

## Legislative Assembly of Alberta

**Title:** Tuesday, March 12, 1996      **8:00 p.m.**  
**Date:** 96/03/12

head: **Committee of Supply**

[Mr. Tannas in the Chair]

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

head: **Main Estimates 1996-97**

THE CHAIRMAN: The Committee of Supply has under consideration tonight the estimates of three separate departments that have already been under consideration through the subcommittees of supply. It's my understanding that there is a general agreement between House leaders that we would have the minister speak, then opposition people would speak or ask questions for about 20 minutes, then there would be a similar period of time, and then we would adjourn on that, rise and report progress, and move on to the next department, so that it's a little over 40 minutes for each one.

MR. DAY: Rise and report at the end.

MR. BRUSEKER: Right at the end.

THE CHAIRMAN: Sure. But I mean the motion is made for each one: that when the committee rises, it be reported.

MR. BRUSEKER: For all three departments at one time. You'd make that three separate motions?

THE CHAIRMAN: Yeah. We're just clearing up the details, but it would be my understanding there'd be three separate motions. Only one motion at the end will call the committee, then, to rise and report, but each one is that that department's will be.

So if that's understood – and it appears that it is – for the first we'll call the Minister of Transportation and Utilities to begin this evening's deliberations.

### Transportation and Utilities

DR. WEST: Thanks very much, Mr. Chairman. Now, I ended last night at about 11:30, and I had been going on with some evidence of our developments and need for this budget and the supplementary estimates that were coming forward. Tonight I would like to take about 20 minutes to go into now the program development in the province, but I won't, because what I want to do is allow as many questions as possible. I'm sure, if you target those questions to areas of concern in your constituencies, that I'll get back to you.

I think many of you are aware already that I have sent the answers to those of you who had asked questions during the first three hours of the debate on these estimates, and I trust you found those satisfactory. We will be sending the answers to the questions as I take them out of *Hansard* again. Because of the shortness of time tonight on the reporting of this one, I won't be going into long answers in between each question, because I'm sure many of you want to get out there.

The main thing to concentrate on here tonight is that this department has been going through a tremendous reorganization. We have privatized, in the truest sense of the word, in the contracting out of highway maintenance in the province of

Alberta, everything from snowplowing right through to grasscutting and crack-filling on the province's highways. Also this year 96 percent of all contracts in engineering will be done by private firms in the province of Alberta, many of whom have hired a tremendous amount of the expertise that we had in the department of transportation vis-à-vis technologists, engineers, and surveying people.

We also have outsourced and are beginning to outsource our technical data collection and reporting as well as a major contract involving Systemhouse onto our technical reporting mechanisms within the department. We will in the next several months be doing a major overhaul of the Twin Atria building, in which at the present time we're down to around 1,200 employees from the 2,700. We will by the end of probably May of this year see a tremendous relocation of another some 200 to 300 in that building.

All I can say is that on the first contracts that have gone out on maintenance in my area, in Vermilion, and in the east of our transportation system, a division of Wells Construction has done a tremendous job in its transition, hiring some 90 percent of the employees – on average it's about 80 percent of the employees – back onto the road systems. Many of them never missed a day of work. They haven't in most of the areas, in Grande Prairie, and Carmacks Construction did the same thing around Calgary. The snowplow operators, those that were involved in the department, went to work the next day. The signage changed on the trucks, and the contracts have been performing I would say excellently. The criticism we get once in a while when we privatize is that, you know, the highways aren't as good as they used to be. Unfortunately, there were accidents during those icy periods, but that was not due to privatization.

Well, I'll stop there. There are many things that we could go over, but I think the budget documents speak for themselves. The business plans are concise and to the point. As far as maintaining the infrastructure and being dedicated to continuing the strong reputation we have in transportation, I think we've done that. But we've achieved a reorganization, a restructuring of government, a redefinition of the role of government in the truest sense, something that Albertans should be able to be proud of for years to come.

THE CHAIRMAN: Okay, Mr. Minister.

The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Chairman. If we can go back to some of the issues that were discussed when we previously addressed the transportation issues, specifically the area of safety. I know that we went into the issue at some length the last time we discussed this.

I have taken the initiative to talk to not only the police departments in the major cities that still have some serious concern about safety inspections, but I have contacted several people in the industry, even some large organizations that represent the industry, and there are some concerns, Mr. Minister. They're telling us that even within the industry there is a definite split on the direction of self-policing. There's a greater percentage of the people in the industry, of course, that do things right, that look after their equipment, that look after the rules and regulations of the game and abide by them. They find it very difficult to say yes to self-policing, yet see their competition do the opposite.

As a matter of fact, these people were telling me that they were not all that happy about the increase in the speed limit for the

truckers themselves. They are saying that unfortunately it's a minority of the industry that abuses that, and when we increase the speed limit an extra 10 kilometres an hour, we're increasing that limit to the top that much further.

If you ask the police force, they'll tell you that most of the tickets that are issued on, let's say, Highway 2 are for 130 and above, yet the speed limit is 110. They used to allow probably 14, 15 kilometres. They even allow a little bit more than that. If you've got a B train following you at 130, 135 clicks on Highway 2, sometimes it can be a little scary, especially if the weather is not all that great.

So this is not only the police department that is concerned about the safety issues; it's not only the public. It's the industry itself. I believe that maybe we'll have to revisit the issue of safety.

If I can go back to the goals that are set out in the mission here, in the three-year programs, we see that continuously we bring up the issue of public safety. It has to be a major issue. The minister, in his original comment, did mention that he has increased the number of personnel on the . . . Can I talk to you right here?

THE CHAIRMAN: Through the Chair, please.

MR. VASSEUR: Through the Chair.

He has increased the number of personnel to do the policing or the regulations from some 80 members to 110, 115 individuals. Now, if we go to the performance measures that are indicated here in the government figures, by increasing the inspectors on the highways by some 20 percent, at least, in numbers, we're not really reaching all that much in our performance measures. The best we can do from '95 is to bring the figure down from 32 percent to 28 by the year '99. So in four or five years we've decreased this number by a mere 4 percent, from 32 to 28 percent. I think that if we were spending that extra money in putting extra personnel on duty, our goals should be a little better than that.

**8:10**

Last night the minister explained to us the construction program, what we can expect in the future, if it does happen. I believe that it will, as long as the finances of the province are in the order that they are now. It's a sound plan. A lot of work has gone into it.

I do want to ask the minister another question. We know that most of our resources are in the northern part of the province. I'm talking about the 60 percent of the area of the province that is under the NADC. Sixty percent of the land has only about 10 percent of the population. We also know that probably 80 to 95 percent of forestry comes from northern Alberta, that 100 percent of the tar sands and probably 30, 40 percent of the conventional oil is from northern Alberta. If we're going to produce those kinds of resources from northern Alberta, there may very well be some definite needs that the minister may have to address.

We used to look at resource roads in the past, and I'm just wondering how that will be addressed in the future. The reason I'm saying that is because a lot of the jurisdictions now in northern Alberta are municipalities; they're no longer improvement districts. When they go into municipalities, they've accepted the responsibility, a greater responsibility, of the maintenance of these roads. Now, I know some examples where the revenue source, the assessment base that collects the taxes, happens to be in a neighbouring municipality where they're hauling logs from. The destruction of those roads – there should be some kind of

agreement between municipalities or some equalization from the department of transportation to look after the abuse of some of these roads. I merely say abuse, because if you've got some B trains and that kind of heavy equipment on the roads, you've got to see for yourself what it does to roads that are not fully developed to even secondary highway standards, never mind primary standards.

The other area that I wanted to touch on a little bit is the privatization issue. I would like to ask the minister a few questions. I really don't have too much problem with seeing the balance of the construction privatized. I was wondering when that was going to happen. I really don't have too much problem with engineering being privatized. I believe that's the right direction to go. I don't have any problem with some of the maintenance. Grasscutting is simple. You bid on it, and if you get it, you do it. The crack-filling on the highways is no problem.

I do have a problem with some of the maintenance, which is the snow removal and sanding of our primary highways. I would like the minister to get us a copy of the contract so that we know what the waiting time is in these contracts. These contracts could possibly work very well as long as the waiting time is not any longer than it was when it was the responsibility of the department. It could very well be that in these contracts the request to do just that is there, but how do we make sure that that does happen? We do get more calls of it not happening. Now, I would like to . . .

DR. WEST: The area isn't privatized yet.

MR. VASSEUR: No, no, no. It doesn't matter if the area is privatized or not. The minister is saying that . . . [interjection] Yes, Mr. Chairman, we'll go through the Chair. The areas that are not privatized – the service has gone down in some areas because of the cutbacks before the privatization. So there are some concerns in the response time between a dangerous situation on the highway to what it was before. So I would like the minister to address that when he replies.

With those comments, Mr. Chairman, I'll give the floor to a colleague.

MR. WHITE: Mr. Chairman, just a couple of comments and some questions. There's one in particular that shows up on page 398, one of the smaller areas of concern of the minister, and that's the Gas Alberta operating fund. Why is it that with the flowthrough of these funds that a substantive profit is made and then retained? I don't understand. Here we are dealing with aid and assistance to those areas that for some reason early on the fund was established, and now we're making a profit on it, when in fact it should be a service industry.

DR. TAYLOR: Should be losing money.

MR. WHITE: No. If you have to be in this business, then you should in fact come close to breaking even. There isn't any need to make money in this particular manner.

There are two areas of transportation that bother me from my own constituency. Why? It relates to Highway 16, Mr. Minister, the confluence of 16 and 60. It's been a long-standing problem for accidents. In fact, if you look at the data as it relates to traffic movement at that intersection versus an intersection that's just a little farther to the east, Highway 16X and 127th Street in the city, you'll find that it's about an 8 to 1 or 10 to 1, depending on

what bulk up factors you use for trucks and other vehicles to the utility.

Now, this particular highway intersection is going to take truck traffic and turn it south, down a hill, up a hill past Devon, then out to Highway 2 going south again, perpetuating a problem that has been long standing on highways that go through a number of communities and that are just plain hazardous to go through without four lanes divided. This makes it much easier to get around that way for a trucker. If the money, instead of being put into that intersection, was put into another intersection – but probably to alleviate this problem was connecting 16 with 16X on the bypass route that is there and the utility corridor that has been there for some time – that would alleviate the same problem of truck traffic having to make that corner and therefore not totally eliminate the need for that intersection but certainly make it much easier.

Another one that bothers me in just driving back and forth to Calgary a great deal – not having a government plane to do it – and going by Red Deer is the recent construction of the overpass immediately south of Gasoline Alley, I guess they call it. That concerns me, and I'm sure it has concerned the members from that fair city. It has done in as many as seven businesses along that way, particularly on the east side to collect traffic that is coming from Edmonton, Calgary, or moving north along Highway 2. It concerns me somewhat that the decisions appear to have been made without any consultation with the owners or operators of those properties. It did disrupt their businesses a great deal. However, hindsight being as it is, I suspect one would have said originally that the transportation department should have, as it is now, run the overpass through and not allowed Gasoline Alley to be built to the extent and manner it is without an on-ramp and off-ramp, which they're heading towards now.

So it may be very, very late, and I suspect the department is heading in the right direction, but it was a little bit of a rude shock, I'm sure, to those people that lost a great deal on their businesses there.

The privatization issue has been covered a great deal. My only difficulty with it is the what if. What if the areas that are privatized now, particularly those in maintenance that are not well defined, have a problem? Who is the one that carries the can? We've denigrated an asset by not keeping it up, to the net detriment of the province as a whole. That's all I'd like to say about the matter because it will be revisited again in the fall, I'm sure.

**8:20**

**THE CHAIRMAN:** The hon. Member for Leduc.

**MR. KIRKLAND:** Thanks, Mr. Chairman. I first applaud the minister for sending out an updated information package in regards to projected projects that will occur in the Leduc constituency. I appreciate it. The city, the county, and the towns I deal with appreciate it as well. There were a couple of items I wanted to address, and one of them is the north-south corridor. I recall a press release that the minister put out the other day indicating that, in essence, with the improvements on highways 16X and 60, ultimately taking it into the city of Edmonton and Anthony Henday Drive being upgraded, I'm understanding that that north-south corridor will run through Edmonton. Of course, as I look at that and see the other option of potentially taking it down Highway 60 and justifying the full expenditure of the twinned bridges over the North Saskatchewan there, I would ask the minister if he did a cost analysis to determine whether through

Edmonton was less expensive than through Devon.

As I mentioned to the minister of agriculture the other day, this is an opportunity to bring some rural development to Devon, Calmar, Millet, and the likes of that as well. So I wonder if the minister has taken that particular cost analysis and determined if that was the case. The other thing that will factor in there, Mr. Minister, is of course that those two overpasses by Leduc are somewhat dated. They were designed about 1970. They are a bit of a challenge to enter. In fact, you're not on Highway 2, so I expect that the department will have to deal with that somewhere along the line, and Highway 60 will give you some options, I think, in that particular aspect.

The other aspect I wanted to talk about, Mr. Minister, was highway signage. Now we see on Highway 2 a signage concept that I advanced to the Alberta Urban Municipalities Association some four or five years ago. Towns can put up little two-by-two boards indicating what businesses are available within their community. An excellent concept. It seems that the department has frozen the cities out. When you look at the exceptions such as Airdrie and Leduc, they could benefit handsomely from that particular signage project. It's very acceptable. You're receiving positive comments from that signage, and I would ask if you could extend that same privilege to the cities on that highway as you've extended to the towns.

Secondly, when we deal with contracts on the roads and the contracts as they're being tendered: has the minister opened up that tendering process for the municipalities so the municipalities themselves can perhaps enter that bidding world? Okay, they do things very efficiently some days in spite of the fact that they're government. I would suggest that if you gave them the chance, they may in fact, Mr. Chairman, beat some of those contractors out and give them the opportunity to recover some of those dollars that you have rolled back on them.

The last item. I heard the Member for Edmonton-Mayfield explaining the situation in Red Deer as far as Gasoline Alley. Mr. Minister, I'd ask you another question in regards to Red Deer, and that is the construction of the new Alberta transportation building. I wonder if you could bring some clarity to that. My understanding is – and I would appreciate it if you'd correct me – that that building was built by the individuals that purchased the land they formerly were in, and it was all part of one particular deal. That's my understanding. I would ask the minister if that is correct. Did Opus build the Alberta transportation building as part of that particular deal, and would you share with us the cost of that particular new building and how the financing worked, as such?

With those few questions, Mr. Minister, I will take my seat.

**THE CHAIRMAN:** Okay.

The hon. Member for Clover Bar-Fort Saskatchewan.

**MRS. ABDURAHMAN:** Thank you very much, Mr. Chairman. I have a couple of questions that have actually arisen from concerns of constituents of mine in Clover Bar-Fort Saskatchewan and some who live in the constituency of Redwater. Indeed, the major concern was under Written Questions by my colleague who now is Senator Taylor.

This past number of years we've seen what we believe is a significant increase in accidents either taking place on the bridge as you leave the city of Fort Saskatchewan heading on Highway 15 in to the Manning Freeway and the city of Edmonton. The portion of Highway 15 has not been twinned yet. The reason for

this written question is to get the statistics with regards to how many accidents have happened on the bridge or between the bridge and the Manning Freeway where it's twinned. There certainly is a lot of concern, and we know we've had a number of fatalities in that location.

As I say, although it's not in my constituency, many people travel from Edmonton out to the city of Fort Saskatchewan for their place of work. In fact, Mr. Chairman, there are more people commuting from the city of Edmonton, St. Albert, and other locations to the Fort Saskatchewan petrochemical belt. So it's a heavily traveled area. My constituents are asking me: when is that bridge going to be twinned? When is the remainder of Highway 15 between Edmonton and the city of Fort Saskatchewan being twinned?

I think this is a reasonable request, to get the statistics with regards to that so I can share it with my constituents and anyone else who has an interest in that area. I'd certainly welcome the minister being able to tell me: in their planning, when is this a priority? In other words, when will there be moneys available for the design and upgrading of that location?

Interestingly, when we look at safety, a constituent brought something to my attention. In fact, he told me he had actually contacted the Justice minister. It's something I had never given much thought to, but he indicated to me that the largest percentage of accidents was caused by tailgating. That was a bit of a surprise to me, because I sort of had to question, you know: how you define tailgating, am I guilty of tailgating, and why indeed are tickets not given out for tailgating? He explained to me that in most jurisdictions the instructions to the law enforcement people are not to ticket for tailgating, as it's very difficult to prove in a court of law. He actually came up with what I thought was a good observation, and that is that we've now got into the camera – what's it called? – photo radar. He was putting forward that not only would you be able to be effective in catching people who are speeding through photo radar; he felt that in actuality you should be able to use photo radar to prove if someone was tailgating another vehicle. Now, if his information on the stats from the city of Edmonton police and from the RCMP are indeed accurate where they're saying that most accidents are caused by tailgating, then indeed he may be onto something here.

So I would be saying to the minister of transportation and the Minister of Justice that this may be an area that we want to look at and clearly define what tailgating is, and indeed can photo radar do the job in being able to have a level of enforcement. If it can reduce accidents, then we all benefit, because insurance rates would go down, and naturally we'd see fewer fatalities and fewer injuries that result in health care costs.

I also want to acknowledge – and I can say this as a new Canadian – that I'm absolutely amazed at the transportation corridors in Alberta. I think we've probably got some of the best in the world. But the one thing that does concern me, particularly in rural Alberta and in rural Strathcona county, is that we have some very natural, beautiful areas. I get really concerned that there's this mania for getting from A to B on the straightest road that you can go, and you destroy beautiful, natural areas. I would suggest that if you're not on the freeway, surely we can continue to enhance the beauty of our rural areas by allowing these natural areas to remain. Indeed, roads are developed around them.

One can easily travel in the province of Alberta. It's one of the easiest provinces to get around in. When you look at Europe and you look at Britain and you look at the hills and the corners, you name it, they still keep the rural roads like that. There's a beauty

attached to it. So I would urge the minister of transportation that when we get into designing secondary roads and rural upgradings, let's keep the natural beauty that's out there.

Thank you very much, Mr. Chairman.

8:30

MR. BRUSEKER: Just a couple of quick questions to the minister of transportation, specifically with respect to Stoney Trail, which is being constructed in the constituency of Calgary-North West. This is a multiyear project, as the minister is aware. Currently there is construction of the bridge deck ongoing. I just want to confirm that funding will be there to complete the project – I think the plan is by the 1997 fiscal year – from Highway 1 to Highway 1A in the foreseeable future. I just want to confirm that that funding will in fact be in place.

One other question that I had for the minister. There's recently been an announcement that a developer is going to lend money to the city to build a section of Country Hills Boulevard in the north of Calgary. The price tag that I've learned is \$2 million. Now, a previous transportation minister has said that he would give some consideration to toll roads. I'm wondering if this transportation minister has looked at that. Are we potentially facing the prospect of toll roads within the city of Calgary? I think that would get people very concerned. [interjection] The minister says no, and I'm glad to hear that.

Those are my questions, Mr. Chairman. Thank you very much.

THE CHAIRMAN: Okay; fine.

The hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Chairman. The effects of the provincial reductions in funding and changes to provincial social services programs that affect municipalities I think need to be properly assessed and considered in context so as to avoid creating unnecessary problems for municipalities and for nonprofit agencies.

Mr. Minister, I am going to tie this question in with the social services context, because I believe that some social service agencies are having difficulty in adjusting to the changes that Alberta Family and Social Services have already made or will make in the implementation of their business plans. I also believe that the federal government's termination of the Canada assistance plan in 1996-97 and our decision not to share any Canada health and social transfer funding with municipalities will also compound the problem.

Further, Mr. Minister, Family and Social Services reported two initiatives based upon regionally managed models, which were children's services and services to persons with disabilities, that will, I think, have a significant regional impact in that those initiatives may result in an increased need for funding in the regions. So my question is related to the budget speech, which is in Agenda '96. There's a table in this budget speech on page 43 that shows that Transportation and Utilities has faced much lower reductions than many other ministries since 1992-93. My question to you is: how can the government rationalize a policy of spending on roads when it's cutting back on social service programs, as I was mentioning previously?

Thank you, Mr. Chairman.

MR. SHARIFF: Mr. Chairman, I'm really amazed and impressed with the amount of learning that goes on in this process of estimates. Every time this minister speaks in this House, he

wonders me, or I get wondering. So I refer to him as Stevie Wonder. I also believe that I've learned a lot today about Gasoline Alley and photo radar, and I'm also impressed to know that some MLAs have learned about tailgating as a process of this exercise.

Mr. Chairman, I have a couple of quick questions for the minister of transportation. In reviewing the estimates on page 396, there seems to be a revenue of \$908 million, and I'm just wondering what this revenue is from. I'm also wondering how these revenues are being collected, for I'm sure that with this minister who, as I said, wonders me, there would be some means of spending those kinds of revenues. However, the other question that concerns me more is that I'm sure the losses I find being reported in the disposal of capital assets, something to the tune of about \$385 million in '94-95 and a forecast of about \$99 million in '95-96, are going to have a significant impact on the revenues. I would like the minister to explain and comment on these losses and how it's going to impact us.

Thank you very much.

MR. DAY: Just a couple questions. If the minister could get to me an update on the safety provisions and expansions and the access problems on Highway 2A between Red Deer and Blackfalds, if those are progressing along the guidelines and at the speed which the businesses concerned in the industrial park have requested. They were having some safety and some access issues there. So if we could just get a time line on the update on that particular project.

Also, looking at the estimates books, the ministry has indicated it'll save quite a bit of money from the outsourcing of primary highway maintenance, and for sure I'm supportive of that, as all of us are. The budget has in fact been reduced by approximately one-half million dollars – that's looking at element 2.2 – from \$77 million in '95-96 to \$75 million in '96-97. With that outsourcing of highway maintenance, why is the department estimating an expenditure of \$600,000 for maintenance facilities? That's in element 2.2.

That pretty well sums up my questions. If we could get a progress report on the one area related to Highway 2A, I'd appreciate that.

At that point I would move to adjourn debate on this particular section of the estimates of Transportation and Utilities.

THE CHAIRMAN: The hon. Government House Leader has moved that we adjourn debate at this time on the estimates of Transportation and Utilities. All in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Government House Leader.

MR. DAY: I move at this point that we report progress on the estimates of Transportation and Utilities when we rise.

[Motion carried]

### Municipal Affairs

THE CHAIRMAN: We'd ask the minister to commence. Hon. minister.

### 8:40

MR. THURBER: Thank you, Mr. Chairman and colleagues. I'll keep my remarks fairly brief here tonight, because we had a good discussion the other night. I really appreciated the questions. They were very good questions. I haven't sent back the written replies to those for one good reason. You'll have an opportunity to ask some more questions tonight, and when we have them fully put together and tabulated, I will get back to you, as I said before, with the written answers.

I want to just talk very briefly about Municipal Affairs to make sure that I've ingrained in everybody's mind the direction that we're going in this department. We've had large reductions over the period of the last two or three years in this department. We're still performing a lot of the services that we did before, although we have privatized some parts of the department. We've privatized the assessment department, for the most part, which I didn't talk about the other night. We used to do all the assessment, and as a department we now only do the linear assessment, which is pipelines, power lines, and things of that nature. It's working out rather well. The assessors were able to go out and start up their own private companies and contract directly with the municipalities and deliver services to those for a fee. It creates some competition in the field, and in my estimation it's working out rather well.

The other area that we did privatize was the registries. Again, I have to tell you that there's a certain number of registries in this province, and we're going to have to look at the viability of this operation that's out there. If there is a need and if there's public concern about the numbers of registries, we're going to have to deal with that in a very straightforward and fair manner as best we can.

We have talked before, Mr. Chairman, about the viability of the 380 municipalities that are in the province, and what we have done as a department in that area is that we've asked them to come forward with business plans so that they can do a little crystal ball gazing and look down the road and try and figure out where they're going to be in a few years. With the vast changes in the Western Grain Transportation Act, we're going to see many, many changes in the viability of small villages and towns in this province, particularly in the grain-growing areas. As some elevators move out, well, then of course there are assessment changes, and they have to look at whether they're viable or not.

Mr. Chairman, one other comment. We do have all of the low-cost housing and the seniors' housing in this department, and it is our opinion as a government that people are better off to own their own homes than they are to live in subsidized housing. So we're working towards that end to try and give people a leg up, and if it means that we have to further educate them to a certain extent, I'll work with my colleagues here to make sure that they're able to go to a better job or have a little better education. Social housing and subsidized housing should be a temporary thing for most people. There are some people that can't get out of that, but for the most part, in a compassionate way it'd be best to help them get out and own their own home.

With those remarks, I'll leave it open for questions. Thank you, Mr. Chairman.

THE CHAIRMAN: Okay. Before I ask the hon. Member for Bonnyville, I'd just remind members again that we are in committee, and we're going to continue under the practice of having only one member standing and talking at a time.

So we'd invite the hon. Member for Bonnyville.

MR. VASSEUR: Well, thank you, Mr. Chairman. I'm going to direct my comments to Agenda '96, mostly to the department goals instead of going into the details that are in the estimates. We did that the other evening. I do want to talk about the direction that the department is going in.

I just want to quote out of Agenda '96 here a few of the goals that the department set out for themselves. One of them is to ensure that

services and grants are targeted to those citizens, municipalities and organizations in greatest need.

Another one that I happen to agree with also is to

assist municipalities to investigate their financial viability, restructure or dissolve ineffective municipal governments, and create viable new municipal governments.

Now, I think that's going to give the department some considerable challenges in the future. We have to go back in history a bit on municipal affairs and really look at where we were some 40, 50 years ago, why we established municipal government and how it has changed in recent years or in the last 10, 15 years. Really nothing has been done or very little.

If we go back to the '50s, the municipal governments, especially the rural ones, were based around agricultural communities. In those communities there were very, very few opportunities to generate any revenue based on the assessment on agricultural land and any of the development or improvements, because all the improvements on agricultural land, even today, are not accessible items. So in those days there was a lot of assistance from the province for the municipalities to be able to operate, and rightly so. They had transportation grants and all kinds of programs. There were some big problems in the '50s about trying to realign the education departments with the municipalities. Nobody wanted it because it cost extra money. In 40 years really not much has changed. I mean, there were always requests to look at municipal government, but really nothing has changed that drastically.

Last year, or a couple of years ago, when they were starting to look at the IDs and saying that they were going to be municipalities, I said great, because it was about time. There was a considerable amount of assessment in some of those improvement districts. They had matured to the point that they should be municipalities and look after some of the responsibilities on their own. But I thought the department would do much like in health care and regionalize some of the areas or some of the school boards and really downsize or put some efficiencies in municipal governments. I know that the department has said in the past that we'll encourage the municipalities to do that, but really, if they could come to an understanding, to an agreement amongst themselves, they wouldn't phone the minister for any assistance. I think the department's going to have to take a leadership role and lead some of those issues to a level where it's going to be acceptable to all parties.

If I can just expand a little bit on what I mean by the shift in assessment, there are some of the municipalities right now – and I'll take the MD of Bonnyville because I'm familiar with that situation. We have a situation where over the years there was hardly any assessment in that municipality, hardly any at all other than farm assessment, to a total now of over 70 percent. Seventy-one percent of the assessment is industrial-based, or a linear-based assessment. Their mill rate is less than seven mills, compared to some of the small urban municipalities that are 9.5 or in that area and are struggling. They're on the map now as some of the poorest municipalities in the province. So it has to be addressed; it can't be left the way it is.

Another example is the town of Cold Lake, where the assessment is 91 percent residential, 9 percent commercial or industrial. It's just not enough for them to be viable anymore. It's not like 40 years ago when the assessment was based in the small urban municipalities because the economic activity was in those communities. It wasn't in the outlying areas, where the resources have developed into what they are today. The assessment in the MD of Bonnyville right now is almost \$1.3 billion. So you can just imagine the amount of revenue they can generate for municipal purposes, yet their cousins in the small towns can't make ends meet. I'm sure that's not the only example in the province.

So the department has to take a look at that, and they have to take a leadership role and make things happen. What's going to happen: these guys are going to throw some keys at you and they're going to say, "You're the manager." Besides, discussions have been going on for some 20 years between small urban and rural municipalities. The department has to come in and show some leadership.

Another goal in Agenda '96 that I want to address is: "Provide fair and equitable hearings on . . . inter-municipal disputes." I mean, this is a goal that's been put in here by the department, and I think they should live up to it, grab the bull by the horns on some of these issues, and get it done.

With those comments, I'll let my colleagues . . .

**8:50**

THE CHAIRMAN: Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Chairman. Just following up on my colleague who's been discussing the goals, particularly addressing local government services, I would certainly support the role that he is indicating through the local government services goals, and that is:

Provide efficient access to accurate, relevant, and timely advisory services and information to municipalities.

That certainly is imperative. As he was speaking, I was thinking of Lac La Biche right now, who indeed are looking at annexation and trying to get a handle on their future. It fits in very much with my colleague for Bonnyville.

The other area, Mr. Chairman, to the minister, is that I'm somewhat disappointed that you haven't wrestled down the whole question of M and E. I certainly acknowledge that you've dealt with the education component and acknowledged that it is a punitive form of taxation, but certainly all the indicators that I've had over the past number of years that the attempt was to resolve it through it being revenue neutral – we know that really hasn't happened. The minute you acknowledge something is punitive – I mean, I think it's a fair assumption that because there's a significant portion of taxation still coming to the province of Alberta into municipalities through the municipal portion of M and E, they'll be knocking at the door, if not sooner then later. It's going to happen. I would say to this government: you can't keep procrastinating and putting off addressing what is a fair way to actually tax these large industrial complexes or pipelines, whatever. It has to be addressed, and it shouldn't be done in a way that would seriously impact the future of our municipalities or small- or medium-sized businesses or residential. That's the danger when we keep delaying making timely decisions and coming up with resolutions. I'm not going to suggest it's going to be easy, but I would think that in 15 years we should have come up with some answers, Mr. Chairman.

You know, we've done assessments and analyses and comparisons to Ontario, to British Columbia, but there are no two

provinces that tax alike, so I really believe that we've got to have a home remedy. It's going to have to be a policy that's Alberta-made to ensure that by the turn of the century our municipalities are secure, that our future is secure, and that people know when they come to invest in the province of Alberta that this is our taxation system. So I would encourage this government, specifically Municipal Affairs in consultation with the Provincial Treasurer, to get a handle on where it is we're going in that whole area.

I'd like to just address consumer affairs. I certainly have not had a reply yet, and I just wanted to stress once more to the minister that I really want it clearly defined between housing programs and consumer services. The budget numbers are combined, and we don't know what portion of this amount was actually spent on consumer services. We need to know that. Certainly as the critic in that area I take it very seriously, based on Albertans coming to me and communicating their concerns that they don't believe that their rights are being protected presently in the province of Alberta.

For example, this morning the CRTC hearings on communication rates. Listening to the presentations that were made, you suddenly realized how the consumer is being impacted by the dramatic changes that are not only happening here but in the western world. When you look at communication systems, you realize the importance of a telephone to people's independence, particularly the elderly, how that telephone becomes an essential part of their independence and also an essential part of their health care system. So the whole area of consumer protection, I believe, is not at the level it should be demonstrated by this government. In a February 22, 1996, news release the minister stated that the department will show a surplus of \$91.5 million in '98-99 through the privatization of some consumer services. Now, what I would like to know is: what consumer services will be privatized? That's important to know.

He's also stated, Mr. Chairman, in the budget that the department will work to improve the enforcement of consumer protection legislation over the next three years. I want to know which legislation. Is it Bill 7 that's before the House at the present time? How will this be achieved, if it's not Bill 7, and what progress has been made to date? If there's something more than Bill 7, I certainly would like to know. If it's Bill 7, I would say it's woefully inadequate in the area of consumer protection.

The department's goals for the next three years are stated in the budget: "to encourage consumer awareness and self-reliance." I want to know how that will be achieved, because you can only have a well-educated consumer if indeed there's an education process out there, and the way you achieve that is certainly by having a bureau or an organization that you can go to get that information. The Consumers' Association of Alberta certainly does a credible job, but they're out there trying to raise funds so that they can share information and address concerns that Albertans are bringing to them. They don't have the resources. I think it's tragic that they don't have the resources to do a complete job. I think this is where government certainly has a role and a responsibility.

It would appear from my observations, being in this Legislature just under three years, that we have a very piecemeal way of ensuring that there's consumer protection there and recognizing those rights. I'd ask the minister why we don't have, like the private member's Bill that I'm going to be bringing forward, that's been tabled in this House, the Consumer Protection Act, a piece of legislation that is all-encompassing to ensure that people's

rights are protected, whether it be a time-share, whether it be negative billing, whether it be the unfortunate increase as we've seen in telephone bills, 43 percent, to the point that it even impacts on lifelines for people who are living independently in their home. These are some of the stories that were being related to CRTC.

The fact that our seniors in large numbers in lodges and in long-term care facilities cannot afford to have a telephone anymore and they've got to go and get permission to use the telephone – now, these people have their pride and their dignity. They don't want to have to go and beg to use a phone. They want to be able to pick up a phone and keep in contact with their family members. It's also a form of security, because if they feel fearful or if indeed they fall, you need that telephone to use your lifeline. I don't think that governments have thought this through. So when we deregulate – and I know it's a federal area that controls the telephone rates – we as a province have a responsibility when we see it impacting negatively on the most vulnerable of our society.

I would suggest, through the Chair to the Chairman, that by eliminating the department of consumer affairs and merging it with this department, I believe they're playing fast and loose by ignoring the rights and needs of Alberta consumers. I want to know where the commitment is to consumers. In this department's three-year spending forecast the only movement in consumer affairs seems to be the outsourcing of the consumer debt repayment program. Is this all you plan to spend? Is that all you're going to do for the consumer?

I'm getting time-out signs from my colleagues, so I will now take my seat, Mr. Chairman.

*9:00*

MR. WHITE: Ever so briefly, Mr. Chairman. I'd like the minister to respond to a great number of those that are in the business of registries. There is no five-year plan that tells them whether they're in or out of business. There is no plan that says there is a restriction on their competition. They would like to know in a firm, fixed policy the rules under which they operate their territory, if they do in fact have a territory. It would be ever so nice to know.

The second area of concern is the Alberta Municipal Financing Corporation. Some 300 millions of dollars are sitting in that fund, and this member and the members on this side of the House as well as a number of municipalities would like to know what is to occur with those funds when there are some 28 problem municipalities that have financial concerns that need to be addressed as soon as possible. If this money went to the rightful place, to the shareholders, and was distributed in a manner in which it had been previously, would these problem municipalities have their problems solved?

With that, Mr. Chairman, thank you kindly for your time.

THE CHAIRMAN: The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you very much, Mr. Chairman. I'll move quickly. I wanted to ask the minister what things he's going to look at to determine whether the land titles office will provide general registry searches. This continues to be a problem in terms of the general registry, and the minister indicated to me on February 6th that he would be looking to see whether this service will continue to be available through land titles. I'm anxious to find out what his position on that is now.

Moving on, Mr. Chairman, in Calgary Connection Housing had

done a report indicating that 3,612 men, women, and children between October 1 and December 31, 1995, were in a housing crisis or homeless. I want to know what specific plans the minister has to address that.

I wanted to ask the minister specifically what studies have been done in his department to look at an alternative to property taxation. I've had a powerful presentation made to me by the Inner City Coalition of groups that are looking to replace the current property tax system with one which is fair. Their concern is – and I think it's a legitimate one – that the current property tax system tends to be particularly prejudicial in inner-city areas. In older neighbourhoods it happens to be particularly prejudicial to seniors. So I'm interested in knowing specifically from the minister what studies have been done either by or on behalf of or under contract for his department looking at alternatives, and I'd like to know what steps this minister is prepared to take to look at alternatives to property taxation.

In that regard I'd just point out to the minister that in Calgary there's been a tax review commission headed by former Justice Herb Laycraft. They have said quite specifically both to this inner-city coalition and to other groups that they are looking at ways to modify the property tax system but they're not prepared to countenance alternatives to the property tax system. So I'm anxious, Mr. Chairman, to find out what has been done by this minister and his department in that particular respect.

I wanted to just come back to the housing crisis problem and point out to the minister that there was a meeting in Calgary at St. Mary's church hall which focused specifically on the situation of homelessness. Depending on what definition we use, we have anywhere from a hundred people living more or less permanently on the streets of Calgary to many hundreds who are in what we might describe as unstable housing situations. We've got significant overcrowding in emergency shelters. The Calgary Drop-In Centre operated up to 170 percent occupancy during the 1994-95 winter months. So I'm anxious to know what specific proposal this minister has to deal with those concerns.

It's been submitted by one local housing support agency in Calgary that there were about 1,200 absolutely homeless people in Calgary in 1994. That's an increase of 300 over the previous year. What's most troubling is that about 12 percent of these individuals are under the age of 16. Further, a 1994 Calgary Food Bank study found 34.2 percent of respondents had difficulty paying rent on three or more occasions in the previous year. We've got an increased number of utility cutoffs in the city of Calgary. For all those reasons, I think it's important that the province have a comprehensive plan to deal with that. Both I and the Member for Calgary-Bow – not Little Bow but Calgary-Bow – had a chance to attend a meeting that Connection Housing put on in city hall. They went through and they explained the statistics and the means by which they'd done their calculation. Quite apart from quibbling over the statistics and exactly how many people are genuinely homeless or partially homeless, we do have a problem, Mr. Chairman, and I'm anxious to know what sort of leadership this minister is prepared to provide on this critically important question.

Now, just hopping back to the business of land titles, I have a specific concern. My understanding is that the government has contracted with people to look at a title insurance system in this province. I'd like a specific assurance from this minister that we're not about to abandon the Torrens land registry system, which has made us an absolute leader in the world in terms of certainty of title and ease of search. I would be mightily con-

cerned if this minister had any intention or his government had any intention of looking at a title registry system. When I hear that there are people doing contract work on behalf of the provincial government looking into setting up that kind of a system, I'm exceedingly concerned.

Those are the specific questions I've got. There may be some others if I have time. Mr. Chairman, I attempted to raise some of these concerns last time. We ran out of time, and I think that's exactly the same situation we're in this evening. Thank you for your patience.

THE CHAIRMAN: The hon. Member for Calgary-East.

MR. AMERY: Thank you very much, Mr. Chairman, for allowing me the opportunity to ask the hon. minister a few questions. I will start by referring the minister to page 317, 5.0.1, the multimedia education services. I would like to ask the minister: what happened with the funding to Access network? Many of my constituents enjoyed the educational programs that Access offered over the years. I had so many calls from my constituents, and I'm sure my colleague the hon. Member for Calgary-Fish Creek had hundreds and hundreds of calls on the same issue. So I wonder if the minister could . . . [interjections] What is so funny?

AN HON. MEMBER: Moe, we privatized it two years ago. Where have you been?

MR. AMERY: Many, many people, Mr. Chairman, many of my constituents enjoyed in particular question period, and they're wondering as to what happened to the assistance that Access received.

MRS. FORSYTH: Point of order.

**9:10**

MR. AMERY: You have to be in your chair.

My next question, Mr. Chairman. I'd like to refer the minister to page 315, 3.1.2, program services.

MRS. FORSYTH: Sit down.

THE CHAIRMAN: Order. The hon. Member for Calgary-Fish Creek is rising on a point of order. Would you give us the citation?

**Point of Order  
Imputing Motives**

MRS. FORSYTH: Yes, Mr. Chairman. I'd like to call a point of order: 23(i), imputes false or – he's not speaking the truth.

THE CHAIRMAN: That's a broad allegation, hon. member. You have to be specific or else we won't hold a point of order.

Calgary-East.

**Debate Continued**

MR. AMERY: My next question, Mr. Chairman. I'd like to refer the minister to page 315, 3.1.2, program services. I wonder if the minister can tell the House as to why there is a decrease in dedicated revenue of \$783,000 from the 1995-96 forecast of \$1,611,000.

My third question, Mr. Chairman, is: why would it be neces-



sary to increase capital expenditure of division support to \$1 million from \$735,000?

I'd like to draw the minister's attention to page 314, 2.2.2, unconditional municipal grant. I wonder if the minister can tell us what will be the effect of decreasing the unconditional municipal grants from \$97.1 million to \$57.7 million. This is a reduction of almost \$40 million to the municipalities. I'm wondering as to how the municipalities will compensate for this loss and what programs will be affected.

Thank you, Mr. Chairman.

[Mr. Herard in the Chair]

THE ACTING CHAIRMAN: The hon. Member for Calgary-McCall.

MR. SHARIFF: Yeah, Mr. Chairman. I just want to first compliment the estimates submitted by the Minister of Municipal Affairs.

AN HON. MEMBER: Don't flatter him.

MR. SHARIFF: No? He deserves flattering certainly.

I have two questions for him though. I notice under departmental support services, which are reported on page 313, that 1.0.3 is not decreasing to the extent of the other departments. I'm just wondering: why would the minister not cut administrative costs to the extent that other departments are being cut?

My second question has to do with page 316, section 4.0.2. Therein I'm looking at the gross expenses for '95-96 and the projected expenses for '96-97. I notice that the registration area needs \$32.9 million gross expenses, which are about \$1.6 million more than the forecasted expenses for '95-96. I'm just wondering why there is so much discrepancy between the two years. I certainly would appreciate responses to those two queries.

Thank you very much.

THE ACTING CHAIRMAN: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Chairman. A couple of quick questions of the minister, if I might, and they're in regards to registries. I had met with a group of lobbyists from the insurance industry, and they had conveyed to me that in fact the minister was contemplating opening the number of registries in Alberta and also conveyed to me that in fact the rationale for opening that number of registry offices was to solve a problem, as he put it, in Sherwood Park and St. Albert.

Now, there is a concern if in fact we open the number of registries. Many businessmen in this province of Alberta who have risen to the challenge of Municipal Affairs and provided a quality service across the province under some specific terms and conditions and restraints are expressing concern. If the entire province is opened up to deal with two problems, one in Sherwood Park and one in St. Albert, it would seem that the entire province and all the registry owners would in fact be punished to some degree. As I say, the present owners in most cases have gone out to extend themselves financially to ensure that they have updated computer equipment, to ensure that they change their computer equipment to make sure they can produce the licences that are now changed and tamper proof. I would ask the minister if it is his intention to open up the number of registries within the province of Alberta.

Following up on that, I would ask a supplemental question. If there is a problem in Sherwood Park and St. Albert with the services there, has he considered other alternatives to resolving problems in those two cities as opposed to opening up the entire number of registries presently operating in the province of Alberta? It would be my suggestion that there is some innovation that can be applied in two specific centres to address two specific problems rather than cause everyone concern by opening up the entire amount.

So those would be my questions of the minister this evening, Mr. Chairman.

MR. DAY: I move to adjourn debate on the estimates of Municipal Affairs.

THE ACTING CHAIRMAN: The hon. Government House Leader has moved that we adjourn debate on the estimates of Municipal Affairs. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE ACTING CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE ACTING CHAIRMAN: Carried.

MR. DAY: Mr. Chairman, I move that when the committee rises and reports, we report on these estimates of Municipal Affairs.

[Motion carried]

### Labour

MR. DAY: Mr. Chairman, I was pleased to receive quite a number of questions on the deliberation of the estimates of the Department of Labour, and I have as exhaustively as possible replied to the questions raised by the members for Edmonton-Meadowlark and Edmonton-Gold Bar and Edmonton-Michael Henry and others. I'll look forward to any response to those replies. If they are deficient, we will look at digging into them a little more. I'll look forward, also, to any further information requests, suggestions, or criticisms.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you. I would like to thank the minister for once more providing the answers to some of the questions that we put forward. Unfortunately, as has been the case in the past, the answers come with only a few hours to be able to look at them, and therefore what I would like to do is reserve the ability, if I have any questions on those, to be able to forward those to the minister's office on behalf of my colleagues so that they have that opportunity as well and that we delve into some of the other issues.

As you are all aware, we only had about an hour and a half to discuss the estimates in the last go-around, and in reality what has also occurred is that the government members are finally getting to their feet and are starting to ask some questions as well.

It's quite easy to see that we are in a pre-election mode. When we look at some of the wording in the document Agenda '96, we suddenly see things that are coming forward like:

- Our primary strategy focuses on the provincial government's themes of Jobs and the Economy and on Supporting individuals and families to deal with change.

We look at another quite pretty phrase in terms of "other strategies that relate to the theme of Jobs and the Economy." So when you do a comparison between '95-96 and '96-97, you see in fact where this government is heading, and that's to an election as quickly as they can.

**9:20**

What is amazing, though, is that while these strategies are related to the "themes of Jobs and the Economy," in the same paragraph, when you look at page 265, we see words that include the elimination of those services. So there's quite a discrepancy, where on the one hand we're promoting jobs and on the other hand we're saying that we're going to be "eliminating services." I'd like to know how the minister manages to balance those two issues.

On page 265, as well, the minister waxes eloquently in the fact that the options that have been provided for the department have actually "created twice as many jobs in the private sector," if you can believe that, "as have been abolished in the department." Now, that begs the question: were the people that were in the department totally overworked? Were they doing the work of two when there should have been perhaps two? Or is there an increased need for bureaucracy with regards to the DAOs that are being created? I think that boast by the minister needs to be explained as to how he can be creating twice as many jobs in the private sector.

Another interesting point when you look at the '96-97 budget is that the minister has provided a buffer of \$2 million for salaries. When you look at last year's, it was only \$1 million that was needed for salary increases. Again we're looking at a pre-election year, and here goes the government once again handing out dollars. All of a sudden we need a \$2 million buffer, and this minister has the gall to stand up and say that the federal government should not be providing for salary increases for their employees.

For any of the teachers who are on the government's side, they might want to look at page 265 and ask the minister why "Strong Financial Management" needs to be capitalized. There's no reason for those words to be capitalized other than perhaps to bring the eye of the reader on to that, but that is poor grammar.

To get to the actual budget, what would be helpful in terms of looking at the budget is if we had a breakdown by program and by description. I'm glad the hon. Treasurer is here to hear this because I think it's really important. That's one of the features that was left out of the budget in this year.

Also I would appreciate, if the minister could provide it, the number of FTEs.

Also interesting to note in terms of a general overview is that the plans for '98 and '99 are extremely limited. There is less than half a page for '98 and '99. That, then, begs the question as well: are we going to be looking at new initiatives from the Minister of Labour – if, God forbid, we do have another Conservative government re-elected in this province – like right to work? And is that why it's not in here right now? The minister in the past has not been shy to engage in three-year business plans.

Some of the other issues that I would like to identify deal with employment standards and the privatization that's occurring within employment standards. Last year the minister indicated that there were savings of \$250,000 with regards to issuance, and primarily the savings were as a result of issuance of permits related to

schemes of employment and that it was reduced significantly through a modification of policy and procedures.

One of the questions that I have with regards to this is that it seems to be happening – yesterday, for instance, my office got two calls, one from a group of individuals in rural Alberta and another from one of my constituents, with regards to the lack of ability of employment standards to investigate complaints in a timely manner, to look at the appeal procedures in a timely manner, and to prosecute employers in a timely manner. What is especially strange is that when you look at the Minister of Family and Social Services, he has no compunction at all in terms of going after social welfare recipients who might be abusing the system, but if an employer is abusing the system, all of a sudden it's okay. We just want compliance. We will not fine, and we will not go after them. So that's one of the issues.

The other is in terms of the schemes of employment. What we're also starting to hear is that employers are taking advantage of employees with regards to overtime agreements. We've heard numerous horror stories in terms of individuals not having their overtime paid and again being taken advantage of.

I'm not sure if the government members have received a letter – each of our MLAs has – that's signed, just an everyday Alberta worker, that indicates some of the concerns and asked these questions: who will stand up and be the worker's advocate when employment standards are privatized, who will pay for these services generally utilized by the worker, when is this actually going to happen, and the fourth question, is this actually what the everyday worker wants?

Other questions are: do you want your business competitor, in-laws, neighbours, business associates, et cetera, to have full access to your employment records, related documents, bank accounts, et cetera? These are questions that are from just an everyday small business owner. The other question is: is this what business really wants? What's wrong with the system right now in terms of the way it's handled by neutral, unbiased government employees? Another letter is from a female worker who indicates that if the Alberta government employment standards are to be privatized, what does this mean to us working women? I think this shows that concern is mounting in the community with regards to the privatization of employment standards.

Now, on page 265 the minister also indicates that privatization will occur and that there are certain areas that consultation will occur within. Now, one of those areas was, again, employment standards, and the minister had indicated that there was a symposium. Well, the employment standards symposium that was held was a symposium that did not generate any regulations. Most of the recommendations generated involved administrative procedural changes, many of which were already implemented in '92-93. The question then is: who has the minister consulted with in regards to employment standards privatization, and who is the minister planning to consult with? He indicates that he is going to use client surveys. How will he manage to get client surveys to occur if the majority of the organizations that formerly were under government mandate are now privatized? How will the minister be able to ensure that the client surveys are done in an unbiased manner?

There are other questions. On page 271 the minister has indicated that "Educational program delivery in Employment Standards" is to be privatized. What other services in employment standards is the minister looking at being privatized? What are the fees right now for the education program delivery? Have

they gone up?

In addition, if the minister would help on this one. The FTEs in employment standards right now, I believe, are 40. Could the minister provide some historical background as to what they were in '94-95?

With regards to the DAOs – and this is an area that's near and dear to the minister's heart given the history of Bill 57 – the Safety Codes Council and the organizations are under DAOs. Last year the minister indicated: a delegated administration Act was introduced into the Legislature in the fall session; however, it was not passed; a public consultation process is currently under way with a goal of introducing amended legislation in the spring. I may have missed something, Mr. Minister, but I'm not sure that I saw a public consultation process on the delegated administration Act, nor am I sure that I saw any amended legislation in the spring session to deal with any DAOs. My question then is: what did the minister mean by that? Did he think there were certain things that he could not do without a DAO Act, without Bill 57? If he did, what were they? Has he now managed, as the former minister with regards to registries managed, to go around the situation and find a way to do what the public did not wish the minister and other ministers to do?

Also he indicated that there would be enough safeguards with regards to the DAOs, that there would be yearly audits, and that these would be tabled in the Legislative Assembly. I believe we have some DAOs that have been around for at least a year, and I would like to know when the yearly audit will be tabled in the Legislative Assembly.

9:30

In addition, on page 265 the minister has indicated that there are going to be

many other third option initiatives such as the development and utilization of accredited agencies [that] will be encouraged.

So obviously there is still privatization that's going to occur, and the minister has not been willing or able to identify what those areas are in which the privatization is going to occur.

Now, interestingly enough, when you look at the budget, what you see are some areas – in terms of the results I believe is the area – where it says that if the minister is not able to achieve his goals, there will be other contingency plans, that something else would happen. I think Albertans would like to know what that something else will be. Obviously the minister has a budget. Obviously he has made some decisions as to what is no longer required within the Department of Labour, and obviously he's not including these in the plans. So I think it would be well within the public's interest to know – and actually it's in the supplementary information, Alberta Labour business plan – what exactly is meant by statements such as: "If necessary, any slippage in reduction targets will be made up through increased reductions elsewhere in the department." If the minister can tell us where his fat is in the department that he can, in actual fact, find reductions elsewhere, it would be much appreciated.

There are some figures again that don't seem to make a whole lot of sense. On I believe it's page 19, again of the supplementary information, there's a performance measure that talks about the number of new partnerships, including DAOs, which are established. Then there's a benchmark figure. Then when you look at the results, the results so outstrip the benchmarks that there's something definitely out of kilter here. Either the sights of the department were aimed too low or in actual fact the needs are far outstripping what the benchmarks are. When you look at the fact that the benchmark is a hundred accreditations and in

actual fact in less than a year 428 accreditations were given out, when you look at the fact that there were 600 certifications under the Safety Codes Act and within less than a year there were 1,341 certifications or partnerships granted, and when you look at the number of auditors that are four times the amount what they should be, something is definitely out of whack. The question then is: are the accreditations actually being done in a way that the public safety is ensured? Because that is one of the key concerns with regards to setting up the DAOs under these areas.

The other issue was with regard to the incentive plan the department has proposed. In last year's business plan there were 40 proposals being considered. The words I believe were: to date over 40 proposals have been considered. In this year's plan we're looking at: to date over 50 proposals have been considered. The question then is: were there 90 proposals put forward, or are there only 10 from last year to this year? Well, actually, whichever number it is, if we could get an update as to what those proposals were, how much they saved the government, and how much they cost in terms of incentive plans, that would also be helpful.

Again, on page 4 of the supplementary information, when you're looking at "continuation of innovative management and personnel practices," there are indications that there are departmental or specific business plans for major functions: employment standards, occupational health and safety, safety services, Alberta Fire Training School. Again, it would be helpful if the opposition had the updated business plans for those areas.

Now, when we look at health care, which is a key concern – and I did ask the Minister of Health with regard to this information last night, and I was rather surprised at her answer. Alas, I don't have the *Hansard* in front of me, but it seemed that the Minister of Health was not quite sure what proactive plans were in effect to deal with the upcoming labour negotiations with the health care unions. I think the government has been put on notice that these negotiations will not be easy, that in fact the negotiations will probably engender a lot of discussion and that there needs to be something perhaps in the area of either mutual gains bargaining or something proactive with regard to this area.

Now, when I looked at last year's plan, there was something that dealt with the environmental issues. In this year's plan, when I tried to find what the environmental issues were that Labour was looking at in order to decide what they were going to do, all I found were words like elimination, rationalization, transfer, cost of service, alternate service delivery, et cetera. Oh, and self-reliance. Albertans are going to have to become self-reliant because they won't be able to go to employment standards or anywhere else anymore to look at their concerns.

There appears to be no proactive measure in this budget, in the business plans, or the supplementary business plans, other than I think one line, that looks at what the Department of Labour can do to ensure that things such as the health care negotiations that are upcoming are going to be dealt with appropriately.

[Mr. Tannas in the Chair]

Again, all I need to look at is the government's human resource policy and the different severance packages that are being given in each department of government. Though that is under PAO, I would have hoped the Department of Labour would have been able to provide advice to the PAO to say that the severance packages given to employees should be the same across the board, that there should not be room for favouritism, that the decision-making should not be left within each department by either the

minister or the deputy minister, that length of service should indeed be considered so that I don't get phone calls from individuals who say: "I have 25 or plus years of service with the government. I am close to retirement, and I'm being told to leave." [Ms Leibovici's speaking time expired] I'm just getting warmed up. [interjections]

### Chairman's Ruling Speaking Order

THE CHAIRMAN: Thank you hon. member. I guess perhaps the hon. Member for Edmonton-Meadowlark did not hear us when we spoke earlier about the agreement between House leaders that the minister would speak, then 20 minutes would be given over to one side to share as they saw fit, and then it would go to the other side. In any event, we'll call on Grande Prairie-Wapiti.

MS LEIBOVICI: If I may, I think that given . . .

THE CHAIRMAN: Do you have a point of order? A point of clarification?

### Point of Order Clarification

MS LEIBOVICI: Yes, I do have a point of clarification. Given the fact that Labour was indeed shortchanged in the initial round, I would like at least five minutes to conclude what some of my other points were with regards to Labour.

THE CHAIRMAN: We have right now Grande Prairie-Wapiti. Hon. member, at the beginning of the committee the rules for tonight's discussions were outlined. I indicated that perhaps you didn't hear them. There was an agreement between the leaders. The Chair then outlined for everybody what the Chair understood was the agreement and received the concurrence of the committee. If we are to make some other arrangement, then the committee will have to agree to that. All I was trying to indicate to the hon. member is what had proceeded earlier.

The hon. Member for Grande Prairie-Wapiti.

9:40

### Debate Continued

MR. JACQUES: Thank you, Mr. Chairman. I'd like to extend my congratulations to the minister for a business plan that has continued to reflect innovation and sticking to the agenda. However, having said that, I would like the minister's comments relating to page 264 when he speaks of the following strategies, and more distinctly, the focus of the Labour department is not to use the first two strategies, which involve "eliminating services or privatization" but rather the third option which is primarily concerned, as noted in here, with "reducing resource requirements," "maintaining current levels of service," and "at the same time creating employment opportunities outside of government." It goes on to talk about the privatization issues which are on more of a minor scale in comparison to the third option. It also indicates the third optional form, if you like, the strategy through 1999. I would like the minister to comment on the selection of that strategy and why there can't be more done in the area of privatization or in the elimination of services.

More specifically, Mr. Minister, I'd like to address page 268 in Agenda '96. At the bottom of the page under performance measures it talks about "Person days lost as a result of labour disputes and work stoppages" and "Reduction in workplace lost time days as a result of injuries or deaths." Then in here it states

the benchmark of zero and shows some numbers relative to 1994 and to August of 1995 and in one, lost time days, for all of '95. They express these as a fraction of 10,000 person-days worked in the case of labour stoppages or lost time as per million days worked. I was wondering if you could expand on those two issues to the extent of advising what those days were in terms of the total so that there's some relationship in actual. More importantly is how do these days stack up in terms of other jurisdictions? In other words, if we're at 0.95, for example, in Alberta, is B.C. at 0.9 or 0.97? Where do we relate to some of the other provinces, particularly B.C. and Ontario? They would probably be two that I would be interested in a comparison to. The same question as it applies to the lost time accidents for both '94 and '95: again, how do we compare to some of these other jurisdictions?

Finally, in terms of the labour disputes and work stoppages, could you identify in that period of time which unions appeared to be involved in more labour disputes than others? In other words, where are the focal points in terms of the work stoppages that are indeed being accounted for here in terms of the particular unions?

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Chairman. I'd just like to take a few minutes to put some clarification to the Minister of Labour on the estimates that have been before us. I know some of the downsizing that has gone on in the private sector and some of the statistics we've had on the failures of businesses, et cetera, do cause some alarm, so I just want to challenge him to provide information on the number of prosecution orders for negligent businesses. Has this gone up or down over the last two years? Similarly, when we see some difficulties in this area, the minister has a responsibility to look at appropriate enforcement of labour standards, and we're not necessarily convinced that there's going to be an ability within the department to handle that. So my question to the minister: how does he propose to contract out investigations related to employment standards? Perhaps he could elaborate on that process as well.

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Edmonton-Meadowlark. Oops; sorry, hon. member. Our agreement is back and forth, 20 minutes back and forth for the remaining time, and if there isn't anyone, then you can get up or any of your colleagues can. Sorry, hon. member.

Edmonton-Beverly-Belmont.

MR. YANKOWSKY: Thank you, Mr. Chairman. It's indeed a pleasure to rise in this Committee of Supply regarding the Department of Labour. This is indeed a very important department. The thousands of Alberta workers look for fair treatment, not only workers but also employers, especially when it comes to the Workers' Compensation Board.

I'm not going to take too much more time. I do have a couple of questions. The first one deals with certificates of recognition. Mr. Chairman, I would like to know what kind of follow-up is being done on businesses after they receive their certificates of recognition in the partnership program. Secondly, I would like to know if poor performance can result in businesses losing those certificates of recognition.

THE CHAIRMAN: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Chairman. First of all, I want to congratulate the Minister of Labour and his staff for the tremendous job they've done in the restructuring exercise that we've been going through in this province over the past number of years.

In terms of the estimates I'd like to concentrate more on the ministry's business plan. First of all, I want to deal with the key performance measures. In looking at these measures, at number 8, I want to compliment the minister on the fact that in practically every case as I look through these, he is forcing his department and his staff to deal with what I'd call hard numbers or those sorts of activities that are quantitative in nature. The only one that concerns me to some extent is the soft one, which is "attaining a high degree of client satisfaction with departmental services."

I realize that it is a bona fide activity to attempt to measure the impact that you're having on clients by way of satisfaction. But I'm always nervous with these types of surveys, if that's the proper term, or I guess with the study itself in the sense of how, then, do we get to rate what the degree of satisfaction was? I suspect there is a halo effect that takes place in many cases, that recent successes then lead to, of course, continued success in terms of client satisfaction. I also think, though, that's it's interesting how the questions are made up, because sometimes just the question itself is going to determine a more positive determination than might otherwise be expected. Perhaps I'm quibbling a bit. As I say, it is only one out of eight, and it would seem to me that in the other seven we certainly would have some hard data with which to be able to rate.

On page 300, under major strategies, again I want to encourage the minister, not only through this year but on through the rest of now a rolling three-year business plan, to continue to consider this third option. Especially I like the idea of the establishment of partnerships with the private sector, because as we continue to go on further through this exercise, the opportunities for outright privatization I think become somewhat lessened. When we started two or three years ago, basically there were all kinds of activities that we could look at privatizing, but the minister has done such a tremendous job in picking them off one by one that now there's not quite so fertile a ground there.

9:50

I absolutely agree with the privatization of mediation services. As I'm reading this now, I'm still understanding that it perhaps doesn't mean conciliation. If it does, I need to be corrected on that. But in terms of mediation services, it never really made much sense to me – and this is based on about 25 years of being involved in the activity of labour relations – why it was that when a professional party, such as a union, and a professional management team, such as were representing the employers, got into particular difficulties, it was the taxpayer of Alberta that had to pick up the bill to attempt to reconcile these two parties.

It would seem to me that if we were to examine the financial books of many of the large international unions, many of the large public service unions, many of them probably have budgets larger, in fact, than the provincial government of Alberta. So for these huge organizations to be continuing to live off the backs of the taxpayers was nonsensical to me.

The Occupational Health and Safety Council. I have a fondness for that organization, Mr. Chairman, having been a member of the Occupational Health and Safety Council for a number of years; I believe it was six or seven. Again, through the develop-

ment of some of the volunteer practices that now have been put into place for employers and workers to work together on-site to develop the safety standards and practices they will use, I understand how there was a decreasing need for an Occupational Health and Safety Council. In fact, we're getting into a situation of where perhaps the needs of the Act itself might possibly be looked at.

I think there is one exception to that. While the Member for Edmonton-Meadowlark erroneously brought an item to the floor through question period, I think she was hitting on an important feature, and that is that under the Occupational Health and Safety Act there is what I would call some whistle-blower protection. Certainly we've discussed whistle-blower protection before in this particular House, and I'm satisfied that there is, you know, some requirement for this type of watchdog operation that needs to exist.

In fact, I recall an occasion when I was sitting on the Occupational Health and Safety Council where I was named to an appeal panel. It was really that sort of a situation that we were looking at. As I recall the situation, it was an oil field in southern Alberta. A person had reported what he felt was an unsafe condition, had later on refused, as I recall, to enter a tank because of what he felt was the unsafe condition, and had been fired. So under the terms of the Act he was able to bring forward an allegation at least that he had been dismissed without just cause. In fact, the reason for his dismissal was the reporting of a safety problem. I know that my memory isn't particularly good; others here have memories much better than I. I do work from the principle, though, that if you always tell the truth, you don't have to remember a thing. So I wear my lack of memory as my mantle.

Trying to relate the situation, then, my recollection is that with a fair amount of justification and satisfaction we were able to see that person reinstated on the job. While I don't have many liberal feelings at all that course throughout my body, it was certainly an opportunity at that particular time to feel somewhat good, I guess, about the situation as we had it apply.

I do have some further questions, but perhaps given the hour, I wonder if I might call for the adjournment of the debate on these estimates.

THE CHAIRMAN: The hon. Member for Lethbridge-West has moved that we adjourn debate at this time. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

MS LEIBOVICI: You can't adjourn if I'm standing; I'm sorry.

THE CHAIRMAN: That's an interesting rule, hon. member, but no, that's not so. The hon. Member for Lethbridge-West has the floor. It's a votable issue, and the issue has gone through. We now have adjourned debate.

MR. DAY: Mr. Chairman, I move that these estimates of the Department of Labour be reported when the committee rises and reports.

[Motion carried]

MR. DAY: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[The Deputy Speaker in the Chair]

THE DEPUTY SPEAKER: I call the Assembly to order.

The hon. Member for Calgary-Fish Creek.

MRS. FORSYTH: Yes, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of the Department of Transportation and Utilities, the Department of Municipal Affairs, and the Department of Labour, reports progress thereon, and requests leave to sit again.

**10:00**

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

SOME HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: So ordered.

[At 10:01 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]