

Title: **Tuesday, May 6, 1997**

Date: 97/05/06

8:07 p.m.

[Mr. Tannas in the Chair]

Subcom.B: Federal & Intergov. Affairs

Subcommittee B – Federal and Intergovernmental Affairs

Tannas, Don, Chairman
 Laing, Mrs. Bonnie, Deputy Chairman
 Barrett, Pam
 Blakeman, Laurie
 Bonner, Bill
 Calahasen, Hon. Pearl
 Cao, Wayne C.N.

Doerksen, Victor P.
 Forsyth, Heather
 Fritz, Mrs. Yvonne
 Graham, Marlene
 Hancock, Hon. Dave, QC
 Havelock, Hon. Jon, QC
 Jonson, Hon. Halvar C.

Kryczka, Karen
 Leibovici, Karen
 McClellan, Hon. Shirley
 Melchin, Mr. Greg
 Olsen, Sue
 Tarchuk, Janis

THE CHAIRMAN: I'd like to call the subcommittee meeting to order. We'd call upon the minister to begin. Mr. Minister, you can answer after each person, or you can undertake to listen to two or three sets of questions and then answer. It's whatever your style is, I guess.

Mr. Minister, you may begin.

MR. HANCOCK: Thank you. I appreciate the opportunity tonight to discuss Federal and Intergovernmental Affairs and aboriginal affairs. After my remarks probably what I would like to do is take questions and then answer them as a group unless something comes up that demands an immediate reply or inspires me make to a speech. As you know, that can happen.

As an introduction to tonight's estimates I'll provide an overview of our ministry's key activities at the local, national, and international levels. The biggest change in our business plan and budget, of course, involves the integration of aboriginal affairs and Federal and Intergovernmental Affairs into a single ministry. The combined ministry budget for 1997-98 is \$37.1 million. By including aboriginal affairs within the ministry, we're moving in a new direction, placing greater emphasis on government-to-government relations between aboriginal peoples and the Alberta government.

When bringing the two areas together, we decided that we'd not merely resubmit or regurgitate the two separate business plans. Rather, we've tried to create a business plan which reflects the strengths and co-operative potential of the new ministry. Although still at the early stages, we're looking at integrating and streamlining in a way which will allow us to continue and increase our effectiveness in dealing with aboriginal communities. Our streamlining will also achieve some new efficiencies between all other areas of the department. Within this newly created ministry we'll continue to work closely with other departments and focus our activities on the priorities of this government, both emerging and ongoing.

With respect to performance measures, because of the policy nature of the department it's always difficult to find suitable measurables and benchmarks, and we acknowledge that. The traditional forms of measuring using statistics or bottom-line dollars do not serve to measure the successes in a policy department which works with numerous other governments to achieve its goals. We will continue to focus on ongoing client surveys as our key performance measure, providing up-to-date feedback on our activities. Client surveys during this past year, for example, provided excellent information on our work on the social policy reform effort and the 1996 annual Premiers' Conference. The client survey is currently our best form of measurement, but we're

always looking at improving it and finding better ways of doing it. We'd welcome suggestions on improving performance measures in general.

With respect to aboriginal matters, we continue to focus on more and better self-government arrangements and greater self-reliance in aboriginal communities. We'll continue to work closely with the aboriginal people in Alberta through many avenues, such as the chiefs' summit, Metis Settlements General Council, and the Métis Nation of Alberta. This province continues to consult aboriginal people in our efforts to transfer responsibility for child welfare, children's services, and policing. The transfer of responsibility for program delivery continues to be a function of the service departments. However, FIGA will be active in developing the framework and structure for managing many of these agreements.

We can play an important role as well in facilitating communication with aboriginal people. A recent success story in this area is the work with Family and Social Services whereby the Siksika Nation can provide child welfare services for their members who live in Calgary. We're also working with Justice on the opening of a young offender facility at Wabasca, which will be managed by the aboriginal community.

With respect to Indian land claims, we remain committed to meeting our constitutional obligations to the federal government on the natural resources transfer agreement. We will continue to seek resolution of land claims for which the province has a responsibility, and we'll do this by negotiating settlements which are fair and equitable to all parties and in the best interests of Albertans. I'm pleased to say that all the treaty land entitlement claims which have been validated by the federal government have either been settled or are under active negotiation. Over the next business cycle we will be directing our efforts toward concluding agreements on several of these claims.

With respect to land agreements with the Métis community, Alberta's record is an unparalleled success. We will continue to work in partnership with the Métis settlements to achieve the goals in the settlements legislation. We have seen significant progress in the first seven years of the transition commission. Following an independent assessment, we have agreed to extend the transition commission for five further years.

The Metis Settlements General Council is now working on an alternative funding model, which has replaced the matching grants program originally planned under the Act. Changes will be proposed for the Act to embody the new funding arrangement. We are also working with the council on an economic viability strategy which will aim to assist settlements in moving to long-term, viable economic sustainability.

These are some of the priority items identified in the Metis Settlements General Council business plan.

The efforts and success of Alberta's relationships with aborigi-

nal people cannot be underestimated. It's worth noting that because we have worked hard with the aboriginal population to deal with practical issues at the community level, Alberta has established one of the strongest relationships with aboriginal people in the country, and every success in an Indian or Métis community is a success for all of Alberta.

In representing Alberta's interests in Canada, FIGA pursues a number of goals on the national stage. These national issues tend to move in and out of focus, depending upon the political climate at the time, but our work is ongoing in this area as we diligently maintain our intergovernmental relations and ensure that Alberta is getting a fair deal.

We are working on a vision of a more effective, efficient federal system that benefits all Canadians. One key, we feel, is rebalancing roles and responsibilities and, equally important, ensuring that once roles and responsibilities are agreed upon, adequate and stable resources are available to the order of government that is best able to deliver the programs and services.

While we're working on a positive new vision for Canada, one that we believe will appeal to Quebec, there's a very real chance that the government of Quebec is on course for another referendum on separatism before the turn of the century. The possibility of and pressure for a constitutional response to Quebec remains and could increase, considering recent comments from people like Brian Mulroney, Roy Romanow, and others. Our Premier has stated that he can recognize Quebec's uniqueness in its culture, language, and civil law traditions insofar as this does not grant special powers or status to Quebec. The Premier has also promised that we will consult Albertans with respect to the appropriate Alberta position in future constitutional discussions. I'd remind the committee that we are also required under Alberta's Constitutional Referendum Act to have Albertans express their say in a referendum before we approve a constitutional amendment.

Alberta's focus is not just on the specific requirements and needs as outlined by Quebec. Our focus is on Alberta's role in a renewed Confederation. If we are effective in our work with the other provinces, together we can pave the way to a new federalism, one which meets the needs of all Canadians.

Quebec has been present at the table, even if just as observers, at our meetings on rebalancing. Alberta and Quebec continue to benefit from our friendship. For example, Quebec provided us with useful advice in planning for our Growth Summit this fall. We can and will work with Quebec. Alberta's aim is to have a stronger Alberta, a stronger Quebec, and a stronger Canada.

Alberta has been a leader on the national scene in discussing the rebalancing of our federal structure. At the 1996 annual Premiers' Conference, which was chaired by Premier Klein, the Premiers agreed to a two-track approach: social policy rebalancing and non social policy rebalancing. In our role as chair Alberta has been greatly involved in these areas. In the non social policy area, provinces are looking at nonconstitutional means to improve the federal system. We are finding options for providing in a more cost-effective way the high quality of services that Canadians demand. We can do this by rebalancing roles and responsibilities and by harmonizing and streamlining our efforts in key areas.

The Premiers at the conference told ministers that the following areas were worth looking at: environmental management, internal trade, national food inspection, international trade, inland fisheries, fiscal compensation, and federal spending power. As the days go on, the issues which come onto the table or go off the table continue to change.

Non social policy rebalancing represents a major challenge with diverse issues and diverse priorities across the country and a

variety of sectors involved, but we continue to work together and move forward on this issue and try to develop and gain acceptance of the principles which should underlie the appropriate division of authority and responsibility. Ministers of intergovernmental affairs will be reporting to the Premiers on rebalancing at the annual Premiers' Conference this summer in New Brunswick.

8:17

In the social and fiscal policy area the Premier has named a new Council on Social Policy Renewal. This council, which is chaired by Alberta's Family and Social Services minister, is establishing new working relationships among the governments in social policy. FIGA staff work with other provincial governments on day-to-day negotiations and support the chairman in his role. This year has seen a lot of progress in a number of social areas; most notably, the move between the provinces and the federal government to develop an integrated child benefit. This initiative is precedent setting in that it takes a national approach with provincial and federal governments working together to provide income support for children in low-income families.

Also, the social policy area has seen progress on issues relating to labour market agreements, a provincial territorial health vision, and support for persons with disabilities. The Premiers also asked the council to develop a strategy to counter federal off-loading of the costs of services to aboriginal people. This strategy will be developed with input from aboriginal leaders.

FIGA has been working with other provinces to develop options for Premiers on new ways for governments to develop partnerships and social policy. As a result, at their next meeting in early June the council will be looking at a co-operative approach to developing, renewing, and interpreting national principles and standards. They will consider how to monitor outcomes in key social policy areas, prevent intergovernmental disputes, reconcile differences, and develop a new approach to the use of federal spending power. In both the social and nonsocial areas, pressure must be maintained intergovernmentally and national principles and standards negotiated by and between the provinces, not imposed by the federal government.

On the internal trade front Alberta has probably been more vocal and more active than any other province in promoting the Canadian agreement on internal trade. We're committed to reducing trade barriers to improve the opportunities for all Alberta businesses and also to create a stronger and more united Canada. Alberta sees the agreement as the primary instrument for reducing and eliminating barriers to domestic trade. For this reason Alberta has been very active and currently chairs several national committees: Electronic Tendering, Investment, Consumer Measures, and Energy.

One important goal for us is to include MASH procurement in the agreement to give Alberta businesses fairer access to contracts across Canada relating to municipalities, academic institutions, schools, and hospitals. The MASH sector accounts for an estimated 60 percent of public-sector procurement in Canada. Following our extensive discussions over the past two to three years with the Alberta MASH sector and the business community, both have endorsed bringing MASH procurement into the agreement and doing so in a way that is not costly or onerous. The agreed-upon text makes good business sense for everyone, and we'll be working with the other provinces to bring about speedy resolution on this issue.

There continue to be increasing international efforts to establish rules for international trade and investment. We get involved because many of these international agreements affect provincial jurisdiction and have an impact on our specific business sectors.

We're often relied upon to implement these agreements, and therefore we should have a say in how they're developed. Our job is to ensure a strong Alberta presence wherever appropriate and to make sure our interests are represented. We will therefore begin to press for provincial participation with the federal government in developing international agreements.

Last year saw the conclusion of negotiations to establish a bilateral free trade agreement between Canada and Chile. Alberta worked to ensure favourable provisions that would benefit our business sectors regarding investment, energy, and agriculture. We will support new initiatives to promote freer trade with South America.

Canada has outstanding concerns with the U.S. over market access for a variety of agricultural products, which sometimes cause misunderstandings and disputes, such as access restrictions for sugar and sugar products. Alberta is proposing a comprehensive agricultural free trade agreement with the U.S. with clear rules instead of having to deal with individual market access disputes on an ad hoc basis. Alberta was involved in negotiations to resolve a softwood lumber dispute with the U.S., and in cooperation with the lumber industry the Alberta government has been working closely with the federal government to ensure that Alberta producers receive their fair share of export quotas.

Within the World Trade Organization we have worked to reduce barriers to trade and basic telecommunications services and information technology products on behalf of Alberta firms. We will be involved in new negotiations on financial services, trade and environment, investment, agriculture, and professional services.

Our broader international activities focus on supporting the province's economic development strategy in promoting the Alberta advantage through our strategic relations in growing markets and emergent markets. In our largest market, the U.S., which accounts for over 80 percent of Alberta's exports, we are focusing on maintaining and improving our trade and transportation access to the south. For example, we have pursued partnerships with the western states. If you consider that the Seattle market is only 800 miles away while Toronto is 2,000 miles away, you can see the importance of these strategic alliances.

We are involved with a number of co-operative bodies such as the Pacific Northwest Economic Region, which improves regional co-operation and economic competitiveness in Alberta, B.C., and the five northwestern states; the Montana/Alberta Boundary Advisory Committee, which is critical to maintaining close ties with Montana, our only border state. One recent success which was announced during the Chrétien/Clinton meeting last month was the joint border crossing facility at Coumts, the busiest border crossing in western Canada. The proposed Canamex trade and transportation corridor, which will streamline the movement of people and goods from Grande Prairie to California and the Mexican border: we are building a coalition of support along this north/south trade route. The Western Governors' Association, which is an important target audience when it comes to dealing with western issues: recognizing the influence of state governors, Alberta is looking here for support of initiatives such as Canamex and Calgary's bid to host Expo 2005.

In Alberta's most important overseas market, Asia, which accounts for 60 percent of our non-U.S. trade, we're building on our long-standing relationships with our three Asian sister provinces in Japan, China, and Korea. I'm pleased to have representatives from all three provinces within our department. Their governments have sponsored their work in Alberta to develop business ties and strengthen the relationships. At the same time we will continue to make inroads in other rapidly

growing Asian economies such as Thailand and the Philippines, which the Premier visited in January.

Nineteen ninety-seven is Canada's Year of Asia Pacific, and Alberta, as a major Canadian player in Asia, has a key role. We kicked off 1997 with Premier Klein's participation in the Team Canada mission. The department worked closely with economic development and trade and the federal government to develop an effective program which resulted in over \$500 million in business projects for Alberta companies. We will continue to pursue follow-up from that mission. In August Alberta will be the centre of Asian attention when energy ministers and the top level industry leaders from 18 Asian and Latin American countries gather here for events surrounding the APEC energy ministers' meeting.

In the newly emerging markets of Ukraine and South Africa we are laying the groundwork for future relations by working on good governance projects to help those countries establish democratic systems and free market economies. Our approach in these emerging markets is to participate in federally funded governance programs while seeking out economic opportunities for Alberta.

In addition to our strategic relationships Alberta also handles up to 50 senior level visits each year. By bringing decision-makers here, we are able to create a reverse marketplace. Our job is to ensure that we focus each visit on the Alberta advantage by emphasizing Alberta's business and economic strengths. Our business community is often involved in these visits, which create unique international opportunities for them without the cost of overseas travel.

Another area of international focus for the ministry in the next year will be the 1998 world volunteerism conference in Alberta, when 2,000 delegates from 100 countries are expected to visit Edmonton.

As we position Alberta to benefit from national/international events and activities, we must keep on top of global trends. We'll maintain our advantage only by staying in the forefront and constantly evaluating our place in the rest of the world. In responding to pressures and challenges within Canada and abroad, it is often necessary to co-ordinate a broad governmentwide approach and provide a corporate voice where it improves the government's position. In this vein, we will continue to work closely with our colleagues across government in the role of co-ordinator, leader, or adviser as necessary.

I'm pleased at this point in time that staff from Federal and Intergovernmental Affairs are here with us tonight and will be closely listening to any questions and concerns that are raised so that they can appropriately advise me, and we can either respond tonight or in due course at a later date in writing if it's not appropriate or not possible to provide a good detailed answer tonight. I'm pleased at this time to introduce the Acting Deputy Minister of Federal and Intergovernmental Affairs, Wayne Clifford; the chief executive officer of aboriginal affairs, Cliff Supernault; and of course the people in the building who will most help you get answers to any questions and concerns that you have on an almost at-the-minute basis: Hal Danchilla and Tom Ghostkeeper, executive assistant and special adviser, aboriginal affairs.

I'd be pleased at this time to answer any questions you might have, as I say, either verbally or through follow-up in writing later.

8:27

THE CHAIRMAN: Thank you, Mr. Minister.

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

MS LEIBOVICI: Thank you for this opportunity to look at the estimates of Federal and Intergovernmental Affairs and also to congratulate the minister on his appointment to this position. The minister is new and I am new as the critic in this particular area, so if there are questions that appear to be very self-explanatory, please bear with me, and that's directed to the department officials that are having to listen to this.

I listened with interest to your overview of what the department is engaged in, and it sounds like there is a fair amount of activity that your department is involved in. As you yourself mentioned, the activities tend to be of an ongoing nature and tend to address a wide variety of areas.

The questions that I have with regards to goals and strategies – I'll just go through perhaps the Post-Election Update first, and I may jump around a little bit – deal first of all with the outcomes and strategies. I recognize that some of the work is ongoing, and it may be difficult to place an end date as to when some of this is going to occur, but when we talk about new partnerships, when we talk about looking at a restructured federal system – and again I recognize that some of this is not in your hands – it might be helpful to have as outcomes a date, whether it's 1999 or the year 2005, but to have some end in sight.

In looking at some of the past budgets as well as some of the *Hansards* over the last three years, these issues have been going on for quite awhile, and some of the ministers that were before you in this particular position were saying much the same as you are saying, that we will try and address these issues. I would like to see some kind of goal, some kind of date by which some of these issues can be resolved.

When we look at goal 1, which is “a more effective federal system – a fair deal for Alberta,” that is of course an issue that all of us are interested in, especially with regards to the potential of Quebec going through another referendum and the potential outcome of that referendum. What I found rather interesting was that when we look at the partnership approaches, the municipalities have been left out. I'm wondering whether there's some reason for that. If you look at the second goal, which talks about “a new federal-provincial-territorial partnership approach to social policy renewal,” the municipalities are involved with social policy and are involved with delivering the services within social policy, and I would think that they would be part of that partnership program.

You mentioned in your overview the social policy renewal committee. Again as I'm new in this area, this is the first that I've heard of that committee. When I looked through Family and Social Services to see if there were dollars for that particular committee appointed to it or whether there was any mention of it in the Family and Social Services budget, I couldn't find it. Perhaps this committee was set up after these books were published. If that is the case, it would be interesting to know who is on the committee, what the makeup is, what the fuller mandate is, where the dollars are coming from, and what the interrelationship is with FIGA.

Again looking at the restructured federal system that defines the roles of federal and provincial governments, reduces intergovernmental overlap, provides greater clarification, I'm wondering whether it's possible to have quarterly reports as to how that's done, what the movement is in those areas, because I'm sure that Albertans would be interested in knowing what's happening with that on a quarterly basis. What exactly is the philosophical approach that's being used in the negotiations that are going on? If my memory serves me correctly, last year the Premier of Alberta and the Premier of Ontario seemed to be philosophically aligned on a paper that was produced by Thomas Courchene, I

think it was, dealing with economic and social policy renewal. Obviously when one enters into negotiations there is a philosophical bent that one takes to the negotiating table, and I think that is important for Albertans to know.

There's an interesting line in your second box that talks about the new federal/provincial/territorial partnership. It talks about developing “national, not federal standards.” Again, being new to this department I would like to know what the difference is in the definition of this province between national and federal standards.

There's also a line that talks about “a new approach to the use of the federal spending power.” One would imagine that it's the federal government that decides how they spend, but if the government of Alberta has a way of providing the federal government with direction as to what that approach would be, it'd be useful to know that as well.

The next area talks about “effective Alberta participation in high-level intergovernmental meetings.” How does one measure effectiveness? Do we have a position paper that goes forward and then we tick it off down the line and say, “Yes, we got this; yes, we got this; no, we didn't get that. We got two out of three, so we're effective.” How does one measure effectiveness?

There's a line that you might be interested in looking at, and I think it was the former minister, Mr. Rostad, who indicated in 1995 that the interprovincial trade barriers that exist within this country would be eliminated. I don't think they have been. At least the current federal candidate for the position of Prime Minister is indicating that there are still interprovincial boundaries within this country. I'm wondering when we can look at erasing some of those boundaries.

There's also a question that has come up over and over again, and I realize it's a delicate question in terms of the movement of labour across borders: whether this government would ever consider an Alberta-first policy with regards to hiring, whether it be skilled tradesmen or professionals. I recognize that that is a delicate issue, because it works both ways. There are circumstances, in my understanding, where there are individuals who are unemployed in Alberta who are Albertans, whereas there are individuals who are being brought in from other provinces because they can be brought in at a lower wage rate.

Strengthened national unity: this will be an issue that I'm sure we will all be interested in. For your information, the Alberta Liberal caucus did hold a couple of meetings, open forums, to deal with the issue so that we could hear what Albertans were saying. Soon after we held our meetings, the Premier indicated that he would be holding town halls or some kind of a consultation process as well on trying to determine what the direction was that Albertans wish to take on the whole issue of the federation and strengthening the federation. The question is: has that now been put on hold? When will that occur? How would it occur? There are no dollars that I can see that are allocated within the budget to make it occur. If it's not within this particular budget, which budget will it come out of?

You had also indicated that there is a commitment for a referendum. Are there any contingency dollars for a referendum? Referendums are very expensive, and if there has to be one taken within perhaps the next year – we don't know – where will dollars come from, and will it have to be allocated through special warrants if there are no dollars allocated within this particular budget?

8:37

The Premier also had set up his own consultation committee on the whole issue of Quebec and Canada. One of the members is leaving. Mr. Tupper is leaving the province. Is there a replace-

ment for that individual? Were there any costs to that particular committee? Again, where is that in the budget? Has that committee been disbanded?

This may seem like a bit of a frivolous question, but I wish to say that it's not. The Premier has sometimes a habit of making statements and perhaps not having consulted with the department, whether it's around distinct society or issues of that kind. Has the department had full briefings with the Premier to indicate what the potential is of the Premier of the province making statements on issues like distinct society and especially without having had the consultation with Albertans to help him with some of those issues?

When I move on to goal 3, an open domestic and world trading system, the words are different, but some of the outcomes and strategies are the same as we see in economic development. That is a bit of a concern that I have with the Department of Federal and Intergovernmental Affairs, that there appears to be overlap in what some of the work is that FIGA does and what some of the work is that other departments do. The question, then, comes to: is duplication still an issue within this department, duplication in terms of the activities that are being put forward by FIGA?

When we go down – it's page 178 – we talk about co-ordinating "Alberta's participation in WTO negotiations." There's a line in there that talks about industrial assistance programs. It's my understanding that this government is out of the business of being in business and is out of the business of providing loans. What, then, are industrial assistance programs and services? Are those programs and services that require economic support? If they are, can we get a detailed listing of what those particular programs are and what the cost is to the taxpayer and who benefits from those programs?

There's another similar line on page 179 that talks about clarifying "rules for regional development assistance." Again, when I see the word "assistance," I see the word "dollars." Can the minister please clarify what that is? The outcome, again, sounds a little bit nebulous. It talks about "improved efficiency, enhanced competitiveness and increased investment in the Canadian market." Do we have a dollar figure where we can measure the success? Is it a million dollars that's a good figure to have in terms of increased investment? Is one dollar enough?

MR. HANCOCK: I'm sorry. I was making a note on your last one. I missed where you were.

MS LEIBOVICI: Sure. Page 179. I went from strategies to outcome, and the outcome is under goal 3. The outcome is to have "improved efficiency, enhanced competitiveness and increased investment in the Canadian market." My question is: when do we know that we've achieved that outcome? What is the dollar figure that says that we have reached the goals that we've set out? Is it a dollar? Is it \$10? Is it \$100,000, a million, \$10 million? There has to be some idea that's in someone's mind as to what makes that outcome successful.

The next box talks about "results in trade disputes that benefit Albertans." Again, being new to this portfolio, it would help me in terms of knowing the parameters of what FIGA is involved in to know how many trade disputes we have currently and what the status is of those trade disputes. Who in the department actually manages those disputes? Are they individuals within your department, or are they individuals in other departments?

I have a question that's more of a general question that I had been asked by a constituent who said: well, if we've got freer trade between ourselves and the United States, why do I now need a passport to cross the border, whereas before my driver's licence was good enough? There's an increased onus on Canadian

citizens, Albertans, to actually produce a passport, whereas in the past a driver's licence was good enough. If you've flown out of the States recently, you will know that you cannot board a plane without showing your passport. I've had that experience myself, and they will not let you board the plane. So that's a question, you know, as to: if we're talking about freer movement, then there seems to be an inhibiting of that going on.

The overlap that I had talked about shows up in goal 4 as well, on page 180. That talks about an active, targeted international role for Alberta. That again appears to be a real overlap with economic development. The second box talks about planning and implementing the Premier's missions, and I believe you addressed that as well. Where exactly do the dollars come from for the Premier's trips? Are they allocated out of different departments, and how can those dollars be tracked for an accountability purpose?

The fourth box down talks about an "increased use of Alberta's expertise in intergovernmental projects in foreign countries," and the strategy is to "participate in Canadian international assistance projects . . . on a cost-recovery basis," outlines a few examples.

There was a project that I believe ended in 1996. I think it was called the Russian/Canadian collaborative federalism project. I'm wondering if there has been any evaluation of that project. Was that project on a cost-recovery basis, and what actually did happen? What were the outcomes? Were they successful?

Another question that I have. I know that when the Premier made a recent trip to the Middle East, he presented a town, I believe it was, in Lebanon with a cheque for, I think, \$30,000 or \$40,000. Was that presented under this particular goal, and is that supposed to be on a cost-recovery basis? What was the policy that provided for that cheque to be presented?

"Improved transportation infrastructure for Alberta exports," again on page 180. I think it's wonderful that we're looking at dealing with the north/south corridor, but are there dollars that are allocated to this from the transportation department? In order to actually effect the improved transportation infrastructure, there have to be the dollars that accompany that.

I will not be dealing with goals 5, 6, and 7. The Member for Edmonton-Norwood is the critic for aboriginal affairs, and she will address those particular issues.

If we move on to page 183, the protocol and translation services, I notice that about two to three years ago the Calgary office I believe was closed, and there were two people that were in that Calgary office. They, I believe, were downsized, but the budget remained the same, and the question at that point in time was: how many people are in protocol and translation services? The question now is: where are these people housed?

The performance measures, generally, when I've looked at the other departments – and I have the same comments for this particular department – I think lack in being able to clearly show that outcomes have been achieved. I know that this department as well as other departments seem to rest their laurels on client surveys as an indicator of whether the performance measures are met or not. It's hard to be able to judge whether that is an accurate measurement in that I have yet to see who was surveyed, what the questions were, what the reliability of the surveys was. So it makes it difficult to know whether the overall client satisfaction as it's listed here, 3.9, is in fact a legitimate rating.

8:47

I do have more questions that are more specific with regards to the actual dollar figures that are in this budget; for instance, dealing with the number of individuals that are not listed. Hopefully, we'll get a chance to get back and ask those questions.

THE CHAIRMAN: Mr. Minister, do you wish to reply now or wait for another one or two?

MR. HANCOCK: Might as well wait and see.

THE CHAIRMAN: Okay.

The hon. Member for Calgary-Fish Creek.

MRS. FORSYTH: Thank you. Mr. Minister, I'll actually be brief. I just have a few questions. One of the first questions that I would like to ask you is: with the repatriation of Hong Kong to mainland China, the strategies that the Alberta government is looking at – a lot of the people from Hong Kong, just being in Vancouver recently, I've heard that they're looking at coming to Alberta, and I'm wondering what we're doing to attract them to Alberta, if necessary.

The second thing. In your vision statement in the book you talk about “an Alberta that plays a strong role in a prosperous and unified country.” The hon. member Mrs. Leibovici talked about that briefly in regards to Quebec, and I'd like to find out what we're doing there.

The mission statement talks about “advancing Alberta's interests in the Canadian federal system and within the international community.” A restructured federal system I know is federal jurisdiction, but I'd like to know what we're doing about it in Alberta and how you're going about that, because you talk about clearly defining “the roles of federal and provincial governments.” I'd like to know a little bit more about that.

Then you talk about reducing “intergovernmental overlap and duplication.” I'm assuming that means with the feds. I'd just like to get a little more information on that.

In that restructuring of the federal system it was agreed by the '96 annual Premiers' Conference to develop a work plan, so I'd like to know where we are on that particular work plan.

That's all the questions I have. Thank you.

THE CHAIRMAN: Mr. Minister, are you ready yet or one more?

MR. HANCOCK: Go for one more.

THE CHAIRMAN: Okay.

The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Chairman. I'd like to congratulate the minister on his appointment to the portfolio and hope that he'll be able to work in a spirit of co-operation with our critic, as the former minister did with me. Certainly we had a great deal of co-operation in the department and as result only had one or two questions arise over a period of a couple of years in the House, because any disagreements we had were able to be worked out beforehand.

The first question I have is just a general question on programs 1 and 2 of the budget. It seems that when you look at intergovernmental affairs and aboriginal affairs, the dollars are starting to creep up again if you take a look at '95-96, '96-97, and then estimates for '97 and '98. So I'm wondering if you can give us some detail in terms of why the expenses are starting to increase again.

The rest of my comments will be limited to the business plan summary on page 234 of the estimates book. I'd like to start with the major outcomes. If the minister could clarify for me just in terms of that title. To me what it reads, really, is major expected outcomes, because it seems to me that they're the goals you're

working towards. So if you could just speak to that for a moment.

MR. HANCOCK: Sorry. Just a second. Could you direct me to what you're . . .

MS CARLSON: Page 234, the business plan summary. You have mission, goals, and then go down to major outcomes. It's in your big book.

I anticipate that those are major expected outcomes. When you talk about “a more effective federal system” and then “a restructured federal system,” can you give us your vision of what the restructured federal system is, how it differs from what we have now, and how you would expect there to be anticipated or projected benefits for the province?

My colleague touched on the “partnership approach to social policy renewal.” What are you looking for in terms of renewal? What will be ongoing and continuous from what we've had in the past, and what are you bringing forward that would be different from what other provinces are now agreeing to? It looks to me like we're looking at a total new vision here, so if you could clarify that for me.

“Effective Alberta participation in high-level intergovernmental meetings.” Is this a continued goal or a new one? Do you feel in the past that you have had effective participation? If you could comment on that.

“A fair deal for Alberta within the federal system.” Is that a new fair deal or ongoing? Are you satisfied with the progress that we've got so far?

“A coordinated Alberta approach to intergovernmental relations.” I assume that's ongoing, because I think you haven't done a bad job there in the past.

“Effective strategies for strengthening national unity:” Alberta effectively represented as an equal partner in Confederation. Are you anticipating this to be ongoing, or do you see that there's been some deficiency in terms of our representation in the past? Again the same applies to national unity and constitutional issues.

When you get to “an open domestic and world trading system” and you talk about “improved domestic and international market access for Albertans,” this is where you start to lose me in this department. As my colleague said, I really think this is some overlap and duplication in terms of Economic Development and Tourism. I'm wondering how you expect to look different from what they are doing in that department and once again why we need this overlap in this area. It really seems that there is continually a duplication of services there. Do you have some sort of a game plan that makes you look quite different?

The “coordinated . . . response to trade agreements and related implementation responsibilities.” Are you talking about between provinces, federally, or between your department and Economic Development and Tourism? Just quickly speak to that for me.

“Results in trade disputes.” I expect that this is where we see the softwood lumber issue and those kinds of issues. Can the minister confirm that? Entering into trade disputes always seems to be a very costly affair for Alberta. I'm wondering how much of the budget is specifically allocated to that and if it's primarily directed in terms of legal resources. Could you tell us what proactive work you're doing in this area to prevent trade disputes from occurring in the first instance? I think that's where we should be at.

You talk about “well informed public and private sectors.” This looks like a budget line item to me. Can you tell me how much money you are spending there in terms of keeping people

informed and what process that takes and specifically what it is you're informing them on.

The "active, targeted international role for Alberta." I think it's a given that the policies and positions would reflect our priorities and interests. Can you table for us specifically what you see as being those priorities and interests?

Now, "greater positive awareness of the Alberta Advantage among international decision makers" again looks like a budget item. Is this talking across the table, or is this some sort of plan in presentation? Are you using some of the material that Economic Development produces for this? If you could just give us a quick overview on that.

"Strengthened relations with key trading partners through the international twinings." My colleague talked about this in terms of dollars when she also talked about improved transportation infrastructure. Obviously there's no dollars for this kind of thing in this department. What kind of support do you expect to provide in that area?

If you go over to the highlights. You're "chairing two important intergovernmental processes within Canada," which is really good. When you talk about "renewing Canada's social safety net through social and fiscal policy reform," how is this being co-ordinated with Family and Social Services and I would say, because it's fiscally oriented, also with Treasury? I haven't seen anything so far in the House that would lead me to believe that this is actively representing the issues in either those areas or the ones that we have brought forward. So exactly what is it that you're expecting to achieve here in terms of outcomes, and do you have some sort of framework in place?

"Rebalancing roles and responsibilities in non-social areas such as the environment, national securities and trade." Specifically what are you doing here? Of course I have a keen interest in what's happening in environment. Is this the stuff that you're doing now on the federal level? If so, can you tell me how that once again overlaps with Environmental Protection and what specific outcomes you're anticipating. Is this ongoing? How soon do you expect it to be done? Is there some sort of time line there?

8:57

Developing "Alberta's strategic approach to national unity and Canadian governance issues." Now, I want to know if this is just the government's perspective on this, or is there going to be some sort of participation from the electorate in the province? If you could expand on that for me, I would certainly appreciate it.

Co-ordinating "Alberta's participation in key international initiatives such as 'Canada's Year of Asia Pacific.'" Whenever we talk about Asia Pacific, it brings to mind China. I'm wondering what kind of stand you're taking on civil and human rights violations in China. Do we have some specific policies as a province in those areas? If not, why aren't you promoting them? If so, I think it would be a good idea to make them common knowledge. I think this is one area where you could effectively lobby the federal government to take a more aggressive and active role. I think that certainly that would be a proactive approach to take. So if you could tell us what you're doing there, I would certainly appreciate that.

You talk about the ministry focusing "on reducing trade barriers and improving market access for Alberta businesses." Of course this is where PNWER comes in. Having participated in many of the PNWER delegations from Alberta, I can truthfully say that this is one area where Alberta has been a leader in many of the areas that are represented amongst those states and provinces. I think

that's excellent. There has been some talk in the past about Alberta pulling back a little bit and limiting some of their participation until the States are pulling their fair share there. I'd like to know what progress is being made on that, what steps you're taking, and who the MLA representative is on PNWER now. Some of the things that have been accomplished there have been very effective. You spoke about some of them in your opening comments, things like better access over the Manitoba border and the work that's being done in there. Those are very progressive things, and I'm glad to see them happening. I think that is exactly the kind of role that this department can fulfill.

Where I see the department a little weak is still on the east/west issues. It seems that it's much easier to develop trade links with the states that are our close neighbours than it is with either B.C. or Saskatchewan, particularly B.C. So I'm wondering how aggressive you intend to get over the next year in terms of tearing down some of those barriers.

Do you have a priority list? If so, we'd like to see what it is, specifically I would say with regards to transportation trade barriers because they seem to be the major impediment to our doing that kind of east/west trade. So anything you've got to say on that would be of a benefit, I think. Certainly if you could put the kind of focus and energy and time and money into that as you did into PNWER, we should see some successes that all provinces would be congratulating you on.

When you talk about promoting "the Alberta advantage in our key markets through the 'reverse marketplace,' bringing senior level officials to Alberta" to showcase the economic strength, I'm wondering who pays for that. Is there a budget line item for that? From where are these people coming? Who are their priority target markets, what kind of time lines do you have for bringing groups here, and what kind of tours will they be going on? Generally speaking, in the past I know that FIGA has borne some of the costs for these kinds of things, but they've also been shared between the appropriate ministries that are affected.

I think it's very important for us to be able to see in budget estimates those kinds of things brought out and pulled together so that when we see that you have a hosting line item of X number of dollars, really that's just the tip of the iceberg in these kinds of situations, that generally speaking there is money assigned also from other departments. I'm wondering if you're looking at putting that together in any kind of a format that would be available for us to look at.

When we get digging in public accounts once the year has gone past, often these things come to light, but I think it would be important for Albertans to know what's going on or what's anticipated to be going on ahead of schedule rather than after the fact, when people can have some input in terms of what's going on and you really do start to see where the overlap and duplication comes in. If you could address that, I would certainly appreciate it.

It seems to me that there've been some major staffing changes over the course of the year, and I'm wondering if the minister would like to comment on them. I don't remember where I saw it, but it looked to me like there were some fairly significant payouts for some senior staff, and if you could comment on that, I would appreciate it.

Just for a moment on the client surveys. The way these are presented in all of the ministries is something of a concern to me. You talk about the client satisfaction, but we don't ever actually see the results. We don't actually see the specific questions that are asked in the client surveys, not that there's, I'm sure, anything wrong with the kinds of questions you're asking, but if just once in the ministry you could table the framework of what it is that

you're asking people to respond to. Is it one question? Is it three questions? Is it a 25-page survey? We have no way to know what kind of depth they go into.

A little further down, you're talking about the survey on the social policy reform initiative. Is the satisfaction that you get there of 4.3 out of 5 based on the outcomes, the actual results of the reform initiatives, or was it on the process that you went through and the facilitation that the department did for the process? Could you comment on that? "The survey was also used to determine whether continued co-ordination was necessary." I'm assuming that's co-ordination between provinces. If you could comment on that just to clarify that in my own mind, I would appreciate it.

That, I think, is the end of my questions. Thank you.

MR. HANCOCK: I think I'd better answer some of these. I'll try and answer some of them, and others I'll have to take under advisement and get back to you.

In terms of starting at the beginning, end dates for outcomes. As you pointed out in your comments, sometimes it's very difficult when you're talking about issues which are ongoing and sometimes take on more importance for the various players at the table and sometimes take a lesser importance. It's very difficult to say we're going to have this deal negotiated by X date. Putting a specific date on something such as a land claims settlement or an interprovincial negotiation would be very arbitrary, I think, in the extreme. While I appreciate that you desire to have some fixed time lines for some of the projects and while it might be appropriate to develop a time line and a strategy, putting in a business plan a fixed date for a specific outcome I think would be unrealistic, but I'll certainly take the suggestion under advisement where that might be possible. I'm not sure there are any places, but if there are, it's worthwhile looking at. As I mentioned in my opening remarks, determining new measurable outcomes is a priority for me in this area. That might be one of them, but I'm not sure just off the top where we would find one that we could.

You mentioned partnership approaches and indicated that municipalities are left out. The primary function, I think, of Federal and Intergovernmental Affairs is to deal between governments provincially, internationally, and now we've added the aboriginal peoples. In terms of inside the province, our primary function would be to co-ordinate the various government departments in their interprovincial negotiations. Again, subject to further looking at it, municipal governments would all fall within the purview of the Department of Municipal Affairs. It would seem that the relations there would fall directly within that department, so for FIGA to get involved in that would be to create some of the overlap which you've asked us to remove.

9:07

The social policy renewal was set up by the Premiers at the Premiers' Conference in an attempt to deal with rebalancing Confederation, rebalancing some of the powers and jurisdictions. That rebalancing was divided into two areas, social policy and non social policy.

The social policy council. Because Alberta chaired the Premiers' Conference over this past year, the chair of the social policy council was in Alberta's hands. That fell to the minister of social services to chair because primarily that social policy falls in their area. In terms of support for that council within Alberta, there's a social policy team inside FIGA which provides all the support for that initiative within Alberta. So all the budget dollars related to that relate to the social policy team within FIGA except perhaps - I wouldn't want to mislead you. I'm not sure who pays

for the minister's travel. I assume it comes out of his own budget.

Quarterly reports I think would be boring reading for you because sometimes this stuff moves at a snail's pace and sometimes it moves quickly. It's probably more appropriate to report on an accomplishment basis. For example, there has been a report on the social policy council which went out to the Premiers and to the social policy council ministers across the country and will be the subject of their further discussion in June, and then I suppose an update on that will be available for the Premiers' Conference in August. I think it's probably more appropriate to report on a sectoral basis as the reports come out rather than to try and sort of show progress on an arbitrary time line.

National not federal standards is a very important distinction to me and to the department. One of the big concerns I think of all partners in Canadian Confederation is that the federal government has a tendency to impose what they consider to be national standards. Sometimes those standards are imposed that overlap in areas of provincial jurisdiction. Alberta has always been very interested in maintaining its purview and its jurisdiction, and we'll continue to do so. In some areas it's appropriate to have agreement as to what a national standard might be. Our position is that those national standards should be negotiated between the provinces and the federal government where appropriate rather than imposed by the federal government. So that's the distinction that's being made there.

New approach to federal spending power. As we restructure Confederation and take a new look at what powers and authorities should reside with what governments, one might have to look at some of the spending authorities and some of the tax points and try and make an effort to have that readjusted. Of course that's not something that we'll just tell the federal government; that's an integral part of the negotiation, which is why that social policy also includes fiscal policy, because to a great extent that's where the fiscal policy transfer needs to be.

We see that specifically set out when we talk about aboriginal affairs on the social policy basis. The tendency seems to have been for the federal government to off-load social policy concerns with respect to native people, aboriginal people, into provincial areas of jurisdiction. They take the position that if you're not on a reserve, you're not a federal responsibility. So that off-loading is a very serious fiscal matter and something which has to be negotiated in terms of if we're going to deliver programs, we have to have the funds to do it.

How do we measure effective participation? That's a very difficult one, and I guess you can't look at any negotiations on the basis of a checklist. You have to come out of the negotiation determining whether you've achieved some or all of what you wanted to accomplish. Again, that goes back to the measures that we have in the department, and I'd be open to any useful suggestions you might have in terms of how we can effectively measure what we've succeeded in doing. For most of the policy issue areas I think you have to measure it on a continuum and see how you've moved along the continuum from time to time.

Movement of labour across borders, and particularly you mentioned an Alberta-first policy. My sense is that that would be absolutely contrary to the approach we've taken. Alberta has been aggressively an open-border province. We've been leaders in internal free trade and breaking down interprovincial barriers, and I think we'll continue to do so. It would be rather inappropriate for us to take the opposite position with respect to the movement of labour.

Strengthening national unity and the consultation process. Without making any commitment at this point in time because it's

just in a thought process at this stage, there has been a commitment to consultation before taking a constitutional position. From my perspective that means attempting to do a broad-based consultation, not necessarily just on the narrow question of constitutional amendment, because it's certainly been our position that we're not really interested in going to the constitutional table, but we do want to achieve a rebalanced federalism, and we do have to deal with the question of a Quebec referendum and what other people might bring to the table, even if we don't want to. We have to move forward in talking about a consultation process. Certainly not before the end of the federal election but over the next year or year and a half we'll have to move aggressively in that area. Again, if you have any suggestions as to what might constitute an effective consultation program, I'm always open to suggestions in that area.

The Quebec advisory committee is alive and well without Mr. Tupper. It doesn't have much in the way of costs because the participants are volunteers, it meets infrequently, and subject to correction from members of my department, I assume that the people who go to those meetings get there on their own ticket. It hasn't been disbanded. In fact, I'm anticipating meeting with them fairly shortly not because there's a burning Quebec issue but because I want to get to know them before there's a burning Quebec issue and discover what their current view is.

Mentioning full briefing to the Premier. Of course, this is a unique department in that the Premier, first of all, was a minister in FIGA and certainly is involved in most if not all of the high-level interprovincial meetings in terms of the Premiers' Conferences, et cetera. Of course, he has available to him, as does every other minister in this government, the opportunity to have full briefings from FIGA personnel when it deals with matters relating to interprovincial, intergovernmental affairs.

There appears to be overlap between FIGA and other departments. Of course, that's always a concern. When you're talking about trade issues, there's always the possibility of overlap with economic development. If you're talking about other issues, for example environmental harmonization, there's a possibility of overlap there. All I can tell you in that regard is that when it's an issue which is of primary concern to a line department, it's normally that department's primary focus. If you look at environmental harmonization, while FIGA certainly provides backup resources, intergovernmental contacts, and assistance, the department of the environment would spearhead the harmonization agreements and those sorts of things.

Alberta's position on industrial assistance programs and clarifying rules. I may be wrong – and if so, you can correct me on this – but I think you've perhaps misread that line. We're not suggesting for a moment that we have industrial assistance programs or that we have to work on international and intergovernmental agreements to ensure that when those programs are put forward as part of either an international trade agreement or dealt with as an international trade agreement or put forward by the federal government, it's our role to see how that affects Alberta and how we interface with it. A specific example of that, I suppose, is when you're talking about regional development assistance. Obviously that falls into the western diversification department of the federal government. That's not our regional diversification assistance program, but certainly we have to play a role in determining how Alberta fits into the those programs.

Trade disputes. How many? Status? That's not something that I can tell you off the top of my head. I may have some advice on that, though. We spend about \$50,000 a year on trade monitoring, but we leave it to the line departments to pay their lawyers. How about that? Further information to follow.

If freer trade, why do we now need a passport? I think that it's becoming more common knowledge – and again this would be just off the top and subject to any better information which the department helps me provide later on – that international terrorism is becoming a concern and international travel is a concern, so people are looking for more and better identification of people that are going in and out of countries. It's probably not too much to expect, nor would it be considered a barrier on trade to be expected to provide appropriate ID, which in most cases in international travel is a passport. As I say, that's just a personal viewpoint on that one, and we can certainly look to see whether there's something we can do in that area.

9:17

Overlap I think I've covered.

Where do the dollars come from for the Premier's trips? In terms of the Premier's Conference, for example, that was built into FIGA's budget. I don't think we cover it all, but I could take that under advisement and let you know on that.

Expertise in intergovernmental projects, the Russian/Canadian collaborative project. One of the interesting things that FIGA has been doing over the past few years is that because of the expertise which is perceived by others to be held here in developing government, in the whole concept of government renewal – downsizing, rightsizing, reorganizing government – we've developed quite a reputation and expertise in that area. The international bank and others have asked Alberta to participate. That participation is being done on a cost-recovery basis. In other words, we get paid to go and do it. It covers the costs. We're looking at how that process can be undertaken, if it should be undertaken. We certainly don't want to get into the international consulting business, but recognizing the realities internationally that sometimes government to government is the only way or the best way to open the doors, there may be a role for us to play in being a partner in that type of international consulting business. Certainly that's been done successfully in assisting the Russian project in South Africa.

I have no idea where the money came from for the Mideast, so I'll have to get back to you on that one. I wasn't around then.

Improve transportation dollars allocated. Well the north-south corridor, the Canamex corridor, has certainly been a priority. It was announced, I believe, in January '96 as being a priority in the budget. Dollars would obviously come from transportation in terms of building roads in Alberta. There aren't any international roads that we're paying for. So basically our commitment to that project would be to build our portion of the project and to work as diligently as we can with Montana, California, and the other states involved to try and make sure that corridor is developed.

Protocol and translation. Who are they, and where are they housed? I think we have four people in protocol. Two are in Government House; two are in translation. I think the two positions in translation are located in the FIGA offices in Edmonton. We don't have anybody in Calgary any longer.

Performance measures and client surveys, I'll certainly take under advisement your concerns about not having seen the surveys or the questions. To be perfectly frank, I haven't gone through them in detail myself in the last month, and I'll undertake to have a look at them. I'm not sure whether it's appropriate to release those publicly or not. If it is, I certainly wouldn't have any objection to doing so, but I'll have to get back to you on that.

Hong Kong. That one I can't talk too definitively about other than to say that we've been monitoring what's happening in terms of the repatriation of Hong Kong to China. Obviously there's a great deal of concern because we have a large number of people

from Hong Kong who have invested in Alberta and, particularly, in buying homes. It's a concern. From a business perspective the concern seems to have calmed down, and there's nothing that I'm aware of. Off the top and subject to correction after some investigation, I don't think that there's anything actively happening other than just monitoring to make sure that the business concerns and the concerns of investors are dealt with. As I say, from my communication with people who are in that area, the concern seems to have died down.

The vision of a strong role in a united Canada. Subject to a consultation process, which we need to go through, and of course consultation with ministers and government caucus of the Legislature, my personal view of Alberta's position is that our vision should be a strong Alberta. Strong provinces make a strong Canada, and federalism is a co-operative structure between strong provincial organizations. We can work together to develop the Canadian tapestry best if we each take care of the things that are important to our people in our provinces, have the authority and the responsibility to do so, and where there need to be national standards, we negotiate those national standards interprovincially with the other provinces and territories and the federal government. That's what we're attempting to do in terms of the rebalancing process.

Reducing federal and provincial overlap. One of the areas involved in the rebalancing concept is, of course, the area of shared jurisdiction. Hopefully by first developing a framework in terms of the interprovincial agreements and then going into sectoral subagreements, we can agree who is going to operate in which portions of the shared jurisdiction and reduce some of that overlap that currently occurs.

Edmonton-Ellerslie had a concern about dollars creeping up. Oh, am I out of time?

THE CHAIRMAN: You'll get another chance, Mr. Minister.

The hon. Member for Drumheller-Chinook.

MRS. McCLELLAN: Thank you, Mr. Chairman. Mr. Minister and colleagues, I'll try and keep my comments fairly brief so other members have an opportunity to get in.

I believe this is an extremely important portfolio in government. I see it as perhaps a keeper of Alberta's place in our federal system and in the international world, and I mean "keeper" in a very positive sense. Having had some experience in international trade, I certainly understand the importance of the department in a facilitating role and in an informative role in that area.

Continuing to develop very strong economic and diplomatic ties with our trading countries in the world is I think extremely important to Alberta in that we export the higher percentage of what we produce here. We are not a large consuming province with the small population base that we have, so it's extremely important that we maintain that advantage. I see your portfolio as being extremely important in that.

Certainly I'm a strong supporter of a federal system, of a united Canada. I, like you, Mr. Minister, believe that the stronger all of the provinces are, the stronger our country is.

I've watched with interest the work that's been done over the past years, really recent years, on reduction of trade barriers, and I wanted to ask you about that. In your business plan it would seem to me that perhaps the performance measures that might rightly accompany that are found in other departments, such as economic development and trade, such as Agriculture, such as Energy. It seems to me, if my recollection is true, that when this was first discussed, there was quite a catalogue of barriers to trade, and I think they were established by a variety of depart-

ments. I think it would be of interest to all of us to see a list of achievements, because there have been some. Not as many as many of us would like, but there have been some there.

I'm a strong supporter of a mobile workforce. I think it's important to our people to be able to work in other parts of Canada. While I don't want to in any way reduce our standards, I do think it's important that there be some minimum standards that are acceptable. It's very frustrating for our workers, as I'm sure it is for workers in other provinces, to have to retest, particularly in trades, to work in our own country. I know there's a lot of work that has to be done on that, and I'm sure it can only be done by negotiation between provinces. I have always felt that this is an area that the federal government could play a leadership role in. Perhaps it might be a strong role of not directing but rather facilitating the discussion between provinces.

I, for that reason, can't support an Alberta-first policy, because I have been a strong supporter of reducing trade barriers and of a mobile workforce. If you believe that, you have to believe that others have the right to look for opportunity in our province. I happen to think that people who've come to our province – and we've had a great deal of in-migration into this province I think thanks to the strong economic outlook here. But I think that has made our province a stronger place because we are receiving many very well-educated people from our own country as well as on an international level. So I would like to see or at least be directed as to where we can look at the successes of the efforts in the reduction of trade barriers, of the mobile workforce, and some of those areas.

9:27

I want to just quickly spend a moment on one of the areas that I think is extremely important and that I'm pleased your ministry will be addressing, the area of aboriginal affairs. We've had some very good successes in Alberta with our aboriginal communities. Certainly they bring a strength to our province, and I'm interested, as others are, in our maximizing that potential that's here. I especially will always be proud of being part of a government which was able to, with the Métis people, enact the Metis Settlements Act. My colleague from Lesser Slave Lake played a strong role in the introduction of that legislation. I've had the opportunity to work with the Métis people in a number of areas over the past years, and I know how strongly they feel about that.

I also have seen some successes with our aboriginal leaders in improving self-governance, their ability to take direction or have the direction for their own lives. I had mentioned in my estimates some days ago – colleagues might remember – the leaders of tomorrow program, a program that works with aboriginal youth, which is extremely important. Of course, Mr. Minister, you and I had the opportunity to participate jointly with a group just in the past days on the Indigenous Games. The Indigenous Sports Council is unique in Canada that I know of. We don't look at Métis people or Indian people or Inuit people; we look at the indigenous people as a whole, and I think that has probably strengthened our successes there. I'm also proud of the record we have of land claims but hope that you continue to have success in concluding those.

The federal system is important, and I think that to maintain it and strengthen it, the rebalancing work is going to be extremely important. Perhaps you could refresh our memory, as I think one of my colleagues had mentioned, on what the time lines are, the goals for that. I think it's extremely important that we do establish the roles and responsibilities, that we do eliminate overlap and duplication, and that we encourage co-operation and

collaboration in those areas. To have a united Canada and a strong Canada, I believe we have to all be equal partners in Confederation, and I think that if we all understand our roles and responsibilities, we have much more chance of ensuring that success, because I am confident that will be successful ultimately.

Thank you, Mr. Minister.

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

MS OLSEN: Thank you. I have questions, and I'll stick specifically to the aboriginal affairs portfolio and try and give you some direct questions that hopefully you can answer.

I guess the first question I have is in relation to line 2.0.1 on page 230. We have the same budget as last year. One of the questions I have out of this line item is: does this line item include payments to the Métis Nation of Alberta? The MNA is not in here anywhere, and I'm wondering where that money is coming from and how much they actually receive.

Also, the budget for this year is about \$400,000 more than last year. I know that in the past the Métis Nation has run a deficit. I think I addressed a question in the House earlier last week regarding that. I'm wondering if this \$400,000 is to cover off any future deficit problems with the MNA. I guess what I need to know now is what auditing process is in place to ensure the funds are spent appropriately with the Métis Nation.

Will any of the money on line 2.0.1 be used to help the province co-operate with the feds in implementing the recommendations of the Royal Commission on Aboriginal Peoples? What is the provincial reaction to this report? Is any of this money used to encourage other departments to make special provisions for aboriginal people in health care, child welfare, education?

I'm wondering why the aboriginal program was moved from Family and Social Services to FIGA and what the impact of that is. Is FIGA working with other departments to improve the welfare, health, education of the aboriginal community? I think that if we look at the royal commission's report and look at the current realities and the social crisis, I would say that the items outlined that impact the aboriginal community in that report – this is just the findings and recommendations – that those issues need to be addressed. Is that going to happen with the move from Social Services to FIGA?

A concern back to the Métis Nation, and I guess this will come up in Métis settlements. It'll be the same question with the Métis settlements and the Métis Nation. I've had people from both groups come and discuss the issue of a permanent voters' list and the enumeration process. There's some concern that prior to the Métis Settlements Act there was supposed to be an enumeration. There needs to be some commitment to clean up the voters' list. What the groups are looking for is a commitment for an agreement this government would have with the federal government, which I understand from the last minister was supposed to occur, whereby the Métis list in this province would be cross-referenced to the First Nations list held by the federal government so that there were not C-31 status Indians living on or voting in the settlements and so that in fact the councils on the settlements themselves were elected Métis as opposed to any other aboriginal status. That's a serious concern. They have their elections coming up. Again, I addressed that in a letter, so I'm waiting for a response to that.

9:37

In terms of land claims, if you look at 2.0.2, you have \$693,000. Is this the cost of the bureaucracy for managing the land claims? You know, if it is, it seems high in comparison to

the \$3.6 million for land claims settlements. It would be nice to know which claims were settled last year, which were not and why not, and that the budget was underspent by \$2 million. Will any of those claims that weren't settled last year be settled this year?

In relation to the Métis settlements funding budget of \$9.470 million on line 3.0.3, this line didn't appear last year, so is this for the matching payments that are possible under the Métis Settlements Accord Implementation Act? If it is, what indication is there that \$9 million will be needed for the matching payments? How do we know that it's going to be \$9 million as opposed to any other figure? Does that assume that the Métis will raise \$4.5 million on their own? If the Métis do not raise the amount required for matching payments, then will the remaining budgeted funds not be allocated? What will happen in that respect? Has the government done any estimates of the amount that will be available under matching funds as set out in schedule 1 to the Métis settlements accord?

If we go to page 232, there's a \$10 million statutory expenditure; that's the amount required under the accord. Why didn't the government make sure last year and prior to that that the \$210 million in statutory funding given over the last four years was used wisely? You're looking at, under the Métis settlements accord, the settlements receiving \$30 million per year for the first seven years, declining to \$10 million this year.

The \$30 million was intended to help build up economic activities to the settlements and to make them independent. Complaints from several settlements have indicated that's not the way things were going and that in fact there are some problems with the councils. I'm just wondering how – and possibly that relates back to the issue of who on the Métis settlement is in fact Métis and can be there, and who in fact are First Nations folks living on the settlement. Will the \$10 million annual payment be carefully audited, and what conditions will ensure that it is spent in the appropriate manner, given the criticisms by the people living on the settlements?

In '96 the Auditor General's office conducted an investigation on one settlement following a request from settlement members. There's a possibility there will be more requests after an Auditor General's review. Given that, will the AG be given a mandate to review the settlements as a matter of course rather than waiting for complaints?

If we go to the business plan, pages 235 and 236, I want to ask, on goal 5, how you intend to implement the "enhanced Aboriginal participation in government processes and the economy." That's part of your outcomes and your strategies. How do you intend to do that? What will you be doing to help the Métis settlements to become self-reliant, as outlined in your outcomes and strategies?

When will the evaluation of the Métis Settlements Transition Commission be complete? What changes are anticipated in this element's legislation to implement the business plan? What progress is being made in self-government discussions?

My final question is: how is the department measuring client satisfaction of aboriginal peoples? That includes all peoples in the settlements and the urban aboriginal community and those folks belonging to Métis Nation. I know there is a level of dissatisfaction and there are some splinters within the Métis communities. I would venture to say that the deficits run in the past from MNA will no longer exist. There was an election this past spring, and we all, as members of the Métis Nation, voted for a change. I think under the current direction the Métis Nation of Alberta will see a change. However, I'd like to know how they, the new Métis Nation and government, are now going to address the deficits that were left behind for them.

THE CHAIRMAN: Okay. Hon. minister, are you – or would you like me to go to someone . . .

MR. HANCOCK: No. I could respond to some of the questions that have come up.

THE CHAIRMAN: Okay. I have Calgary-Cross.

MRS. FRITZ: I'm not ready.

MS LEIBOVICI: You could provide written answers.

MR. HANCOCK: If you prefer, I can just listen and provide written responses later.

MS OLSEN: That's fine, just as long as I could get the commitment from you that we will get written answers.

MR. HANCOCK: Well, perhaps I should give some answers to some of these questions now just to allay some concerns with respect to the obvious implication of the last comment. I have received your letter. It is in process. You will get a response on the enumeration issue and the question. That's a fairly detailed one, and it does require co-operation federally in getting the lists. That's in the works and in fact may be on my desk now. I'm not sure.

Maybe I could just deal with some of those last questions in terms of the deficit with the Métis Nation. There was some change in funding programs and that sort of thing which wasn't taken up on a timely basis with the Métis Nation of Alberta, which resulted in their running deficits in previous years. As I indicated to you in the House, it's not our intention to fund a current deficit. We have requested on several occasions a plan from the Métis Nation as to how they're going to deal with their deficit on a timely basis. In fact, I think we now have received some communication from them on that. I had a meeting with the president of the Métis Nation in the last two weeks on some of those issues.

9:47

Interestingly enough, with respect to some of the questions you've raised, it overlaps on some of the concerns that I have in this area. In the approach that we're taking with Métis settlements relating to what is probably the most effective, in my view, aboriginal self-government process in the country, you then have to say: well, to what extent do we interfere with the self-government process to help try and realize some of our objectives to build self-reliant, economic initiatives in the communities? In any democratic community there's going to be divergence of opinion, so you'll have people coming forward saying it's not working or it's not working for them. Those are issues that obviously we have to wrestle with. We're working with the Métis general council and the transition authority to make sure the self-government process that's been set up does work, and if there need to be adjustments to it, that can be looked at.

In terms of legislation, we had hoped to look at that area this year and bring forward some revisions to the legislation. There's one immediate area which needs to be undertaken, and that's with respect to the matching program. There's been an agreement put in place, prior but just immediately prior to my becoming minister, with the Métis general council which would eliminate the matching grant process and put in place a different funding formula. So there will need to be changes to the Act to embed that agreement. In result, I guess the answer to your question

relating to the funding in that area is that, yes, we know that the \$9.47 million is what we're going to be spending.

In terms of the statutory grants, that's why statutory grants go down from \$25 million to \$10 million. It's my presumption, subject to checking, that there is not a process in place for that. That will certainly be a concern that I have, that we have some process of audit for it. I'll be following up on that and responding to you on it.

With respect to the move to FIGA, I had hoped that I'd covered that in my opening remarks. Too often, in my view, aboriginal affairs has become aligned with the department that it's in. So if it's in social services, it becomes a social services issue. If it's in Justice, it becomes a Justice issue. By moving it to FIGA, we can deal with it on a question of government to government, self-government processes and work with each of the line departments to make sure that Justice, social services, Education are all working with aboriginal peoples to enhance their quality of life, self-reliance, and economic initiatives.

With respect to RCAP, that's a pretty extensive report, 4,000 pages. I haven't read it all yet. There are quite a number – I think 440 – of recommendations which would totally change the nature of aboriginal dealings in this country, which of course was what their intention was: a new arrangement. But that's not something that can be implemented overnight. We have to look at each of those recommendations as they impact on provincial jurisdictions. We're in the process of doing that to see which of those recommendations we can deal with in the short term within the fiscal realities that we have and certainly want to see if some of that is possible, while keeping in mind that aboriginal affairs is constitutionally a federal government responsibility. We have to always be vigilant that there's not an off-loading of that federal government responsibility.

The First Nations themselves have taken strong positions that they want to do bilateral arrangements with the federal government. We've tried to be extremely co-operative. We've tried to work on tripartite agreements. We're at the table when asked. We certainly want to work towards it, but we don't want to encourage the federal government to off-load their responsibility, certainly not without transfer of tax points or other fiscal arrangements to help take care of the costs. So there is a strong concern in that area.

With respect to the Métis Nation of Alberta, the budget in that area, subject to correction, I think is \$1,536,672, of which \$522,672 goes to the Métis Nation of Alberta directly and \$169,000 goes to each of the zones. I might indicate that in a recent meeting the Métis Nation of Alberta presented us with a business plan which would see them going to total self-government, obviously involving a lot more money, not necessarily all of that money or even most of that money coming from the government. Our indication to them is: we're not looking at increasing the amount of financial support that we're giving in this area at the present time.

In terms of land claims, land claim negotiation is an expensive process. It's a long process. It's an ongoing process. There are currently five land claims still under negotiation. There's an extra million dollars in the budget, as you noted this year, for settlement of land claims. We anticipate that the Alexander land claim might come to final settlement this year. It was budgeted for last year, but that's moved forward into this year's budget, and we think that's possible. There are two or three others which are not necessarily particularly controversial and could be moved forward, hopefully, for settlement, but any settlements in those areas might have to be spread over a two- or three-year period in order to accommodate them in our budget availability.

I think those would be the answers on those questions, and

perhaps with the indulgence of people I would leave the earlier questions to be responded to in writing.

THE CHAIRMAN: Okay. The next one on my list is the hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Chairman. My questions will be brief. I also notice that 85 percent of your budget relates to aboriginal affairs and the Métis settlements legislation. Quite frankly, listening to some of the discussion this evening, I'm a bit concerned that some of those moneys may be transferred over to the other areas you talked about in regards to an international role for Alberta. While I know that you stated that very well, Mr. Minister, that too is a very important area. Given the recent demonstrations within the past couple of weeks from the aboriginal community, that shows that there are and I think remain some very serious issues within this community. So I would have liked to have seen more goals than less than half of your goals actually relating to aboriginal issues.

In saying that, I'm looking at the goals. For the outcome where it's "effective representation of Aboriginal views and interests in the processes of government," I would have liked to have seen and hope you will consider incorporating there that you will make the aboriginal communities in some way aware of the legislation that we have in government. I say that even within the context of your own words. You said: we have the Justice department, the Health department, the social services department, many departments, meeting the needs of these communities. I would think that first and foremost you would allow the community to be aware of our legislation before you go on to evaluate and identify other strategies.

Also, I was interested in the outcome "coordinated and effective participation in Aboriginal self-government discussions." I think it's really important that you allow yourself to be invited to co-ordinate, which I'm certain that you will be, knowing the staff that you have interface very well with the community. I'm not so certain that the aboriginal community would invite us as a government to go ahead and co-ordinate their self-government discussions but rather that we would want to participate. In your own words, too, you said: to what extent do you interfere in this area? I would hope that you would be sensitive to that.

I'm also interested in how many of the 90 employees are operating in the aboriginal and Métis areas of the department. I think it was brought forward by the member opposite that you will consider and hopefully have as part of your discussion the next time we have the budget before us, but in a good way, the royal commission on aboriginal affairs. Yes, it's a 4,000-page report with 450 recommendations, but they are very important. I would have liked to have seen that addressed in this portfolio, given that it is on a national basis as well.

Having said that, Mr. Chairman, I'd look forward to having the answers to my questions in a written format, if that's all right with the minister, and move that the committee rise and report.

9:57

THE CHAIRMAN: The hon. Member for Calgary-Cross has moved that the subcommittee do now rise and report. Would all those in support of that motion please indicate with your hand. Opposed? Carried.

[The committee adjourned at 9:58 p.m.]

