

Legislative Assembly of Alberta

Title: Tuesday, February 17, 1998 8:00 p.m.

Date: 98/02/17

head: **Committee of Supply**

[Mr. Tannas in the chair]

THE CHAIRMAN: I'd call the committee to order. That would mean we'd find our respective places and sit down.

MR. SAPERS: We're with you, Mr. Chairman. We're ready on this side.

THE CHAIRMAN: I notice that, yes.
The hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Chairman. I'd like to propose a motion, a copy of which has been circulated to all members in the House, to the committee which reads as follows:

Designated Supply Subcommittees

Moved by Mr. Havelock:

Be it resolved that pursuant to Standing Order 56(2) the following members be appointed to the following designated supply subcommittees:

Environmental Protection: Mr. Boutilier, chairman; Mr. Amery; Ms Carlson; Mr. Coutts; Mr. Ducharme; Mr. Gibbons; Mr. Langevin; Mr. Magnus; Dr. Pannu; Mr. Strang; Mr. Thurber; and Mr. White.

Family and Social Services: Mrs. Laing, chairman; Ms Barrett; Mr. Cao; Mr. Cardinal; Mr. Johnson; Ms Kryczka; Ms Leibovici; Mr. Lougheed; Mr. Melchin; Ms Olsen; Mr. Shariff; and Ms Sloan.

Health: Mrs. Forsyth, chairman; Ms Barrett; Mr. Broda; Mr. Dickson; Mr. Doerksen; Mrs. Fritz; Mr. Herard; Mr. Jacques; Mr. Pham; Mr. Sapers; Ms Sloan; and Mrs. Tarchuk.

Justice and Attorney General: Ms Haley, chairman; Mrs. Burgener; Mr. Dickson; Mr. Friedel; Ms Graham; Mr. Hierath; Mr. Hlady; Dr. Massey; Ms Olsen; Mrs. O'Neill; Dr. Pannu; and Mr. Stevens.

Municipal Affairs: Mr. Fischer, chairman; Ms Barrett; Mr. Clegg; Mr. Gibbons; Mr. Klapstein; Mr. MacDonald; Mr. Marz; Mr. McFarland; Ms Paul; Mr. Renner; Mr. Severtson; and Mr. Yankowsky.

[Motion carried]

THE CHAIRMAN: We have another motion, so we'll call upon the hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Chairman. I'll make another motion which I know will slide right through the House without opposition.

Subcommittees of Supply

Mr. Havelock moved:

Be it resolved that:

1. Pursuant to Standing Order 57(1) four subcommittees of the Committee of Supply be established by the Committee of Supply with the following names: subcommittee A, subcommittee B, subcommittee C, and subcommittee D.

2. The membership of the respective subcommittees be as follows:

Subcommittee A: Mrs. Gordon, chairman; Mr. Severtson, deputy chairman; Mr. Bonner; Mrs. Burgener; Mr. Cardinal; Mr. Ducharme; Mr. Dunford; Mr. Friedel; Mr. Hierath; Mr. Hlady; Mr. Jacques; Mr. Johnson; Mr. Lougheed; Mr. Mar; Dr. Massey; Dr. Oberg; Mrs. O'Neill; Dr. Pannu; Mr. Sapers; and Mr. Zwozdesky.

Subcommittee B: Mr. Tannas, chairman; Mrs. Laing, deputy chairman; Ms Barrett; Ms Blakeman; Ms Calahasen; Mr. Dickson; Mr. Doerksen; Mrs. Forsyth; Mrs. Fritz; Ms Graham; Mr. Hancock; Mr. Havelock; Mr. Jonson; Ms Kryczka; Mrs. McClellan; Mr. Melchin; Ms Olsen; Mr. Paszkowski; Mrs. Sloan; and Mrs. Tarchuk.

Subcommittee C: Mr. Tannas, chairman; Mr. Fischer, deputy chairman; Ms Barrett; Mr. Cao; Mr. Clegg; Ms Evans; Mr. Gibbons; Mr. Klapstein; Mr. MacDonald; Mr. Marz; Mr. McFarland; Dr. Nicol; Mr. Smith; Mrs. Soetaert; Mr. Stelmach; Mr. Stevens; Mr. Strang; Mr. Thurber; Mr. Trynchy; and Mr. Woloshyn.

Subcommittee D: Mrs. Gordon, chairman; Ms Haley, deputy chairman; Mr. Amery; Mrs. Black; Mr. Boutilier; Mr. Broda; Ms Carlson; Mr. Coutts; Mr. Herard; Mr. Langevin; Mr. Lund; Mr. Magnus; Dr. Pannu; Ms Paul; Mr. Pham; Mr. Sapers; Mr. Shariff; Dr. Taylor; Dr. West; and Mr. White.

3. The following portions of the main estimates of expenditure for the fiscal year ending March 31, 1999, unless previously designated by the Leader of the Opposition to be considered by the designated supply subcommittees, be referred to the subcommittees for their reports to the Committee of Supply as follows:

Subcommittee A: Advanced Education and Career Development; Education; and the Provincial Treasurer.

Subcommittee B: Community Development; Intergovernmental and Aboriginal Affairs; and Transportation and Utilities.

Subcommittee C: Agriculture, Food and Rural Development; Labour; and Public Works, Supply and Services.

Subcommittee D: Economic Development; Energy; and science, research, and information technology.

4. When the Committee of Supply is called to consider the main estimates it shall on the six calendar days after agreement on the motion establishing the subcommittees, excluding Thursdays designated by the Official Opposition, when main estimates are under consideration, resolve itself into two of the four subcommittees, both of which shall meet and report to the Committee of Supply.

THE CHAIRMAN: Are you ready for the question? No?

MR. DICKSON: Mr. Chairman, you know, I feel a bit nostalgic standing up to speak and to oppose this particular motion. I look across at the Provincial Treasurer and former Government House Leader, and it strikes me that this is not the first time we've been around this issue and not the first time we've exchanged very different views in terms of how the budget process ought to operate.

Mr. Chairman, we're in a bit of a different position this time around because when we raised the concern before, when we had a caucus in excess of 30 members in this Assembly, it afforded us a certain kind of flexibility. We now have a caucus of 18 MLAs, and leaving aside that most interesting story on how we got from

there to here, the reality is that this particular model of designated supply subcommittees makes it exceedingly difficult for my colleagues and certainly for this MLA to do the job that I think my constituents expect of me.

This would be the equivalent of saying to that much larger 63-person government caucus: you know, on caucus days you can split right down the middle, and half of you will attend the caucus meeting this week and half of you can attend the caucus meeting next week. Do you know what would happen? Members of the government caucus would quite rightly be outraged, because they would say . . . [interjections] Mr. Chairman, I'm not going to address who should be attending which meeting, but the point is this. I expect that every one of those government MLAs would say: "Well, this is nonsense. I want to have a say on every issue. I don't want to be excluded from the discussions in the even week and included in the odd week."

That's exactly the position that members in the opposition are put in as a result of this process. To save a few days in a spring session of the Legislature in a province where the Legislature sits less frequently than any other jurisdiction in Canada, what we do is handicap members in this Assembly. We tie at least one hand behind their back. I'll simply use my own situation, Mr. Chairman. Say that I'm on subcommittee B, as I am, which deals with Community Development, Intergovernmental and Aboriginal Affairs, and Transportation and Utilities. But of the 33,000 or 34,000 people I represent in downtown Calgary, there are people who have concerns relative to education, but that's subcommittee A. There are people who have concerns with respect to subcommittee D: Energy, Economic Development.

Now, obviously you can't be in two places at the same time, and we've heard the arguments before.

MR. MAGNUS: Ad nauseam.

MR. DICKSON: Well, some members may suggest "ad nauseam," but, Mr. Chairman, it's an easy position if you're in the government caucus to simply dismiss this concern. You know, my constituents are entitled to the same kind of voice that the constituents in Calgary-North Hill are entitled to. He may suggest they have a vastly more effective voice than my constituents do, but the point is this. This is through us; we're the vehicle through which Albertans have a chance to hold ministers accountable, to scrutinize departmental budgets. Those are the reasons.

Thanks very much, Mr. Chairman.

8:10

THE CHAIRMAN: The next speaker that was indicated was the Provincial Treasurer.

MR. DAY: Thank you, Mr. Chairman. I move to adjourn debate.

THE CHAIRMAN: The hon. Provincial Treasurer has moved that we adjourn debate on this resolution at this time. 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: The motion carries.

[Several members rose calling for a division. The division bell was rung at 8:13 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Boutilier	Haley	Melchin
Burgener	Hancock	Oberg
Calahasen	Havelock	O'Neill
Cao	Herard	Paszkowski
Clegg	Jacques	Pham
Coutts	Klapstein	Renner
Day	Kryczka	Smith
Ducharme	Laing	Stelmach
Dunford	Langevin	Strang
Evans	Lund	Thurber
Forsyth	Magnus	West
Friedel	Marz	Yankowsky
Gordon		

Against the motion:

Bonner	Massey	Soetaert
Dickson	Olsen	Zwozdesky
MacDonald	Pannu	

Totals:	For - 37	Against - 8
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[Motion carried]

head: **Supplementary Estimates 1997-98**

THE CHAIRMAN: The Committee of Supply is reminded that tonight for consideration we have the 1997-98 supplementary estimates of the general revenue fund.

Advanced Education and Career Development

THE CHAIRMAN: The hon. minister.

MR. DUNFORD: Thank you, Mr. Chairman. There are two components to the supplementary estimates for the Department of Advanced Education and Career Development and the Personnel Administration Office with a combined total of \$35.9 million.

Now, the first project is the knowledge network. One of the five goals of Advanced Education . . . You seem to be scowling at me, sir.

THE CHAIRMAN: I was scowling, hon. member, at the noise that seemed to be interrupting you, but if it's not, then please press on.

MR. DUNFORD: No. I'm quite happy. I'll carry on.

One of the five goals of Advanced Education and Career Development is accessibility. A significant new project toward that goal is the \$20 million knowledge network, which is about ensuring access to information. The supplementary estimates before you include \$12 million towards this project, and a further \$8 million will be financed by internally reallocated funds.

We know that learning is limited less and less by time and place. Institutions are finding new ways to deliver programs, which means that student learning is not limited to the classroom

and access to information and resources is not limited to the library. There are any number of ways in which funding under this project can support these new realities. We are supporting the development of infrastructure to enable students to use new technologies to access the information they need for learning. In this program and in all others the funding will be targeted to those projects which accomplish the greatest benefits. We are meeting with the institutions to learn their priorities.

We are finalizing program details and have identified some of the possible components of the knowledge network. For example, the funds could encourage institutions to acquire publications which are in an electronic format, or it could encourage the development of ways to make those publications readily accessible, perhaps by supporting the addition of computer systems. Whether at an institution or elsewhere the Internet provides information when the student needs it, not just when the library is open. Under this project, institutions may say that their priority is to increase the number of access terminals available on campus. There are even more options, and I expect that institutions will bring them forward. I am willing to listen to their priorities.

I am pleased that we could transfer some of the benefits of fiscal conservatism back into adult learning. The second initiative is \$23.9 million in supplementary estimates for employee achievement bonuses, to be placed temporarily in the budget of the Personnel Administration Office until it can be distributed to ministries. Provincial government employees have contributed substantially to our financial success story, and their efforts deserve to be rewarded. For example, submissions to our Premier's award of excellence program alone show that teams of employees have saved taxpayers over a hundred million dollars while generating over a hundred million dollars in revenues. The achievement bonuses are being paid from overall savings achieved by ministries through efficiencies in their administrative spending and operating costs.

Those are my remarks, Mr. Chairman. I'd be glad to accept any questions that may arise.

THE CHAIRMAN: Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Chairman. Thank you, Mr. Minister, for those introductory comments. I hope that you will have a chance to answer some questions before we are called upon in this Assembly to vote on the supplementary estimates.

The two areas that are receiving funds in this request are meritorious. I do have some questions, though, about the decision at this point to only allocate \$12 million for postsecondary infrastructure renewal. Pre budget, we saw an announcement of \$20 million. There weren't a lot of details. Now we see that the details are that \$12 million is going to come from new money from Treasury and \$8 million is being reallocated. I'm concerned about both sides of that equation.

First of all, with the \$8 million. It is my understanding that this \$8 million is coming from unexpended funds from the skills development training support program. Mr. Minister, I've heard you as well as others of your colleagues talk about the skills shortage in Alberta. Recognizing that there's a lot of work to be done . . .

I'll just pause, Mr. Chairman, until you could perhaps get a little bit of order. I can't hear a thing.

8:30

THE CHAIRMAN: Hon. members, the Confederation Room is

open for your conversation pleasure. Meanwhile we have the hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks. Appreciate that.

So what I was saying is that the \$8 million coming from that program is a puzzle because you and some of your colleagues have talked about the skill shortage in the province. Certainly, you could have been creative enough to have found ways to spend that money in the program for which it was originally voted. [interjection] Yes, I know that you're fiscally conservative, but you also are enough of a liberal to know that we need trained and skillful workers in this province to take advantage of the economy being in such a robust state at this particular point, through no fault of your own. I know that the state of the economy is not your fault, but we've been blessed with a healthy economy in this province, and you've been blessed with the privilege of being the minister responsible for making sure that there's a steady stream of skilled, trained workers. So I would have hoped that we could have found some ways to spend that money.

On the other side of the equation, the \$12 million: I'm just wondering if you could show the House how that was arrived at, where the \$12 million came from. I'm finding it hard in my conversations with the institutions to put that \$12 million into context. I've seen submissions from a single institution that could swallow up that entire \$12 million bucks. So I would like to know: is this seen as the first step in a multiphased initiative? Is this the best the government could do? Is this \$12 million simply because that's what was left over in terms of divvying up some of the extra cash at the end of the year? I just want to see some numbers that that \$12 million is based on and how far it'll take us down the road of meeting the identified needs of those institutions. In particular, I'd be interested to know, as I'm sure a lot of your constituents would be interested to know, how this \$12 million may impact the University of Lethbridge LINC initiative and whether or not we're going to see any concrete action from the ministry either out of this pool of money or out of another pool of funds that may be someplace else, I guess, in the budget to come. So that's on the funding on the infrastructure renewal.

On the \$23,900,000 that has been set aside for the achievement bonus program, I'd like to know, Mr. Minister, why exactly the productivity plus program was scrapped. Was it because it was only benefiting senior management? Is it because it had confusing goals? Is it because nobody fully understood it or there were implementation problems? What about the productivity plus program has been fixed or saved by this new program?

I notice that the major factor that will see a reward in this new program is that departments and departmental staff meet debt reduction goals. I believe that's the way the Provincial Treasurer put it. So what we're doing is saying to public servants in this province that if they did what they were told to by their political masters and wrote a smaller cheque for programs and services, they're going to be rewarded with \$23,900,000. Now, I don't want that to sound too harsh. I don't want to sound like I'm criticizing the tremendously competent and professional and hardworking civil service in this province, but, Mr. Minister, I think you'll agree with me that you and your cabinet colleagues have given them little choice in terms of doing what your will would be. In fact, one of your cabinet colleagues talked about it in terms of never trusting the bureaucracy. I believe it's the now Minister of Energy who was talking about his experiences and he said: never trust the bureaucracy, because they won't do it. You nakedize the bureaucracy first, and then you go in and you go on and you get the job done.

So with that kind of a message coming from cabinet and that

kind of chill in the air and that kind of implied threat and that kind of intimidation, it seems to me that you haven't really given the public servants in this province much of a choice. I will agree that many of them have worked incredibly hard and have made sacrifices, but I'm just wondering how this fits in with your overall relationship with the public service, how this may or may not have an impact on the negotiations with AUPE, and whether or not you're seeing this as a bit of a carrot that you're going to be dangling out in front of those remaining public servants to get them to do just a little bit more of your hands-on chopping and cutting with the promise that they may personally receive a benefit for that. I'm not sure that that's the most enlightened management practice, and I'd very much appreciate your comments on that.

I'll also note that in your introductory comments just now you talked about this being a good idea, you know, that this incentive program was a good idea and it was to reward and recognize the efforts of these people. Well, if that's the case, how come it's not in the budget estimates for next year? It's a new program, so I couldn't expect to see it last year, but it's also not in the budget document that the Provincial Treasurer tabled just the other day. So what we have is another indication that this might be just that bit of a carrot and that bit of a promise of something that may or may not materialize. So I'd like some indication from you as to whether this is an ongoing program or just a one-year program. If it is to be an ongoing program, how come we don't see it in the estimates that follow?

So, Mr. Chairman, those are my questions for the minister at this point on his supplementary estimates. As I indicated, I certainly would appreciate an answer to these questions before we're asked to vote.

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. I've looked at the supplementary estimates, and I wonder if the minister can take us through the various sums that are allocated for infrastructure in last year's budget and these supplementary estimates. I'm having difficulty tracking exactly what is going on with infrastructure. The budget last year on page 33 indicated that there would be "\$40 million to target major renovations and updating facilities as well as equipment" and that that \$40 million was part of a \$120 million three-year program. So we have the \$40 million that was in last year's budget for infrastructure. We now have \$12 million in onetime funding to support postsecondary institutions for infrastructure renewal needs. How do those two pieces of information fit together in terms of infrastructure, or do they? On what were they based? Was the \$40 million deemed to be too little? Why \$12 million? What is magic about \$12 million? Is the three-year program, the \$120 million, still in place?

The skills development program was, I believe, a \$98.2 million line item in last year's budget, and here we end up with \$8 million, a large percentage of it, being unexpended. What are the reasons for that skills development money being unexpended? I think I recall some of the conversation around that, and that money was targeted at social services individuals. Has there been a dramatic drop in the social services recipients accessing those dollars or accessing those programs? An almost 10 percent drop in that budget seems rather dramatic, particularly when we were given to believe that the budgets had been scrutinized very, very carefully and were bare-bones budgets at best. So I think there

are some questions there, some explanations that would help us see our way around these changes that we're being asked to approve.

8:40

The knowledge network is interesting. I guess my question would be: why now? The problem has been with us for a good number of years. Again, if you look at the last budget, where it was addressed:

The Ministry will allocate \$15 million through the Intellectual Infrastructure Partnership initiative to leverage public/private investment in university research infrastructure.

Now, how does that link to the knowledge network?

There's another item. The learning enhancement envelope – this is in the last year's budget – “will allocate \$10 million to support system wide change that integrates technology and learning.” The impression we're left with is that there are a number of initiatives being undertaken and then quickly abandoned, or new ideas are being thought up and introduced into the budget rather than being left with the firm conviction that there is a goal in sight and that it's being worked at systematically and that the planning is in place. So I think Albertans deserve an explanation in those two areas: infrastructure and the knowledge network.

Again, just one footnote for the knowledge network: has there been some inventory? Do we know exactly what it's going to cost to convert and to upgrade college, institute, and university facilities in this area? I recall being at the college in Lethbridge, and at that point they only had one computer in their library that could access the Internet. Now, that was several years ago, but it seems to me that they alone were asking for something like \$50 million to put forward their program. So have we a handle on what the total cost is going to be? Is there a systematic long-term plan to make sure that those knowledge needs are going to be met?

Thanks very much, Mr. Chairman.

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

DR. PANNU: Thank you, Mr. Chairman. Looking at the supplementary estimates here for the department of advanced education, I'm particularly looking at the close to \$24 million that's being allocated for the achievement bonus program for government employees and the press release that was issued on February 12. The minister draws attention to, I guess, 20,000 employees, those who are members of bargaining units and those who opted out who may qualify for these funds. I've several questions about this. There's a hint here about the process that will be used to identify departments and ministries that will qualify. Does the minister already know if some ministries do not qualify for bonus payments? If so, would he be in a position to name these?

He talks also about boards and commissions. I wonder if it's possible to get some information on which boards and commissions are included for consideration for this special onetime payment and which ones are not.

There's a question, of course, of the mode of payment. Since this is a bonus, is this a bonus which will be paid in one lump sum and it will be paid for performance for the current fiscal year; that is, '97-98, ending March 31, 1998? Or are these bonuses to be spread over several years from now on? If so, when is the payment schedule going to commence?

Our third question has to do with whether or not, once the

departments which will qualify for consideration for this bonus allocation – will the employees of these departments all qualify for the bonus? Or will each employee have to be evaluated, considered separately and individually for these payments?

I'm a little bit curious about the timing of the announcement of this new program. Clearly, government business plans have been in place, have been in operation for several years now. Why the announcement of this particular bonus scheme at this time? Does it have anything to do with the current contract negotiations that AUPE has been involved in with the government as employer? Is this timing supposed to influence somehow the bargaining process or the substance of the bargaining – that is, what's on the table – as opposed to what some of these employees are going to get anyway because the government has this extra money to pay 2 percent when they ratify their contract during the current round of collective bargaining? In other words, these payments, it seems to me, fall outside the contract negotiations, whatever is part of the contract. It will be part of the contract, and this is over and above that which the employees are expected to get. I wonder if there's any connection between this offer that has been made by the government for these bonuses and the expected outcome of the contract negotiations.

My last query is about whether this is going to become a regular annual feature of payments. Is there something that's unique and special to this particular fiscal year?

On the other part of the supplementary estimates, the money that's allocated to knowledge network initiatives seems to me is obviously to encourage the adoption of some sort of information technology in the process of instruction and communication of knowledge to students from instructors across different parts of the campuses and departments, I suppose.

One thing is missing here. I'm not sure if it's a relevant comment, but certainly I've been hearing a great deal from my former colleagues at universities that the library situation is deteriorating. The acquisitions at universities are under great pressure, particularly the periodicals collection, which collection is central and key to research, a function of universities which the minister of course is trying to push the universities to seek.

So does the minister have in his plans either onetime special funding for library acquisitions to help universities and colleges bone up their library acquisitions, or is his department committed primarily to seeking adoption of hardware? This will certainly make the IBMs of the world very happy, but college and university faculties and students perhaps will still keep wondering whether they'll have the learning resources that they need in order to get excellent education.

Thank you.

THE CHAIRMAN: If there are no further comments or questions, I would call upon the Minister of Advanced Education and Career Development to respond.

MR. DUNFORD: Thank you, Mr. Chairman. I'll try to answer the questions as best I can, beginning with the questions from the Member for Edmonton-Glenora.

On the unexpended funds under the skills development program we have actually a fairly simple explanation, Mr. Chairman. Due to the Alberta advantage, to the leadership of the Premier and this fiscally conservative caucus that I represent, we had strong growth in the economy. People that we had originally forecast might be in a position to access some of the funding in the skills development program in fact were out there working, providing for their

families, paying taxes, and contributing to an even stronger Alberta advantage.

8:50

The member was interested in where the \$12 million came from. The response I want to make is that it was a matter, given the fiscal dividend, that we were able to look at given the presentations that were made not only to Treasury Board but also to our caucus. This was a number that was ultimately agreed to by our caucus, but I want to assure the hon. member and all of my colleagues here in the House that we consider this a start and not the solution.

He asked a question – I believe it's a bona fide question; the look on his face, however, indicated there might be more behind the question than just idle curiosity – and that was: where is the LINC project? For the benefit of my colleagues in the House LINC is a project that has been proposed by the University of Lethbridge, which is in my constituency. I think it's been on the books since about 1989 or 1990. It's considered to be a project of some \$30 million. The proposal was that if the people associated with the university were to go out and raise \$10 million, they would then seek approval from the government of the day for \$20 million to complete this particular project. There was no commitment made by the previous administration, prior to 1993, in regard to that project. When my predecessor, Jack Ady, was the minister of this portfolio, he made no commitment to funding the \$20 million.

Now that I have the responsibility for the department, we have been working, I think quite diligently, with representatives from the University of Lethbridge. We've been trying to find a way in which to deal with some of the pressure points they have on that particular campus. But we have made it very clear and will make it very clear again this evening, as we stand here discussing the supplementary estimates and then indeed the fact of the budget for 1997-1998, that there are no new dollars for new buildings in the postsecondary system. Of course, that meant the LINC project as well. It doesn't mean that LINC is a dead project. It simply means that there will have to continue to be work done between the University of Lethbridge and the people within our department to find a way in which to make a library project, a technology project, a growth project fit within the current funding envelopes and the current methodology that we use in providing grants and funding to the postsecondary system.

The hon. member was quite aware of productivity plus as a previous attempt by this government to try to bring some performance measurement into a compensation system. We were somewhat hampered by the fact that the executive, I guess is the best way to put it, of the Alberta Union of Provincial Employees at that particular time simply would not entertain any notion of productivity plus. It was put into effect. I think there are both positives and negatives that happened within productivity plus.

Certainly one of the negatives has to have been the fact that there were employees at the front line who were working extremely diligently and extremely hard to see that the fiscal plan that had been put in place by the government I belong to would in fact be successful. History has shown, of course, that it was successful. But by the nonagreement to participate in productivity plus at the time, we were then left with no way in which to reward frontline employees that had worked so hard and so long to help us achieve our goals. Of course, I believe that that was a negative. We have strived within this government, have strived in the sense of trying to provide an opportunity and a culture of teamwork, so it didn't seem to fit by just picking out single

individuals. With the achievement bonus that we are now referring to – and I'll get into some of the details perhaps in answers to some of the later questions – we do believe that now, with the achievement bonus, we approach it from a standpoint of teamwork rather than just strictly the individual.

There was concern about the goal of debt reduction as being the reason that people might be rewarded. I'm pleased to tell the hon. member that we are a broader perspective sort of group than that. Certainly we'd want to look at all of the government goals we hope to achieve, but meeting business plan goals absolutely has to be one of them. As far as where in the budget estimates, again I would want to indicate, as in my introductory remarks, that in terms of achievement bonuses we expect the ministries to pick up those dollars.

In answer to the Member for Edmonton-Mill Woods on his first question, I will check the *Hansard* to make sure that I have the gist of the question correctly. For the time being, I'd simply mention that we had gone ahead with the business plan for infrastructure renewal with the \$40 million. When the \$20 million became available, we felt that was the best place for it. Again, I didn't bring the three-year business plan with me tonight, but yes, we do have an ongoing three-year program.

The skills development question I believe I answered when I dealt with the question from Edmonton-Glenora.

The knowledge network and the question of why now. I think that is a good one because it allows me the opportunity to indicate, then, to the member and to the House that it is only because of the ability we've had to balance budgets, to start to pay down debt, to have fewer funds going toward payment of debt that we then have some dollars to reinvest. We felt that this was one area in which we wanted to reinvest.

A reference to planning. Yes, our planning is in place. I think one of the advantages of the government that I represent has been the ability to plan. I think history will show that one of the innovations our government has brought to the parliamentary system has been the three-year business plans.

9:00

There's a cost for upgrading the system. There are many estimates out there as to what it would cost, and I would simply answer the question with the fact that we are not going to be projecting and budgeting for deficits. We will have balanced budgets, so the money that we have available is what we'll be using.

Now, the Member for Edmonton-Strathcona started out with the achievement bonus. We have yet to see the completion of the year, so no, I don't know if there are ministries that won't qualify. In making the announcement, we provided the opportunity for boards and agencies to be included if they so desire. It's a decision that they would make. They would be responsible, of course, for funding the achievement bonus.

In terms of mode of payment there were three questions. Two I can deal with because they're a planned thing, and that is that it would be in a lump sum and would be for the current year. But now the collective bargaining is under way, and at this point in time, as we speak, we do not have ratification. All I could say is that if the contract was ratified with the achievement bonus as a part of it, then we would want to pay it off in one lump sum very, very early in the new year. So it would be, hopefully, sometime at the end of April, early May. If a department qualifies, then all employees of the bargaining unit, assuming that there was a collective agreement, all of the opted-out, and all of the excluded employees would receive the bonus.

In terms of the timing, I'm an old hand at industrial relations, so I can certainly understand, with all due respect, a certain amount of cynicism behind your question. But I would want to answer it as forthrightly as I can that, again, it was part of the fiscal dividend that we saw ourselves presented with. The question was whether it is annual or not, and the answer to it is yes. It is annual in the sense of being available. Again, the overall government goal and then the department goals have to be met in order for it to apply. So it's not a guarantee, and certainly at the bargaining table it is not being projected as a guarantee either.

I, like the Member for Edmonton-Strathcona, am very, very concerned about library acquisitions. I agree with him, in how I interpret his remarks, that we can get overenthusiastic about hardware and start forgetting about the aspect of research. I want to indicate to the member tonight and of course to all members of the House that we take our responsibility in this ministry very, very seriously, and that is certainly twofold. We are there certainly to provide and assist in the support to learners, but there is a huge research component that we are responsible for, and we take that responsibility very, very seriously. As we deal with the institutions on these knowledge networks, if there are priorities come through that are regarding library acquisitions, then we will take that very, very seriously and see if we can respond accordingly.

With that, Mr. Chairman, I believe that I've answered the questions and seek your direction as to the next step.

THE CHAIRMAN: Okay. My understanding, hon. minister and members of the committee, is that we're not going to be voting on any of the issues tonight, so if there's no one further on there for this evening, we'll move to the next department under consideration in supplementary estimates.

Education

THE CHAIRMAN: I'll call on the hon. Acting Minister of Education.

MS EVANS: Thank you, Mr. Chairman. I'm here on behalf of the minister, Gary Mar, who represents Canada's Ministers of Education, by their request, at an international conference in Brunei.

The total spending on education in this fiscal period was \$3,115,000,000, 4.5 percent over budget '97. This is \$134,142,000 – \$15,150,000 from Alberta school foundation fund. We have a need to vote, therefore, on \$118,992,000 from the general revenue fund.

A hundred million is for a onetime infusion of school capital, part of the infrastructure reinvestment acceleration of some projects which will relieve pressing capital needs. Most of the \$18 million remainder is for the increasing enrollments, special-needs students, and for the credit enrollment units. It has been the subject of previous quarterly reviews, and these items were identified strongly at the Alberta Growth Summit. The enrollment increases are the result of an improved economy plus in-migration. Students are completing more courses, and more dollars are needed then for the credit enrollment units. It's also as a result of better health care, better diagnostic methods, and more students in school with severe disabilities.

Reinvesting \$380 million is our business plan by the year 2000-01, with the increased enrollment, special needs, and other critical areas. But we still have a shortfall, Mr. Chairman, and capital reinvestment for this year is essential.

First of all, dealing with the issues of the higher enrollments and why do we have a shortfall? Well, it's a symptom of our growing economy. In '94-95 the enrollments were going down, but today with the Alberta advantage we're attracting families, especially to high-growth communities like Calgary, Canmore, Grande Prairie, and Fort McMurray. The forecast growth was 1.2 percent, and actual growth was 2 percent. It's created a shortfall of \$12 million, \$6 million from the Alberta school foundation fund and \$6 million from general revenue. So we're here to ask you to approve \$6 million to accommodate higher enrollments. We expect this level of growth to continue with the announced projects. Also, Mr. Chairman, we expect with the reinvestment announcement in January to have \$171 million for enrollment based on 2 percent growth each of the next three years. This assures the boards that the funding will be there, helping boards with long-term planning. In the past, funding levels announced were one year at a time.

Mr. Chairman, in the category of severe disabilities the shortfall that we're experiencing is due to an increase in the number of students who will qualify and due in part to better health care and better diagnostic methods, in part to our complex society contributing to some behavioural and emotional disabilities. In part it's representative of the result of changing from incidence-funding to per student funding and identifying actual number of students with severe disabilities and in part the general enrollment growth. There are more students, and therefore we have a greater ratio or more disabilities.

For the long-term solution and reinvestment we're suggesting a 30 percent increase for severe physical and mental disabilities, mild and moderate disabilities, and also to address increases in numbers. We expect growth to slow somewhat but to keep pace with general enrollment. This leaves this fiscal period with a total cost pressure of \$6.3 million in this category; we're asking \$3.15 million from the general revenue fund.

Credit enrollment units for the higher credit enrollment unit funding is really a good-news story. It's introduced for greater accountability and also an incentive for students to complete courses in high school. Under the old formula, full funding for every student enrolled in a course on a particular day was the manner in which the funds were distributed to the schools. Today the credit enrollment unit pays for courses completed and services actually provided. The funding, therefore, is not tied to the enrollment date. It allows flexible course offering for year-round schooling, weekends, and outreach, and students balance course loads with extracurricular activities and part-time work.

More work skills options also contribute to more courses per student. For example, in career technology studies we have 22 career strengths. First, experiment with career choices and learn what is involved in different careers, also the registered apprenticeship program, careers for the next generation, and joint project skills with Skills Canada. We're working closely with our partners in Advanced Education and Career Development, educators, parents, and business to expand the learning opportunities, keep education relevant, and help keep kids in school.

9:10

The result is that the average credits per student are up from a low of 31.5 in 1993-94 to 35.7 in 1996-97. We're translating the average credits to courses: eight courses per student in the '96-97 school year, up from 6.9 courses in the '93-94 school year. It's created a \$12 million cost pressure, and we're requesting \$6 million from the general revenue fund for this category.

To control the cost, we're monitoring all claims to ensure they

qualify. We've established a CEU, or credit enrollment unit, funding study team, chaired by the Member for Red-Deer South, to make recommendations by the end of this month and to make the CEU funding more effective and efficient.

For teachers' pensions the January reinvestment announcement includes the amount for teachers' pensions for the next three years. Due to higher teachers' salaries and more teachers, there is an expectation that there will be higher contract settlements this fiscal period, higher obligations to teachers' pensions therefore, and a higher prior service pension liability surcharge. Statutory obligations for current service pensions for '97-98 is \$100.7 million, short by \$1,842,000.

School construction debentures. The \$70 million early repayment debenture program makes good fiscal sense. Like lump sum payments on a mortgage, it saves significant interest, and those dollars, Mr. Chairman, can be better spent on the education of Alberta students. We need \$2 million for a penalty to save up to 10 times that in interest; in other words, \$20 million.

Mr. Chairman, in light of the fact that the hon. minister is out of town, I would suggest that questions could be provided and he would respond on his return either in written form or as the chair would direct. We would make that available to those that would provide questions.

THE CHAIRMAN: Okay. The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. The supplementary requests from the Minister of Education raise a number of questions. The first, of course, has to do with enrollments. Exactly how many students does this \$6 million represent? Can we get some indication of which boards in the province are being affected by this higher than anticipated enrollment?

We certainly support the inclusion of an item like this in the supplementary estimates. It makes sense. But we do question whether or not the base rate is enough to actually cover the costs that these added students actually represent to boards. The \$6 million is for enrollment growth, but the shifting of populations, I think, is equally important to schools, particularly now that we've moved to school-based budgeting. A small shift in enrollment, a drop in one school and the addition at another school, can make some dramatic budgeting differences. So one of the questions we would have is: how does this \$6 million play out in terms of school-based budgets across the province? Is that information available, at least on a limited basis?

The growth in senior high school courses. I believe I heard the Acting Minister of Education indicate that there was careful monitoring of the CTS units, module credits. I would be interested in knowing how that monitoring takes place, because as the minister is probably aware, the rumours around the province about the kinds of fancy bookkeeping that's being done with regards to CTS modules and claims being made of the government for funding them are numerous. So it would be nice to be assured that there is a good monitoring system in place and that when a claim for a CTS module credit is made, we can be assured that it is really a properly funded unit. We support, of course, the credit completion at the senior high school level as a way of distributing these funds. Again, we are left with a basic question of whether or not the support at the base level is really enough.

The amount covering the higher than anticipated special-needs students raises the question: how many? There's been great difficulty, as the acting minister knows, over the years of trying

to track which special-needs students get into which categories and how you claim for them and where you claim for them. So we would like to know if we could: exactly how many youngsters does this involve, and in which categories do they fall? Well, I guess that's really our basic question: how many of them are there?

Related to that: is there a reclassification within the systems? Because there weren't adequate funds for the mild and moderately disabled youngsters, were the youngsters in this category moved up into more severe categories to try to capture some funding for them? Again, we'd be interested, if that was the case, in how frequent it was. Again, overall what is the percentage of students in each category: mild and moderate and severely special needs? What numbers are we looking at percentagewise?

The questions that we have in terms of the increased capital construction. How is that money being distributed, and when will we learn how that money is being distributed to boards? Is that going to be very soon? Will it be done before the School Facilities Task Force makes its report to the Legislature? What is the timing on that? I guess we're very anxious, as the government is, that the classroom and the kind of instructional construction we know is needed across the province gets under way as quickly as possible and school boards are given the kind of help that they need.

Again, the huge problems with upgrading buildings. I was in Peace River last week and was taken on a tour of the high school there. The problems are really becoming very, very acute. The delay of funding: a boiler room was going to cost \$500,000; before the approval of the money came through, that price had risen to \$750,000. The project had to be stopped partway. At this point the boilers still haven't been attended to, and the building is in – really pathetic shape, I think, is the best description you can give to it. They call in a contractor two or three times a year to adjust the front doors because the base is moving underneath the building. As I said, the best description of the building at this point is pathetic. Those boards need help now to upgrade those facilities.

There was some question – I think the acting minister answered it at least in part – on the penalties associated with the early repayment of school capital construction debentures. We would like to know if the full \$70.5 million was repaid early and what the terms and original principal amounts of debentures were. I guess we would really like the assurance that this did save money and that holding onto some of those debentures over a long period of time might not have been a better financial strategy. So some more details on that payback schedule would help us answer that question. Of course we would support any early payment that ended up saving taxpayers interest.

9:20

The final question is about the service costs and teachers' pensions. We got a partial explanation again from the acting minister, but this is out \$1.84 million in the budget. That seems like a lot of money to be out in one budget item, particularly since we've lost 2,500 teachers in the province since 1992, so there are fewer teachers. Is this affected by early retirement schemes? Is that what's coming into play? I guess we would like some more detail on the pension item. Of course, again, as with most of these items, the opposition supports the government. The money is needed. In many cases we don't believe it's probably enough. In other cases we don't know the base that the increase is being made upon, and we look forward to that information when the minister returns.

Thank you.

THE CHAIRMAN: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Chairman. I just have a few more questions, if I may, to add to the supplementary estimates. One of the things that particularly interested me was the increased school capital construction and renewal. One of the concerns I've had for the last year is what is happening at the Thorsby school, and I would appreciate if the minister could get back to us, because . . .

MR. MacDONALD: Which school was that?

MRS. SOETAERT: That was the Thorsby school. I know that the community is waiting on renovations for the gymnasium because they've wanted to do it the way the community wants it and not the way the bureaucrats want it. I think that would be under that school capital construction and renewal, but only part of it. So I guess that's my question to the minister when he has the opportunity to reply. I'm very concerned about that community because I feel they're a very strong community with strong grass roots. They know what they need, and I would hope that the minister would respect that.

I guess I'd like some explanation on another question. We paid interest penalties associated with early repayment. So I guess I would ask: which debentures were repaid earlier, and was the full \$7.5 million repaid early? What were the terms of the original principal amounts of the debentures, and what were the interest rates on the debentures that were repaid early? Who were the holders of the debentures, and why were they repaid early? What were the outcomes of the cost-benefit analysis performed? Can the minister please provide the net present value of retaining the original payback schedule versus the net present value calculated for the early repayment option? I guess a simpler way of saying that would be: I'm just wondering if it made sense to repay it early.

I see also that there was some money budgeted for the special education needs of severely handicapped students. There is no doubt that there is a desperate need for that. I'm disappointed to see that we couldn't convince the minister to properly support those with mild and moderate needs.

Just a few other brief comments that I was interested in. The CTS credits and the student enrollment in that: that was a program just taking off when I left teaching at the high school. I know that it's grown, and it's a very good program from my understanding of it. I do question that the minister pays just by credit, because sometimes a student will be there for the first block of the day, the third and the fourth, and have a spare block too, yet the school is taking care of that, you might say, responsible for that student during that time, but not being funded while that student is there, even though they are there all day, only funded for three-quarters of the day. I know that was the decision made by this government, but I question the practicality of it, and it's something that I'm sure makes budgeting in high schools very difficult.

MR. SAPERS: Keep going. It's fascinating.

MRS. SOETAERT: I know. I'm fascinating, says the Member for Edmonton-Glenora, and he's right.

MR. SAPERS: Your speech is fascinating.

MRS. SOETAERT: Oh, my speech is fascinating.

One more point. I'm surprised that we needed \$6 million for increased basic instruction grants. That's quite a jump in students, but if you average it out across the province, I don't know if it makes much of a difference per school. If you get three new students, that's not enough to warrant a new teacher; it just makes another crowded classroom with a bit more budget money. I don't know how the minister can balance those things. I realize that some of it's pretty difficult. It would be difficult to balance the number of students coming in, and I'm sure that in many cases it didn't warrant another teacher except maybe in places where the economy is booming, up in Grande Prairie and maybe Fort McMurray.

Those are some of the questions I had for the minister. I appreciate this opportunity for those questions, and I know he will be very sincere and complete in his responses. [interjection] We don't want him phoning in his answers. We'll wait till he's here in person.

Thank you, Mr. Chairman.

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

DR. PANNU: Thank you, Mr. Chairman. I'll be brief. Many questions have been asked. The supplementary estimates for Education: certainly some of them are required by law, so some money had to be paid to schools for additional numbers of students or for more credits.

The item that I want to ask a few questions about, an item on which very little information is available here, is the \$100 million for increased school capital construction and renewal. It's obviously a onetime allocation. Simple questions to start with. How much of it will be available for construction of new schools? There are, obviously, reports every day in the media that some new subdivisions that are opening up in Calgary or elsewhere may have to ship their students from those subdivisions to already existing schools. So the question that I have is: is there a certain estimate that the minister can give us with respect to how much or if any of this amount will be available for new schools, and how much will be available for renovation, repair, renewal, replacement of aging boilers, and so on and so forth?

The stories about leaking roofs, unpainted walls, heating systems that don't work, climate control systems that need replacement are legion and have been over the last several years in this city and across this province. Obviously \$100 million is a substantial amount, but I wonder if the minister can tell us whether or not this specific amount is based on some reliable estimate of the needs for renovation, repair, additional facilities that exist around the province? Or is it just a figure pulled out of a hat, and the minister hopes it will go as far as it can, and in so doing, it will meet most of the existing needs for repair and renovation and whatnot? The adequacy of the amount is obviously very difficult for me to judge. I'd like the minister to tell us how he arrived at this figure and whether or not in his judgment this \$100 million will be enough.

A related question, of course, is: when is this \$100 million going to be available to school systems and school boards across the province? It's a onetime allocation. Is it going to be spread over a period of three years, four year, five years? It seems to me it's a rather strange way of budgeting for new school construction or for repair, as a supplementary addition to an annual budget. It's an amount which obviously needs to be carefully planned to be spent. There is really no information here as to

whether it's going to be available to schools like this, you know, in the next two months or the next six months or whether it's going to take four years for them to tap into it.

9:30

I'm sure school boards and school jurisdictions would like to know exactly how and when this money is going to be available and within what kind of framework. It would obviously be I think far more desirable for school boards to have information available ahead of time so that they can plan their construction and renovation activities over a period of time. One-time allocations don't seem to give enough of an assurance that they can wait for a year or two until they have the designs available and the appropriate planning available in order for them to be able to access these funds when they choose to.

Just a minor, I think, reiteration of a point that was made on the nonbudgetary disbursement of 70-some million dollars. There is really a need for some information for this House to understand what were the grounds for making the decision to pay this back other than the simple statement, I think, that was made tonight, that \$2 million penalty was acceptable as part of the early disbursement of this amount for debentures in order to save \$20 million. I wonder if we'd be able to access the basis of that saving of \$20 million. Are there any firm estimates that were made, and are they available in the form of some sort of a document that can be made available to us, which I certainly would like to have a look at in order to feel sure that this payment as made here is indeed worthy of my support?

So with those remarks I think I'm going to just conclude. Thank you.

THE CHAIRMAN: Okay. Before we move onto the next item for consideration, the chair would remind hon. members that the acting Minister of Education has assured all members that the Minister of Education will be taking your questions under advisement and will be giving you written answers to those.

The next department for consideration under supplementary estimates is the Department of Intergovernmental and Aboriginal Affairs.

Intergovernmental and Aboriginal Affairs

MR. HANCOCK: Thank you, Mr. Chairman. Just a few short introductory remarks. I'm pleased to come before the committee this evening to speak to our supplementary estimates for Intergovernmental and Aboriginal Affairs. While our list is short, it encompasses two extremely significant areas of the ministry's business. I'm happy to report to the committee that these numbers also represent important successes for our government and for Alberta and for our country.

Under the Constitution Act of 1930, otherwise known as the natural resources transfer agreement, the province is responsible for the transfer of Indian land claim settlement lands to the federal government. On January 8 of this year cabinet approved in principle the memorandum of intent dealing with the Loon River Cree band land claim settlement as negotiated between Canada, Alberta, and the band. Under the proposed settlement the 370 members of the Loon River Cree First Nation will receive a reserve of not less than 70 square miles, \$29.5 million in program funding over five years for reserve construction, and \$17 million to be placed in a trust fund for the long-term benefit of band members. Alberta will provide the land for the reserve and approximately \$9 million.

As the province has little control over the pace of land claim negotiations, it's difficult for the ministry to budget for these amounts with any certainty. While we have discussed a number of possible methods for budgeting for land claim settlements, we agree with Treasury that the best method is to bring forward these matters as a supplementary estimate when a reasonably certain amount is known.

Our supplementary estimates also provide for \$500,000 for unbudgeted litigation costs incurred by the province for claims filed in Alberta Court of Queen's Bench by Indian bands. Responsibility for these claims has been transferred to Intergovernmental and Aboriginal Affairs from Justice.

The settlement of the land claim is an important step for band members and for the government, and I'm pleased that Alberta has been involved in the development of a settlement which will assist the Loon River Cree Nation in the present and for the future.

The final \$500,000 funds Alberta's national unity consultation process on the Calgary framework. Our nonpartisan, province-wide consultation process began September 14 and culminated with the members of this Assembly unanimously endorsing the Calgary framework on December 10, 1997. The consultation process was designed to encourage a dialogue among Albertans on issues related to national unity and on the Calgary framework. The members of this Assembly were enthusiastic and active participants in the process, convening more than 60 formal town hall meetings and countless informal sessions. In addition, some 53,000 formal submissions were received, 48,000 brochures were sent in, 3,000 phone calls came in to the 1-800 line, and there were 1,700 Internet responses. Analysis of the feedback indicated that 70 percent of Albertans who responded supported the Calgary framework.

Mr. Chairman, Albertans love their country and are proud that the Calgary framework has initiated a grassroots process throughout the country. With respect to the consultation process I would note that across the country Alberta has had among the most significant response and participation by individual citizens in the process. In fact, in all the provinces only Ontario, who has spent more than twice the amount of money and has a significantly larger population than our province, had more responses, some 60,000 to our 52,000. So this has been a very positive process, a very effective process, and one which has been very cost efficient as well.

I look forward to any questions that members of the House may have.

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

MS OLSEN: Thank you, Mr. Chairman. I just have a couple of questions that I'd like to ask. I know that the Loon River Cree band is a breakaway group from the Lubicon and has approximately 370 members. There was another breakaway group, the Woodland Cree. The Woodland Cree reached a settlement in 1991, but the Loon River Cree band has not. The minister spoke to a formal agreement in principle on a tentative settlement. Has that been signed? I understand it was signed, formal documentation hasn't been completed yet, and no details have been released. The Premier talks about the agreement as being a fantastic deal for the Loon River band and says that it bodes well for further settlements, and I have some concerns about that. We'll discuss that in subcommittees.

I guess my questions: you've answered one of them in terms of

how much land was granted, where exactly, and what type of land is there. How sustainable is that land? What is the intended use? Is some of the provincial money, some of the \$9 million, in lieu of land? When can we expect the Lubicon settlement claim to be completed? Is that further down the road? Again I have some questions about the length of time it's taking to conclude some of these settlements.

Litigation costs. I'm wondering if the litigation costs will be ongoing, if this is \$500,000 and that's it, that you're aware of, and there's not going to be a need to put any more money into that. So those are my concerns about the aboriginal affairs aspect of it.

I'm wondering if I can just go to the \$500,000 for the national unity consultation process. In light of the fact that the department already has \$1.4 million that's dedicated to Canadian intergovernmental affairs, is this \$500,000 just for the national unity debate? Does this cover all of the costs of the householders, the mail-out, the questionnaire: that type of thing? Did it cover the hiring of the staff? I'm concerned that we have a response rate of about 5 percent, and if we're going to discuss this issue at any further date, have you given any further thought as to how we would do this in order to get a greater return on the questionnaires? Those are my questions in relation to those issues.

9:40

THE CHAIRMAN: The hon. Member for Spruce Grove-St. Albert.

MRS. SOETAERT: Thank you, Mr. Chairman. Just a few questions to the minister if I may. I see that there was a payment for costs for claims filed in the Alberta Court of Queen's Bench by Indian bands, and I'm wondering if Alexander is within that? If you could explain part of that to me, I'd really appreciate it. As you know, Alexander is in my constituency and a band that I very much respect and admire. So I'd appreciate any information on that if I may.

I think it'd be interesting to see the breakdown of the national unity consultation process: who spent what, what kind of procedure did each person do, and how did they spend it in their constituency? I think that would be kind of interesting, and maybe we could even learn from each other and see how we think the most effective way to get input was used.

Those were my two brief questions and comments to the minister. Thank you.

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

DR. PANNU: Thank you, Mr. Chairman. I have just two brief comments and questions on this. I'm pleasantly surprised that the public consultation process leading up to the December special session cost as little as it did, so I certainly want to congratulate the minister for money well spent.

I have a question, however, about the \$500,000 being requested to pay the litigation costs of the province for claims filed in the Alberta Court of Queen's Bench by Indian bands. Several questions. I wonder if the minister can name these Indian bands. Second, is \$500,000 just the first payment on litigation that's ongoing? Should we expect to receive another request from the minister later on for more moneys to pay for part of the litigation that is not yet attended to? Thirdly, which land claims are being litigated in this particular case? So the information about the bands involved, the nature of the land claims being litigated, and whether or not the litigation is already completed and \$500,000

represents payment in full and final form for the costs incurred.

Thank you.

MR. HANCOCK: Perhaps I could respond to some of the questions that have been raised, Mr. Chairman. First of all, the suggestion was made that the Loon River Cree Nation was a breakaway band from the Lubicons. It certainly is my information that that's not correct: the Loon River Nation is a nation in and of themselves. So I just want to clarify that. The agreement, in fact the memorandum of intent, has been signed. It was signed on January 16 between the negotiators for the Loon River Cree Nation, the government of Canada, and the government of Alberta. That memorandum of intent, which was signed with the approval of our cabinet, basically commits us to the settlement within the parameters which I outlined, which is the payment of approximately \$9 million, a portion of which – I think it's about \$7.5 million – goes into the trust fund. Another \$1.5 million will be utilized for dealing with third-party interests in clearing some claims against the lands that are being transferred. The lands are lands of course which, in terms of the area, were negotiated by the Loon River Cree Nation, so presumably they're happy with the parameters and the type of land that's available. It basically is west of Red Earth and in the vicinity of their traditional homes.

The question as to when the Lubicon might settle really has nothing to do with today's supplementary estimates, but I would indicate that we are ready, willing, and able to sit down at any time to discuss land claims negotiations on a basis which is appropriate for the people of Alberta and consistent with settlements that have been made with Woodland, with Loon, with other nations in Alberta. We're certainly prepared to deal with the Lubicon at any time and have discussions with them.

Litigation costs: an interesting question. There are 26 claims that have been filed across the province. Only about four of them are considered active at the moment, but the others have been filed, and most of them have been served. Of course, the claims that are put forward in those actions are significant in terms of dollar value and in terms of the principle of the issues, and therefore we have to take them seriously and have to be prepared to defend them. I would like to be able to say that this is the final payment on litigation, but I fear it's just the beginning. Although we probably won't in this fiscal year require the full \$500,000 which was originally put forward in the estimate because some of them are not proceeding quite as quickly as had been anticipated, there are in fact four claims that are being actively pursued at this time. Rather than waste the House's time with intimate detail, I'd be happy to provide you with a list of the claims.

MRS. SOETAERT: What about Alexander?

MR. HANCOCK: Alexander is not, to the best of my knowledge, at this time one of those claims.

I think that deals with the basics relating to land claims and the litigation. I'd be happy to provide more detail to either of you if you wish it.

With respect to national unity actually I'm very pleased that we managed to deal with the national unity consultation process in a very relatively cost-efficient manner. Many of the other jurisdictions spent a lot more than we did. For example, British Columbia has a budget of \$1.6 million, and they finished their consultation process with only 45,000 submissions. In Saskatchewan they had 21,000 submissions and a budget of about \$600,000. Ontario, as I mentioned, has about 65,000 submissions, although their

process is still under way, and their budget is in excess of a million dollars. In some of the other jurisdictions: Nova Scotia had 385 submissions.

I don't think we have anything to apologize for in terms of the size and the breadth of the consultation process which happened in Alberta. We had a phenomenal response to the process, and the budget actually will probably come in, again, closer to \$400,000 than \$500,000. We've had a very effective process. We had good participation from across the province. We had probably a better rate of participation than anywhere in Canada on this question and at a cost which is much lower than other jurisdictions have put in. In terms of the specifics: it cost us approximately \$230,000 to design, print, and distribute the brochures; about \$9,000 to design, print, and distribute the report; about \$57,000 for advertising; \$41,000 for contract staff for coding the responses; and about \$35,000 for our polling. That would bring us to about \$400,000, or almost a hundred thousand under budget. There may still be some costs to be paid in terms of some of the constituency-related expenses. For that, 20,000 copies of the final report were printed, and a good number of those have been distributed; 1.05 million households received the brochure, which included a postage-paid return envelope.

The process was nonpartisan in nature, involved all three parties in the House, and resulted in a very good discussion over three days in December. The unanimous resolution of this House was not only nonpartisan, not only very effective consultation, not only involved a broad spectrum of Albertans and gave everybody an opportunity to participate, but it also, in the context of this government, was very fiscally prudent and well managed.

9:50

THE CHAIRMAN: If there are no further questions at this time, we'll proceed to the next department for supplementary estimates.

Treasury

THE CHAIRMAN: The hon. Provincial Treasurer.

MR. DAY: Thanks, Mr. Chairman. The supplementary estimates deal with the LTD, long-term disability fund.

Just as quick background so that people understand, this particular fund receives premiums and pays benefits under the government employees' LTD plan, and it provides for certain elements for employees who are unable to work as a result of injury or illness or disability. That particular plan covers that employee until they're either able to come back to work or possibly they find employment in another capacity or they reach age 65.

This plan was implemented in 1976, and it was based at the time on what we call a pay-as-you-go premium rate, where that current cost premium rate is set at a level that generates enough funds to pay the monthly benefits as they come due. As with a number of pension plans over the last several years in the public sector, not just in Alberta but in fact across the country – and this type of thing would probably even include some of the difficulties that CPP ran into – under that particular approach over time you have more employees on the plan and collecting the benefits. That collection of benefits and the cost for that begins to accumulate while the rate either stays the same or possibly the number of employees decreases in terms of those paying into the plan. So you eventually begin to work yourself into an unfunded position, which obviously is not tenable over any kind of a period of time.

So in this particular case it was back in 1989-1990 that the

Auditor General said that the Treasury Department had to record the full cost and all the related liabilities and that something needed to be done related to the unfunded liability. So the \$102.3 million payment is the amount determined to deal with the unfunded liability. That is based on an actuarial evaluation up to the end of December 31, 1997. Then to accommodate the \$102.3 million liability, \$93.1 million has already been accrued – that was previously done – and there is \$9.2 million left accrued in the 1997-98 plan. That explains the breakdown. That explains what gets these funds on a pay-as-you-go basis, gets them into an unfunded position, and here is the method that you get those plans funded once again. That explains the amount of \$9.2 million. The other amount, as I've already indicated, was previously accrued and put on the books in previous years. So the majority of that was dealt with back as far as 1993.

I think that explains where we are today and why we are looking at this 1997-98 supplementary estimate.

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

MR. SAPERS: Thank you, Mr. Chairman, and thank you, Mr. Treasurer. As I understand the purpose of this request for interim supply or supplementary supply, it's required to provide onetime funding under the government employees' long-term disability insurance plan for the bargaining unit and for the opted out, for excluded members of that plan. I understand that this nonbudgetary disbursement eliminates a previously incurred liability. What I don't understand is why it seems to be a surprise or why it shows up at this point.

When I take a look at the public accounts, I notice under other accrued liabilities in the public accounts in the most recent publication, which is schedule 13 found on page 44, volume 1, that the other accrued liability entry is \$111 million. I'm assuming that the lion's share of that entry is the \$102.3 million that we're being asked to retire in this supplementary request. I'm wondering if you could tell me if that assumption is correct and what the balance of that \$111 million is.

I guess I'd also be interested in your explanation, Mr. Treasurer, of why there didn't appear to be any kind of a payment schedule. Or on the other hand, if there was a payment schedule, were we not making payments quickly enough? Was there a projection that was inaccurate that led to this liability breaking the \$100 million mark in the way that it has, or was it something that had just escaped your attention up until this point?

There's a whole package of questions there, but to make it really simple, what I'd like to know is: was there a schedule to deal with this liability, and if so, what was the nature of that schedule before we got to the point we're at today? Those are my only questions.

Thank you.

THE CHAIRMAN: The hon. Provincial Treasurer.

MR. DAY: Yeah. It's a good question. The whole business of planning and figuring on actuarial assessments and actuarial evaluations is a complicated and tricky one at best. For instance, as we announced in the House last year, on the public sector pension plans we had projected a 45-year period to see those fully funded. You do the regular actuarial review, and in doing that last year from the plan adjustments that were done in '93, because you run those projections out, less employees paying in because of restructuring, an improvement on the investment end, it doesn't

take very much to tip that long-term actuarial curve. In fact, as we announced last year, using that as the example, we haven't put a date on it now, but in a short period of time we could see that unfunded requirement being met maybe in the next three or four years as opposed to waiting 45 years. We'll do that actuarial review again. Running the numbers is not something you do every six months just because changes occur over time and it takes a critical mass until all of a sudden that slope cranks around. So at the same time as the review was done on the public sector plans, getting the actuary, then, to say, "Okay, also run the numbers on the LTDI plan," then we see that in fact you aren't totally able to accommodate the unfunded portion: more people actually going onto the plan – disease, illness, whatever it may be – and less people paying in. You don't have the investment side like you do on the public pension side, and we see that that adjustment has to be made. So in doing that review on a regular basis, this is when these numbers come up.

The majority has been addressed in terms of \$102 million with that \$90 million assessment in '93, and this is now to bring it up to date. With the regular reviews that go into place, we don't anticipate having to see that readjusted again. So it's in the process of these regular reviews that you determine if something has to be added or in fact, like on the public sector pension plans, you can back off.

I want to get you the precise information as far as that \$111 million, what portion of that is affected by this, and I'll get that information to you.

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

DR. PANNU: Thank you, Mr. Speaker. The Treasurer just referred to disease, illness, whatnot, I guess among government employees. To what extent, Mr. Treasurer, is this large-amount adjustment accountable in terms of increased incidents of stress leave and disability leave among those who remain behind? Obviously, there's a great deal of talk about stress: stress at work, insecurity causing stress. Restructuring has obviously caused a great deal of anxiety among all kinds of workers, including those who work for this government. That has obviously led to burnout, to illness, disease, leave related to disability caused by such conditions. So would you be able to give us some idea about the incidence of stress-related leave causing higher premiums and liabilities, which then constitute part of the increased amount that you mention here?

10:00

MR. DAY: Mr. Chairman, I don't have that as far as Treasury items. I don't know if the minister of advanced education, who works directly with PAO on the fund – and I'm putting him at a bit of an unfair disadvantage here – has the numbers right now in terms of the percentage. For Treasury purposes I don't have the breakdown, in the illnesses that are recorded, of which are injury related, like maybe related to a traffic accident, and which would be something like an illness, cancer-related for instance – there would be claims that would be carried on this – and which in the breakdown would actually be stress. Certainly we do hear that could be a factor with increased workloads. The minister of advanced education may have that figure. If he does not, I can see if that's available. We'd have to work that through the insurance company. I don't think it would be a confidentiality problem. Between myself and the minister of advanced education, who works with PAO on this, let me see if we can get the breakdown for you in terms of what would be stress related and

what might have been incurred in the form of accident or physical illness. I'll try and get that for you.

THE CHAIRMAN: Okay. If there are no further questions, then we'll move on to the next department for consideration this evening.

Family and Social Services

THE CHAIRMAN: I'll call on the Minister of Family and Social Services.

DR. OBERG: Thank you very much, Mr. Chairman. The supplementary estimates tonight are as requested:

To authorize the transfer of \$625,000 from the Operating Expense . . . to pay for systems development costs affecting the following systems.

The tracking and maintenance information system will track expected and actual family maintenance payments received by SFI clients, for \$175,000. The client services system will assist the services to persons with developmental disabilities program to track services provided to its clients and will maintain a profile of services and associated costs for each client, for \$325,000. The personal support system will authorize and record all financial activities for each client under the individual funding program, for \$125,000.

Mr. Chairman, costs for these systems were initially thought to be within the operating vote, but it soon became clear that they fell into the capital investment side, and the request tonight is to remove them from the operating to the capital.

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

MS OLSEN: Thank you, Mr. Chairman. Over the noise here, I couldn't hear the minister speaking about tracking and maintenance information systems, so after I'm done, if you could just go back to that.

I guess my concerns revolve around why we don't have an integrated system. Why three separate systems with the technology that's out there? Given that some families may be involved in many aspects of the social services system, is it not more efficient to go another route? What portion of the \$625,000 will be reallocated from income support to individuals and families, and what portion will be reallocated from social support to individuals and families? Given that social support to individuals and families, which includes services to children and handicapped persons, is forecast to overspend, where will the money come from? In addition, the savings from the income support to individuals and families is to be redirected to handicapped and children's services. I wasn't aware it was for computers. It was supposed to be redirected to services for children.

My comments on the software. Who has the proprietary rights to the software? Who has the contract? Who developed the systems? What was the original proposal? What was the cost to be for that, and why the overrun? Six hundred twenty-five thousand dollars is a lot of extra money, so what was the original forecast for that? Again, are the systems in response to a recognized deficiency? Was it higher caseloads? What sort of perpetuated the whole need for these systems and a change?

Again, I'm a little concerned that savings from income support for individuals and families that was supposed to be redirected to services is not going to children; it's going to computers. So if

the minister could answer some of those questions, that would be helpful.

THE CHAIRMAN: Hon. Minister of Family and Social Services, before you begin, hopefully some of your colleagues will be able to refrain from carrying on lively discussions on the front bench and elsewhere.

DR. OBERG: Thank you, Mr. Chairman. Very quickly, I'll rephrase what I said initially on the tracking of maintenance information. The tracking of maintenance information system will track expected and actual family maintenance payments received by SFI clients. In listening to the hon. member's comments, it seemed to me that she was thinking this is an extra \$625,000. This is not an extra \$625,000. This is \$625,000 that was initially planned for. It was thought to be coming out of operating, but it was soon discovered that it had to come out of capital. So this is money that was budgeted for right from the start. We're simply moving it from operational to capital.

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

DR. PANNU: Thank you, Mr. Chairman. A brief question or two. On the development of systems that's under way, my question is: who is doing it? Is it in-house? Is it being outsourced? Is it someone from within Canada that's doing it for the department, or is it from outside of Canada? So that's one question: which agency or which group or which business is undertaking it?

Other than that, I guess I could be wrong here, hon. minister, but it seems to me that \$625,000 is being reallocated from income support to individuals and families, social support to individuals and families. At least, this is how it's stated here, and on that basis it seems to me that you seem to be relying more on a technological fix rather than sending the dollars where they are absolutely needed, to help families and children.

DR. OBERG: Mr. Chairman, very quickly, to respond to the hon. member, yes, indeed these dollars are coming out of the larger income support to individuals and families, but these are the mechanisms and the systems that are needed to maintain those two programs. Without these systems, without these mechanisms we would not be able to, and these computer systems will benefit the individual by making things a lot more expedient and a lot more efficient in them getting their dollars and their cheques.

MS OLSEN: I want to just ask the same question I didn't get an answer to here. Given that social support to individuals and families is forecast to overspend, where, then, will that money come from if this is being reallocated? In addition, the income support to individuals and families I thought was to be redirected to handicapped services and services to children, not to computers and software. Thirdly, who has the proprietary rights, who developed the software for the department?

10:10

THE CHAIRMAN: The hon. Minister of Family and Social Services.

DR. OBERG: Thank you, Mr. Chairman. Very quickly the proprietary right I believe – and I will get back to you on this – is ISM. These were moneys that were in the income support to individuals and families and social support to individuals and

families. They have been allocated for the purchase of these computer programs right from day one, but because it is capital expenditures as opposed to operational – it was voted on as operational in the past budgets so we are moving it to capital from the operational vote.

With regards to moving the dollars to children's services, this is money that we have targeted for these two programs. This money has always been targeted for these programs. Quite frankly, we're simply moving it from operational to capital from within these two programs.

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

DR. PANNU: Thank you, Mr. Chairman. I'm sorry to have to repeat the question. I think the minister either answered the first part of my question and I didn't hear it, or perhaps he didn't answer it at all. My question was: who is doing the developing of the system? Is it in-house, or is it some firm in town or in Alberta? Who is doing it?

THE CHAIRMAN: The hon. minister.

DR. OBERG: Thank you, Mr. Chairman. It's a Canadian firm. I believe it is ISM, but I will get back to you on that.

MS OLSEN: In relation to the contracts, I'm aware that ISM holds proprietary rights to a lot of things the government does, be it this government or another government. That raises some concerns for me in that if you don't want to proceed or at some point the contract expires, then we don't have the rights to that system and that system is of no value to us. So I really am interested in pursuing the issue around the contracts. If ISM has it, then why don't we have proprietary rights to it? Is this a package that is developed and designed for us, or is it a package that exists elsewhere and has been designed and constructed for us in some manner? I'm interested in knowing whether this was designed specifically for us or we've taken a canned program and we're bringing it here with some adjustments. It concerns me that we don't keep proprietary rights on software if this is an in-house program.

THE CHAIRMAN: The hon. minister.

DR. OBERG: Thank you, Mr. Chairman. This is an in-house program. Whether or not we have exclusive proprietary rights I don't know for sure, but it is an in-house program with a contract with the provider. We keep the software.

THE CHAIRMAN: We'll conclude this part of the committee's consideration of the supplementary estimates and move to the motion that was moved earlier by the hon. Government House Leader.

The hon. Leader of Her Majesty's Loyal Opposition.

MR. MITCHELL: Thank you, Mr. Chairman. I'm speaking to the estimates under Family and Social Services.

THE CHAIRMAN: Certainly the chair did not see you standing, sir. Were you not elsewhere?

MR. MITCHELL: I was right here.

THE CHAIRMAN: Well, you're up.

MR. MITCHELL: Thank you, Mr. Chairman. I just want to make a couple of points. I would like to ask a question specifically, and then I'd like to explain it a bit to the Minister of Family and Social Services. I find it difficult to understand why we are transferring \$625,000 from income support to individuals and families to systems and things that are important for management but certainly don't directly support the day-to-day needs of individuals and families who come under the program for income support. I want to point out – and I'm sure you're aware – that the level of support under social assistance is not adequate. At the same time, there are increased numbers of people living in poverty. There are increased numbers of people living without homes. There are burgeoning demands, increased demands for hot lunch programs at schools, for example, and somehow the minister has found a loose \$625,000 to free up from that and put into things that are technical and perhaps of some managerial significance.

It would seem to me that what he should be doing, if he needs that, is finding new money and not taking money from programs that we know are already underfunded. If the minister can answer that question, then I have another one that I'd like to pursue.

THE CHAIRMAN: Okay.

The hon. minister.

DR. OBERG: He can ask both of them.

MR. MITCHELL: No. My other question is of another minister.

THE CHAIRMAN: Hon. minister.

DR. OBERG: Thank you, Mr. Chairman. I'd be more than happy to answer that. First of all, of the computer systems that we're putting these dollars into, the first one is the tracking of maintenance information system. It will track expected and, quote, actual family maintenance payments by SFI clients. It is a very important thing to be able to track the actual maintenance payments. The client services system will assist the services to persons with disabilities to track services provided for its clients, and the personal support system will authorize and record all financial activities.

Mr. Chairman, these were not \$625,000 that were just found. These were taken from the operational budget because a mistake was made in the original budget, and it is now being moved to the capital side. Every dollar here will make it easier for clients under income and support programs to receive their payments. It will free up dollars by better administration using these computer systems.

MR. MITCHELL: My point remains, Mr. Chairman, that if they can find money from one budget area and put it into another and the other is support for these kinds of systems, it seems to me that they could find money to put into better supports for people. Again, it underlines the problem that we have. There isn't sufficient money for people. I'll leave it at that.

Thanks.

THE CHAIRMAN: The hon. Government House Leader's going to appear.

MR. HAVELOCK: Yes, Mr. Chairman. I move that the committee report progress on the supplementary estimates when the committee rises and reports.

THE CHAIRMAN: Having heard the motion by the hon. Government House Leader, all those in support, please say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no. Carried.

We have next under consideration the motion as moved earlier this evening in committee by the hon. Government House Leader dealing with subcommittees A, B, C, and D.

The hon. Member for Edmonton-Glenora.

Subcommittees of Supply

Mr. Havelock moved:

Be it resolved that:

- Pursuant to Standing Order 57(1) four subcommittees of the Committee of Supply be established by the Committee of Supply with the following names: subcommittee A, subcommittee B, subcommittee C, and subcommittee D.
- The membership of the respective subcommittees be as follows:

Subcommittee A: Mrs. Gordon, chairman; Mr. Severtson, deputy chairman; Mr. Bonner; Mrs. Burgener; Mr. Cardinal; Mr. Ducharme; Mr. Dunford; Mr. Friedel; Mr. Hierath; Mr. Hlady; Mr. Jacques; Mr. Johnson; Mr. Loughheed; Mr. Mar; Dr. Massey; Dr. Oberg; Mrs. O'Neill; Dr. Pannu; Mr. Sapers; and Mr. Zwozdesky.

Subcommittee B: Mr. Tannas, chairman; Mrs. Laing, deputy chairman; Ms Barrett; Ms Blakeman; Ms Calahasen; Mr. Dickson; Mr. Doerksen; Mrs. Forsyth; Mrs. Fritz; Ms Graham; Mr. Hancock; Mr. Havelock; Mr. Jonson; Ms Kryczka; Mrs. McClellan; Mr. Melchin; Ms Olsen; Mr. Paszkowski; Mrs. Sloan; and Mrs. Tarchuk.

Subcommittee C: Mr. Tannas, chairman; Mr. Fischer, deputy chairman; Ms Barrett; Mr. Cao; Mr. Clegg; Ms Evans; Mr. Gibbons; Mr. Klapstein; Mr. MacDonald; Mr. Marz; Mr. McFarland; Dr. Nicol; Mr. Smith; Mrs. Soetaert; Mr. Stelmach; Mr. Stevens; Mr. Strang; Mr. Thurber; Mr. Trynchy; and Mr. Woloshyn.

Subcommittee D: Mrs. Gordon, chairman; Ms Haley, deputy chairman; Mr. Amery; Mrs. Black; Mr. Boutillier; Mr. Broda; Ms Carlson; Mr. Coutts; Mr. Herard; Mr. Langevin; Mr. Lund; Mr. Magnus; Dr. Pannu; Ms Paul; Mr. Pham; Mr. Sapers; Mr. Shariff; Dr. Taylor; Dr. West; and Mr. White.
- The following portions of the main estimates of expenditure for the fiscal year ending March 31, 1999, unless previously designated by the Leader of the Opposition to be considered by the designated supply subcommittees, be referred to the subcommittees for their reports to the Committee of Supply as follows:

Subcommittee A: Advanced Education and Career Development; Education; and the Provincial Treasurer.

Subcommittee B: Community Development; Intergovernmental and Aboriginal Affairs; and Transportation and Utilities.

Subcommittee C: Agriculture, Food and Rural Development; Labour; and Public Works, Supply and Services.

Subcommittee D: Economic Development; Energy; and science, research, and information technology.

- When the Committee of Supply is called to consider the main estimates it shall on the six calendar days after agreement on the motion establishing the subcommittees, excluding Thursdays designated by the Official Opposition, when main estimates are under consideration, resolve itself into two of the four subcommittees, both of which shall meet and report to the Committee of Supply.

[Adjourned debate February 17: Mr. Day]

MR. SAPERS: Thank you, Mr. Chairman. I would like to move the following motion to amend the government motion:

Be it resolved that the Committee of Supply motion proposing to establish four subcommittees of the Committee of Supply be amended to make the following change to the membership of the subcommittees of supply: on subcommittee C that Dr. Nicol be removed and replaced with Mr. Zwozdesky.

I have copies of the motion. Thank you.

THE CHAIRMAN: The chair has a copy of the original, and it is in order. The hon. Member for Edmonton-Glenora can explain, I'm sure, anything further on this issue.

MR. SAPERS: Sure. We're right on time, Mr. Chairman. I appreciate the co-operation of the Government House Leader and the table for getting this done.

MR. MITCHELL: He's a great guy.

MR. SAPERS: He was talking about me, hon. Government House Leader.

This is simply to correct a deficiency in the motion, and it in no way – and I want to underline this – indicates our support for this scheme of the government to minimize debate on estimates. With that, I'd still ask for their support.

[Motion on amendment carried]

THE CHAIRMAN: Hon. Government House Leader.

10:20

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

[Motion carried]

[Mr. Clegg in the chair]

THE ACTING SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. I wish to table copies of a resolution agreed to in Committee of Supply on this date for the official records of the Assembly appointing members for five designated supply subcommittees.

Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of supplementary estimates of the general revenue fund for the fiscal year ending March 31, 1998, reports progress thereon, and requests leave to sit again.

Mr. Speaker, the Committee of Supply has had under consideration a motion proposing the establishment of four subcommittees in the Committee of Supply and reports progress thereon.

Mr. Speaker, I wish to table copies of all amendments consid

ered by the Committee of Supply on this date for the official records of this Assembly.

THE ACTING SPEAKER: All those in favour of that long report, please say aye.

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed, if any? Carried.

[At 10:25 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]