

Title: **Wednesday, February 25, 1998**

Date: 98/02/25

8:04 p.m.

[Mr. Tannas in the chair]

**Subcom.C: Public Works, Supply & Serv.**

**Subcommittee C – Public Works, Supply and Services**

Tannas, Don, Chairman  
Fischer, Robert, Deputy Chairman  
Barrett, Pam  
Cao, Wayne  
Clegg, Glen  
Evans, Iris  
Gibbons, Ed

Klapstein, Albert  
MacDonald, Hugh  
Marz, Richard  
McFarland, Barry  
Smith, Murray  
Soetaert, Colleen  
Stelmach, Ed

Stevens, Ron  
Strang, Ivan  
Thurber, Tom  
Trynchy, Peter  
Woloshyn, Stan  
Zwozdesky, Gene

THE CHAIRMAN: Good evening. I'd like to begin subcommittee C, dealing with the estimates of Public Works, Supply and Services. We'll begin the evening by listening to the minister, and then we'll talk to him after.

The hon. Minister of Public Works, Supply and Services.

MR. WOLOSHYN: Thank you very much, Mr. Chairman and members of the committee. I'll give you about a 20-, 30-, 40-minute overview. If you listen very intently and very carefully . . .

MRS. SOETAERT: Oh, the old teacher's back.

MR. WOLOSHYN: The old teacher's back. That's right. If you listen very carefully, then you'll have all your questions answered, and we can just go for coffee while we wait for the other group to finish.

Anyway, folks, Public Works, Supply and Services, as you know, is the central agency responsible for providing capital infrastructure, accommodation, procurement services, air transportation, land acquisition and surplus property services, information technology, telecommunications to support government program delivery. These services are provided through four major business units: property development, property and supply management, realty services, and information management and technology services.

In addition to these four core businesses, the office of the chief information officer reports directly to the minister of public works. This enhances the integration between the CIO's office and my staff in the areas of government information technology planning and management.

Our customers are primarily provincial government ministries but also include boards, agencies, publicly funded hospitals, as well as seniors' foundations. Our stakeholders include suppliers, consultants, contractors, and professional associations such as architects and engineers.

It's the mission of Public Works, Supply and Services to facilitate government program delivery by providing quality, cost-effective common services and professional expertise. It's outlined in our 1998-2000 business plan. We continue to recognize the importance of planning satisfaction, accountability, and effective service delivery. We support other ministries in cross-government initiatives and have development strategies and action plans that guide us as we respond to changing needs.

The 1998-99 program highlights at the recent Growth Summit: almost every participating sector identified the importance of maintaining and developing this province's infrastructure as a priority. The following are some of the activities that we will be

undertaking to ensure that the Alberta government's infrastructure is well maintained and serves the needs of Albertans: \$108 million is allocated to regional health facilities; \$18.3 million will be allocated for the renovation of seniors' lodges and compliance with established standards; \$39.3 million will be allocated to water development projects; \$71.9 million will be provided for the leasing of space for government programs; \$91.6 million will be allocated for the operation and maintenance of facilities infrastructure to support the ministries' program delivery and meet client requirements; \$22.6 million will be allocated for the provision of centralized information technology services to government departments, boards, and agencies; and \$23.1 million will be provided for the operation and maintenance of province-wide networks which serve the data communication, telephone, and mobile radio needs of government ministries.

As I've mentioned, we've allocated \$108 million to the health care facilities construction program in 1998-99. These projects have been included in our budget based on priorities established jointly by the departments of Health and Public Works and the regional health authorities. Some examples of major capital projects identified in the budget estimates include the following: \$13.5 million in 1998 funding has been allocated to complete design and begin construction on redevelopment projects at the Walter C. Mackenzie health centre in Edmonton to consolidate the acute pediatric programs and expand emergency, trauma, and intensive care facilities. My department is also reviewing a request from the Capital health authority to enhance the scope of the approved \$10.3 million new emergency wing capital project at this facility to provide for future program expansion at a further cost of approximately \$2 million, which will not be in this year's budget. We'll have to find it elsewhere.

Twenty-three point six million in funding has been provided to complete design and begin construction of new community health centres in communities such as Drumheller and Lamont. Twenty-four point four million in 1998-99 funding has been allocated to complete design and begin construction of new and renovated long-term care facilities in Lethbridge, Calgary, Spirit River, La Crête, and Edmonton. Six point six million has been provided to begin construction for expansion of the Tom Baker cancer centre in Calgary.

Public Works is also working with the RHAs to ensure compliance with the new Canadian air regulations that require transport certification of air ambulance landing sites.

In addition, the department is responsible for design and construction of major water management and rehab projects. In '98-99 \$39.3 million will be allocated for design and construction of three such projects. Fourteen and a half million will be used to continue the \$42 million Pine Coulee project near Stavely. The project will help secure water supplies, improve water quality, and provide recreation and irrigation opportunities in the area. We're looking to finish that one sometime in 1999.

Five million has been allocated to the overall \$53 million Little Bow River project near Champion. The project will provide water for municipal, domestic, livestock, and irrigation purposes. Subject to approval from the Natural Resources Conservation Board and the Canadian Environmental Assessment Agency over the next few months, construction could commence in the fall of this year.

Twenty million has been allocated to continue the replacement of the St. Mary dam spillway on the Waterton-St. Mary headworks system. This system provides water for approximately 500,000 acres of agricultural land in four irrigation districts. A number of municipalities and a variety of industrial and domestic users also benefit. The existing spillway is undersized by present-day safety standards and requires replacement to ensure that it continues to operate safely and reliably. The overall project completion is for the year 2000.

Public Works is also responsible for the construction and upgrading of accommodation space for government departments and the maintenance of government facilities. In 1998-99 we've allocated \$27.9 million for this purpose. These projects include improvements and renovations to address health and safety concerns, improve the functionality of facilities, and meet essential program needs. Eleven point six million has been allocated for accommodation services, which include projects that have been requested by client departments and some boards and agencies of government. They facilitate the reorganization of accommodation space due to such things as downsizing, changes in program responsibility as well as shared accommodation between ministries and other levels of government and government-sponsored organizations.

Five point three million has been allocated for cross-government initiatives, which include projects in multitenant or multi-use facilities. These projects often result in significant savings to government.

Eight and a half million for facilities maintenance is comprised of projects initiated by Public Works for required maintenance of government facilities. We're very, very pleased with this one because although our facilities have been generally very well maintained, we're focusing on the improvement of our long-term preventative maintenance programs, and we want to put probably more money in that in the future, budget permitting.

The family and youth court project in the John J. Bowlen Building in Calgary is one example of our ongoing work in the area of facilities upgrading. For this project 2 and a half million dollars has been allocated this year to address safety concerns and improve the facility's functionality.

One topic that's increasingly in the media and of concern to people who are in the know is the whole year 2000 business. The increasing importance of information to the government has enabled us to take a lead role in working with the CIO on matters related to government technology planning and information management. We are focusing on those initiatives, which are critical to the government's future operations.

#### **8:14**

A key issue which is currently being addressed is the year 2000. As you know, some of government's existing information systems do not accurately recognize dates with years beyond 1999. This has the potential to cause serious problems where operations are time related or dependent on calculations, particularly in the year 2000. If this problem is not properly addressed, information systems may become inoperable as we enter the next millennium.

I am pleased to inform you that we are well on our way to ensuring that critical government systems will be year 2000

compliant by March 31 of 1999. Public Works and the CIO have been actively working with ministries to provide cross-government co-ordination and communication of year 2000 activities including decisions related to systems assessment, testing, repair, and replacement. Through other ministries we have also been supporting the year 2000 efforts of nongovernment entities – RHAs, government boards and agencies – to ensure continued delivery of overall government services. However, we will not be extending this service to the private sector.

To date we have been helping other ministries by conducting research and showing ideas related to year 2000 activities across industry and with other governments and also by assisting in the acquisition of suitable year 2000 hardware, software, and support services from the private sector by specifying compliance requirements in purchasing contracts and establishing a year 2000 test facility so we can verify that PWSS mainframes based on applications have been modified correctly.

Our future plans include the monitoring of progress towards achieving year 2000 compliance of key government systems and bringing any areas of concern to the immediate attention of senior management within individual ministries, also certifying those systems that are year 2000 compliant and monitoring other activities intended to effectively deal with the issues involved. To deal with this year 2000 issue, we'll continue to carefully plan to meet the government's identified needs in a logical and fiscally responsible manner. The year 2000 will not become the driving force behind needless spending on the replacement of systems and equipment.

Mr. Chairman, that concludes my general remarks. I'd be pleased to enter into discussions on topics totally irrelevant to the estimates and answer any questions directly related to the estimates. So if you have questions on the estimates, please refer to them through the page number and the vote number, and I'll be glad to give you specific answers where I can. If you want to ramble on other issues, I'm certainly in a good mood to do that also.

Before we turn the floor over, I'd like to say that we have a very spectacular government gallery behind you. Those are senior members from the department who have come to hear where your concerns are. Give them all a good desk pounding or whatever you do.

THE CHAIRMAN: Thank you, hon. minister. I hope that you weren't treading on either tradition, custom, or historical precedents.

First of all, we'll call on the hon. Member for Edmonton-Mill Creek, followed by Calgary-Egmont.

MR. ZWOZDESKY: Mr. Chairman, I just want to make sure that we've got the procedure right. This is my first visit to 512 in a long while. I am assuming that we'll each be speaking up to 20 minutes and it'll be alternating between the opposition and government members. Is that the basic rule of procedure?

THE CHAIRMAN: That would be the usual. If there are no government members, then we could have one opposition follow another, but normally it goes back and forth as all proper debate in a parliamentary institution would follow.

MR. ZWOZDESKY: Thank you. Having convened at 8:08, I assume we'll have up to two hours if it's necessary?

THE CHAIRMAN: No. There's no two-hour limit. The custom is normally that we finish at 10. I would presume that we would

have a motion to rise and report progress at approximately that time. If we spend shorter or longer, that's another thing, but 10 has been the traditional custom.

MR. ZWOZDESKY: Okay. Thank you. We were under the impression it was two hours.

THE CHAIRMAN: No. There is no two hours in Standing Orders.

MR. ZWOZDESKY: We may not need that additional eight minutes, because we don't want to call the minister back.

THE CHAIRMAN: Hon. member, just to remind you that it did start this evening at 8 o'clock.

MR. ZWOZDESKY: Downstairs. Yeah.

THE CHAIRMAN: Yes. That's right. We're only a subcommittee of that committee.

MR. ZWOZDESKY: Okay. Let me plow in here. Thank you, Mr. Chairman. I just wanted to make sure that we're clear on procedure.

I want to thank the minister for his opening comments and tell him that I'm looking forward to being his shadow for the next while in this area. It is a new area to me as it is to perhaps some other members here, and I can see straight away with the minister's enthusiasm that this probably is one of the most important departments that the government has under its wing. I'm pleased to share in that enthusiasm.

One of the things I noted in the opening comments made by the minister was his statement that there is something in the order of \$27.9 million allocated in the budget for accommodating space that is necessary for government work, specifically, I would think, things that even relate to the Legislature process. I want to ask the minister to take under advisement within that \$27.9 million perhaps some upgraded space for the subcommittee meetings. It gets a little bit crowded, and room 512, as charming as it is, perhaps is not the best room for a committee this size with all the staff and everyone else. So we're hoping that the minister will take a look at some more appropriate space perhaps in the near future as part of the improvements that are being made with that \$27.9 million.

Having said that, Mr. Chairman, I'm intrigued by a lot of what the minister has said relative to the tremendous responsibilities that he carries in this department, which basically is, I think he said, the central buying agency and central co-ordinating agency for everything relative to information management, which he concluded with, and procurement of services thereto as well as property management and accommodations and providing capital infrastructure to all the departments.

One of the things that I was curious about was: why is it that we have a department like this providing services to government departments such as advanced ed for schools or universities or some of their infrastructure costs? I was just wondering if, as a matter of perhaps protocol, the minister and/or his staff have ever considered whether it would be more appropriate to have those departments of government look after the whole nine yards. Is it really necessary in all cases for Public Works, Supply and Services to in fact perform some of those co-ordinating functions? I'm always looking at how and where we can trim costs; I'm not sure that there is any duplication of effort or not. Just as a general matter of protocol, I wonder if the minister would address that opening concern that I have.

Then I follow right up with the core businesses as outlined on page 310 of the Public Works, Supply and Services business plan and note that the government has a tremendous responsibility in dealing with all the health facilities, all the seniors' lodges, and rolled into that as well major water management projects. So I'm overwhelmed by how much work this minister must have to do, because there must be literally hundreds of contracts that he's responsible for. I'm sure as the days and weeks and months unfold, we'll be asking him questions no doubt relative to some of those items, particularly as they apply to the openness and accountability and transparency of government operations.

In the time available I do want to move quickly to the goals, strategies, and measures, hon. minister, commencing on page 311. I see that there are basically about six primary goals that the minister has outlined for the government in the upcoming year. I have no problem reading through some of these goals, strategies, and measures, but where I do have a concern is with respect to what you might consider to be measurements and/or measurement indicators which I don't perhaps share the same viewpoint on in terms of how they're described and how they're going to be monitored and tracked.

In fact as I look at goal 1, which is to "upgrade our employees' skills to meet future business needs," I think that's a laudable objective. As I look down the page and try and find the exact performance measure that would equate with that, I'm struck by the fact that we're going to attempt to measure the performance in this opening goal according to the percentage of Public Works, Supply and Services employees with a competency profile established.

Now, I don't know how the minister intends to measure performance with that kind of a statement. It seems to me that that's a credible strategy, hon. minister, but my own take on performance measurements is something very specific that says, "Here's where we're starting, here's where we're going, and here's how we're going to get there," and then, "We're going to try and accomplish this amount of reduction or this amount of improvement," something very specific by way of measurement. Usually it's numbers or it's a statistical type of characteristic. So I would ask that the minister make some comment relative to the general tone of the goals, strategies, and measurements.

#### 8:24

I'll get into some additional details here. For example, under goal 1 how are we going to know whether or not our employees' skill levels are sufficient to meet the future business needs as outlined? I'm sure there must be a plan underlying this, and perhaps the minister could comment on that. Similarly, what sort of a time frame are we talking about here? We've got a whole year ahead of us, but along the way there must be benchmarks that the minister I think would be setting up for his department to see if we're on track or not. For example, in the Treasury area, Mr. Chairman, we deal with quarterly budget updates that are quite measurable. We know whether we're on track, ahead of track, or off track with respect to revenues and/or expenses for a given department, and those are very measurable, very quantifiable items. So I would hope that the minister would comment on that.

Moving on to goal 2. I'm always happy when I see something related to cost savings, which he says form part of goal 2, that being to "refine the responsibility and accountability framework for common services." I'm curious to know whether or not the minister has particular areas under goal 2 that he's looking for insofar as cost savings are concerned. Has he identified any specific cost savings or targeted any specific areas? Can you give

us a hint as to where it is you'd be looking for some of these cost savings?

He goes on to say here that "where cost savings can be identified, transfer appropriate budgets and responsibilities for common PWSS services to ministries." It suggests to me that the minister has possibly already flagged some potential areas where some duplication of effort exists. Maybe he could share some of that with us.

Again here we have a performance measure: "percentage of departmental costs charged to or allocated to other ministries." I fail to see how that's a performance measure, unless the minister is prepared to tell us that at the moment, the amount of moneys that are charged to department X are perhaps too high. If they're too high, then by what percentage does he think they're too high? If they're too high by 5 percent, then we'll be able to track and monitor that as a performance measure and say at the end of the year: "Good job, Mr. Minister. You identified 5 percent of common costs that could have been shared elsewhere or avoided or eliminated. Good job. You flagged something there. We've tracked it, we've measured it, and you've accomplished it." On the other hand, if they don't accomplish it, then we can come back and ask them why they didn't accomplish it. That starts to become more of a characteristic of performance measurement.

It sort of ties in, Mr. Chairman, with a theme that I've been trying to develop for at least a year now, and that's the whole issue of performance-based budgeting versus program-based budgeting, where you have specific performance requirements, specific targets that are identified, that are trackable and in the end measurable. Then we have very good open and accountable government, which I know this minister in particular is very, very high on. I support him in that cause.

As I go on to goal 3, I notice here that there's again a very laudable objective: "provide services that meet or exceed client requirements." I want to just move straight down to where we have performance measures and indicators, and one of them is "results of client satisfaction surveys." Then it goes on to list some very nice charts, which we're happy to see, where 5 indicates a very satisfied client and 1 indicates a dissatisfied client. But I would ask the minister if he would tell us how it is that they measure client satisfaction specifically. I understand there's a survey, and that presumably is a series of questions and/or perhaps interviews that the minister or, more specifically, his staff have with clients. Could he share some of those surveys with us so that, again, we'll see what it is they're trying to please the client with? That would become a more quantifiable and more easily measurable benchmark, as far as I can see.

Now, in that respect on goal 3 I want to also ask the minister how often these surveys of satisfaction or dissatisfaction are done. For those who maybe don't know where I'm at, I'm referencing page 312. Similarly, what are the costs, hon. minister, with respect to these surveys? So in a nutshell, how frequently are they done, what is the nature of them, and how much do they cost? Over what sort of time period do they take place? Is it your own department that actually does these, or is this a contracted-out service? The reason I ask that question is because I'm always concerned with the arm's-length aspect of surveys and questionnaires. Sometimes if it's the government department itself asking another government department - it's kind of like the government asking the government - well, I can tell you that you're going to probably get a fairly high satisfaction rating. Well, it just wouldn't be kosher - would it? - for one government department to criticize another one.

If you have an outside independent evaluation at least from time to time, then you get a very helpful product in the end. Of

course, it would be up to the minister whether he'd like to share that information with the world or not, but my point is that you get an independent evaluation. I would ask the minister if that is in fact how he goes about doing these surveys or perhaps if he would consider that in the future if that's not the case at the moment.

Goal 4 I'm going to leave temporarily except for a comment on the performance measure itself, where I finally see something that really does begin to, in my view, approach a performance measurement. That deals with performance measurement 1, although it's not numbered. It appears on page 314. I'm struck by the statement at the bottom of that paragraph, where it says, "Future targets reflect reinvestment in government infrastructure required to maintain facilities at an acceptable level." I don't know what an acceptable level is, but surely there must be criteria within the department that would tell me and give me a little higher level of comfort with respect to the government infrastructure spending and what is considered acceptable. In short, Mr. Minister, how do you define acceptable so that I'll have a better chance of monitoring and tracking it and perhaps having some meaningful input down the way?

Similarly, the next performance measurement says, "This is an indicator of how effectively PWSS is minimizing the environmental impact of operations." Now, this causes me some concern. I'm not what they would call a tree hugger type of environmentalist, but through the good education programs that my daughter and my son have been involved in relative to the environment, I've become much more aware of the importance of a clean and healthy environment, particularly as it relates to the workplace in this case, which the hon. minister is responsible for. In fact, I have a little bit of a problem in my own office right now at the constituency level, where we find that we're breathing stuff that's falling out of the ceiling. It's not the minister's responsibility; it's a constituency responsibility. But I raise the point, Mr. Chairman, simply to zero in on the fact that there are concerns that have been brought to my attention in a very, very personal way.

The final one is just one I require some explanation on. At the bottom of page 314 it says: Proposed Future Measures, Building Condition Rating Distribution. I don't know what that means, hon. minister. Just a simple explanation will suffice. I've never heard that terminology before, so in your responses I'd appreciate a quick comment from you, if you wouldn't mind. I want to move quickly to goal 5.

How much time do I have left, by the way? Four minutes? Oh, dear. Well, I'd better get it out now.

**8:34**

Under this item there's a comment made which pertains to a performance measurement, and that's to do with the tendering process. I want to know from the minister about the tendering process surrounding architectural contracts, which undoubtedly the minister has been aware of in a sharper and more focused way, perhaps even by media today.

I'm struck by an architectural contract which I believe was given to a firm owned and operated by Mr. Peter Burgener. As I understand it, it is really two separate contracts. One of them is for the design of the Calgary family and youth court. The second one, I think, is for the Rocky View Lodge in Crossfield. My understanding is that whereas I would prefer to see everything tendered, in this case the government simply awarded these two contracts to Mr. Burgener's firm. I don't know the gentleman, but I'm sure he's a credible individual. I would just like the minister to explain if it's true: did two contracts get awarded, without being tendered, to Mr. Burgener's firm up to an amount

not exceeding \$10 million or not? If that's true, that they did, then perhaps the minister could just explain something that I don't understand about the tendering process and clear up for me why those two contracts were not tendered.

I note that he does have a very measurable outcome here, specified a little later on on page 315, where he says, "This measure shows the number of Alberta businesses using the national electronic tendering system." I think that's an easy target to monitor. Undoubtedly there are some statistics that the hon. minister has regarding how many contractors use this service at the moment and, secondly, how many more perhaps he expects to bring on. Expressed as a real number or expressed as a percentage, that becomes a very real target that we can measure and identify.

The other point, very quickly in the minute or so remaining, has to do with the strategy to "expand and diversify private sector involvement in the delivery of accommodation services." I'm curious to know, Mr. Minister: have some of these deliveries of accommodation services have already been privatized, or is that an area you're looking at privatizing? I'm not familiar enough, Mr. Chairman, with what is exactly intended there, so I was curious to know whether or not the minister has in mind the possible privatization of some of those services. If he's contemplating those, could he share them with us? By the same token, I'm also interested to know what other aspects of PWSS might possibly be up for privatization. I hear the bell has sounded, so I'll stop there and I'll pick up a little later, if I might.

Thank you.

THE CHAIRMAN: Thank you very much. Before we call upon the minister, I wanted to indicate that the chair has caught various signals, and not being a trained auctioneer or bid catcher, I believe that the following have indicated a willingness to enter into the discussions tonight: Calgary-Egmont, followed by Spruce Grove-Sturgeon-St. Albert, followed by Little Bow, followed by Edmonton-Manning, followed by Leduc. [interjection] No? Okay, they obviously never caught it.

So instead of Leduc we will have West Yellowhead and Calgary-Bufferlo.

MRS. SOETAERT: Mr. Chairman, to clarify. After Leduc, should it not be back to this side, back to the opposition side before it's West Yellowhead?

THE CHAIRMAN: To go over it again: Calgary-Egmont, Spruce Grove-Sturgeon-St. Albert, Little Bow, Edmonton-Manning, West Yellowhead, Calgary-Bufferlo.

MR. ZWOZDESKY: He's got it right.

THE CHAIRMAN: Okay? Good.  
Hon. minister.

MR. WOLOSHYN: Thank you. If I were to answer all those questions in detail, I could be going on for half an hour, so I'll just hit the highlights if I can, and then we can pick this up at some point. With reference to your reference to the architects. It is not the practice to tender architectural work until the number gets high enough to make it worth while. The reasoning behind that is that if you tender – for example, I don't have the two at the top of my head, but I believe the one for the lodge was in the neighbourhood of \$150,000 – that may take a three- or four-year period of time. That's one project. If you ask, say, 10 architectural firms to tender and it costs each one \$5,000 and nine of the

10 don't get the job, then you've got \$45,000 in industry essentially wasted if you will.

We have architects who have worked with the government who are qualified architects. We have a committee which selects for projects, which is chaired by the deputy, and it's a departmental committee. We go at firms, not individuals. So in the case of what you're referring to, you're referring to BLK Architects.

One of the criteria we would use specifically in the lodges: if the architect did the consulting work on the condition of the lodge initially, then when it flipped over into the construction sequence, in order to save time and money, where possible we would try to get the same architect back, if it's feasible. If it isn't, it isn't.

Consequently, in terms of tendering architects or consulting engineers, we go firm to firm, and it's basically one that the minister does not get involved in. The industry is very happy with the process, which is the important part, and it is cost-effective both to the industry, who is doing the bidding, and to the government, which is getting their services.

So I hope that clarifies that particular situation. We deal with the firms, and we have a selection committee within the department that would do that. If the projects are expensive enough, then we would go into getting proposals from firms and prequalifying and so on. Okay?

Going back to some of your performance measures, we do those in-house. I don't think I have any problem in sharing them with you. I'd have to dig them out, mind you, but we can certainly do it. They're done basically through questionnaires, interviews, and so on. It's an in-house activity, so it would vary on which one we're doing. It's annually, semiannually, more frequently, on completion of project, and so on. But if you're interested, at some point down the way we could go into it in more detail.

The part that you referred to, the broad area of responsibilities of the department, I think you're very accurate in your observation. But please keep in mind that the minister is only one person and the effectiveness of the department is a direct relationship to the effectiveness of the staff. I think we have been able to not only build up but retain a very, very good staff in Public Works. So if I pretended to know all the answers in any particular area of our core businesses, I would be deceiving myself immensely and trying to deceive you, and you wouldn't buy that for one minute. What I'll say on that particular observation is: yeah, we do a lot of work, and I get involved as much as I can as minister. Essentially, the effectiveness of the department is a direct result of the quality of staff that we have, and I would like to commend them for that.

You made some references to whether Public Works should be co-ordinating with respect to Advanced Education.

MR. ZWOZDESKY: As an example.

MR. WOLOSHYN: But that example, hon. member, we should clarify. Public Works, unless invited to help in some way, would not be involved with projects that universities are doing. The funding would come through Advanced Education. They do their own.

We are involved very heavily, for example, directly with the AVCs, and that will be diminishing as they get onto their own board governance. Then it would be a matter of relationships: how much we could help them to save money, if you will, and be of service to them. I'm not too terribly sure at the moment of just how that would work. Since they are a publicly funded institution, we would want to make sure that for any kind of assistance we could direct their way to save the public dollar and stretch it,

we would in fact be looking at those. As you are undoubtedly aware, the AVCs are on their way to board governance, but we're doing it in a structured fashion to ensure that the boards can get their heads around programs and facilities and so on.

The question always comes up, and I guess it's a fluid question: should we or shouldn't we be into that and how much, to be effective? For example, with hospitals, depending upon the health authority, our degree of involvement with them would be a direct relationship to their request for our assistance other than the monitoring that we have the responsibilities for as a department.

#### 8:44

The question you opened your comments with. I do agree with you that the subcommittee room here is not very conducive to this. That is a personal opinion. I believe that the proper channel for changing that, since this is a meeting of a subcommittee of the Leg. Assembly – the concern would best be brought through the Speaker's office through Members' Services or whatever way it is there. Quite frankly, I may be overstepping my bounds if as minister I'm trying to direct where the Leg. Assembly does their business. That's more the Speaker's and the Members' Services purview. But certainly if that request were to come forward, we would look at doing a proper thing. It would not be in this building, because we simply don't have the space. However, at the Leg. Annex there are some places that we could look at creatively to do a committee room that may be more conducive to members using it.

You had quite a few others there and comments. I didn't write them all down, but generally speaking I think I've sort of highlighted those.

I believe you referred to goal 1 in the business plan with respect to personnel training. This appeared for the first time, I believe, on last year's business plan. What we're trying to do is to first of all identify the skills, if you will, in some meaningful fashion that particular positions require. That's on an ongoing process; we're doing that. We've done that in two or three broad categories already. What we're trying to then do is evaluate the employee's skills against the positions they're holding and then put in a training program, if there is a deficiency, to in fact make up a deficiency.

So although it's sort of one-liners here, the program is there. It's a valuable one. The measure of these things, as you know, is sometimes difficult, but at the end of the day, when you see we're rolling on this one, I think we will find as a department that our performance levels without big pushes are going to increase and employee satisfaction is going to be high. But the biggest thing is that the employees will know what the expectations are of the positions and how and where they rate according to it. What's more important, we'll be providing a vehicle for them to access the training to meet those expectations.

Generally, I think I've hit the highlights. Mr. Chairman, I'll give up the floor to the next questioner.

THE CHAIRMAN: Thank you, Mr. Minister.

The hon. Member for Calgary–Egmont, followed by Spruce Grove–Sturgeon–St. Albert.

MR. HERARD: Thank you, Mr. Chairman. At the outset, I don't intend to take anywhere near 20 minutes. In fact, it will hopefully be under 12 minutes so that we can recover the eight minutes that we were worried about before.

Essentially, I want to deal with only one particular area. It's totally within the office of the chief information officer, who reports to you, Mr. Minister. I believe this to be an extremely

important area, in particular for my rural colleagues, who I know will perk up now and listen, because what I'm going to be talking about affects them more than anyone else. Essentially I want to talk about goal 2 in the business plan. The last bullet says:

Steer the development of network access to support Alberta's information resource needs.

Under goal 3 there's another one that speaks to that. It says:

Work with all government ministries, and through them to Albertans, to make them aware of the strategic importance of information resources to the economic prosperity and social well being of Alberta,

and in particular rural Alberta. Goal 4 speaks to:

Ensure that an advanced communications infrastructure spanning all of Alberta is available to the government and its stakeholders.

So that sets the scene, and I will take the time necessary to make sure that you understand where I'm coming from.

Back in 1988 somebody in Public Works telecommunications had the foresight to recognize this problem, in particular for rural Alberta, and AGNPAC was born. Essentially, AGNPAC provides high-speed switch data services to rural communities and to urban buildings, but primarily rural. Over the years that has evolved, and over the last couple of years, again through some good, clear thinking on the part of those people, they've expanded that network with respect to some new technology that now allows that network to become an information freeway, an electronic highway throughout the province of Alberta. They need to be commended for that. That is so important to rural Alberta because what's happening in the industry today is that bandwidth within the cities is extremely cheap because we have competition in the cities. You can now subscribe to services that will give you multimedia bandwidth at extremely low rates. That's not the case in rural Alberta because much like the railroads, you know, all of the lines get closed down in your communities, there's nobody out there competing.

So AGNPAC is extremely important and will become even more important as education, health, municipalities, and our universities and technical schools and colleges essentially use more and more information technology. So we've got this backbone. But I understand that our friends in Treasury still haven't made up their mind if they want to put tollbooths on this information highway. Essentially, there is this question of how you in fact bill back, a network that bills the economies of scale that save everybody anywhere from 90 percent to 40 percent of the cost of technology infrastructure, and the problem is somebody can't make up their mind on how to bill it back. I find that really disturbing, as you can probably tell.

It's going to become even more important to rural Alberta that this problem be solved. You know, I can't really speak anymore, I suppose, emotionally about it than I am because, colleagues from rural Alberta, this is going to be what in fact levels the playing field between students in Alberta, health care in Alberta, municipalities and universities communicating and being part of the mainstream.

Mr. Minister, I brought this up at our business plan meetings, that essentially are the planning sessions for this budget, and the answer that I got was: well, Treasury still has a problem with it. When, Mr. Minister, is this going to change? When is the CIO or yourself going to take it upon yourselves to in fact get this problem resolved?

Thank you.

THE CHAIRMAN: Hon. minister, do you want to respond to that right now, or do you want us to move on?

MR. WOLOSHYN: Yeah. I think the member has brought

forward a few very, very good concerns and one that the department has been very conscious of. One that I want to address or make comments on that we are very conscious of and want to ensure – you indicated the higher cost of rural services versus the cheaper, high-volume Edmonton/Calgary/U.S. corridor. I would gather that's what you're referring to as far as data flows. One of the things we are trying to do is ensure that we don't make a mistake in terms of providers so we don't end up in what I would refer to as a cherry-picking situation, whereby people would get the lucrative ends and then others who would be left over would drive up the cost in rural Alberta. So we're looking at that balancing act continually to ensure that.

The other thing that has happened in the last few months – and I don't know where they will end – is that the rates have been decreasing significantly. We have to have a good look at what is happening there before we make the next steps.

The whole area of providing these services – please keep in mind that PWSS is a facilitator and these agencies work through their sponsor ministries. We do have a difficulty in the billing process; I'll grant you that. But we're working on that. That billing has not stopped the access to AGN for anybody. Now, we've got our internal problems with that, as you're aware, hon. member, and I think that in due course – and I hate to say it that way because I've said about the same thing when we were putting it together – that will be addressed, but I'm saying this very sincerely. The thing that you have to remember is that we're conscious of rural Alberta. We've made statements that we are living by in terms of our responsibility to ensure coverage to all of Alberta, and that creates some wrinkles for us in some areas when you get into people wanting the hot lines, if you will. I think that through the revolving accounts or whatever way it is, that billing process will be addressed. There were some other wrinkles in it, as you well know, and that's how extended stakeholders access these two, because we got into that area quite quickly without having, I guess, addressed all the pitfalls there. But we're working on that pretty good.

I hope that satisfies your question.

**8:54**

MR. HERARD: I think we're underinvolved, Mr. Minister.

THE CHAIRMAN: Good. Thank you, Mr. Minister.

The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by Little Bow.

MRS. SOETAERT: Thank you very much, Mr. Chairman. I appreciate the opportunity to speak to these budget estimates. Less than two hours for half a billion dollars of expenditures. I abhor this room. We should be two sword lengths apart, and I'd venture to say that we're not. However, we're here. Had I known the time was so short, I would have ridden up on the elevator with the minister to ask a few questions. I do have some very pointed questions that I know the minister will welcome, so I would like to start with some of them.

Was there ever a tally on what we lost on selling the liquor stores, the low cost and flooding the market? Was that ever tallied, how much money we lost? I know you could say, "Well, we made money because we sold them," but I know we flooded the market. For example, the one in Spruce Grove was bought by a church a year or two after it was empty. So those kinds of things. I'm wondering if that's ever been, you know, balanced out. I don't remember seeing that anywhere. Maybe I missed it; maybe it's been there.

In Spruce Grove you and I were at the opening of – well, at the

sod turning of St. Michael's. Well, it's still a parking lot, a weed lot. Remember that? Even had a gold-plated shovel. So I think they either owe you a shovel or Spruce Grove a building. I guess I ask: what's the status on that? I don't know the government's involvement with St. Michael's. I thought it was a private – however, you were there and so was I, so I figure there must be some connection there. The gold shovel: either get the shovel back or get St. Michael's up, one or the other. I'd prefer St. Michael's, because actually I have had seniors ask me about that. People on that nonexistent board, they're very upset. So I don't know. Maybe you know more about that. I'd appreciate that.

Westerra. What's happening with Westerra? I know that last year you were looking at different options for it, so I'd appreciate knowing where that's at.

Stony Plain hospital. I see in here that there's an expenditure of \$1.2 million. Is that the old hospital? That's the new one? I'd like to know: where is that hospital at? When's it coming up? Can I be invited to the sod turning or building or key opening or doorway? You know, since my residents will be using it, that'd be a very nice invite.

MR. WOLOSHYN: Are you going to behave yourself?

MRS. SOETAERT: I always behave myself, and the Speaker knows that.

Anyway, another point. I was at the General hospital downtown. You're responsible for that, the old General. It offers several programs. The program that I went to see had to do with the lungs. Well, I forget the actual name of it, but it's to do with breathing, a program for people with lung diseases. Bud Wild is very involved in that. I appreciate your keeping that facility up and running, and I know they get it at a very good cost to run those programs. I would encourage the minister to keep doing that. If you want to know more about that program – of course, I know that you know Mr. Wild. He'd be more than happy to put you on one of their machines and test your lung capacity, I'm sure.

The next thing I'm wondering about: Aspen is talking about a long-term care facility in Morinville. Since Morinville did not come into Capital, is that within your jurisdiction? Do they have to find that budget in theirs and then you build it, or are they contracted out? Does that have anything to do with your department? I'm just interested in making sure that proceeds. Though Morinville itself is not in my riding, certainly my constituents are in need of long-term care beds that are close to their home, which is not Barrhead.

I just can't help but ask about the plane: "Da plane, da plane." Why did we get a new one? Was the old one in such bad shape? Who uses the plane? You know, I respect that the Premier is a very busy man and that it's not practical to drive everywhere and be on time for everything. So I appreciate that he needs the use of a plane. But I'm wondering if the minister has ever thought of doing a cost-benefit analysis of chartering it for when he needs it, rather than keeping a plane, maintaining a plane. Do we have a full-time pilot or someone who's on call? I'd like to know how that works. I realize ministers may use it too. I think if you did an analogy of how often they use it, rather than competing with the private-sector with our own little Air Ralph, as it was nicknamed – I shouldn't have said that in here. It just came out. What can I say? [interjection] I hate this room; it's too close.

I would like to know. Maybe chartering would be cheaper in the long run. Also, if we do have that plane, was it used to fly emergency supplies up to Fort Chip when the ice road went out? Maybe that's under the department of transportation. But was it

this plane that you used? So the general questions about: why the plane? Who's on the plane? What does it cost? Why do we get a new one? Did we sell the old one? To whom and for what price? Or do we have two flying around now? So those are my questions.

Another one. The Good Sam in Spruce Grove, is that part of your department?

MR. WOLOSHYN: No, it's not.

MRS. SOETAERT: It's not.

MR. WOLOSHYN: It's private.

MRS. SOETAERT: The Good Sam is private, but the health within it is provided by the government. Okay. Thank you. That's a beautiful one. Have you seen it?

Chateau Mission Court: I was pleased to see some renovations there. Of course you know that I have family members in there. It did need some upgrading, and I'm glad to see they got some funding for that.

Research space. I know most of the health research specifically within Edmonton and Calgary - I'm thinking of Edmonton, the building that used to be the Red Cross. It's above it. Locksley McGann is in charge of the research there. I do think you know Dr. Locksley McGann or of him and his research department. The work they do is phenomenal. I know they're waiting for money from the feds, which I hope comes through. The province will match it if they get funding from the feds. I know their facility is inadequate. I don't know if that's within your domain. If it is, I could certainly make an appointment for you and I to go see him. You just would be so impressed by the work that he does for our province and the revenue that he could bring into our province with the research he does. But I know the facility he is in is inadequate. So I'm just wondering if that is at all within your purview or domain.

I don't see anything here for women's shelters. Does your department not do any of the maintenance on women's shelters? I know you'll answer that. I'm just wondering if that is within yours.

The other thing that I noticed: under 2.2.1 it says capital upgrading. There's \$25 million there but no breakdown. Could we have that breakdown? I think that in other budgets we did. I'd be really interested to know. I'm assuming it's under health facilities. If it's \$25 million, that's quite a chunk of coin. I would just really appreciate that breakdown.

One final question, because I know several people want the opportunity, and if there's time after, I'd like to come back for some other general questions, but these seemed more specific to my constituency. When there's a bid out on something, what's the threshold that you go to tender? What is the dollar figure when you go to public tender to bid on the construction of a facility or the upgrading of a facility?

9:04

Those are the questions I had for the minister, and as of yet there's still not a provincial building in Spruce Grove. Now, I'm not saying to waste dollars for any part of my riding. No part of my riding. Now, not that I want you to build frivolously, but when you are, look at Spruce Grove-Sturgeon-St. Albert.

So thank you. They have a good MLA - that's what they do have - but no provincial facility. So, Mr. Chairman, with those questions - and I know the minister may answer later, as is his choice.

Thank you.

THE CHAIRMAN: Okay.

Hon. minister, do you wish to answer now?

MR. WOLOSHYN: Yes, and I'll go through the list backwards.

Spruce Grove does not have a provincial building, but we do lease significant space there. The reason, likely, that Spruce Grove doesn't have a provincial building is because it grew after the fact. If you look at the historic growth of Spruce Grove, you'll find that Stony Plain in the beginning was far from Edmonton, and you had the courthouses there, then Spruce Grove, which is right on the border of Stony Plain. So by default it didn't get a provincial building. It had the liquor store which, as you indicated, is now a church. Obviously, if there were new construction in that area, Spruce Grove would be given good consideration. There isn't any planned at the moment; I'll have to be frank with you.

You referred to capital upgrading, 2.2.1, what that is and the reason there isn't a breakout. That is a capital upgrading of health facilities as required. For example, if you have a boiler blow out in one of the hospitals or whatever, it comes out of there. So it's an ongoing thing: many, many projects. At some point if you want some more detail, I can give you that. If there's a roof replaced in a hospital, that is going to come out of there. Don't ask for a total one, because the book's that high, and I'm not going to ask staff to explain it. I'll give you some examples of what came out of it but not the whole breakdown. Okay? Whoever is listening over there, give the hon. member about 10 examples. Is that good?

MRS. SOETAERT: Sure. Thank you.

MR. WOLOSHYN: Okay.

Women's shelters: I don't believe we have anything to do with those. That's why it wouldn't be there. If we did, we certainly would look after them.

The research space. Quite frankly, hon. member, you'll have to give me more information, because I just don't know anything about that.

You referred to a new plane, and you were on and on and on and on and on, damned near long enough to fly that new plane to Calgary and back. [interjection] Almost long enough; I'm sorry.

I think what I should point out to you is quite simply this: we have eight airplanes. Four of them are water bombers stationed for the most part in Red Deer. We have a private operator who does the maintenance for us under contract, because we find it's better that way. Those planes are very, very instrumental to the well-being of Alberta's forests, if you will. I believe I wrote your colleague from Edmonton-Meadowlark a lengthy letter which she released to the paper that had some of this information in there.

Those four planes are stationed throughout the province during the summer, wherever the higher thing is. If we don't need them in Alberta, as you know, they do fly outside of the province. We get paid for other authorities using them. They've been into the United States and have been as far east, I believe, as Ontario if I'm not mistaken. Whichever area has that natural hazard, if you will, we co-operate. But we get reimbursed for it, so it's not a loss. We actually probably make money. Two of those planes, you might want to know, we acquired I believe from the federal government for a dollar plus headaches associated with them. So two of them we bought for rather significant sums. Two were dollars as the federal government got out of that and they dispersed these airplanes across the provinces and into the territories.

We also have three King Airs, the newest of which was



acquired last September for some \$5.6 million. It replaced an existing plane in the fleet that was some 23 years old. The cost to bring it up to operating levels, if you will, is estimated in the neighbourhood of \$750,000, which was a significant chunk of change to spend on a 23-year-old airplane. We have sold it for, I believe, \$830,000.

With respect to your comment: have you done charter assessments? Yes, we've looked at all those, and we quite frankly can't provide a better service let alone a cheaper service. We do a very, very efficient operation there, and there's just no way that we would consider privatizing it.

We are seriously considering getting back into using helicopters. We have dropped out of the helicopter business, as you know, and the cost of renting those is quite high. We're not going to jump into that. We'll have to have a good look at it, because there are now newer, better machines on the market than the one we got out of, the Ranger, which had a lower cost option. But whether or not we would go into that area depends on the departments that use them.

To give you a good example, you have those water bombers doing something called bird-dogging. There's an instrument you put on the bottom of a small aircraft that directs the planes that are doing the water bombing to the hot spots. You can't see these. We're currently using small aircraft, which are going well over a hundred miles an hour, which is sort of tough to do. If we had a helicopter so equipped, the efficiency of fighting the fires might be well increased as well as having them around for personnel and so on.

Your question with respect to: did we use that airplane to haul to Fort Chip? No. Fort Chip is being well looked after, and we chose to charter out of the private sector. That wasn't PWSS, although Transportation consulted on that. One of the big reasons we didn't want to go into it is that a lot of the hauling in there was fuel. You have to have your plane specially equipped to do fuel hauling, and we weren't going to touch that. The plane, had we chosen to do that – and if need be, we may well at some point do it – would have been the other aircraft, the eighth aircraft, known generically as the Dash 8, which is used primarily for moving firefighters around from one end of the province to the other as well as flights that are over 10 passengers. The planes are all operated through PWSS. They are cost-effective. They are good. I see that the use of them – and we release that, as you know, all the time – is there for the public to see. They're put to a good use. They're very, very cost-effective. If anything, I would personally look at increasing the size of the fleet as opposed to decreasing it.

Going on to your comments on the General hospital, the programs that you're referring to are operated either through Caritas or through Capital health by Alberta Health. We have the facility end of it, and we are currently working with Caritas and the Capital health group. I won't go into all the details of it, but there are some leasing arrangements which, when the lease was put together in good faith by all parties involved, due to the changes of usage have altered somewhat. We'll try and work out something that's workable both for us as a department and for Caritas and for Alberta Health. Currently my folks are working on that one. I don't believe there's a line in the budget for that.

With respect to Stony Plain hospital the total project, I believe – and I'm going off the top of my head here – was some 18 and some odd million dollars, which was approved. There is money set aside for the expenditure. It's on schedule for the planning process. You know where the site is. If you're familiar with the site, you'll likely see some dirt moving going on and probably construction starting into next year, which will then have the

heavier allocation of moneys to go at it. Completion date: I'm sorry, hon. member; I don't know. If they have an official sod turning and you bring my gold shovel, I will be glad to make sure you're there.

With respect to Westerra, as you're likely aware, when NAIT had that property, we had an arrangement where there was an exchange of property which NAIT felt they needed more in Edmonton. There is significant acreage around it. We traded the town of Stony Plain for the hospital site, some portion of that, which they will have, when the time comes, for a subdivide, and you'll have a large say in it.

We have struck a committee with the town and Public Works to look at the possible future of that building. At the same time, we're looking at if there is a government need for that particular facility. If there is no government need or whatever in there, it would be marketed with a joint effort between the town and the department. We do that quite frequently around the province: involve the local municipality wherever possible.

With respect to St. Michael's that, as you know, is a private operation. The money behind that – and, yes, I remember that opening on that rainy day quite some time ago. At the time, there were all sorts of promises exchanged and made, and I believe the city of Spruce Grove did give up a chunk of land for that facility. My understanding – and please don't take this as gospel – is that the financial backer for whatever reasons was not able to come up with the commitment that it made. St. Michael's as an operator wasn't prepared to go it alone or couldn't go it alone. The involvement of the government would be in a supportive role, if you will, but largely through the RHA and the contracting of services from them, which would be similar to the Good Sams and whatever.

#### 9:14

Liquor stores. I can't give you an answer there, not because I don't want to but because that's not to do with Public Works. That's basically the ALCB. The research to find the difference of what it costs to put those buildings up and what they are sold for would be rather astronomical by the time you worked out the depreciation and the return and all that. It's not a part of the department; I just can't give you that answer. If I could, I would.

That I believe highlights the ones you covered, hon. member.

THE CHAIRMAN: Thank you, Mr. Minister.

I'll call upon the hon. Member for Little Bow, followed by Edmonton-Manning.

MR. McFARLAND: Thank you, Mr. Chairman. Mr. Minister, I would like to start on page 325, program 2. I imagine you will know what I want to ask about.

MR. WOLOSHYN: Sorry; I didn't catch it. Which vote was that, please?

MR. McFARLAND: It is under program 2, vote 2.5 on page 325, construction and upgrading of water infrastructure. As you are aware, you approved the Pine Coulee project when it was in part of our riding. I know people in that area both in the municipality and the farmers and ranchers as well as people that are looking for other tourism and recreational outlets are going to thank you for that investment.

With respect to 2.5.1 on the Little Bow River project, Mr. Minister, I'd like to ask how you are coming along now with land acquisition, if you feel that we're in a position to properly proceed once and if the NRCB hearings that were held make a

favourable recommendation for the project. I hope it's something that's done before for the fourth time the boundaries change and it ends up out of the riding again. Anyway, you have no doubt done an awful lot of work, and I would just like to ask at this time if in conjunction with not just this NRCB hearing but future NRCB hearings your department might be involved in you will be in a position to make any recommendations.

For the benefit of the rest of the people here, the staff of this minister's department spent a huge amount of time, greatly appreciated, at these hearings, probably about twice as much as they anticipated. My recommendation, if it means anything to the minister, would be that although the committee dealt with everyone that made a presentation in a very fair and equitable way, it seems to me that your staff and everyone else involved were subjected to some pretty long presentations. I guess it came down to the point that if a person couldn't get across what they had to say in 10 or 15 minutes, 80 minutes got to be a little monotonous. Quite frankly, I don't know how the committee, let alone staff and participants who were waiting patiently to make presentations, could sit there for 80-some minutes time after time and hear people make presentations that were totally unrelated in some instances – and I heard a couple of them – to the project itself. They were dealing with county issues and road issues that had no bearing at all on the project. Anyway, I digress a little bit.

If I could sum up, Mr. Minister, on 2.3, the lodge upgrades, which are on both 323 and 324, I simply would like to indicate to you and to your staff that we've heard today and in the past questions about health care and the well-being of people, how they are not placed in sufficient accommodations. Well, I'd like to give you and the members here a little different take on this whole thing. Without the money that your department has provided to Municipal Affairs to provide this housing, I don't know where we'd be. I think that when you look at the list, everyone sees projects throughout Alberta that are benefiting housing for seniors.

If I can look at one that isn't on the list now but that was completed last year, I would invite everyone here to go down and see the wonderful work that Public Works and Municipal Affairs have done at the Peter Dawson Lodge. It's very similar to a lot of lodges throughout Alberta built in the late '50s or early '60s, in need of some upgrade. A lot of it they did on an in-house basis. When you consider that 30 or 40 years ago these people by and large were coming into single-bedroom accommodations because a spouse had passed on, it was basically a place of last resort before you died. Maybe family wasn't around; they couldn't afford to stay in their own homes or whatever. Well, today you've converted that place into a very superb building. You've got accommodations for couples that are now moving in. I compliment both your staff, Mr. Minister, and the Minister of Municipal Affairs' staff for the work that they did in conjunction with the staff that are providing the care for those residents, not just in Peter Dawson Lodge but in the two pages that you've got here.

Here's what's happened. You made an investment that cost a bit of money. You provided a quality of lifestyle. You've got people eager to go to work in this place. You've got a neat thing like a cook that makes homemade cinnamon buns for the residents every Thursday morning. You've got a recreational/occupational therapist who, if she's half an hour late for work, has residents phoning to see if she's okay. I think it's fantastic. You also have a deputy minister who took the time when he was an ADM to come down and talk to the maintenance people and to a local engineer who had tried to create a control system, home built, and I think that was just a very, very positive thing for a department

person to do of his own volition on a Saturday. I just want to thank you. There's no question from me as far as the worthwhile investment of the moneys that you're spending on seniors' lodges. To both ministers, thank you.

THE CHAIRMAN: Okay.

Mr. Minister, do you want to comment?

MR. WOLOSHYN: I appreciate the comments on the seniors' housing. As you know, that's a joint project between ourselves and Municipal Affairs, and quite frankly we as a department are very proud of how that overall project has gone. Hopefully, it will continue to go in that light, and I appreciate the comments as does I'm sure my staff.

I'll make a few comments on Little Bow, and I'll make them quite brief. With respect to the hearings, we at the department have no control over that. I believe the committee walks a fine line between being accused of not being sensitive enough to the issue, so consequently they end up opening it all up to things that are totally irrelevant. I would hope that they have the wisdom when they're doing their deliberations to sort this out at that time. I would prefer personally that they do spend that extra time, that they do listen to everybody, so no one can criticize the project after the fact and say that they weren't given a fair hearing.

As you well know, land prices in the area have started to escalate. We have gone into the process under the direction – I am assuming that that project will be approved. That assumption could be very unsafe. However, we are going in and purchasing land on a willing seller basis, so people who for whatever reason, whether they're close to retirement age or want to relocate or whatever they want to do – we will certainly buy their land up provided it's within market values.

The other issue – and I believe we might as well put that one up front too – that has given me a large degree of concern is the need to relocate the Little Bow Hutterite colony. I've taken the trouble to go down and meet with them in person. I think they're reasonable people, although that's my own personal opinion, and we'll work on them. I don't know how we will do it, but we'll try to find some amicable, affordable solution to relocate these folks and hopefully go on cruising. That is a single big issue, and quite frankly if we waited for the approval of the project before we started any kind of activity, such as dealing with the colony or buying land that's available, then I think that project would be a long time in starting. So we want to ensure that we can, subject to approval, get a quick start on it.

That would be about my only comments, and if you have any other specifics, I'd be glad to pick them up later.

9:24

THE CHAIRMAN: Thank you.

The hon. Member for Edmonton-Manning, followed by West Yellowhead.

MR. GIBBONS: Yes. Thank you. Just before I start, I want to commend you on the seniors. I've been touring through quite a few of them, and the ones you're working on, seniors are really happy to see what's happening.

There's a few things I harp on all the time in the Leg., and one is the Growth Summit. It's not VLTs tonight. The main thing I want to ask the minister is: what is the minister doing to implement each one of the solutions in the department that was brought up in the Growth Summit report on your department?

Under programs, ministry support services, questions to the minister. Now, the overall estimates expenditures for this

program were slated to remain the same at \$10.2 million. However, it should be noted that in last year's budget documents the department actually estimated the cost to be \$7 million. The question: why does this year's budget claim that the cost for this . . .

MR. WOLOSHTYN: Excuse me. What line are you on?

MR. GIBBONS: I'm in the program under ministry.

MR. WOLOSHTYN: Which specific line are you referring to?

MR. GIBBONS: Program 1.1. It shows \$10.1 million, under ministry services, gross expenses.

Why does this year's budget document claim that the cost for this program last year was estimated at \$10.2 when in fact the cost, as the table in last year's budget, was \$7 million?

Going on to the next one, Mr. Minister, in the same aspect, what has been added to the cost of this program, and where's the extra money located in the budget before this change?

MR. WOLOSHTYN: Go ahead.

MR. GIBBONS: Okay. I just wondered if you're . . .

MR. WOLOSHTYN: I'll wait until you've finished all your questions, and then I'll try and answer them.

MR. GIBBONS: Okay.

Under program 2, infrastructure maintenance and development, the overall estimated expenditures are to decrease slightly from \$335.3 million to \$334.4 million. Costs for the property management program, 2.1, are to decrease from \$193.7 million to \$184 million. It should be noted that the department is forecasting overall expenditures for this program. My question under 2.1.3: why does the minister expect to reduce expenditures for property operations when his department is expecting to overspend on this item this year?

MR. WOLOSHTYN: Those are your two questions?

MR. GIBBONS: Yeah.

THE CHAIRMAN: Hon. minister.

MR. WOLOSHTYN: Yes. On the question with respect to property management and the reduction, as I indicated to you earlier, we are looking at turning over AVC facilities, which cover the whole province, and that will then be a reflection of the reduction there. That's what we're anticipating on that, but we are holding off on that, as I've indicated, to ensure that we have the facilities in good working order, if you will.

With respect to the other question on program 1, if you will, the \$10.2 million, that includes such things as all the items under ministry services. Under 1.1.3, for example, there's human resources, staff development, payroll, benefits, communications, [inaudible], business fiscal planning, records management, management of Internet, E-mail, and so on. So that covers all that as well as the minister's office and deputy minister's office. So there's just a whole bundle of them in there. It even goes so far as records management. So I'd have to get into a little tighter detail. I don't know if it would be, quite frankly, worth the exercise. I trust that would answer your two questions.

THE CHAIRMAN: Thanks.

Next we have the hon. Member for West Yellowhead, followed by Calgary-Buffalo, followed by Edmonton-Gold Bar.

MR. STRANG: Thank you, Mr. Chairman. I've got a couple of questions, and the first one is on the aspect of aircraft. As you realize, with the winter that we're having now and of course a lot of my area being forest area, I've got a big concern with the age of these aircraft. With most of the forest area that has already been let out to all the forest companies, they've got a huge investment in there, and also a lot of them are working on the investment back into the fire system. I was just wondering what the minister is doing, number one, to look at a system for new aircraft. As he has stated, he purchased some of these for a dollar or something. I'm just wondering if he's going to be looking at the Hercules aspect, because that seems to be the only way to go being that these aircraft are that old. I think we have to be looking at this, because as we're operating in our province now and talking about sustainability, we've had a lot of these industries come aboard and spend a lot of money and also be in the business of partnering to look after these resources. I feel we have to show our hand and be more organized so that we can look after this precious resource.

The other thing, I'd be really remiss if I didn't talk about the AGNPAC. I'm sure glad that the Member for Calgary-Egmont said it so eloquently. I think the big thing that we have to look at is a lot of these agencies going under FOIP. I'd be really remiss if I didn't comment on that for my colleague across the way from Calgary-Buffalo so that he could get his information very quickly on this and it wouldn't cost us a lot of money.

We're going into the year 2000. We're talking about schools. We're talking about hospitals. We're talking about government buildings. I just feel that we're all in the one family. We're talking about trying to bring economies of scale to reduce our overall costs. My big thing is that I just want to make sure that we're all in this one family together. But we have sparsity of areas. I think that's the big thing that we have look at, to make sure that we have a total package throughout our province. A lot of times we tend to view the urban areas as the movers and shakers, but I often have to remind all the people here that the rural people also put a lot of money into the coffers with the aspects of all the natural resources. I think it's a partnership that we have to look at, and sometimes the rural area has to be onstream too so that we can look after the rural. We're not just talking about within Canada now; we're talking about the world. So if I could have answers on those questions.

Thank you, Mr. Chairman.

THE CHAIRMAN: Okay.

Hon. minister.

9:34

MR. WOLOSHTYN: Okay. With respect to aircraft and forestry and fire fighting, if you will, I'll make a few comments here. Please keep in mind that we supply those aircraft, and they are in very good order. The four water bombers will last, hopefully, an awful long time. Forestry are the ones that determine the activities, you know, the needs. We go from having to transport ground crews, and we have the helipads and whatnot in place to helicopters to spot stuff to the water bombers. It depends what they're doing. I really don't want to go - other than to say that although we got those airplanes for a dollar, they're in really good shape. There's just no question. As a matter of fact, I've met with the contractor who's looking after it for us. His name

escapes me. He's out of Red Deer. The other part is that if a serious situation arises, we do have the ability to draw on other folks locally to come in and give us a hand. Hopefully, we'll never need to do that.

He mentioned the AGNPAC, and I'll expand a little bit on the answer to the Member for Calgary-Egmont and hope this captures what you're after. The so-called Alberta government network is largely – we own the switches, I believe it is, and it's leased from Telus. We're trying to see where the balance is on that whole thing, but it's a lease arrangement. It's a very good one, I might add. What we're currently doing is we're trying to acquire software to allow us to identify what the user volumes are. We are also working with Telus – and this will be the part to do with working with Treasury. When I was alluding to the answer to the Member for Calgary-Egmont, I should have elaborated. We'll have to work out, if we can, a direct billing procedure with Telus and look at that as an option to us running our own. So maybe it might be a direct bill to the users, and we could oversee that. Those are options we're looking at, and certainly we'll be working with Treasury on that. I'm quite confident that we do have a good hand on that whole communications package, and like I indicated before, the folks in the rural area are going to be looked at.

Is there anything that I missed on this?

MR. STRANG: No.

MR. WOLOSHTYN: Okay. Then thank you, Mr. Strang.

THE CHAIRMAN: Okay. Thank you, hon. minister.

The hon. Member for Calgary-Buffalo, followed by Edmonton-Gold Bar.

MR. DICKSON: Thanks very much, Mr. Chairman. You know, it's been at least four years in a row where I think I've raised with the Minister of Public Works, Supply and Services the issue of Calgary youth and family court renovations. So it's only fair for me tonight, Mr. Minister, to applaud the fact that it looks like 2 and a half million dollars are committed. I'm assuming that this is going to ensure that family court judges are going to be able to make their way to their courtrooms without having to go through the public areas. That's been a source of concern for a long time. I'm assuming that that's being remedied with this budget requisition.

One of the things that I found curious – and if you'll look at your ministry's business plan on page 331, your reference here to the \$23.1 million allocated to the shared telecommunications network, there's a reference only to government ministries. I wonder if you can reconcile for me that statement with what appears in the April 18, 1997, CIO Council meeting minutes, where they talked in fact about extending the network to health and education sectors. Now, I don't think that would qualify as a government ministry, so perhaps you can give me some clarification subsequent to this.

I'm jumping around a little bit. The other thing of particular concern to me is trying to reconcile – I'm not sure. I look at the \$31.8 million in 1.2.1, information technology, and that's under cross-government services, and then I see the \$500 million committed to the CIO at element 3.0.1. I'm hopeful that you can help me understand where the line is drawn, what things are included under the CIO item.

MR. WOLOSHTYN: It's \$500,000, I believe, Gary.

MR. DICKSON: I'm sorry; \$500,000.

MR. WOLOSHTYN: That's his office operation.

MR. DICKSON: Right. Okay.

MR. WOLOSHTYN: You had me worried for a moment.

MR. DICKSON: Mr. Minister, I knew it was growing quickly, and maybe I got a little ahead of myself. Okay. Well, in that case, that's sort of obvious, the question I just put to you.

I'd like to know what the cost is of the Gartner Group review of the 2000 compliance plan.

I want to know whether a certification process has been developed to test the 2000 systems once they're compliant. That had been a recommendation that came from the council. There had been four categories, I understood, for government departments in terms of 2000 compliance: one category being mission critical; the other one, mission important; the third one, process critical; and process important. That's significant, because there was talk about some triage work and so on. So I'm wondering if you can tell us currently what those applications would be in terms of the 17 government departments.

Now, there were cost estimates to be provided – and I see this from the CIO Council meeting minutes – as part of a monthly reporting framework, and the purpose was to track whether individual departments were within estimated budget guidelines. So I'm asking you, Mr. Minister: will you share with us the cost estimates for the different departments?

I notice also that in the September 22, '97, meeting of the CIO Council there was a question on page 4 of whether the IT information requested by the office of the CIO would be compiled and made public, and Mr. Samoil's advice had been that the information was for internal use only but that it would be shared with standing policy committee when each ministry discussed their business plan. So I want to know if it's still the position of the government that that information will be only shared with standing committees of Conservative MLAs and will not be shared with all MLAs or indeed for that matter all Albertans.

The Gartner report identified at that point that 80 percent of departments were making good progress to be 2000 compliant. Will the minister identify the 20 percent of departments that at that time were not making good progress and then advise us at this stage which departments are lagging behind in terms of readiness?

One of the other recommendations that came – and I don't know whether it was from the Gartner report or from another source – was that contingency plans be in place for the mission critical category agencies, departments, and also for the – is it called the Imagis replacement system? So I'm wondering whether in fact those contingency plans have been developed and are in place.

Now, the CIO benchmarking working group and its 11 members had determined that by April 19, 1998, those core areas of government information resource management activity will be benchmarked. We're almost at April 1998, and I want to know if we're on track so that that benchmarking in this activity area will be completed. Maybe it's been done early, and you could tell us that.

The information resource strategic plan lists some action plans. I'm particularly interested in goal 2, which is making cost-effective use of government information resources. The action step 1, which appears beside that, is:

By January 1998, [ID] strategic opportunities were shared

information is required within various sectors and across the government.

Now, "various sectors," I take it, means private sector, private industry outside of government. So I'd like the minister to particularize what plans have been developed as of this state in terms of sharing public information, government information with private sectors, with agencies that are not a public body within the meaning of the FOIP Act.

**9:44**

The other recommendation that was supposed to come I think by January of 1998 was a recommendation with respect to business cases for future data sharing. That's so important to Albertans and their new two and a half year old privacy rates. I think that's something the minister would want to share with Albertans and not hold closely.

My questions. Was the year 2000 test facility built? Where is it? What's the cost in terms of public expenditure?

The Y2K project. I wonder if the minister would explain the purpose of the Y2K project, the time lines, and the costs.

I'm wondering whether the Imagis system has now been installed and tested and, if so, the cost of that system. That was to be for a new financial human resource system for government. I don't know whether that's up and operating.

Now, just changing gears. I think that if one looks at program 2 – and this is the enumerated expenditure in terms of facilities. I just say that under 2.2.18, the Walter C. Mackenzie hospital expansion is much needed, and I'm glad to see that proceeding. To anybody who's had a chance to tour the University hospital, there are just some enormous pressures in terms of inadequate space and so on. So I'm glad to see that movement.

It wouldn't be fair to ask it now, but I'm hopeful that the minister can provide me with some particulars in terms of what's involved with – some of the costs are minor – the Elbow Valley 800 lodge, element 2.3.14; element 2.3.12, Bow Valley 300 lodge; Bow Valley 200 lodge, 2.3.11; and Bow Valley 100 lodge, 2.3.10. If you can give me some bit of a narrative and description in terms of what work is undertaken there.

I think I know what's been done at 2.2.4, Bethany Alzheimer care centre in Calgary, but just an update in terms of that project, if you would, and similarly 2.2.6, the Carewest Alzheimer care centre in Calgary. The other items, I think I know what's involved.

Those are the questions I wanted to ask of you, Mr. Minister. Thanks very much.

**THE CHAIRMAN:** The hon. minister.

**MR. WOLOSZYN:** Thank you very much. Getting to the details on the lodges, I would have to beg your indulgence in that I don't have those right on the top of my head, exactly what the work is doing, but you can see by the numbers a significant upgrading within the programs. It could be a variety of things, from kitchens to heaven knows what else. I'd just let it go at that for the moment with your indulgence.

The other one you mentioned, the University hospital. I don't believe you were here for my opening remarks; were you?

**MR. DICKSON:** No.

**MR. WOLOSZYN:** You will know there that that one is already now starting to escalate in the sense – although it's not shown in the budget – that there's a potential increase, for a good reason I might add, of another \$2 million on that. We're trying to keep

up, you know, within our budget with all the needs of the hospitals, as you can see by what's laid out here.

You had quite a few questions on the whole project 2000. I'll just do a general thing. You asked about information technology, 1.2.1, the \$31 million. Basically, if you will, \$26 million goes to managing the government's shared networks and services, including telephone data, mobile radio, and so on; \$3.9 million goes to provide technical and planning support for cross-government information tech services, such as government data centres. And would you believe in there also is \$1.6 million for the Alberta Records Centre?

I'll answer in general terms on project 2000. You've identified a lot of things. I've gotten the report, but I don't know what the cost of that is off the top of my head. If we have it, I'll get it for you. If not, you're out of luck. It's not a secret, I don't think; it wouldn't be.

Imagis. That's the human resource software. I don't believe that's in place yet, but we'll be working on it. That's one that we're going to be getting going hopefully fairly soon.

The whole business of project 2000. We extend, obviously, our co-operative effort within the government, and the individual ministries go beyond. Now, a lot of the IT plans that you're referring to are part of individual ministries' budget plans, so you'd have to go through the individual ministries to put all that together. Quite frankly, hon. member, at this point, off the top of my head, I couldn't pull them together for you. I think you mentioned various governments being compliant or whatever to various levels, and that's certainly true. I think the comment that I'll make on that, rather than try and guess which ones are here – and I didn't have a thorough look at them – is that the important thing is that every department is aware and is working at getting the job done, if you will.

Now, within government we're very concerned yet very comfortable that we're on the right track and going ahead. As a matter of fact, I would say that with respect to governments in the country, including the federal government, we in Alberta are miles ahead of the pack, to the point where my CEO gets invited all over the darn place and I have to start saying no to him, quite frankly. That is because they're looking to Alberta for, if you will, leadership. Along with that, we are testing the software to make sure it's compliant.

Contingency plans. Yeah, I would be working on those, but the desire is that within government by the time the day comes, we will be in a good place. Now, there's going to be a glitch here or there, but in the overall picture we're going to be good. Each department, as you well know, has got their different little systems, different things going on, and we're relying, obviously, totally on the departments to be taking care of that.

Now, you referred to the extension of our services to the extended stakeholders and to the ministries. What is happening is that extended stakeholders currently – and we're having a bit of a hassle around this – access our government telephone rates and get the same rates we do. So they get the same break as if they were a part of government, but they're on their own on a direct-billing basis, I do believe. The only time that they are using our data networks is on pilot projects. Where that will go from here, I guess, is a decision to be made down the road.

The comments you made about the Calgary youth court are, I think, appropriate and timely, and the answer is quite simply yes. That is an issue that we addressed and has to do with the safety of the courts. As you're quite aware, there is an overriding issue that we're trying to address also, and that's the whole layout and the usage and whatnot of the Calgary courts themselves. I would like to say at this time, just so there isn't any concern about it,

that some of the justices were concerned, as you know, about the renovation of the Bowlen Building, that somehow the youth court would impact on the overall project. That's not the case. This is a stand alone for safety measures, and hopefully we'll get that thing done ASAP. We as a facility department probably had higher concerns than the justices themselves, I might add. But it is a very legitimate thing. That's on the go, as you can see, and will be finished soon.

In general terms, I think that if there's anything specific I missed, drop me a note or whatever, and I'll try and get back to you.

THE CHAIRMAN: Thank you, Mr. Minister.

The hon. Member for Edmonton-Gold Bar.

9:54

MR. MacDONALD: Thank you, Mr. Chairman. Mr. Minister, in your business plan you talk about property development and that you're going to continue to implement the facility upgrading plan for seniors' lodges. Everyone this evening has talked about seniors' lodges. This is to address life safety, building code, mechanical, electrical, and building envelope requirements. Now, am I to understand that some of these lodges – and I believe there are 85 of them – are not going to receive money this year? These 85 lodges are not all that you have in your jurisdiction. How many of those are operating outside of today's applicable building, fire, electrical codes? I have some concerns about that. Some of them, I would assume, are quite old. Two are located in my constituency, and I see they're receiving \$60,000 and \$40,000 respectively. Is it your plan to over a period of time bring them up to the 1995 National Building Code?

Also, while I'm in the business plan here, on page 320 you have revenue from premiums, fees, and licences. You're hoping to get it close to 2 and a half million dollars. Could you give us a breakdown of precisely what these premiums, fees, and licences are, please?

Getting back to the subject of property development, I guess in the fall sometime your department inherited the Maple Leaf site in the northeast corner of the city. I would like to say that in dealing with your department and your staff, in particular Mr. Hook, they have been very helpful in providing me with access to this site so that I can possibly stand up and speak out for the taxpayers, who lost \$209 million over the years in that facility. Now, what are your plans? Is there an engineering firm that has been hired to give an audit on the structural integrity of that entire facility? If they have been hired, when are we going to hear? We all hear about how this wall is going to collapse, how this plant is 91 years old, how parts of it are not 91 years old, that parts of the floor are sagging. When are we going to know once and for all what your department's plans are for this facility?

You all know we lost 950 jobs in that. The land is still there. Before Christmas the Premier said that he was going to get on this issue. You and the minister of Advanced Education and Career Development were going to be working together to pursue this issue. I'm very anxious to find out about this.

Also, the lease. There seems to be secrecy involving the lease of this facility to Maple Leaf Foods. The Provincial Treasurer seems to think there is, and he seems to think it's a matter of confidentiality between his department and Maple Leaf Foods. Now, this lease, I'm to understand, is to be signed on a month-to-month basis. I saw today that the removal of equipment is going ahead at a slow but steady rate, and to your department's credit your staff are there to ensure that the building is not harmed in

any way. There are a few things that are awry, but I don't think that with the nature of the equipment and the cumbersome way it's handled . . .

THE CHAIRMAN: I wonder if the discussions could go at a lower level so that we can hear the questioner. Thank you.

Edmonton-Gold Bar, sorry for interrupting.

MR. MacDONALD: That's fine. Thank you, Mr. Chairman.

Getting back now to Maple Leaf. What exactly will happen with this lease? Are you going to try to ensure that there is another hog processor attracted to the area? Are you going to demolish the building? I see in program 4 in last year's budget there was a \$200,000 allotment of money for miscellaneous demolition. Well, I know there's a lot of demolition going on up there, but that's not going to cover it. That's not even going to start. What are your plans? We the citizens of this city need to know what precisely your plans are for this facility.

The Treasury Department is transferring funds. Last night we talked about this briefly. The lease revenue there last year was \$209,000. It's gone down this year apparently to \$150,000. There's a column there: \$57,000 from the lease revenue. Has that been transferred to Public Works to pay for your staff, or is that transferred to Public Works to pay for an engineering audit? What is it? I want to know, please.

THE CHAIRMAN: Hon. minister.

MR. WOLOSHTYN: Thank you very much, Mr. Chairman. First of all, I'd like to comment on the lodge upgrading. Part of the money, yes, goes to upgrading to meet current code requirements. Usually the general rule of thumb, unless the lodge is too old, is that with respect to codes there is not a change unless there's a change in usage and there isn't a violation. So basically what we're doing overall is making the lodges more comfortable and safer for the occupants, if you will. But it's not a great big worry about codes, because, let's face it, the codes from before the buildings were built aren't exactly all bad. Where it's appropriate, we upgrade, and certainly if there's a safety issue, we do. That program, I hope, continues to go well. As indicated by some of your colleagues and certainly some of mine, that's a very, very positive program.

I'll make a few comments and try to hit your questions on Maple Leaf. The first portion of Maple Leaf, which is the main plant and the shop area, if you're familiar with it, probably the part that you toured, was built over an 11-year period from 1909 to 1919. Some other parts of the plant that extend beyond the chutes and whatnot were built over a 20-year period from 1920 to 1939. The one-storey rim around the main seven-storey building was built over a nine-year period between 1940 and 1949. The powerhouse came into play between 1950 and '59 on an ongoing basis. Then the processing part is another chunk tagged on, which would be the southeast, and came into play between 1960 and '69. The hog pens, if you want to call them that, were put in there over a 10-year period between 1970 and '79, and the so-called distribution centre, that is right up front, was put on in 1982. So you can almost pick whatever year you want and apply it to that plant for an age factor.

Going directly to the questions that you had, as I recall them, first of all there haven't been any money transfers to us that I'm aware of. But if there were, I'll let you know. It's no big deal if there were. We're looking after that. With respect to the lease, at the moment we're managing the lease. You are fully

aware that legally Maple Leaf was entitled to take their equipment out of there. You can debate how they got it, but they're legally entitled to it. That process started prior to the strike being called. When the men were still working in the plant, they were actually removing equipment there. We could try to invoke a closure of the lease, as some people have suggested, and then have the activity go into a scurried fashion. You were in the plant, and you can see that it's being done, supervised in an orderly fashion. We're trying to be responsible through the whole thing. If you put the run on them, if you will, you will end up with some leftover equipment, a wrecked building, and a lawsuit, which would benefit nobody.

While they're leasing the building, they are responsible for all the costs, plus they are paying I believe approximately \$30,000 a month net to this. So during the course of this year, instead of us having to pay out on it, we are getting for January and February, since the end of the lease, another \$60,000, which will be coming directly, plus the associated expense of operating.

I don't want to revisit the whole business of what's there and what's not. We have currently engaged engineering consultants to look at the integrity of that building. I believe it's Reid Crowther. I'm not sure if it's Reid Crowther, but I think that's the one. That would be the same engineering firm that has done a previous assessment on it. You were in the building. You know and I know that some parts of it may be over here, some over there, and I don't know, hon. member, the end result. What do we have planned for it? There's nothing in the budget at the moment. The plans for it: if somebody comes forward to buy it at the market value, it's sold. If it's not sold and if after the engineering reports there's not a use for it, obviously we would have to consider removing it and making that site usable for the city's future in terms of having some other activity in there.

**10:04**

As to trying to attract a hog slaughter plant to this area, I think we would do everything we can for somebody, whoever it might be, if they would be interested in it. Whether or not they would be wanting to go directly to that particular building or not is another story. I don't know the answer, and I wouldn't even want to speculate on it. Certainly if they're interested, it's there. But we can't sit and pour more and more money into that particular facility waiting for some processor to drop in on it.

There's a lot more to it, as you're well aware. So I don't know what the outcome of that will be.

The findings of these consultant reports: certainly I'll make them public. There's nothing to hide. I've been very open with you specifically. If I tried to hide something in that plant – you've seen it yourself – I wouldn't be able to, nor do I want to.

What's the future of it? I'll even consider your input on it, quite frankly. A large say will be what the city of Edmonton feels could be a good use. I understand from the mayor that they're short of serviced industrial land. There are close to 50 acres on that whole site, and maybe we'll be sitting down with the city to see what they feel would be the best attractor for similar or different industries. That's the direction that I as the minister responsible am planning to take.

With respect to the lease, I intend to ensure that they remove their equipment that they're entitled to in such a way that it doesn't create a negative for us to inherit and that they pay their way as they're going. That's where it's at. Whether it be the end of March or the end of April, at this particular point I don't know.

I will make a couple of comments on what other members asked – and I'd like these on the record – with respect to outsourcing. All architectural and engineering is virtually a hundred percent outsourced; property management, roughly 60 percent. Auctioneering services, software development, and a lot of construction activities are outsourced. These started back in the '60s.

There was a question with respect to what level we go to for a tender. I believe it's about \$100,000. If I'm wrong on that, I'll have it corrected.

Mr. Chairman, on that note I'd like to thank the members for their questions. I think it was a very good exchange.

I move that we rise and report.

**THE CHAIRMAN:** The hon. Minister of Public Works, Supply and Services has moved that the subcommittee do now rise and report. All in support of this motion, please say aye.

**HON. MEMBERS:** Aye.

**THE CHAIRMAN:** Those opposed, please say no. So ordered.

[The subcommittee adjourned at 10:06 p.m.]

