make sure we get all the answers back to you. In fact, if you have any other questions, forward them to me in writing as well, if you want.

The Member for St. Albert talked about the disappearance of the planning commissions. Well, it was generally felt at the time that the planning commissions weren't doing the proper job in some areas, so it was decided to let them go and let the municipalities out there either set up their own planning groups or have private enterprise, private groups of planners, work together where they may do the planning for one or more municipalities. What we've done is that when we did the MGA a year ago, we incorporated the planning provisions in that Act. We've said in

there that municipalities which are doing subdivision and anything that affects their adjoining municipality must sit down with them and work out some kind of a plan or an agreement so that each knows what the other is doing. You have to take into account the other municipality's infrastructure, such as roads and sewer and water and a variety of other things. It appears that it's working rather well, because it's got it out of government's hands and it's got it out of the large regional planning commissions. It hasn't been there for a long time, so I guess we can't say that it's going to be there forever, but it looks like it's working really well up to this point in time.

The Alberta Municipal Financing Corporation. When you talked about the surplus of that, that's actually under the Provincial Treasurer's purview. I know they're talking about a \$75 million surplus and how it'll be distributed back out to the municipalities. I suspect it'll have something to do with those that borrowed the most money will probably get the most return. I would think that would be a fair way of doing it.

Then you talked a little bit, hon. member, about the debt limits and the municipalities that are out there that I made some comments last fall about. It was kind of a heads up from me to some of them that I knew were approaching the debt limit and maybe in some cases an unmanageable debt. Now, debt is not always unhealthy if it's manageable, and even for some of the ones that are right at the debt limit, certainly it is manageable for them to put it down.

Now, I had requests at that point in time from a number of people to release the so-called list or the names of these municipalities. I said several times that I didn't think it would gain anything by having those names out there other than some discomfort for the municipalities, because as you are aware, the press and other people like to delve into these things. It was all public knowledge. They could have gone to any municipality and found out by reading their annual statement and approached them that way. But because we had a FOIP request and some other rather frequent requests, we decided to release those names of those communities. I know that for some of them it did cause some discomfort, because the press jumped in and said, well, you're going to go broke and all the rest of it, so what are you going to do? What we've been doing and the whole object of that exercise was, as I said before, to give them a heads up and say: "Look; if you're going to be in trouble two or three years down the road, let's try and do something about it now and get your program in order. If you need to share services with other municipalities or if you need to amalgamate or if you need to in fact disassociate yourself from being a village or a town or whatever, let's handle that."

In some places in this province there's rather a high mill rate; very little debt, in some cases, but a very high mill rate. The people there seem to be happy, so I'm not going to push them. I'm not pushing. One of the hon. members made allusion to the fact that after the next election we would cut down all the municipalities. That's not the intent of this government. The intent of this government is to make sure that we are here to help those municipalities that are in trouble, to help them work their way through that by some form of reorganization or associating themselves with other municipalities or other entities within the area.

You also asked me for the number of housing authorities in the province, how many there are. That's an ongoing process, and again what we've asked them to do, if there's a group of housing authorities in an area, is to sit down and take a look at their affairs. We'll help them. If there are some very evident savings in them amalgamating into one housing authority, then we help

them do that. But we go through it. If there are no cost savings – and there generally are some cost savings if you put two or three administrations together and cut back in that direction and become more efficient. So then we recommend that they do come together in one form or another.

I know the hon. member from Lethbridge mentioned the housing authorities in Lethbridge. Again it was indicated that there were some rather substantial savings at that point in time if they were to amalgamate. So we're dealing with them, but it's a number that keeps moving; it's a target that keeps moving.

You also talked about social housing tenants and a list of names of bad tenants. I think that would be a rather unlikely thing to see happen because I don't think we could do it under human rights legislation. The thing that we're doing in the social housing area is trying to promote people out of social housing. If somebody's been there for two or three generations, we think there's got to be something wrong. Either they're not able to earn enough money – in which case we should re-educate them and bring them up in their education standards so they can get a better job – or find out what's wrong and why they're there.

4:40

The other thing that happens: people become dependent on somebody else when they live in social housing that somebody else takes care of all the time. I'd very much like to promote ownership of a lot of these units. We have between 30,000 and 40,000 units of different types of housing in the province if you take into account all of the different types of housing: the seniors' self-contained, the community housing, the seniors' lodges, the rural and native programs, and special housing. So what I would like to see – and I'm sure my staff would too – is if we can get out of the ownership of a lot of these houses and let the people have the ownership. There seems to be a lot more responsibility if a person has an ownership authority to it.

You mentioned the housing authorities having the same boundaries as the rural health authority boundaries. We haven't looked at that very seriously, because they're all over the place, the different housing authorities. Until we get those amalgamated to the point where we can have a look at them, then we may be able to look at that. At this point in time we're not looking at trying to make them coterminous.

The nonprofit associations. There is talk of them paying some taxes. The biggest problem with nonprofit associations is trying to put a definition on that. What is truly nonprofit? If it's a nonprofit group and they have a for-profit bar in the corner or a for-profit pro shop on the golf course and that's competing with the private sector, then it's only fair that that portion of it at least should pay taxes the same as the private sector does.

Fees for motor vehicle registration and driver's licence. We try and keep a very close eye on that. Some of the fees that the registries charge are uncapped, and some of them are capped. We've basically said that the ones that everybody has to have, we should have a cap on those, such as your driver's licence and your

registration for your vehicle, and some of the others are uncapped. Somebody made mention of the fact that they need to have higher fees in order to survive as a registry. We're looking at that. We're looking at moving more products in, as I said before. I don't think the public wants any more perceived taxes, which is what they perceive as a higher fee for their driver's licence or their registration. They don't want that, and I don't want it either. I'm very careful when we privatize things to try and make sure that the consumer on the other end is the one that benefits from the privatization, not just necessarily a cut down on expenditure of the government.

Now, I've answered some of your questions here, Mr. Chairman and colleagues. If there are some that I've missed, I will, as I said, get back to you in writing on those.

I move that we adjourn debate.

THE CHAIRMAN: The hon. Minister of Municipal Affairs has moved that we adjourn debate at this time. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried. Hon. members, you can't have a standing vote in a subcommittee.

The hon. members of the subcommittee are reminded that on Tuesday, March 12, the Assembly will have another chance to debate the estimates of the Municipal Affairs department. We've adjourned debate on discussion this afternoon, and we'll ask the hon. Member for Olds-Didsbury.

MR. BRASSARD: Mr. Chairman, I move that we now rise and report.

THE CHAIRMAN: The hon. Member for Olds-Didsbury has moved that the subcommittee do now rise and report to the Committee of Supply. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

[The committee adjourned at 4:47 p.m.]