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8:02 p.m.

[Mr. Tannas in the Chair]

Subcom.C: Municipal Affairs

Subcommittee C – Municipal Affairs

Tannas, Don, Chairman

Fischer, Mr. Robert, Deputy Chairman

Clegg, Glen

Evans, Hon. Iris

Gibbons, Mr. Ed

Klapstein, Mr. Albert

Leibovici, Karen

Marz, Richard

McFarland, Mr. Barry

Nicol, Dr. Ken

Pannu, Dr. Raj

Paszowski, Hon. Walter J.

Shariff, Shiraz

Soetaert, Mrs. Colleen

Stelmach, Hon. Ed

Stevens, Ron

Strang, Ivan

Thurber, Mr. Tom G.

Trynchy, Peter

Woloshyn, Hon. Stan

THE CHAIRMAN: We'll now call subcommittee C to order. Tonight, first of all, we have for our consideration the main estimates of the Department of Municipal Affairs. I would now like to call upon the hon. Minister of Municipal Affairs to begin this evening's discussion on her estimates.

The hon. Minister.

MS EVANS: Thank you, Mr. Chairman. At the beginning may I introduce the members of Municipal Affairs staff and my executive assistant, who have been so willing to prepare these budget statements, who have worked so diligently to orient their minister in a very short period of time, and who have been a team that's truly extraordinary, because they have taken a lot of raw material and a lot of questions from me and tried to help me make sense and understand.

First of all, if they would all stand, John McGowan, deputy minister; Ray Reshke, assistant deputy minister of finance and administration; Bob Leitch, assistant deputy minister, housing and consumer affairs; Harold Williams, acting assistant deputy minister of local government services; Bill Campion, acting assistant deputy minister of registries; Bruce Perry, executive director of finance; Joe Wong, who's the manager of budgets in administration and registries; also Jodi Korchinski from communications in the department; and last but not least my executive assistant, Joan Geddes, who many of you have met and who has joined me here as part of the team. Would you please join me in thanking that group.

Mr. Chairman, I'd also like to take this opportunity to thank our Premier for the privilege of being appointed to this ministry and to recognize and ask my colleagues to recognize the great work and the tremendous relationships that were built by the previous minister, Mr. Tom Thurber. Tom, thank you.

Mr. Chairman, I'm pleased to present the '97-98 estimates for Alberta Municipal Affairs and to tell you about the exciting direction we're taking in the ministry. This is a ministry that is serious about the two Rs of renewal and relationships. We're concentrating on carving out a new path for our ministry, one that renews our focus on services to the people of this province and one that builds on the relationships that we've had with the municipalities and other groups we do business with.

Municipal Affairs in Alberta first started in 1912, and as such we are one of the oldest departments, and we have seen many changes, not the least of which have been in the government business plan in the last few years.

First of all, our focus will be customer driven and consumer driven, giving Albertans the services and products that they want that are under the umbrella of our mission: being service oriented, giving Albertans what they want in a way that makes sense to them; being accessible, reversing the mythology that in order to

get information out of government or provide information to government, one has to get caught up in miles of red tape; being future focused, anticipating Albertans' needs and meeting them through the use of technology; and being agile enough to adapt and change to meet the challenges of the future.

I would like to share with you, my colleagues, that one of the gentlemen not here this evening, Mr. David Bass, in the direction of that department is pursuing technology in a way that I believe will truly make a marked difference to all those information systems we provide, whether it's on assessment, on our support for seniors' housing, on registries. I am certain, too, that effective government is responsive government, so meaningful change will be a hallmark of this ministry.

Last but not least: being accountable. This is a ministry which is serious about efficiency. In an effort to generate revenue rather than deplete it, we have a vision to be self-sufficient, a ministry whose revenues meet or exceed its expenditures. Today's information and projections convey that we're working hard on these five fronts.

First of all, consumer driven. In the spirit of being consumer driven, I am pleased to tell you that we will continue with the municipal debenture interest rebate program. This is an example of how we work with a key stakeholder to meet their needs at a time of high interest rates. There are municipalities in Alberta that through this program have benefited by better cash flow and better management of their finances as a result.

The funding allocation related to the municipal debenture interest rebate program has been reduced to \$2.6 million, for a total of \$17.9 million now that the interest rates have fallen. This reduction is the result of municipalities making prepayments on capital debentures issued by the Alberta Municipal Financing Corporation and Alberta Treasury, thereby reducing the provincial subsidy payments for the ministry. Some municipalities have chosen to make these prepayments to reduce or pay off their debentures to lessen their interest expenses.

Again, in order to meet the needs of the municipalities, I'm pleased to tell you that the unconditional municipal grant program has been maintained at the 1996-97 level of \$57.7 million. We have again budgeted \$20 million for smaller municipalities with populations under 10,000, who are eligible to receive 39 percent of their '92-93 municipal assistance grant. However, you should realize that in '97-98 the business plan will also be the last year these municipalities will receive this form of funding. That is not to say that in future there won't be other creative ideas already emanating from some of the association work to find ways to help those that are most in need. This program change was announced three years ago, and since then we've been encouraging municipalities to adjust their organizational and administrative practices to achieve balanced economies.

To my colleagues, bear in mind that this department's mission statement focuses on facilitating local governance. It does not predispose anything on local governance; it facilitates it. So we support the action they're taking, and we encourage and counsel

them through their processes. Municipalities may need to look at ideas such as sharing services even further with neighbouring municipalities to reduce costs. There are huge examples of contracted services between municipalities, huge examples in the Edmonton region of the sharing of services, everything from emergency services to the assessment services. Municipalities that want to review options to their current structure can contact our staff who are available to work with them to determine appropriate courses of action.

The municipalities are a key customer, and their needs drive our work. We've allocated \$5 million to assist in this year, '97-98, in restructuring for municipalities. You will acknowledge and no doubt remember the Cold Lake restructuring and the municipalities there that amalgamated, formed a relationship, and have received dollars; prior to that, the formation of the specialized municipality of Wood Buffalo.

We have a service orientation. This is, as I've said, a ministry that is keen to have a service-oriented approach to our work. In addressing Albertans' needs for social housing, we're taking a close look at how we can best offer assistance through the Alberta Social Housing Corporation. There is a \$21.1 million reduction in the grant to the Alberta Social Housing Corporation. This projection is partly due to lower debt-servicing costs achieved through continuing to dispose of non social housing assets. Other reasons for the reduced projection include lower interest rates and administrative savings achieved through a restructuring of the management function. Putting the dollars on the front line, where they are most needed, will be another hallmark of this ministry.

Social housing will continue to be targeted to Albertans in greatest need. Negotiations with Canada Mortgage and Housing Corporation to streamline administration and reduce delivery costs will continue. I want to underscore that we're eager to ensure that the dollars spent in this area are spent on the right things. What could be more important than families who need comfortable, affordable housing? Doing the right things right is and will continue to be a priority for this ministry.

Taxpayers' money will be saved in a portfolio rationalization exercise which identifies properties used in the social housing program that are inefficient, inappropriate, or no longer needed. These properties will be sold and moneys transferred into more cost-effective and appropriate housing. I'm also happy to inform you that per diem grants on senior citizens' lodges have been modified so that funding is based primarily on the number of occupied beds they operate rather than according to the size of their deficit. This program serves as an incentive for management to minimize vacancies and operate more efficiently. More importantly, this means that Alberta seniors have a greater chance of finding a place in the setting that meets their needs.

8:12

No doubt some of you are aware of the fact that people are talking now about a point system for lodges, and I'm pleased to state that we are having meetings with the people from ASCHA to talk about how that could differ in varying parts of the province to take needs into account in their disparate ways from the north to the south and east and west.

When we took the bold step in 1994 of going to private registries, our focus was on efficiency and service to Albertans. They've told us in numerous ways that the 90s are too busy for bureaucratic lineups and that one-stop shopping is a convenience that most people want. The 1997-98 estimates for registries have increased by \$415,000, or 1.1 percent, from the previous year. This increase is owing to onetime implementation costs of \$2.1 million, which are partially offset by administrative cost savings.

I'm very pleased to report that while maintaining high service level standards, registries has increased its gross revenue by \$21 million in '96-97, an improvement of 9.3 percent. This increase is directly related to Alberta's improved economic climate. Business activity increased by 686,000 services, or 6.1 percent, over the same period. I'd like to suggest that by removing the impediments to doing business, we have in a small way contributed to that boost in business activity, giving businesspeople throughout Alberta greater opportunities.

The operating expenditures for this division total \$38.6 million, which is \$15.8 million, or 30 percent, less than 1992-93, and we are looking towards decreasing them further, targeting a further reduction to \$32.6 million by '98-99, a decrease of 38 percent when compared to '92-93. Once again, we're concentrating on moving towards self-sufficiency by giving people what they want.

Accessible. As I said at the outset, being accessible to Albertans is a priority. A remote government knotted up with bureaucracy soon becomes an unpopular government. Municipal Affairs is working to become an example of government accessibility, and we believe it is our responsibility to model those proper and prudent and professional practices at the provincial level so that the local people can learn from our illustration and example.

Our Internet access for Albertans represents a 24-hour information exchange, and in the spirit of being a cutting-edge ministry, we are eager to expand the services that are available through the use of this technology. We know that the potential exists with this technology for us to enhance the speed, accuracy, and effectiveness of our service delivery while at the same time creating an electronic forum for dialogue with Albertans. We are aware that not all Albertans have access to this technology, so we are exploring partnerships with public libraries so that we may use this device as democratically as possible.

Accessibility also means willing to deal with the issues of the moment. I'd like to think that the prompt action that we took to initiate the audit of CKUA showed Albertans that rather than wiping our hands and discarding an important issue, we were in fact accessible, responsive, and prompt. Every Albertan who wrote to me on this issue has or will have a personally signed response from me describing the prompt actions that this ministry took. I'm sure you would understand the efforts that have been made by our staff to ensure that we have been able to follow through with this commitment.

Future focused. As you can tell, this is a ministry with an eye towards the future, and we are constantly looking up over the horizon to determine how we can anticipate needs and plan to meet them. I'm excited to announce that tomorrow the responsibility for the delivery of the consumer debt repayment program will be transferred to a private not-for-profit foundation called Credit Counselling Services of Alberta Ltd. The board of this foundation will be represented by the credit industry, educational institutions, financial institutions, the general public, and the government. I can share with you from my time as a board member at Grant MacEwan College that both the staff and the students are excited to be a part of this new, innovative way of administering this type of service. This board will actively work to improve the existing program by expanding its availability and enhancing public awareness to ensure an effective, accessible, and economical debt repayment program for Albertans.

This ministry has exceeded the fiscal goals of its previous business plans, and while the focus has concentrated on streamlining procedures and reducing our expenditures, various new legislative initiatives are being undertaken, such as amending the Local Authorities Election Act to allow for a permanent voters list, to accept nominations at more than one location, and to make

technical and administrative changes to improve efficiency.

The registries statute amendment Act will accommodate the re-engineering of the vital statistics and corporate registries as well as facilitating streamlining of administrative and procedural requirements. The Municipal Affairs statute amendment Act will provide for the transfer of the debt repayment program to the nonprofit foundation that I have just mentioned.

Other operational changes include continued work towards a more equitable property tax system through assessment audits and current market value assessments, continued work on the sale of surplus social housing and the inventory there and also non social housing assets, completing the transfer of consumer debt repayment, and co-ordinating the transition to a uniform education tax system for Alberta. Investment and other systems related to consumer information and apartment rental vacancy surveys will assist in providing much-needed information for our department and for Albertans.

To ensure future focus, Alberta registries is continuing to reinvest in a major redevelopment of the corporate registration and vital statistics systems. Use of leading-edge technology combined with positive partnerships with the public sector will improve customer access to this information. In an effort to focus on giving Albertans what they want, we'll continue to introduce new products for the public as a result of the systems' redevelopment and registration service transfers from other departments.

Our future looks straightforward, seamless, sensible, and last but not least, accountable. This is a ministry that is highly fiscally accountable. We are estimating that the ministry's total gross operating expense in '97-98 will be \$277.7 million. I'm happy to report that this is a reduction of \$56.3 million, or 16.9 percent, in a two-year period. It is also \$27.1 million, or 8.9 percent, less than the previous year. This reduction in our budget this year calls for the reduction of 38 full-time equivalent employees. This 4.7 percent reduction from last year is being accomplished through the continuation of downsizing activities and administrative efficiencies, and we have a very well-developed plan for those employees, both for attrition reductions and also looking, where possible, for other best-fit places for those folks as they relocate.

There are other various efficiencies and savings to be achieved through the ministry. However, I'd like to focus briefly on some of the major changes in these estimates.

Reduction in the grants in place of taxes program. Funding for this will reduce to \$43.6 million this year. The decline of \$3.3 million is the result of reducing the number of Crown-owned properties as well as the ongoing review of the assessment given to all Crown-owned properties by the municipalities involved. There are huge inventories of properties in Alberta that in effect may be the tag ends of some of the planning, and when you rate those reductions and put those dollars in the hands of the people that really need the services, then you are doing the right thing, I believe.

Last but not least, we will keep Albertans as a top priority. I thank you.

8:22

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

MR. GIBBONS: Thank you, Mr. Chairman. Hon. minister, your mission statement says:

Municipal Affairs enables local decision-makers and individuals to provide good local government, basic shelter for those most in need, and a fair marketplace.

I want the government to deliver the core services and programs

in exchange for tax dollars, and I believe everybody in Alberta would like that. I understand some of the core items by what you were actually saying: consumer driven, service oriented, accessibility, and so on. But it comes right down to the taxpayers wanting this government to be accountable for everything there. So we trust that the government will manage the core programs on our behalf.

I'm just going to lead into some of the items that I think are very important and some of the questions. I'm going to go very slow, different than the other night when I was in front of ag. As I ask these questions, if you can't answer them tonight, you can return that, especially if we have lots of time before it's voted on.

Sharing services between municipalities, especially in the Edmonton region, where you've got 13 municipalities versus just Calgary by themselves – the Edmonton region is one of the major, in some cases, obstacles to sharing services. I think that the government can really do a good job in making items flow better. Better clarification in the MG Act would help the communities at large. I was at a meeting on trailer courts for a short while the other night. On some of those things, if personnel from your department is available to go out to some of these locations, I will tell you where, as I'm getting calls on those. They are major. The clarification that you have in that 1995 Act is so vast that nobody, except for your department heads and so on, can actually go through it and try to explain it.

Going into your business plan, you have seven goals outlined in the business plan, and they're found on page 302 of the government estimates document and page 224 of the postelection update. Goal 1 is ensuring that "the department's programs, legislation and policies are adequate and fair." From what I've been reading and trying to comprehend, there's no measure for the department to know if this goal has been achieved, from what I can understand. What performance measure does the department use that shows that policies, legislation are adequate and fair? That's the number one question. The first key performance measure focuses only on the government restructuring. Why are there no other performance measures on this one? This could be answered quite easily. Help me out on some of these items. That's under goal 1.

Goal 2 is "to change the role of the department from service deliverer to that of facilitator." I believe, like you say, it's been going on for the last two years. This goal has for the most part already been achieved; for example, municipal planning, private registries, et cetera. This was a goal that existed in last year's budget. Since this is still a goal of the department, what services can Albertans expect the department to stop delivering and start merely facilitating?

Goal 3 is "to maintain high quality and increase accessibility of registry and information services, at the lowest possible cost to the government and the public." This is more of a wish than a goal, from what I understand. It could be answered, and some of the items in your delivery did answer some of the questions I've got on this.

Goal 4 is "to involve the private sector and other agencies in the delivery of services and in the administration and enforcement of legislation." To what extent will the private sector be involved in enforcing this legislation? Are you pulling people in? Are you picking committees from all different municipalities of Alberta? Is your department going into those areas? To what extent are they involved now? You quite possibly have all those people in place. When does the minister anticipate that this goal will be achieved, since it is the second year in a row that the department has attempted to achieve this goal? Is there such a thing as too little or too much involvement by the private sector? Are the key

performance measures being used to achieve this goal?

Goal 5 is "to strive for more efficient administration and improved productivity within the department and in dealing with other levels of government." Is it not a goal to strive to be more efficient? Surely the department has already achieved the so-called goal of striving to be more efficient. I mean, has it not got there? How can I relate to goal 5? After three years of cuts in the department, should an efficient administration be in place by now? What performance measure is there for this goal? That's coming down to: how are you measuring this? How do they know if and when they achieve this goal? Do they know when they've achieved it? Is it all in place?

Goal 6 is "to encourage consumer awareness and self-reliance, and foster a fair marketplace." This is not a goal but rather a method of achieving a goal. Consumer awareness and self-reliance are extremely vague. How does the minister determine whether or not this goal has been achieved, and there again, what is the performance measured by? Why won't the minister use the measurement of the total number of consumer complaints that the government received in a year? How will the minister encourage consumer awareness and self-reliance? Can the minister define what a fair marketplace is?

Goal 7 is "to provide municipalities and housing management bodies with greater administrative flexibility." This goal is supposedly a measure of the costs of the social housing. How is it possible that this is still a goal when the explanation for the performance measure on page 304 related to this goal clearly suggests that the goal has been achieved? Now, reading through page 304, it's indicating to me that you've achieved it. So where are we going with this?

Under performance measure 4 on page 304 of the government estimates document there's a quote:

Local management bodies have been provided with the necessary flexibility to operate more efficiently which has contributed to lowering the cost.

Now, one of the main items that has really touched myself from my background of being president of the Federation of Community Leagues and quite involved with community programs – and I know we can sit here at this level and blame it on the federal level, the city can blame it on the provincial level, and then the people living within the city can blame it on who?

Support for municipality programs. The overall estimate expenditure for this program is stated to decrease from \$136 million to \$130.34 million. It should also be noted that the department is forecasting an underexpenditure for this program for '96-97 of \$11 million.

The unconditional municipal grant, line 2.2.2 in the budget, has remained the same, the last year, the final year of cutting back on these grants. In '92-93 the grant totaled \$210 million. It now stands at \$57.7 million. Now, I know a lot of things have happened over the last few years, but downloading is felt right down to the point of myself sitting on the PRCA board in the city of Edmonton and giving out grants to multicultural, the sports federation, and all those different areas and down to the community leagues. The downloading to municipalities is still being felt just tremendously. Bingos are down, casinos are fought for, the schools are going after the casinos, and the casinos are getting split. It's getting to a point now that instead of accessing a casino in Edmonton every 15 to 18 months like it was two or three years ago, now you're every 27 months. This is a point that is scaring everybody.

8:32

In my involvement with 141 communities or my involvement

being the head of minor hockey in Edmonton, whenever somebody else got fragmented in our system and went out and went after that casino, somebody else up above didn't want that other organization to get going because they were going to be moved down another so many months. It's an item where we have to respect the volunteer and respect the volunteer for coming in and helping out. Myself, I got involved to be a coach. Now the coach is the chocolate salesman. He's pushing the parents to do whatever to raise money. It's something that municipalities can actually look at in the downloading.

The question given to the government's supposed commitment to getting tough on crime. Will the minister restore the portion of the grant that was cut from the municipalities? Fifty percent of the \$16 million of the policy grant was cut over the last four years.

Grants in place of taxes, line 2.4.1, is budgeted to decrease from \$46.85 million to \$43.59 million. It should be noted that the department is expected to spend \$39.25 million on this item in 1996. So these items keep being felt all the way down. Usually this line item is quite stable; it would be around \$45 million for the past two years. The question to you on this particular item is: is the reason for the decrease in spending on this line item simply the sale of Crown property? Then I'll wait for your answer on that one, whether it's yes or no, for my rebuttal on that.

So I'm going to sit down and allow other questions. If you feel that you'd like to answer mine before going on, hon. minister . . .

THE CHAIRMAN: Madam Minister, the call is yours.

MS EVANS: I'd be quite happy to go through these. Hopefully I will respond to most, and for what we don't, we'll send written responses. I'll try and capture most of them.

THE CHAIRMAN: Okay. Minister of Municipal Affairs.

MS EVANS: Thank you, Mr. Chairman. Obviously, the hon. member has the same background I have in respect of being on the minor hockey executive. My challenge was \$100,000 as a fund-raiser out in Sherwood Park one year, so I know of what you speak. For several years my car only wanted to go to an arena.

You've talked at the first instance about good local government and the core services that are being provided and accountability. I'm glad that you have, because it gives me an opportunity to talk about some of the very specific things that the department is doing right now for accountability and some of the things that I think will be the underpinnings of how we cope with performance measures in the future. I think, from an outsider's point of view, Albertans often wonder just exactly what principles we hold our people to be accountable to. Probably the line I like best, Mr. Chairman, is a line from Schwarzkopf, who says that people hope to elect people who will be more morally accountable than they themselves are so they know that someone who is making political decisions, that is in charge holds those values they respect.

Accountability is necessary when responsibility is assigned and authority is delegated, and that is our first principle. We expect results, which need to be clearly expressed and must be measurable, and everybody in the department strives for that. If you look through the budget and see the estimates, you'll note that in at least two instances the assessors and the auditors of assessment retrieved for the province through linear assessments done in a one-window approach more revenues, to the tune of almost \$130 million, than they actually expend. In registries much of the sale of information and the privatization not only has resulted in efficiencies in the department, but they've been able to measure

their success rate in dollars that more than subscribe for salaries and some of the things that used to be paid for by all Albertans.

If I may on that point, Mr. Chairman, at the doors that we knocked on, so many people talked about our accountability in health and education. They didn't often take a look at those parts of government which moved from being a larger portion of government to a 37 percent reduction overall in every department other than health and education. This is one of the departments. These are some of the people that have borne the realignment of services so that accountability and dollars can exist for taxpayers to spend in other areas.

In this ministry the accountability report should include all provincial organizations accountable to the ministry. In actual fact, we are subject to the Government Accountability Act, which requires all groups to file annual reports, three-year business plans, and consolidated statements. Further, key accountability reports and annual statements should be made public, and absolutely everything from this ministry is made public that can be made public with this new Freedom of Information and Protection of Privacy Act. I must say to you, Mr. Chairman, it will be a major challenge for our ministry as we interpret that Act with local municipalities. All published information should be audited. The above principles are extracted from the Auditor General's report and have been the guideposts of the people in Municipal Affairs.

The challenge that you talk about in sharing between municipalities in Edmonton and the Capital region, I have personally faced. I would identify that through the Capital region forum, which has become voluntary since the dissolution of the municipal planning commissions, many of these services are in fact being shared. I would like to provide specific examples, yet fear that I will ignore some of the very best ones that are going on between municipalities, because it's obvious from my background that I am more familiar with some than with others. I will share with you that the Municipal Affairs department and the people in this ministry have been working very hard not to superimpose anything on municipalities that are struggling for service levels and service level alignments but to in effect be able to facilitate and show new and better ways of doing things. Many times, as I said, in our two Rs the real challenge is relationships, and the real challenge is the political relationships.

When you've talked about the Municipal Government Act and the concern about trailer courts, I can assure you that our department and myself as minister certainly would be most interested in discussions of that nature. We will not only provide you with the information that we have, but our department officials will be pleased to sit with you or with any member of this Assembly and make sure that it's clear and understandable.

When you've talked about the measurements in our business plan and what our performance standards are, at one time I remember the expression: you know you're performing well in local government when nobody comes and asks you any questions, and they're sort of bored and don't bother to pay attention to what you have to say. It's the belief, then, that you're doing things properly. But the government and our department have very specific performance measures, and I'd like to cite some of these key performance measures from what you reference on page 304.

The target is to achieve general client satisfaction in the restructuring process so that we "facilitate and provide advisory service to municipalities." Under those circumstances you couldn't expect to hear about a department official or the minister suggesting: you must and you shall, and you can't do it any other way. A survey containing specific questions related to the department's role is given to clients and stakeholders. That has

become routine. Client satisfaction with the department's role in the local restructuring process in '95-96 was identified as 93 percent. It was a new program, and there wasn't very much to model on as an example. Our target this year in that survey is 80 percent satisfaction.

On property assessments and the preservation and prosperity of the government business plan, we have looked between '96 and '97 at a 55 percent level. We hope to increase to at least 75 percent. Again they're measuring how we're achieving results both in municipal assessments, complying with regulations, and with the quality standards and guidelines.

8:42

Every time I go out, somebody's asking me about taxation and assessments. We're making every effort to make sure that in the industrial review program – and industries and local governments are responding to us on those assessment methodologies with their particular concerns – and in the farm assessment review we will have things that serve well and serve smoothly in this move to market-based assessment. Hopefully, people will understand what they analyze on their tax bill at the end of the day.

Speaking as a purely municipal politician, it's obvious that many people do not understand that we in Municipal Affairs are simply the tax collectors. We neither define what the bill should be nor in fact what the mill rate for the province should be. We've moved from 7.9 percent on the education mill rate last year to 7.2 percent this year. We don't define that. Those are Treasury Board policies.

I want to talk about performance in housing assistance directed to low-income, high-needs clients, because it's a very important part of this ministry. I think there's considerable pride in the department that in fact with the reduction in the rental subsidy and with the reduction of the homeowner program, although dollars were spent on a smaller number of people and not broadly based in a shotgun approach to everybody, they were really targeting greater amounts for people who were truly in need, with greater opportunities to support the people who were at those income levels that truly needed that support level. In actual fact, you will find there is not a reduction in the number of clients that are served that are truly needy in our housing programs.

Some grant programs in the past were not income tested. To ensure that housing services and grants are targeted to Albertans, some initiatives have been undertaken, including income testing on grants. In the last 10 years I have noticed and my colleagues tell me that there are far more people who have become practical and understand that these dollars should be spent where they're needed and not just given to all.

I should point out that we're encouraging tenant self-reliance through transitional use of housing so that the inventory is more accessible to those with greater need. I think some of the success stories, illustrated by the satisfaction of the ASCHA board as they talked to me about those things they are doing in a more co-operative framework together, illustrate the dialogue that's currently going on with the department.

When I look at the total costs and the cost per unit of housing since 1992 and look at our target for the total costs and cost per unit this coming year, our target is for \$110 million at \$2,653 per unit. That is a slight increase over the cost in the '95-96 year budget.

When I go on further on the costs and questions you've talked about in restructuring, in the three-year business plan we didn't just do something immediately, but there was a systematic view to restructuring. It's true; a lot of what you say about the items in this talk about a continuing methodology, working for, striving

for, which don't sound like targets in themselves but have been part of the framework of a phase-in over a three-year period. We will be continuing now, as we focus on targets for next year, to consult with Albertans.

I read the figure someplace, Mr. Chairman – I don't have it with me this evening – that last year over 55,000 Albertans were consulted with. In every level of our business, in every agency that we support there are either subcommittees or review processes. We have an index – at least under local government, housing, consumer affairs, registries, et cetera – that all of those Acts, all of those pieces of legislation have had extensive consultation and have extensive satisfaction reflected in the comments that we have received. The use of the 1-800 number and the extensive number of calls would seem to illustrate that the information being requested is being provided.

Your questions about the use of the private sector. Did we achieve too little or too much? Did we lose or gain much with the use of the private sector? That's always an important balance that this Assembly and this government has to monitor: the difference between contracted and publicly provided services. We will attempt to do that as well as possible over this next year, particularly when we look at changes effected through the registries and decide whether clients are truly satisfied or whether registries are complaining, in effect, that they are reduced in their opportunity to expand because of the many boundaries of cost.

You've talked about customer self-reliance. I should share with you that we have provided as much as possible warnings through the public service and media when people have in effect been guilty of not providing legitimate services. Those are regular warnings to our consumers, and I think that through the expanded use of the registries and the expanded number of products and registries, we're getting that information out to more individuals.

Now, quite specifically you have talked about the amount of money, I believe you suggested, that was paid on the unconditional municipal grant. Pardon me; was that the program, Mr. Chairman? Could I just get that reiteration? I believe my note here and my absolutely less than legible handwriting suggests that you were talking about a \$39.25 million amount. You had quoted a page; I'm sorry.

MR. GIBBONS: Line 2.4.1.

MS EVANS: The grants in place of taxes.

MR. GIBBONS: Yeah.

MS EVANS: Mr. Chairman, if I could respond to that, where local municipalities hold title to lands within their boundaries where provincial government has lands within that particular area, the assessment of a grant in place of the tax is how moneys are retrieved by that municipality from the province. So as public works and our colleague Stan Woloshyn dispose of properties, then we're getting less dollars required to pay those grants. [interjection] I'm grateful for your direction, Mr. Chairman.

One final item I feel compelled to respond to is that charities and charity work is dropping off. Mr. Chairman, I attended the area 2 council with city of Edmonton council members and many volunteers that were being recognized at an awards evening, and while people do represent concerns about volunteerism, certainly in area 2 in this city it was alive and well, and volunteerism in my own community is on the increase. I'd like to see in this ministry that we actually take a look at that, because so many times I have heard people talking about the changes, that people seem to be more focused on their family's activities, and sometimes it means

that some of the older organizations don't appear to be as viable.

I'll wait for further questions, and we certainly will provide written responses on those answers not properly given.

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

MR. DICKSON: Thanks very much, Mr. Chairman. A number of questions. This is a fascinating department simply because it deals with so many facets of activity in the province. Let me start with a couple of specific things. I'm going to be bouncing back and forth between the programs and the business plan, but I'm interested in the number of requests that have been received by this department under the Freedom of Information and Protection of Privacy Act. [interjections] It's a wonderful thing that there are some things that the government pays close attention to, and I'm glad. If they're monitoring every other facet of their activities as closely as they are my FOIP applications, Albertans will be very well served.

8:52

The question Albertans are interested in knowing is: how many applications under the FOIP Act were deemed abandoned after a fee estimate was provided by the department? To state that in other words. When a FOIP request comes in, the department provides a fee estimate. Then the applicant has 30 days to pay half of the fee if it's going to exceed \$150. If it's not paid within 30 days, it's deemed abandoned. What I'd like to know is: how many of those FOIP applications were deemed abandoned by your department, Madam Minister? The other thing I'd like to know is the average cost of those applications you've received and, if it's possible to break it out, the average cost of those applications that have been deemed abandoned after a fee estimate was provided and then it was never paid.

Now, just bopping over to another place, I represent an area – I'll put on my parochial hat, Madam Minister – where about 94 percent of my constituents are tenants. Of particular concern to me was an initiative undertaken under the auspices of your department a year or so ago that contemplated doing away with the Landlord and Tenant Advisory Board in Calgary and the similar service in Edmonton. The notion was to create some kind of a stand-alone adjudicative body that was going to settle landlord/tenant disputes. The costs would be underwritten by landlords and then, of course, indirectly by tenants. What we had was your predecessor on February 29, 1996, advise me that his proposal was withdrawn after he had shopped the proposal around Alberta to some extent. His comment to me was – this is page 340 in *Hansard*, February 29, '96.

We have since decided to pull that Bill from the schedule for this spring until further consultations take place. We'll find out how we can do this in a reasonable manner.

This is of great importance to the many Albertans that do rent. So I'd like your advice in terms of what's happened to that plan, what consultations are under way, have been undertaken subsequent to February 29, 1996, and what further consultations are anticipated in the budget year that we're dealing with now?

Now, just moving to a different area altogether, your predecessor on February 29, 1996 – this is at page C11 of the subcommittee of supply from February 29, 1996 – was talking about the disappearance of the planning commissions. Let me just say parenthetically that I represent the inner-city area of the largest unicity in Canada. I think Calgarians are particularly appreciative of the merit and the value and the advantages that accrue to having a single government for an area as large as the city of Calgary. There is enormous concern and continues to be concern

in the city of Calgary that when the provincial government eliminated the regional planning commission – and you did that around the province. That kind of deregulation has effectively taken away from the city that I come from and represent the ability to effectively, prudently manage growth. This is of particular significance because Calgary right now is perhaps one of the fastest growing urban centres in the country.

We've now had some experience, Madam Minister. We've seen what's happened with deregulation. I can just put to you what your predecessor had said. I'm just paraphrasing. He said: let the municipalities out there set up their own planning groups or have private enterprise, private groups of planners, working together where they may do the planning for one or more municipality. I'd like to know what the status is. What kind of assessment has been done by your department, the extent to which the deregulation of regional planning or abolition of regional planning – because that's in effect what happened. I'd like an assessment in terms of whether Albertans have been advantaged or disadvantaged by that. I'd like to understand what the criteria are against which that initiative has been measured.

You have 21 MLAs in the city of Calgary. I see the MLA for Calgary-Glenmore, and I see perhaps a couple of other Calgary MLAs here, Calgary-McCall. They may have a different perspective. I don't presume to speak for them, but the input I have from the city of Calgary administration, from urban planners is that this is dangerous, that we are seeing a proliferation of unregulated, uncontrolled growth in the donut around Calgary. It's a concern, Madam Minister, so I'm anxious to get your comments with respect to that.

Now, concern with respect to the Freedom of Information and Protection of Privacy Act will cover the municipal government level. I'm particularly interested since you've talked about the role your department plays as the big brother or big sister maybe or guardian angel to municipalities in the province. I'm interested in terms of the advice you have received from the cities in this province in terms of the date by which they're going to be ready for implementation of the FOIP regime. I understand that's not part of your department mandate, but because of the role and the relationship you have with Edmonton and Calgary and the cities in the province, I assume that your department has better intelligence on that than any other department. So I'd be most interested in hearing what position has been communicated to you from particularly the larger centres.

I see local government advisory services, element 2.1.2. Is that sort of the handholding part of your department? I mean, I don't know where the support is for municipalities who are wrestling with different initiatives. I'm wondering if you have a group of people that are working with municipalities to ready them for implementation of FOIP, which by all accounts I think will be a pretty major undertaking. It was in Ontario. It was in B.C. Municipalities have had more time in Alberta than other jurisdictions to prepare for it, but I'm always interested in what sorts of costs could be attributed to preparing for FOIP implementation. So if that can be broken out, I'd appreciate that.

Now, Madam Minister, you talked about being consumer driven. I think that was the phrase you used. I wanted to touch on a concern that's been experienced in downtown Calgary, where there's a large concentration of seniors. When the rent for seniors in seniors' residences was allowed to rise to 30 percent from 20 percent, there was a lot of concern from seniors. The best example I can think of is the Wai Kwan manor in downtown Calgary in the Chinatown area, where you had seniors who'd lived in the same building for eight, nine, 12 years. Their whole community was within a couple of floors in this one building in

the city. When the deregulation occurred, of the three women I spoke to, two of them had to move out of the building because they couldn't afford to stay there anymore. The dislocation had an enormous adverse impact on these three women.

I had approached your predecessor and actually had somebody from the department come and meet with these seniors, and the response at the end of the day was: we continue to monitor this; we deal with hardship cases. We've now had some experience subsequent to deregulation, and I'd like to know what kind of assessment – when I look at your key performance indicators, it looks to me like we're talking to corporations, talking to corporate entities. What I look for in vain is an assessment, a feedback from just regular Albertans, the people who are directly impacted and affected by all of the deregulatory exercises. I'm just interested in what kind of process you have in your department, how you monitor that situation of seniors who say that they're adversely affected. Is that something that's left entirely to Community Development, the seniors' program there? I don't know, Madam Minister, but it's a concern shared I'm sure not just by seniors in downtown Calgary but probably in other parts of Alberta as well.

9:02

I had some concern in terms of registries. It seems to me that in 1993 we had 84 products sold through privatized registry services. Then in 1996 your predecessor came in and told us that it had increased to about 150. You may have mentioned this before and I perhaps didn't hear it, but I'd be interested in knowing how many products we now have through registries.

I'd also be interested, Madam Minister, in knowing how many registries have in effect been deregistered. There had been a lot of concern with the proliferation of registries, and many of them complained that they simply couldn't make money in terms of for core items you've got a fixed fee and then for other items there's a variable rate. I've heard from operators that they couldn't make a go of it. So on a provincewide basis, how many people who had been licensed by your department to run a registry service have in effect gone out of business and no longer provide that service?

Another thing I wanted to ask you. There's been an enormous concern in Calgary over the homeless, and in fact I'd just pay tribute to the efforts of your colleague from Calgary-Bow, who has been very active in the city of Calgary in terms of looking at different programs to deal with the homeless in Calgary. We have by various estimates about 3,800 Calgarians who are in sort of a housing crisis state. We've got about 1,200 – the number is maybe a bit soft and imprecise – genuinely homeless people in Calgary.

There have been enormous efforts. Last December when the weather was cold and we learned that 36 homeless people had died on the streets in Calgary, enormous concern. The community and churches and so on came together. But a lot of questions have been asked, Madam Minister, about the role of the provincial government in terms of meeting that housing crisis that exists in Calgary. I think it's not a whole lot better in Edmonton. I know what the municipalities are doing to address that, and I know what the churches and charities are doing. I'm always a bit vague in finding out specifically what leadership your department is playing in ensuring that there's adequate housing for everybody in this province. If you have some particular program initiatives, then perhaps, Madam Minister, you can point me to that. I mean, I can read the elements in the votes, but they don't tell me specifically what's apportioned to deal with this particular population, which I think requires some very special attention.

One other concern. Since we eliminated the Department of Consumer and Corporate Affairs and that's been rolled in with your department, many Albertans continue to wonder why we don't have some comprehensive consumer protection legislation. Now what happens is the poor Albertan who's got a problem has to look through a whole series of different provincial statutes to find out what remedies or recourse that person may have. It's often been suggested – and we see this happening in other jurisdictions. There's a move to consolidate remedies for consumers in a single piece of legislation, whether it's negative billing or unfair practices or unconscionable loan agreements. I'd like to know what particular plans you, Madam Minister, and your department have to co-ordinate consumer protection legislation, what your plan is specifically to graft onto what we have. I think that would be of particular importance.

Madam Minister, you've got an interesting department and lots of areas to talk about. I guess just two things I'd touch on before I sit down. There had been a concern with false identification in the city of Calgary. There was the episode of one of your licensed registry offices being complicit in a scam to produce fake ID. One may say that this is an isolated instance. For some of us who had concerns about motor vehicle licences and key pieces of identification being privatized, it would mean a degradation in the security that went along with that. I guess I'd like an explanation in terms of what steps you have taken with respect to ensuring that the proliferation of private registry offices hasn't created a law enforcement problem. I think that's important.

I guess the other thing I find interesting as somebody who used to have some dealings with the land titles office on a regular basis – I get a lot of feedback from lawyers, and I'm curious. When you look at your key performance indicators, you've got something here about customer satisfaction registry services on page 305 and in brackets, prosperity. I'm not sure whether the prosperous times accrue to the consumers or to the registry operators.

MS EVANS: The lawyers.

MR. DICKSON: The lawyers. Well, I'm not so sure that applies in 1997 either.

My question would be this: has this been broken out in terms of the land titles? I'd be curious in terms of what your consumer satisfaction rating is specifically relative to the land titles service, arguably one of the most important elements in this province in terms of our land registration system. I don't know whether you have that available. If you do, I'd appreciate seeing it.

Finally, I know what the position of your predecessor was, but I'd like to ask you. There was a concern and something of a movement in Edmonton and Calgary, a concern over our tax system and a lot of alternatives in terms of moving away from a land-based tax system because in a sense it's prejudicial, particularly to inner-city communities. I guess I'm just interested in whether you have a different view than your predecessor with respect to embracing some tax reform.

Thanks very much, Madam Minister.

THE CHAIRMAN: Madam Minister, would you like to speak now, or should I recognize Edmonton-Strathcona?

9:12

MS EVANS: I would like to make at least a few preliminary remarks. Otherwise, I'll have so many notes about questions from the hon. members that I may miss some.

The first note I've picked up – and this may not be sequential.

If there is any evidence ever of falsification associated with any private company, you can be assured that this minister and this ministry and this government indeed will not tolerate that. There's zero tolerance for anything false. Falsified documents and lack of proper practice by people – this circumstance, this particular example, I'm not aware of – we will certainly pursue.

What steps have I taken with registry offices? Well, I have not been advised – and in fact I met with Mr. Low of Calgary on solutions for setting fees in private registries, et cetera, earlier this week, and we talked about some of the things that face private-sector registry operators. Certainly he didn't discuss that with me. But I can tell you how I have acted in other areas. I have sought and received support from my colleagues to pursue those kinds of pieces of legislation that were dropped from the MGA that related to bonding, to make darn sure that if you're handling public funds at the local government level and somebody happens to abscond with them, you've been forewarned that that person with that authority, that administrative accountability, should have been fully bonded. If in fact you have evidence that you can provide, I'd be delighted to get hold of it and do something with it, because I am very black and white, and I know this caucus is similarly. I will quote somebody famous I know who said: a crook is a crook. I won't tolerate that in our privatization.

I'm also picking up on one of your concerns that talks about a movement where a tax base is concerned. Well, quite frankly, the market value assessment methodology was a request from the cities originally. They thought it would be easier for the consumers to understand. They believed it was fairer. The market value of land as it is at this moment in Calgary plus the depreciated value of the improvements was not easily understood by residents who came in and asked the questions.

Certainly I've had a lot of experience in those assessment appeal processes to know that people really frequently could not understand what the assessor did in the first instance. It is hoped – indeed most of the assessors throughout Alberta and most of the councils supported them – that this would be an easier form. However, I would assure you that on all methods of taxation, whether regulated or unregulated, our department is taking this year to pay close scrutiny to every area, and we expect responses from a number of groups, as I told you earlier: industrialized assessment, farm assessment review, et cetera. So you will probably hear more about that this year.

You mentioned, coming back to registries for a moment: are they able to make a go of it? I've heard everything from \$100,000 to \$300,000 as the selling price for registries. I can assure you that since I've been minister, I have had more requests to develop registries than almost any other single line of business I have ever seen in government. It's obvious that if these are not making a go of it someplace, there are perceptions out there in the private sector that there's gold in those hills.

I want to talk a little bit about your comments, and I must say, Mr. Chairman, I just really am thrilled with the opportunity to talk about the disappearance of planning commissions. This government spent extensive dollars when we consulted and consulted and consulted at the planning commission level and reinvented the wheel that was done at the municipal level almost every time. There were very few tears shed when planning commissions disappeared. As my colleague – and I read his remarks from *Hansard* last year and the remarks from *Hansard* previously. He talked about being bloated with planners in Alberta who were virtually working both at the local level and at the commission level often on the same projects and often to delay.

I think the success story of municipalities is that they are no

longer paid to become parts of planning commissions, which were another unnecessary layer of government. The real success story is that they are voluntarily getting together, and certainly the capital region forum here is a prime example of it. It's not perfect, but it certainly wasn't perfect when I sat on a planning commission. It was, in fact, at times rather embarrassing to have farmers come in understandably confused because they thought that their local council members, that they elected, could make those decisions. It's a concern of mine that if we were to look at planning commissions as a model for the future, that's not the first place we should start. But if we were to look at it in the future, one of the best was the Mackenzie regional services commission, that continues to operate viably with the support of several communities and a very respected planner in Mr. Tom Baldwin.

I would also suggest to you that if in fact there are problems in the city of Calgary with planning – when I was reviewing the ambulance Act and a number of other issues, that was not a concern that they had provided to me. In meeting with the mayor of the city of Edmonton, he did not talk to me about planning as a concern nor did he talk about market value. He did, however, talk about his hope that we can build bridges between each other and get consensus in municipalities and share service provision. Your mayor in Calgary and I have tried and failed to meet, but I think we're scheduled for May 13, when he comes back after two weeks. I'll be interested if he suggests that we should return to a model that talks about planning commissions. I would somehow doubt that, having had several conversations with Mr. Duerr over the years.

One other part of what I might say is that if we are as a facilitator properly evaluating how planners believe and how local governments perceive the disappearance, certainly that's not something they're coming to us with. But I will say this: many municipalities have formed very successful public private partnerships with planners in discussion of their issues with other jurisdictions, planners crossing boundaries to help in both areas or planners hired through some of the many excellent firms in Alberta that go from one place to the other and yet to the other.

I think that regional planning with any overlay by Municipal Affairs will also always look like some imposition rather than grassroots up. People have asked me what's going to happen in Edmonton in the future. The future lies in the responses that the people in the capital region provide this government. The future lies in their requests, not in my initiation.

Quite frankly, Mr. Chairman, I am surprised and somewhat saddened that there's a perceived problem with planning in Calgary. I'll be pleased to take that up with the mayor and with other members that wish to provide me any information on that.

In terms of the crisis for the homeless in Calgary and how we are providing housing assistance, I believe a good part of my remarks had focused on that support for housing assistance in terms of those homeless. Certainly, if we have lost people that are homeless and we have had deaths due to homelessness, that is never pleasant. That is absolutely, for all of us, something that we don't even want to contemplate, especially if they were our relatives, friends, or anybody in fact.

One of the things that's been an outgrowth of our support for operations, rather than deficits, is a greater initiation of private-sector partnerships and corporate support for housing for individuals who are homeless. Bear in mind, we are not the initiator of the program but the supporter of the program. I listened to my colleague the hon. Minister of Community Development talk about – and I have the report here, but it's more properly illustrated by herself – the types of things that are being done for those who are in need for crisis management, those who are in

need for housing. If there is more that we can clarify later, I know the department will be pleased to provide that, and I will certainly clarify those issues with you.

You commented on the parochialism, your area being somewhat parochial I think you said, 94 percent of your constituents or tenants, and you wanted to know how the resolution of the once proposed landlord and tenant advisory board was resolved. I read that as well in the *Hansard* and wondered about that. Quite frankly, the focus of our department at this time is encouraging landlords and tenants to get together. We are doing the same thing with municipalities that neighbour on one another. If there are things that are being done at this time, I am not aware of them and will respond in writing if there's any continuation. It would appear to me that the focus of the department has been in so many other areas becoming more efficient and restructured that intervention on behalf of that body has not occurred.

9:22

However, I have on another body committed to meet with those commercial people in your city who have contacted me who want pursuit of the anchored tenant shopping centre and the ways that we assess and the rules and regulations that apply there. I have that comment here as well in the capital region from the city of Edmonton, and it's one that we're going to take a hard look at. We've arranged meetings so far to be totally consultative in the process so that if there is an area for correction, we'll do that.

In terms of FOIP, the department has not had many questions about it in terms of the cities of Calgary, Edmonton, wherever. I'm not aware of any response they may give. That will be our process this year to see how municipalities respond.

I think by far the municipal organizations are anxious to discover where we meet with both provincial and local delivery of government services. The Alberta Urban Municipalities Association, Mr. Chairman, has asked, in fact, repeatedly whether we would be prepared to do a very comprehensive study. I believe the valuation given to that study would be some half a million dollars to ensure, in their terms, that we are doing the right things and that the boundaries of where provincial government leaves off – there is no gap when the local government services begin. It is not something that I had previously contemplated when I was on the outside of government, because it seemed to be more than what I could cope with on the plate I had at that time at local government. I was more interested in other issues, but we will certainly take a look at those issues, where our boundaries meet and whether or not we're being as effective with the local people as possible. I should advise my colleagues that that is one of the concerns that Alberta Urban Municipalities tabled fairly recently.

For those first questions that the hon. member tabled on FOIP in the business plan – about the applications, the numbers, the fee estimates, et cetera, how many were abandoned, and the average costs received – we will get a response, but it's my understanding that there really haven't been that many.

One of the areas in terms of consumer protection legislation – and I would hope that the hon. member would not think me frivolous, but it is interesting. We've got the Ten Commandments, and it hasn't prevented sin, and I'm not sure that we can ever draft a piece of legislation that will totally protect the consumer or give them a heads up when something's going wrong. I would be very pleased if any of my colleagues would provide me any of that type of information to look at. Consolidation of legislation and regulation has happened extensively in the department. It has been a focus of this government and this ministry, and if there is a piece of legislation that can co-ordinate

consumer protection and serve adequately to address those many ways in which we as Albertans are consumers, I'll be pleased to look at it.

Last but not least, other than making sure that I confirm with the hon. member that we will be giving written responses, especially in those areas where the information has been incomplete, this last comment is on vital statistics and the line item, page 305, the land title services, et cetera, satisfaction. I think to some degree that was a request for performance indication. How many have we had in terms of dissatisfaction with the land-regulated system? Have we broken out from vital statistics and the land title registries the satisfaction level on each? Mr. Chairman, not to demean any complaint that may have been rumoured to my ears, but I have not had any written complaint that identifies dissatisfaction with the system. I should advise that through this next year there will be extensive restructuring continuing there, and as you're aware, while we get our technology up and running – hopefully it will run smoother so it will be more seamless. There were a couple of complaints that perhaps we weren't as expedient as we could be, but there again are those things with technology where we are working extremely hard to adapt.

May I say that if the department were to ask me that question this evening – should we work harder to make sure that we can differentiate who's satisfied and who's not in the registry system? – for all Albertans I'll be very interested to make sure we are absolutely focused on a target of fair taxation at the end of the day, and we'll work out the registries as well. Fair taxation for all Albertans, fair assessment for everybody who pays taxation, fair assessment for everybody in the households, over 915,000 of them: that's what I'm concerned about.

THE CHAIRMAN: The hon. Member for Edmonton-Strathcona, followed by Edmonton-Riverview.

DR. PANNU: Thank you, Mr. Chairman. I want to start by congratulating the minister on her appointment to this very important portfolio and also acknowledging the considerable firsthand experience that she brings to her portfolio, having been involved in local government for a considerable time.

This portfolio, regardless of the small size of the budget that's associated with it, is indeed an important portfolio. Municipal governments in this province and this country are responsible for delivering an array of local services, including police and fire and other local protection services such as ambulance and other emergency forces, animal control, building and housing inspections, road and street maintenance, public transit, garbage and refuse collection and disposal, provision of water and sewage facilities and services, and provision of parks and recreation services, including an associated array of community centres, libraries, and other cultural facilities and programs.

I want to speak to the estimates with respect to what I see missing in these. Clearly, the minister and her staff have done an excellent job presenting us with a detailed business plan and the underlying rationale associated with the business plan, but I find something seriously missing here. I say this because last fall I got involved with a whole number of community leagues in south Edmonton. Having attended many of the meetings – it was four or five meetings of this group – I came to the realization that municipal leaders and community league activists are beginning to get very concerned about the deteriorating physical infrastructure in the urban communities: the rapidly aging water mains, sewer mains, and aging transportation systems, including buses and so on and so forth, roads, bridges. All of these are infrastructural

elements that seem to require a fairly large scale renewal in the next short while, at least according to what I have heard my colleagues say in these committees.

Talking about roads, clearly I think all of us who drive around realize that the roads in this city, typical of the roads in other places as well, are in rather poor shape. All we need to do is go straight out of this building onto 96th Avenue, leading up to 105th Street and we see in what condition the roads in this city, at least, are. They need certainly some repair in short order. What I find missing, then, in the estimates is any commitment, any reference to reinvestment in the infrastructure programs for the urban areas, for cities and municipalities.

9:32

The revenue raising capacity of municipalities is severely limited, clearly. Property taxes seem to be the primary if not the only source of revenue for municipalities. Consequently municipalities, since they are charged with the provision of a whole array of services as well as for maintenance of infrastructure to make decent life possible and collective health possible in the cities, find that they're playing with the idea of having to cut down social services if they have to invest money into infrastructure renewal.

Infrastructure renewal, of course, can be undertaken through deficit financing, through debentures for which government and the Municipal Affairs department has been supplying some assistance. However, I find that in the section on highlights for 1997-98, the minister has taken the opportunity to draw our attention to how she is able to cut down the revenues committed in these important areas from which transfers to the cities and municipalities are made. I would have liked to see the minister at least address the issue of how infrastructure renewal is to be undertaken and in what way the provincial government, which certainly has a much larger set of instruments for revenue collection and revenue generation, can assist our local governments in engaging in this rather urgent task of infrastructure renewal. I hope the minister will address this question at least briefly for me.

If we do not begin to reinvest in infrastructure renewal in the next few years, all we are doing, in my view, is deferring these expenditures to later years. The damage that is likely to have been done in the interim to the existing infrastructure facilities may require larger expenditures than might be the case if we in a systematic and planned way begin to reinvest our public resources into that renewal at this time.

The municipal governments, obviously faced with this problem of deteriorating infrastructures, are having to consider either reduction or withdrawal of certain essential services for which they are responsible, or they have to opt for canceling or delaying needed capital works projects. In my view, neither of these two alternatives, neither of these two prospects that I mentioned – the reduction or withdrawal of services, cancellation or delay in needed public works – are acceptable alternatives. I think the minister and the department must address these issues as raised here.

The notion of self-reliance of municipalities clearly is a very nice notion. All of us as individuals should be self-reliant as much as possible. Communities should be self-reliant. However, we can stretch this notion of self-reliance too far and justify our conservative fiscal policies by urging people to become self-reliant. Well, there are limits to self-reliance. That's why we have governments. That's why we try to develop collective arrangements to help ourselves. So I think there is a point beyond which fiscal prudence can turn into sort of very, very fiscal

extremism, and I fear that we might be reaching that point.

The only other matter that I want to talk about very briefly is the very important issue of CKUA and its future. I'm thankful to you, Madam Minister, for in fact having started your comments this evening by drawing our attention to the manner in which you are trying to handle that challenge. I think Albertans have told us, certainly over the last month or month and a half now, that CKUA is a very important part of Alberta's legacy. It's seen by most Albertans as a most important public asset that should not be allowed to dissolve into nothing for want of appropriate funding arrangements. That it should be funded publicly is an issue which I think we shouldn't ignore, shouldn't avoid addressing.

I was quite impressed by a letter that the former Premier of this province, Peter Lougheed, wrote to the *Globe and Mail* two or three weeks ago in which he passionately defended the public funding of CBC and argued with the federal government that it must go out of its way to make sure that CBC's future as a public broadcaster is secure.

I would like to argue, I guess in the fashion of Mr. Lougheed's argument, for doing the same for CKUA. I would urge the minister to consider allocating at least a million dollars a year for supporting CKUA as a public broadcaster, as a quasi-public broadcaster. I'm not sure what the exact administrative arrangement should be like, but it would appear to be necessary. CKUA cannot really survive unless it is assured some continued and predictable funding from a public source. I think a million dollars a year would be an excellent public investment in an enterprise which most Albertans seem very much committed to continue seeing operate.

Thank you, Mr. Chairman.

MS EVANS: Well, Mr. Chairman, my colleague at the end of the table, the Minister of Transportation and Utilities, must have talked to Dr. Pannu to encourage those questions. My colleague from Edmonton-Strathcona. Will I ever get those procedures right?

Quite frankly, infrastructure funding for the Minister of Transportation and Utilities and infrastructure funding for anybody in this portfolio is so extremely scarce at times when the focus of Albertans is on health and education. The standards of expectation of Albertans have been raised through the glory days to such an extent that when we go to other countries, quite frankly we're shocked at how their infrastructure is deteriorating and wonder, when we come back home, why we ever thought the pothole in the road was bad. I've had that experience in many other countries and have had to compare with ourselves and say, "In Alberta this really is a land of opportunity, and a better opportunity," even though your remarks are well taken about the fiscal prudence of managing that infrastructure now. From the days years ago when I visited the Minister of Transportation and Utilities, which is predominately where the dollars come for road building, it has been very hard to decide how you can make that as appealing as so many other areas of your budget, because most people take that infrastructure for granted. So I must tell you that I am delighted to hear your remarks because it's something that all Albertans should be sensitive to, the infrastructure.

9:42

In this year's budget, our budget, although it doesn't show infrastructure dollars, actually through the supplementary requisition transferred dollars for resource roads to the Minister of Transportation and Utilities. So in those areas where heavy traffic supports resource-based industries and pipelines and the other kinds of things associated with resources, there are more dollars

for roads in his department. Through our own department this year many of the smaller communities used the municipal assistance grant to provide that infrastructure.

I want to just draw your attention to one very important group we're overlooking if we just look at governments to provide that infrastructure, and that is the group of the developers. Developers of new communities are often concerned that municipalities are placing unnecessary burdens on costs of new development, and it is because most people believe that residential development, residential taxation does not pay its way. Most people will tell you that in financial terms the taxes you pay on your home don't pay for the values that your property receives. For example, if you were building a new development adjacent to an old development, as a developer you may not wish to pay for that infrastructure that will bear certain pressures and strains as people travel through that infrastructure to reach your new development. That is the very real challenge today for municipalities; that is, how private-sector funding, new homeowners coming in to expand existing communities, get new development, get new roads and new streets. But more people are placing strain on the existing infrastructure. I would be pleased if the hon. member or any member of this House could provide me a way to make sure that developers felt they were paying their fair share, that they had fair profits, that people were paying fair prices for homes, and that that took place in the marketplace without levels of government squabbling over who should pay for infrastructure.

I think one of the great good fortunes we have with technology is that now you can replace pipe underground and provide much better storm water management, sewer and water main work through technology and engineering strategies that are saving huge amounts of dollars in many areas of communities where they can actually replace without the trenching. I wish I understood it completely, but that renewal is going on in communities even as we speak.

I do encourage those local community leagues who have brought forward ideas for any parts of this city or any other city to come forward and tell us how we can do it better. There are strategies I have read about in North America where community groups – in fact, students will take a year off their studies and do very practical work with public works or recreation departments to build and rebuild the infrastructure. That is part of what they do, and they are funded through a government program with their cities. They get work experience, often quite unrelated to their career opportunity, but it provides them some dollars plus experience for business or future learning.

You've talked about CKUA and what we should be doing in the future with this government. Dr. Pannu – through you, Mr. Chairman, to the hon. member on the other side. I will get that correct some day soon, I promise. I would just advise and remind this Assembly that the core business of Municipal Affairs is to be a facilitator, and the core business is to make sure that we're accountable in the delivery of those businesses. The difficulty and constraint for Municipal Affairs to assume any further business opportunities, much as that department may wish to do so, is the fact that even at \$1 million per year from that particular group, it is not ideally fitted or suited to any of our existing business strands.

However, I will say this. CKUA is a wonderful radio station, and I think where we have provided public funds in support of that station, it is important to do what we have done, in fact to ask for and encourage a full and complete audit and disclosure of the activities of CKUA. I think it is also our opportunity as individuals and groups in this society to encourage that still further, but I would remind this group that CKUA has apparently

in the past – and I haven't had this precise figure defined for me – reached about 63 percent of the province. While we have other broadcasting groups through the CRTC licences that reach a hundred percent of everybody in the province, then in fact for our listeners there are so many competing interests, it is perhaps why provincial governments cannot hold licensure for radio stations.

I take your remarks under advisement and will encourage our colleagues to look at what they will. I must share with you that overall I am much more optimistic than Mr. Tommy Banks, Mr. Bud Steen, Brad Orsten, and other members of the community have come forward and challenged the corporate community to sustain CKUA. I really, truly believe that's the way to go. I think that's where the leadership should come from, and I think that's what should happen in the future.

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

MRS. SLOAN: Thank you, Mr. Chairman. I just have some very quick questions, and they do not require an answer. I know that my colleague who has responsibilities for consumer and corporate affairs has some questions that she would like to ask. So I'm not seeking an immediate response, but I would raise these just for your consideration.

Obviously my background is not municipal affairs but rather from the social sector, but I have had the opportunity to review and scrutinize budgets previously. Just some general assessments that I would make, not singularly with Municipal Affairs but with all of the government budgets, their business plans. I find it of interest that they do not provide explanatory notes for the various budget lines and categories, and that is something that I have certainly, both in nonprofit and private-sector involvements, found to be quite common and helpful. So I would just point that out.

On that, I want to just raise a couple of questions as well with respect to the business plan that you've provided and some of the terminology that's used, some words that convey to me a strong message but don't transcend in terms of your measurements, words like “guarantees high-quality registry information and accessible service.” How in fact does the department guarantee that will happen, given the deregulation and privatization of those services?

Again, some of the terminology with respect to the goals raises questions and I guess a degree of uncertainty for me: service deliverer to a facilitator. I think I'm quite clear on what a service deliverer is. What exactly is a facilitator, and how does government, given its legislative responsibility and authority, fulfill that or reduce themselves, I guess, to that level?

One of the things that has caused me some concern with respect to an item I see within the major strategies is the idea of the “implementation of a charitable foundation concept” and, coupled with that, the privatization of registries. My questions revolve around the public interest and the confidentiality of information.

From the health sector we're very aware of corporations who may have involvements in pharmaceuticals that subsequently purchase; as an example, Ontario Blue Cross. There are some commonalities between the databases, and there's nothing that prohibits that corporation from using the database from Blue Cross to further their interests in the pharmaceutical industry. So I would say the same in terms of the privatization of registries. Is this government guaranteeing that that information cannot be used to further the market interests of the corporations or businesses? I don't see in your performance measures that that is there.

9:52

I just want to spend a couple of minutes on the performance

measures. One of the things that is glaring to me here is that I don't see any measures that actually are linked to local governments. How do they in fact rate the service, the progress, the lack thereof in the previous fiscal year? You talk about client and you talk about customer, but nowhere do I see, I guess your sister level, local governments being asked for input.

In just speaking very briefly, then, to the number of clients and customers surveyed, you speak about that in the first measurement and also in the last measurement. How many were there? What was the geographical basis of those surveyed and also, I guess, the diversity of that client population? Those types of things I think would make the measurements much more meaningful.

Again to summarize, I could speak further, but I would like to defer to my colleague and allow her to ask her questions as well. Thank you.

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

MS LEIBOVICI: Thank you, and I would also like to thank my colleague from Edmonton-Riverview for allowing me the opportunity. Given the way this evening has progressed and having had the experience from last evening, where we had speakers who wanted to ask further questions of the Premier and were unable to do so because of the adjournment motion the Premier put forward, it becomes a very constraining process. One of the reasons we have this budgetary review process is in order to ask questions and hold the government accountable for the use of taxpayer dollars, but when, again, we're constrained in terms of the time, it's difficult to do that. The subcommittee process I find, particularly, does not lend itself to the ability to question in full detail the estimates that are put in front of us.

As my colleague from Edmonton-Riverview indicated, one of my portfolios is consumer affairs, and I see with interest when I look at Municipal Affairs that it is one of the areas that is within the Municipal Affairs department. But even though it has a series of goals that seem to be applicable to consumer affairs – and there is in fact a core business area that I think is part of that, which is “fostering a fair marketplace for Albertans” – I get the feeling that it is not of primary importance to the department. It is not even as one of the budget items split out. It's on page 292. It's program 3 under capital investment and under program area, and it's administration of housing programs and consumer services. I believe that's where that follows. I would like to see that it is given more importance within the department, that in fact it is split out as an individual area so that we know what the dollars are that have been allocated to the consumer affairs branch, if I can call it that, of the Department of Municipal Affairs and also to know what the FTEs are that are attached to that particular area. I could not find that within the budget estimates, and perhaps I'm not looking in the right places, but I don't see the FTEs here.

The area of consumer affairs, I believe, and corporate affairs – I would mix those two together – is a very important area. From what I can see in terms of the core businesses, it appears to be an area that we are looking at delegating responsibility to external service providers, which generally means privatization, in one word. I would like to know how that is occurring, which areas of consumer affairs that is occurring within, what the rationale is for that delegated responsibility. What are the cost savings that are going to occur as a result of that? It's my understanding that some of that is already occurring. How is it determined which agencies will be getting the contracts in order to provide some of the services that are now being provided through consumer affairs?

One of those services I believe deals with individuals who have encountered problems with regards to bankruptcies. That is an area where Alberta is now, I think, the second highest in the country, and in fact is an area that people require a lot of support in, dealing with personal bankruptcies. Again, I would like to know how the delegated responsibilities are occurring with regards to that.

Now, when I look at the goals on page 228 dealing with again the core business 3, "fostering a fair marketplace for Albertans," I notice that one of the strategies is to "improve staff skills and case management processes on a continuous basis." My question is: is that within the consumer affairs part of that particular business, or is that within the housing division? If it's within the consumer affairs division and in fact that part is being delegated out of the province's jurisdiction, then whose skills are we improving and which cases are we managing?

Also, what are the backgrounds of the individuals that are in those positions right now that we have to improve on their skills? It's my assumption – perhaps it's a wrong assumption – that when you actually hire someone into a position, they should be skilled and able to perform the functions of that job. If it's a matter of upgrading or providing different kinds of training, that I can understand. But when we're talking about improving staff skills, then I begin to wonder about the staff that are there and the services that they're providing.

The second part of that strategy is to "develop and implement a plan to investigate those contraventions that are having a significant impact on the marketplace." Again I would question why there is not a plan in place right now. If there are contraventions that are occurring within the marketplace, has this department not had the opportunity to develop a plan? If it has, what is that plan? If the plan is being improved upon, then again I would give kudos to the department. But if the plan is not there, then my question is: why isn't the plan there? Also, what contraventions are we looking at? How is it considered to have a significant impact on the marketplace? Is that the broader issue within the corporate affairs side, or is it more of an individual basis?

Again we're looking at developing and implementing "an effective consumer relations information system." My question is once again: why don't we have that now? As one of the strategies it's going to "coordinate activities with regulatory and law enforcement agencies." I guess I would be interested to know whether that also would, then, take into account the putting forward of ideas for different sorts of legislation through the minister with regards to regulatory enforcements. For instance, an area that consumers within Alberta are having some problems with is in regards to telephone solicitations. This is one of the provinces where it seems to be the easiest to set up a scam whereby individuals can very easily be duped out of their hard-earned dollars. Other provinces have much more stringent laws in effect.

10:02

Other examples are with regards to individuals. I can think of a particular example with a constituent of mine who was an older individual who was not as aware as they should have been when they signed on the dotted line with regards to purchasing a condo. Within a short period of time they decided that this was not something that they wanted as they were 74 years old and it would be very unlikely that they would have very many productive years left to use that particular condominium. They could not get out of the contract.

Those are the kinds of things that I'd like to know: whether the

department is looking at seeing how we sit vis-à-vis other provinces and whether in fact we are providing an unfair playing field for unscrupulous individuals to come into this province and take advantage of our citizens.

There are other areas when we talk about goal 2, which is "to foster consumer awareness and self-reliance." I'm interested in whether this particular division of the department is looking at broadening the scope of what they consider to be consumer affairs. Now, having sat in this Legislative Assembly for the last three and a half years, I've heard over and over again how individuals who use the health care system are considered consumers, how individuals who use the education system are consumers, and how individuals who use the social services system within this province are consumers. In fact, when we talk about fostering consumer awareness and self-reliance, are we talking about those particular systems as well?

Is there any thought at all about creating perhaps an ombudsman for the consumer affairs division that would be able to investigate? I know the minister will say: well, we have an ombudsman in this province, and he can investigate. The reality is that the Ombudsman does not have the ability to investigate any complaints that are brought in through the health care system or through any of the delegated regulatory organizations that have been set up in this province. So there may well be a need for an ombudsman, and there may be one there. I'm looking forward to finding out if there is.

In terms of strategies under goal 2, when we talk about creating "a national depository of consumer marketplace information and a data bank for consumer complaint tracking information," will there be penalties if there is found to be misuse of the data bank or if there are found to be practices that are not good business practices, perhaps not quite bordering on being illegal but just not good business practices? What is the point of having this information if there is no follow-up provided, if there are no penalties, if there's no censure? So that's another bit of information that would be useful and helpful, I think, to Albertans.

When we look at goal 3 – and this is an interesting one, that I don't understand – this is where we talk about ensuring "the provision of improved and more accessible consumer debt repayment services to Albertans." One of the questions that I have of the minister is if she would be looking at bringing forth legislation that indicates that when there is a bankruptcy, the workers within that organization are first on the list to get their dollars that are owed to them upon a bankruptcy and whether the consumers are second or somewhere equal on the list.

The strategy that's going to be implemented to ensure the provision of consumer debt repayment is to implement a charitable foundation concept. I'm not quite sure what that means. We're going to have a charitable foundation that will be providing support – and I'm obviously reading this wrong; I hope I am – to individuals who have consumer debt repayment problems. We're going to ask people to rely on a charity to provide them with dollars. As I said, I'm not sure what that strategy means, but I know there must be a solid explanation for it and that what will happen is that the services and accomplishments of the foundation are going to be monitored.

When I look at goal 4, which is "to streamline, consolidate and update legislation to reduce impediments and costs to business," the first strategy, I believe, is misplaced. The first strategy is to review and make appropriate amendments to all consumer statutes to ensure an effective and appropriate framework exists for a fair marketplace.

Well, I would hope that those consumer statutes are to ensure protection of the consumer, not to ensure that it makes it easier

perhaps for a business to take advantage of the consumer. So I think that that strategy is misplaced.

There was a lot of talk about registries, and I have some specific questions with regards to registries as well. If an individual is not satisfied with the registry, I would like to know what the avenues of complaint are and who that individual complains to and what the complaint mechanism is for dealing with the complaint with a particular registry. I would like to also have clarified for myself if there are still any perceived conflicts with registries providing drivers' licences and providing the contacts for the inspectors to do the drivers' tests. There seems to be almost a conflict of interest inherent in that particular situation.

The other issue that I have. I believe that the minister did bring forward the number of people that were surveyed with regards to customer satisfaction on registry services. I'd be interested to know what those questions were and how those individuals were actually surveyed, whether they were exit interviews, whether their names came off a list, whether it was a random sampling, and how that occurred.

Now, with regards to the actual budget of registries, when I look at page 307, I see some inconsistencies with the budget. What the minister had indicated was that there is an increasing demand for individuals to get licences to open registries or to apply to become a registry. There's this feeling that there's gold within the registry system. I think the minister may well be right, but the gold is coming out of taxpayers' dollars. When you look at where the increase in revenues has come from in registries, they've come almost solely out of – well, they've come out of two areas. One is motor vehicle licences, which indicates that there's been an increase in the amount of dollars that it costs to get a licence. We also know that there is a discretionary amount that is put on top of the flat amount that the government has put forward as what they would like to see from registries, so individuals can pay a different fee for those motor vehicle licences across the province.

There's been an increase in land titles. Part of that increase in land titles may be due to the shifting of property as a result of the increase in personal bankruptcies in this province. Yet when we look at the Business Corporations Act and the personal property security fees, which you would think would be increasing because of the prosperity in this particular province, those figures have remained static.

10:12

The area that's "other" is an interesting figure because that has decreased as well by a fairly significant amount, but there's no indication of what "other" is. As my colleague for Edmonton-Riverview indicated, there are no descriptions, and it would be interesting to know what "other" means.

The other place that's interesting is in the expense column. It appears that it is actually costing this government more money to have registries than in the past, because there's an increase in the expense when we look at registries information and distribution. There's an increase in that line figure. So I think that before I can join the parade and say that registries are a wonderful thing and that privatization has provided for increased revenues for the government and better service for the consumer, I would need to know the answers to those particular questions as well.

Now, there are a couple of other areas that I would like to touch upon with regards to the Municipal Affairs portfolio. One area is infrastructure – and the minister did address that – with regards to the need for infrastructure dollars throughout the

province. As we well know, if we save dollars in inappropriate areas, it can cost us more in the long run.

If I may, Mr. Chairman, if we do not get the opportunity to ask any more questions, we will be submitting other questions that other speakers have had to the minister to finish.

Thank you.

MS EVANS: Mr. Chairman, I would be pleased to receive questions from any and all members about a department I'm proud of and about the good fortune I have working in an area that's an extension of work that I have done for the last two decades.

I'm going to take this opportunity on consumer and corporate affairs to once again stress the opportunity Albertans will have to be counseled, to be encouraged to rebuild themselves instead of declaring bankruptcy, through the new not-for-profit agency that will be opening its doors tomorrow in Calgary to provide consumer debt counseling, to be the exclusive provider of the order payment of debts program formerly delivered by Alberta Municipal Affairs. As minister I'm delighted that we will have an opportunity through the chair and the board of directors, which is composed of the Alberta Home Economics Association, various banking institutions, and regular Albertans that have come forward, to provide unbiased, confidential debt counseling services. No one will be turned away because of their inability to pay, which I think is a feature that is most commendable.

In addition to one-on-one debt counseling and information packages, we plan to provide – and this is a quote from CCSA – "group sessions, where clients can learn to assess their ability to pay their debts and explore options available to them." I think that initiative, developed in large part through the ingenuity and creativity of people in this government and through the Municipal Affairs department, will go a long way towards alleviating some of the concerns of some of the consumers, particularly those who have actually sold or in fact have incurred indebtedness.

Mr. Chairman, I'll make my final comments here brief. There have been a number of questions from the hon. members on the other side of the House, and I'd like to just simply state that we will provide those in the form of a written statement and response. I won't say my door is always open, because it seems like it's frequently closed in meetings, but I would be pleased to receive written questions or have an opportunity to clarify responses for individuals in this House so that we can be properly informed.

I would also just make one concluding remark. In terms of evaluation of performance and key performance indicators, I would most certainly respect any contribution members in this House can give me so that we can do those things as well as possible and in an optimum form.

Mr. Chairman, I move that the subcommittee do now rise and report.

THE CHAIRMAN: The hon. Minister of Municipal Affairs has moved that the subcommittee do now rise and report. All those in support of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

[The committee adjourned at 10:19 p.m.]