

Title: Wednesday, March 17, 1999 Subcom. C: Labour
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 [Mr. Tannas in the Chair]

Subcommittee C - Labour

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

Hlady, Mark
 Klapstein, Albert
 MacDonald, Hugh
 McFarland, Barry
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 Soetaert, Colleen

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 Strang, Ivan
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 Trynchy, Peter
 Woloshyn, Stan

THE CHAIRMAN: Hon. members, we'd like to call the subcommittee to order. It's not a standing committee.

This evening subcommittee C has under consideration the estimates of the Department of Labour. For his comments, we'd like to call upon the hon. Minister of Labour.

MR. SMITH: Well, good evening, Mr. Chairman. Thank you so much on this St. Patrick's Day for me to be able to rise and give estimates. St. Patrick is known for certainly a couple of excellent deeds, and that is, I'm sure, why he was sanctified in Ireland. There are some days and some evenings when I feel that St. Patrick's work isn't finished in the Legislature. But I digress. You know, who's to say?

First of all, Mr. Chairman, let me thank the department staff that have been their ever-proficient selves for developing the Alberta Labour budget and business plan. Of course, no department whose key word and watchword is customer service would be less than remiss to not thank very much customers of the Department of Labour, stakeholders of the Department of Labour for their support, for their input, their good suggestions, their ongoing and continual work with this department to develop a three-year business plan, one that's effective, one that stays within the budget parameters, one of four departments that is not moving towards supplementary estimates for additional funds.

I intend, Mr. Chairman, to listen very, very carefully, very, very intently to members opposite and to my own members, who I know will want to dig into this department's estimates. I know they'll want to key on issues of productivity, that they'll want to key on issues of the tremendous involvement of Labour in the workplace. But they'll also note that the Department of Labour's budget would run the Education department for some 60 hours and also would probably buy one coffee break a day for the Department of Health.

So having said that, Mr. Chairman - and I know that members opposite are keenly interested in the estimates - I look forward to their comments and would be prepared to respond as appropriate. Thank you so much.

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

MS LEIBOVICI: Thank you, Mr. Chairman. It's a pleasure to be here tonight to speak to the Labour estimates. It was my first critic portfolio and one that I enjoyed immensely. It taught me a lot about what was going on in the province during the restructuring that was occurring. I remember when the former Minister of Labour indicated that the changes that were going to be put in place in this province were in fact going to help labour relations and ensure that Alberta workplaces would be safe workplaces and that productivity,

as the minister so fondly talks about, would in fact increase because of the good labour relations atmosphere that was put into place in this province.

Unfortunately, when I take a look at some of the key performance measures as well as look at the statistics with regards to WCB, increased occupational health and safety incidents at the worksite, as well as increased unrest in the labour relations field with others, potential strike situations occurring within this province, I don't really see that the optimistic projections of the former Minister of Labour have come to fruition.

Now, if I can just go through some of the budget highlights first of all. I would like to put out first and foremost that the department's vision statement is that

Alberta's prosperity requires an effective labour relations framework; safe and healthy workplaces; and high standards in employment practices and safety services.

If we look at the budget and tie the budget to that particular vision, I think what we'll find is that the budget in fact comes up short. What I would like to do, as I indicated, is look at some of the budget highlights. What we've seen, in fact, is that in this department there is an increase in terms of the operating expense of 1.4 percent from last year, but when the cost of inflation is taken into consideration, there is in fact a 36 percent decrease from the 1993-94 estimate.

So in real terms the department is actually spending many dollars less than they were in 1993-94, and we know in fact that what that translates into is less service. When it comes to the Department of Labour, when we talk about less service, what we talk about is less of an overview function in terms of making sure that workplaces are safe, and we talk about less service in light of decreases in employment standards and the ability to track and deal with employment standards complaints.

What's interesting is the trend that I notice, because I must admit quite frankly that last year I didn't take as close a look at the budget as I have this year. What I notice is that the trend I saw when I was Labour critic of the increase in systems expenses and the increase in business management, if there was such a department a few years ago, has continued and that the decrease in human resources, the decrease in workplace health, safety, and strategic services has also continued. To my mind what that seems to indicate is that we are becoming heavy on the administration side, heavy on the computer analysis side, and lighter on the service-related side. So my question to the minister is: why is this trend continuing?

In fact, when we look at the systems expense, why do we see that that expense is up 27.6 percent, which is a fairly phenomenal increase? It's up from \$1,834,000 last year to \$2,340,000 this year. That's a \$506,000 increase. Now, perhaps that can be explained away through Y2K changes that had to be made. I know that in the past the explanation has been that it is because of changes in systems, but I think that that's worthy of the minister providing an explanation.

My other question is: who is providing the expertise for the system within the Department of Labour? Is that done completely in-house,

or is that in fact contracted out to IBM or one of the other groups that the government contracts to?

Business management is up as well. It's a 10.1 percent increase. I'm curious to know what exactly business management covers. How does business management relate to the goal of increased productivity within the Department of Labour?

We see in the core businesses that the ministry has put forward: "Promote the development of effective work site health and safety management systems and compliance programs." But we also note that the person days lost have gone down by a small amount but in fact are not at a level that I think we should be seeing in this particular province.

I want to note as well that one of the other core businesses is to "support fair and effective resolution of labour disputes and workplace issues." When we look at the key performance measures, I think that's one way - the government always says: check our performance measures, check our outcomes, check the dollars that we've put into it, and you should be getting a fairly clear picture. We see that in fact the person days lost to work stoppages have increased, significantly by the looks of it, from .71 in 1995 to 15.58 in 1997. We also see that the percentage of collective bargaining negotiations which avoid a work stoppage have decreased.

8:12

The questions that I have around the effective resolution of labour disputes and workplace issues are ones with regard to the appointment process that's put into place for appointing individuals to the Labour Relations Board. I'm not questioning the ability of any of the appointments that have been made. What I'm asking is: what is the process of appointment to ensure that both sides of the bargaining table feel that they are fairly represented through the Labour Relations Board, that in fact they will be heard fairly by the individuals appointed to that board and have confidence in the board? Once we undermine the confidence of the Labour Relations Board on either side of the negotiating table, we set, I believe, a dangerous cycle in place where the one body that should be able to effectively resolve disputes will not have the confidence of those parties that go to them. So I would like the answer on what the appointment process is.

Also, there was a recent appointment that was made, and there are many of the unions that are unhappy with that recent appointment. I would like to know what the minister will be doing to ensure that this will not occur again. What kind of mechanism - and maybe that's through the process explanation - is the minister looking at to ensure that there is that fairness within the appointment process to the Labour Relations Board?

The other question that I have with regards to labour disputes and workplace issues. Is the minister as well aware, as are, I'd say, 99 percent of Albertans, that we are looking at a potential strike from the nurses within this province, that we are looking at a potential strike from some of the teachers within this province?

MR. SMITH: It's illegal.

MS LEIBOVICI: The minister quite rightly points out that it is an illegal strike, which we can open up to debate, if we wish, at any point in time about the fairness of imposing an illegal strike on the nurses within this province or on having legislation in place that forces the nurses into a position where they may have to take an illegal strike. I think that would be a fair debate to have within this Legislative Assembly at some point in time.

Perhaps the minister will bring in an amendment to the labour relations act that will in fact take that provision out so that nurses

can bargain in the same manner that other professionals within this province can. There are many models across this country and across other countries that provide for the assurance of services that are deemed to be essential but also provide for the ability for those professionals or groups of individuals who decided to form a union to be able to use their legitimate right to strike.

The question I have for the minister. I know there has been in the past - and I have talked about it in the past as well - a very effective branch that dealt with issues management. I don't see that branch anymore, so I'm interested in knowing where that branch went. Oh, it's a sub-branch; excuse me. It's under strategic services. What I am interested in knowing - and I must congratulate the minister that he is providing some extra dollars to that particular division - is whether there is any forward movement from that particular area with regard to ensuring that the best effort has been made by this government to head off strikes in those key areas within this province. So I would like the minister to address that issue as well.

Another area that is a core business for this particular department is the provision of "quality Safety Services throughout the province." That is an issue that I believe the government could do better on. We have in fact privatized the provision of services to ensure that there is adherence to the safety codes that have been put forward through this particular department. What I found interesting when looking through this budget is that - and I'm looking for the particular reference that I noticed. On page 319 it indicates - this is the key performance measures again.

Percentage of assessed organizations administering the Safety Codes Act that achieve a satisfactory performance rating, as defined by the monitoring program.

I would like to know: what exactly is the monitoring program, what are the standards within that program, how was that program developed, and what, in fact, are the measurements that are used to determine the effectiveness of that particular program? What the performance measures seem to say is that 85 percent of the assessed organizations have done something - I'm not sure what they've done in 1997 - and the target is to have 95 percent of assessed organizations do something. I am assuming - but it's not clear - that something is to meet the standards within the Safety Codes Act. My question is: how do we define how those standards are met? I guess if you need an explanation of my question, I'm more than willing to sit down and provide that as well.

We hear too often of incidents where workers are injured on the job. We hear too often of workers who are not only injured but who are killed on the job, and in our particular constituencies we also hear too often of individuals who feel that they have not been treated fairly through the Workers' Compensation Board. I think that all of that is interrelated when we look at safety services throughout the province.

I'd like to touch briefly as well on employment standards, but before I go there, I have a question with regards to the fire commissioner and whether that's the . . .

MR. SMITH: Succession planning.

MS LEIBOVICI: Succession planning, but is that the old fire training school?

MR. SMITH: It's the fire commissioner. The fire training school is in Advanced Education.

MS LEIBOVICI: Okay. That answers my question on the fire training school. It's moved to Advanced Education. So we'll leave that question for Advanced Education.

Again, before I move to employment standards protection, I have a question on what the item is with regards to various other revenue that is up \$100,000 from last year. It's interesting that we see the Department of Labour having such a huge increase in revenue that's come from some sources, and I would question what those sources are. Does it come from an increase that is not in accordance with premiums, fees, or licences, because we know that that is up 13 percent? What in fact is that particular line item about?

8:22

Before I go on to employment standards, I'd just like to make a comment that the workplace health and safety services program has been cut by 33.3 percent. I'd like to know how the minister can justify such a cut when we see increased economic activity - we have seen in the past increased employment in the oil sands field and other areas where traditionally there have been workplace accidents - and how he can explain that cut in services when in fact you would think the opposite should happen. If we are truly to be preventative and save costs in our health care system, this would be one very good place to do it and would cost much less to Albertans.

With regards to employment standards protection for employers and employees, we notice that that is down as well. It's not as large a cut as we saw in safety services but nonetheless is a cut of 2.6 percent. My question to the minister is: how can he justify that when if we are in fact having increased numbers of individuals employed within this province, the likelihood of complaints to employment standards might in fact be higher? If we are looking at having increased numbers of employees and employers in this province, one of the ways of mitigating having more complaints is to provide prevention services within employment standards. So how can the minister perform that function when there is a \$116,000 cut in the employment standards branch?

Now, my hon. colleague from Edmonton-Gold Bar has on a number of occasions brought to the minister's attention incidences where complaints have not been met in a timely manner, where complaints have in fact languished within the standards branch, and where individuals have not received the service that they needed to receive. So that is an area that I would like some information on as to why we see that drop in the employment standards branch.

There's a number of other issues that I could address, issues with regards to pension benefits, issues with regards to the minister looking at ensuring that there are benefits for part-time workers in this province. There are a number of pieces of legislation where if the minister were to look at some of the suggestions of the Official Opposition and the suggestions of the New Democrat opposition, we could in fact improve the labour relations climate within this particular province. Again, at any point that the minister wishes to discuss that with myself, I would be more than willing to sit down and show him how in fact we can provide some savings within this province, ensure that there is the prosperity that the minister likes to talk about, and ensure that we have a labour relations climate in this province that serves everyone.

Thank you.

THE CHAIRMAN: The hon. Minister of Labour.

MR. SMITH: Thank you so much, Mr. Chairman. I'd just like to thank the hon. Member for Edmonton-Meadowlark for showing so clearly her former portfolio critic expertise in bringing key issues to the table. Of course we're already working diligently on the answers and certainly hope to report back to those good questions, good comments.

Thank you.

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

DR. PANNU: Thank you, Mr. Chairman. I want to carry on from where my colleague left off. It's nice to see the minister here, open-minded and welcoming suggestions and reflections from the opposition. It's quite refreshing, I should say.

Mr. Chairman, general comments first, overall comments about the department's estimates. The population of the province is growing and so is the labour force, and I understand that the percentage of those working is also high. Yet I find that the department's overall budget is more or less frozen in time. It's about the same as it was last year, perhaps fractionally above. This isn't necessarily bad. One has to ask: what's the scope of the services of the department? What's the human resources of the department in order to deliver the services and other obligations that it has towards working Albertans and towards the Alberta economy in general?

So when I say that the budget is almost the same as it was last year in terms of amount, I don't mean to suggest that somehow automatically you need to increase by 10, 15 percent, but one has to assess this in terms of the track record of the department in that regard. So I will return to that very quickly.

A few questions on the operating expense side towards which I have some concerns. For example, on the operating expense side there is the workplace health, safety, and strategic services item. The gross expense indicated here is \$9.25 million, and it's fractionally higher than last year, not much higher. That's one area, I guess, that I would ask the minister to perhaps comment on. Workplace health, safety, and strategic services at the moment covers, of course, only certain industries, certain workplaces and not others. Even there, I think one can perhaps draw attention to some problems.

There are workplaces that are emerging as places where a large number of employees work. Mr. Chairman, here I'm drawing the attention of the minister to the growing industrialization of agricultural activity in the province. I think it is government policy to encourage large-scale growth of agricultural production in all areas, particularly in the area of beef and hog production and so on and so forth.

Now, people who work in the industrialized sector of the agricultural industry as opposed to the family farm side of agriculture to this date in my view do not have coverage under workplace health and safety, and the minister can correct me on this. I am suggesting that he comment on this. Given that the moneys allocated to that particular item remain more or less unchanged from last year, a minor increase, and the growing increase in that segment of the economy that I've just mentioned, the industrialized sector of agriculture, I ask him to perhaps make some comments on the extent to which there are resources available within the department in order to extend services similar to those that are now available to workplaces covered by health and safety regulations. If not, why not? Why are we not able to provide those services and make provision in the budget to cover the additional expenditures that might be incurred from that?

Similarly, Mr. Chairman, the item on labour relations adjudication regulation. There again I notice that the budget is only fractionally higher than last year, a very, very small increase, in fact a nominal increase if I may put it this way. It doesn't even reflect inflationary increases that one would expect, if not increases reflecting a need for increased services, which an expanding economy would suggest are needed and required. So that's a few observations on a couple of the items.

Moving on to the operating expense and capital investment side. In program 1, ministry support services, I notice that the human resources item, which is item 1.0.3, suddenly has dropped quite

dramatically from '98-99, from \$600,000 to \$340,000. That requires some explanation; I'd like the minister to comment on that. Whereas the business management side has grown from last year by about 5 to 7 percent, if I'm not mistaken, that again requires the minister to comment on that.

8:32

In workplace health, safety, and strategic services, while the minister's business plan suggests that the minister has ambitious goals there, at the level of resource allocation as reflected in the budget there is in fact a growing lag between what needs to be done and what's being provided in terms of budgetary resources. I draw attention here to item 2.2.2, mediation. Again the allocation is almost exactly that which was spent last year, so no growth at all while the need for mediation would seem to be growing at least in tandem with the growth in the workforce and the growth in the economy; I would suggest 3 to 4 percent at least. If on top of that one adds the inflationary adjustment, then I think one would have expected at least a 5 or 6 percent increase there, if not more.

There is an item there under workplace health and safety services, item 2.3.3, dealing with partnerships. I would like the minister to comment on that, on what exactly those services entail. Who are these partnerships with? What's the nature of the partnering that the government engages in with these specific authorities or entities? It's not clear, of course, from the budget.

Employment standards under technical and safety services, program 3, that the minister supervises and is responsible for. I find that corporate services show a considerable growth compared to the '98-99 budget. There's close to \$100,000 more there, which is really about 8 to 10 percent perhaps. What that means is not clear to me.

The minister is back and sitting next to me, so wonderful, wonderful. I've got the minister's full attention, for which I'm grateful.

Mr. Chairman, I'm doing all right in terms of time?

THE CHAIRMAN: You have 10 minutes and 10 seconds.

DR. PANNU: Thank you. Since I can't look at the clock from here, I need that assistance once in a while; hence my request.

Now I'm looking at the business plan summary that the minister provides here. One item there that I want to draw the minister's attention to in particular is his commitment to "effective employment standards and practices which accurately reflect a changing workplace." The statement is quite interesting. A close look at it suggests to me that he wants to have in place employment standards that are effective. I am looking for some goal statement here which says that compliance with these standards is also one of the important goals of the ministry. I don't see it stated here. It may be assumed that the minister is diligent in seeking compliance with these employment standards.

I just want to make a comment here which is highly relevant given the context of my own constituents. Edmonton-Strathcona houses a very large number of restaurants and other hospitality-industry related activities, a very large number. Also, a very large number of my constituents are young people who work in these workplaces. Given that, I'm concerned about the degree to which compliance with employment standards is obtained in this sector of the economy at present.

I just want to draw the attention of the minister to the Buffet World case, which I had something to do with making public. The minister's staff had to deal with I think a large number of queries from the press and public on the difficulties that employees of that

particular enterprise had had for a long period of time with that employer. So that certainly demonstrated that, in that particular case at least, they had some lapse, some failure I suppose on the part of those who are responsible for enforcing employment standards to so do effectively enough to protect these otherwise rather vulnerable young workers, most of whom simply don't know what their rights are in the workplace and are also desperate to find and do any kind of job they can while they seek better jobs.

I have since received numerous requests. It might be inappropriate for me to name these enterprises here for the record, but many of the complaints I have received have to do with fairly prominent eating places in my constituency. They continue to this day. In fact, someone called me at home last week to remind me that I need to do something about this. This is a person who works and has worked for a long time in this area.

So that's one area where I think there's a need for more effective measures to ensure that there's compliance with the employment standards. Not only do we need to worry about whether or not we can articulate effective employment standards, but it's a question of enforcement and compliance. I think that seems to be overlooked, at least in the statement of goals. I would like the minister to address that issue.

I'm just curious. In the language of the goals there is repeated reference to customers' demands. That I find rather interesting, government not being in the business of business but using business terms. I find that curious. I assume that when Albertans deal with their government, they deal with it as citizens. They may be employees, but they're citizens. So their relationship with the government is fundamentally one of citizen to a democratic government. The language itself is somewhat baffling, and I think it may also orient people differently in their relations with the government than the notion of citizens would. So that's a general comment on the language used, Mr. Minister.

Then I guess under highlights for 1999-2000 and the objectives for this fiscal year we are discussing, there are eight or nine objectives stated there. I would perhaps draw attention to one or two. One that struck my attention has to do with:

establish a customer advisory group, and consult with our customers, to ensure that Employment Standards delivery and policies serve the needs of Albertans. The customer consultations will take place between January and December 1999.

Be that as it may, whether you use the word "customer" or use some other term that's somewhat less important in this context, I'd like to know what the form will be that these consultations take. Will in fact the minister and the department in particular focus on more vulnerable workers who work in industries where he may have information that the compliance with employment standards is more spotty than in other industries?

8:42

I do know from my academic background that in the primary sector, where the profit levels are high, employment standards are more easy to comply with, and most industries do indeed comply with them fairly well. In the area of commercial/industrial activity and firms that work in the secondary sector of the labour market in the economy, where profit levels are more precarious and contingent on all kinds of circumstances, avoidance of compliance with employment standards is more likely. Historical records show us that workers working in the more privileged sector of the economy are more protected, feel safer, and have higher job satisfaction as a result of that than workers who work in the secondary sector.

My knowledge of the growth of the economy, the new economy as we call it, is that more and more jobs are being created in that sector of the economy which as yet has not established itself as a

high profit generating sector. That would be the service industries, and that's where the employment standards and the observance and compliance with them is more precarious. It would suggest to me that if this portrayal I have attempted, very brief and incomplete as it is, of this growing sector of the overall economy is correct, then perhaps more resources need to be dedicated to making sure employment standards are complied with, carefully monitored, and improvements made to them in order that not only the health and safety of the workers but their overall economic and social well-being is protected.

Mr. Chairman, the minister is seeking your attention.

MR. SMITH: One minute.

DR. PANNU: A second item here in the highlights for 1999 -2000 certainly got my attention right away.

Target industries with poor employment standards compliance performance and implement strategies to improve compliance, beginning in 1999.

I wonder if the minister has a list of such industries and employers and if he would be willing to share that list with us in the House. I think this follows from the comments that were just made about the probability that growing numbers of people might be exposed to poor compliance with the existing employment standards.

A third point there: "Develop and implement on-site audits to help ensure compliance with [private pension] legislation beginning in 1999." I'm not entirely clear whether or not this means that McDonald's and other fast-food employers will make this list of those work sites that will be included for this kind of audit.

Mr. Chairman, I think my time has run out.

THE CHAIRMAN: Yes, it has, hon. member.

DR. PANNU: Thank you very much. I would then stop here. I had a few other points to make, but they can be made later.

Thank you.

THE CHAIRMAN: You'll have time later on if you wish, hon. member.

Right now we have the hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Chairman. It is a pleasure to get to discuss with the hon. minister this evening the budget of his department, the Department of Labour. It's roughly a \$29 million budget. If we look across at the front benches, there are many departments that have larger budgets, but this is a very significant department. It's not how much money you have; it's how you spend it. I would advise the minister to spend his money very, very wisely, because when he spends his money wisely and appropriately, he can make a difference in the lives of Albertans.

The department is now divided organizationally into five different areas with this budget. There are ministry support services; workplace health, safety and strategic services; technical and safety services; labour relations adjudication and regulation; and freedom of information and protection of privacy. There should also be another defining - you can call it any sort of measure that you wish - for the minister and the officials in his department, and that is the number of Alberta workers that are unionized and the ones that are not unionized. There is roughly, for argument's sake, a 20-80 split in the workforce. Twenty percent are unionized, a little better than 20 percent, and the rest are non-unionized.

The Labour Relations Board is where the unionized workers go with their conflicts. The non-union workforce relies on the minister

and his staff to adjudicate their complaints. They may want to go to employment standards, for instance. The minister and his staff really are, through the employment standards branch, the collective bargaining unit for so many of those workers. They rely on and trust - and trust is not too strong a word - the minister to deliver fair and equal laws and regulations that govern their workplace. I would encourage the minister and officials in his department to take a very active role. That's a strong mandate for the minister and his officials. I would like to see him have a look at this in the future as this group of workers rely on myself and department officials directly, and this group of workers belongs under the umbrella of the Labour Relations Board or under legislation.

Before I came here this evening, Mr. Chairman, I was involved with a group who are presently under contract negotiations. They were together, and they were working out their differences. I was very glad to see that. I would encourage the minister to actively look at some of the strikes that are going on presently in this province, and there are two that come to note. First off, one started October 6 in Calgary. It's Dynamic Furniture. At the same time - I like to criticize the minister; it's my job - we've got to look at the furniture industry in Calgary. The furniture industry in Calgary has developed from a \$32 million industry 10 or 12 years ago - the exports are well over \$300 million annually from this province. That's the exports. That's what I'm reading in the eastern paper, the *Globe and Mail*. I credit the government for this diversification of the economy, because there's a significant difference between what we're experiencing now with the low price of particularly heavy oil and what we experienced in the mid-1980s.

8:52

That is one success, but the workers in Calgary that are on strike have not been successful. That has exposed our labour relations in this province for what it is, and that is a sham. We're looking at a first contract here, and these people decided that they wanted a union to represent their interests. We look at the month of October. We look at November, we look at December, we look at January, we look at February, and now we're into March.

I've been down there, and I've seen firsthand the strike. There are lights employed to shine on the street at night. This is costly. We've got security guards not only in front of the factory but, I understand, in the neighborhoods where the workers, both the replacement workers and the workers that are legally on strike, are living. If this isn't a divisive action, I don't know what is. I consider it totally unacceptable. It's their democratic right. They want to be members of a union, and I believe, by the laws of this province, they are being denied that right.

I would encourage the minister to get actively involved in this, get in there just like a referee at a hockey game. If he sees something wrong, blow his whistle, say to both parties: sit down and talk. There is a point in any community where you see this division because of a long, protracted labour dispute where no one wins, and I can only encourage the hon. minister to get directly involved.

We have, of course, another strike in this city that started just before Christmas with a smaller number of workers. The one in Calgary started out at over 300 workers. The one up here is Georgia-Pacific with the drywall factory. These workers are on strike now for the third month, and there's no resolution to this. So we can't say we have successful labour relations.

We can look at the performance measures in here and we'll see (r), and it means, I assume, revised, because of course we had the Safeway strike in 1997. I can hear the hon. minister. The coat will be buttoned, the hands are in the pockets, and he'll be talking about: if we remove the Safeway strike from our numbers, then we have a

very low rate of work stoppages. But that's like the hockey game tonight. The home team was outshot I believe 18-3 in the first period. Well, everybody would like to wipe the slate clean and start again, but we have to look at, whenever we decide to talk about our low rate of work stoppages, the percentage of the workforce that's unionized and the percentage that's not unionized, and if we're going to be accurate, we have to relate that to other provinces in that way.

The hon. Member for Edmonton-Strathcona talked about employment standards. Of course, Buffet World comes to mind. Earl's Restaurants comes to mind. We've discussed this across the Assembly. I believe that any industry in this province that can afford to pay thousands and thousands of dollars into election funds or into organizational funds, regardless of which political party it is, can afford to pay their employees.

In the highlights of the business plan summary for this Department of Labour, Mr. Chairman, there's one thing that catches my eye. The minister and his officials are going to

target industries with poor employment standards compliance performance and implement strategies to improve compliance.

They're going to start this in 1999.

Well, we know that Buffet World had claims. These aren't isolated claims. They're repeat, chronic claims to the employment standards office. They're not different claims. They're the same violation repeated over and over and over.

We look at Earl's. It's the same. It doesn't matter whether the violation was at Earl's in Grande Prairie or at Kensington in Calgary or the one up here in Clareview. It doesn't matter. It's the same violation again and again. We have to put a stop to that. The young people entering the workforce are relying on you. Their parents are also relying on you. We're not setting a very good example for the young people of this province entering the workforce for the first time. Essentially what is happening to them, I feel, is that we are setting them up for a confrontational relationship between themselves and their employer probably for the rest of their working lives because of their initial experience, and that was a bad one.

The minister should show a great deal of leadership here. I said across the Assembly that he and his government were soft on crime, and I meant it, because this is a crime. We have people phoning my office. Many members of this Assembly are familiar with Bubbles, the car wash. That is an outfit that you would think has been hauled into the media. Everyone knows the history of their labour relations. It hasn't been rectified. [interjection] No. To be quite honest, I was thinking of flagging down the minister and bringing him outside and talking to him and saying: can you do something about this?

There is one employee in particular. She had worked there for six years. She had worked through all this. I kept going back and going back. One day I gave her my car, over a year ago. She phoned me three weeks ago. She was run off; she was let go. This type of behaviour . . .

MS LEIBOVICI: Is not acceptable.

MR. MacDONALD: It is not acceptable. I agree with the hon. Member for Edmonton-Meadowlark that this is not acceptable. It is very, very important that we straighten out this mess with employment standards not only for the workers but for the small businesses across not only this city but in Calgary and all across the province who abide by the employment standards laws that your department sets out.

I want to see a small business that's abiding by all the laws be able to compete. If we have two restaurants, Mr. Minister - there's one up the street and there's one here. The one up the street is abiding

by all your laws and regulations. I'm the owner of the restaurant down the street and I'm not doing it, and I know you're not going to enforce your laws and your regulations. How is the restaurant up the street to compete with me? It's not a level playing field, and they cannot do it. It just is not possible. I would encourage you to forcefully . . . [interjection] No. I would use the courts. I would advise you to use the courts, and you set an example. You lead by example. If you fine one or two individual establishments, I'm sure the rest are going to fall in line.

9:02

I would like to know in the period of time - and I realize the hon. minister probably doesn't have these figures with him this evening - between 1993-1994 and this fiscal year, what was the number of employment standards officers? How many did you have employed in your department in 1993-94, and how many are employed there now? Now, I realize you weren't the minister of the day, but I'm sure that in due time we could get these statistics, because it's very important. I would also like the same information regarding occupational health and safety inspectors. It is very, very important, because I feel there is also inadequate field inspection - and we've talked about this before - with occupational health and safety.

In a few minutes I'm going to get into labour relations and having a balanced approach across this province. There's a substantial reduction, Mr. Chairman, in premiums, fees, and licences. If the minister could tell me why we have a reduction; it's gone from roughly \$1.6 million to \$1.3 million in revenue. Also, if he could give us a breakdown, in due time of course, of the DAOs that are under the umbrella of the Department of Labour. The Alberta Boilers Safety Association collects fees for a number of activities. I would like to know how many fees are generated by his DAOs.

Now we have to also talk about the Labour Relations Board. We need to understand that the minister in his business plan needs a "fair and balanced [approach to] labour relations." His key performance measures seem to change all the time. It seems that if we don't like a key performance measure or we don't like the result, we move it. It's a trend. Hon. members are telling me it's characteristic of other departments as well. We are looking at the key performance measure for the Labour Relations Board. If we're going to have a balanced approach to this, I see under application type here: "employer unfair labour practice". The target for two years from now is to reduce that application by ten days, from 150 days to 140. Now, for "trade union unfair" they want to reduce that from 115 days to 90. That's a difference of 25 days. I would have thought that if this was balanced, the Labour Relations Board, the trade union, and the employer would have the same turnaround time from the board. Obviously this is not going to happen. That's a significant difference.

Mr. Chairman, I will conclude my remarks. I would like to thank the minister for his gracious attention, and I look forward to a few more questions later on.

Thank you.

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

MR. GIBBONS: Thank you, Mr. Chairman. I'm pleased to stand in the Assembly tonight to speak to the Minister of Labour and the estimates of 1999-2000. The minister states that he's not moving toward a supplement budget, meaning extra money, not coming back like a lot of other departments over the years. Or maybe it's the way the Treasurer actually does the budgeting that there are so many supplements that keep coming out and more money is needed but it looks as if they are actually saving money for the normal Albertans,

that are actually not paying attention like we do in this House. Hopefully we all pay attention to what our budget is.

The minister compares his budget with the Education budget. He states that it's a very minute figure compared to Education or that it could take 60 minutes to actually spend in education the amount he has in his whole budget. His budget is made up of \$28,989,000, and he's got five programs that he's actually administering in that. Breaking it down: ministry support services; workplace health, safety and strategic services; technical and safety services; labour relations adjudication and regulation; freedom of information and protection of privacy.

A good working place is what we're striving for in this province, a working place where people can go to work and feel that they're protected, that they're in a safe environment. The minister says that this province has a very safe labour force, and the workforce hopes he is true to his word that he is going to keep it as such. The department, as the minister says, is a very important part of the province, and I really believe that. I came from the structural steel and sheet metal industry myself and for many, many years there were lots of different people that I worked with, that are in the labour force, as well as having them work for me. They are individuals that do come to work with their lunch kits. They are the people that feel they're putting their time in and working to raise their family, to educate their family, and to have a good living so they can go on a holiday, be part of it. But if they're not protected in this world, then they're the quickest ones to end up injured. In the steel industry and the sheet metal industry there are injuries all the time, and it's the safety aspect that we have to really look at and so on.

Hiring a lot of people in the last few companies I've had, I haven't had a union. I feel that if you treat people properly, then you don't need one. I do know that as our caucus met with labour representatives, they delved into my background and looked at how I hired, if I hired through a union, if I had union companies, and I do take the digs. The fact is that if you treat them properly, then there isn't that great a need for it, but I do believe there's always been a place.

The nurses' union in the early '70s. Nurses went from making \$400 to \$500 a month after years of working. Once they got a union in place, then they moved into a higher bracket, and over the years they were treated better and better. They needed the union to protect them in relationships with their employers. Teachers are no different. But in this province right now there seems to be a lack of respect for educated workforces, both the teachers as well as our nurses and other medical fields.

I'm going to ask a few questions of the minister and of the department, and maybe we can get some answers out of this tonight or in the future. Why are regional services both northern and southern being cut by 12 to 15 percent? Why is the northern region being cut more than the southern region? Now, this could be around the fact that there's more labour force up here, but why are the two areas being compared differently?

Why are program management and safety services being cut by 3.3 percent? My fellow member from Edmonton-Meadowlark asked this question earlier, and I saw a few nods coming from the minister. I hope we get an answer back on this one.

9:12

Another question. Why is there a 35.2 percent increase in technical services, mechanical, and an 11.7 percent increase in technical services, civil? How will the money be spent? Why are the northern and southern regional services being cut by 11.9 percent? How will this affect the delivery of safety services provincewide?

A question I've heard in this breakdown when we're talking about

Labour for the last two years: why has the fire commissioner seen a 71.8 percent decrease in funding since '93-94? In dollars adjusted to inflation, the department is budgeting to spend \$968,000 less on the fire commissioner this year than in '93-94. Has the fire commissioner's role changed? Why the reinvestment this year? Now, this is a question the minister nodded in answer to our hon. Member for Edmonton-Meadowlark, but the fact is that we keep asking that question every year. Why are we coming back and asking that question and not getting results and not getting answers?

Next question. Why is there a 34 percent reduction in expenses under employment standards for registrar but a 65.1 percent increase for corporate services? Does this mean that the worker with the complaints will have to wait longer while the service to the companies will be expanded? Why is the southern regional service employment standards being cut by 18.5 percent while the northern branch is only being cut by 6.5 percent? Will not cutting both these regions lead to less ability to enforce employment standards? Isn't this contrary to the customer-based philosophy of the department?

Another question. Why is the budget for employment pensions up by 16.3 percent? Is the government expecting the problems to result from his proposed amendment to the Employment Pension Plans Act?

The budget for the professional occupations has not gone up this year, but since 1993-94 the department has slashed this area by 55 percent. Why has this area been a loss in dollars adjusted for inflation of \$552,000 since '93-94?

Although funding for labour relations is expected to increase this year by 3.4 percent, why has the funding been cut by almost 23 percent since 1993-94? This is a decrease in dollars adjusted for inflation of \$468,000. How does this contribute to the department's goals of supporting fair and effective solutions for labour dispute and workplace issues?

What accounts for the 13 percent increase in revenue for various premiums, fees, and licences? This year there is a 333 percent increase in revenue from various sources. What are these various other revenue sources, and what accounts for this major increase?

The department is expecting to employ eight less full-time equivalent people this year, down from 385 to 377. Why the decrease? How many of these eight people were upper management, administrative support, or frontline workers like employment standards officers or occupational and safety investigators? These eight positions hopefully will relate back to the safety investigators, because if we can have a very safe work environment, then we have a much healthier environment, thinking about the amount of people that are struggling that go on WCB and the ones that are caught between the cracks in the system.

Since 1993-94 the department has cut 266 of the 643 people employed in '93-94, a loss of 41.4 percent. How can the department maintain a high level of expertise and services when so many employees have been lost in the past five years? Are there any plans to hire more employment standards officers? Like I mentioned before, a high standard in this relates back into a better workplace. On the safety investigators: can we expect further staff cuts next year and the year after that?

The department bases a lot of its success on successful partnerships. What practices and approaches is the department initiating to ensure that the partners who are increasingly responsible for occupational health and safety and employment standards compliance in this province are accountable and effective? What is the department's overall accountability framework, and how are the specific partners assessed to determine their level of accountability? How many new compliance programs for poor health and safety performance will be initiated in 1999-2000, especially considering

the estimated 1.8 percent cut in the workplace health and safety services in this budget?

In its business plan the department identifies many key strategies to effectively administer employment standards. Some of these are education initiatives, the creation of a customer advisory group, and compliance programs for chronic violators. When the employment standards branch is budgeted to spend 2.5 percent less this year than last, which one of these strategies will not be implemented? What will be cut from the existing employment standards branch to account for the 2.5 percent savings to implement all these new initiatives? What will be done to address the high rise in person days lost due to work stoppages that occurred in '97? Alberta went from second lowest in the country, which relates to .33 per 10,000 person days worked, to the second highest, which is 15.58. Is a review planned to re-evaluate the Labour Relations Board in light of this massive increase in days lost due to work stoppages? Is this the result of the 23 percent cut in funding to the Labour Relations Board since '93-94, Mr. Minister?

Since the department is falling short of its own goal to have 95 percent of assessed organizations administering the Safety Codes Act achieve a satisfactory rating - in '97 only 85 percent reached the goal - will the department undertake a review of the safety codes and how they are administered? Why is the goal not 100 percent? How is a satisfactory rating determined? Why was .60 percent chosen as the accepted percentage number of complaints registered by the employment standards branch? Why do only 69 percent of private-sector pension plans have a solvency ratio that equals or exceeds .9 percent?

Why are 10 percent of the FOIP requests to government public bodies not being completed in 60 days or less? What steps are being taken to address this problem? [interjection] Even if they are ours, Mr. Minister, I believe they should be within that time period. We have to pay the dollars too.

How was the target number of days for applications to the Labour Relations Board stated in the business plan as a new performance measure arrived at?

Mr. Minister, as we look at other items in here, we're looking at a very important, complex part of workplace performance measures. This is one thing that it actually targeted: minimum amount of time lost due to workplace disputes, work stoppage, and workplace injuries and disease. In '97 Alberta lost due to work stoppage 15.6 person days per 10,000 person days worked. Is this one of the major items that you're working on? Hopefully it carries on.

At this time, Mr. Chairman, I have completed my questions to the Labour minister. Thank you very much.

9:22

THE CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Chairman. I have some additional questions for the minister. Before I concluded my remarks, we were talking earlier about having a balanced approach to labour relations in this province. We look at this chart for applications that the Alberta Labour Relations Board receives, and we see that in the two previous years there has been a dramatic increase. If we go back to the fiscal year 1994-95, we see there are 881 applications. Last year there were 1,300 applications. So that's quite a dramatic increase.

The role that the Alberta Labour Relations Board plays is very, very significant. The Alberta Labour Relations Board is a board that has a broad representation. There are many people who form, shall I say, its public opinion. It certainly is a quasi-judicial board, and it has the responsibility, the very important responsibility of interpret-

ing and applying Alberta labour law. The Minister of Labour is the guardian. He or at some other time she is responsible for the integrity of the board, and with responsibility of course comes considerable power. We discussed that earlier about the authority of the minister to blow his whistle and say: "Enough. We want you to settle your differences." I'm talking about employers and employees.

We can't diminish the authority and the legitimacy of the Alberta Labour Relations Board in the labour relations community. I mean, we can look at the Alberta Teachers' Association, we can look at the Alberta Federation of Labour, and we can look at the Building Trades Council both in northern and southern Alberta and at the Alberta Union of Provincial Employees. Everyone has had some concern about one of the recent appointments to the board, and that appointment is Mr. Stephen Kushner.

When my hon. colleague from Edmonton-Meadowlark was Labour critic, an excellent Labour critic, she talked about having an independent board nominate all these appointments to the Labour Relations Board. I looked at that in passing, and I thought to myself: well, this is interesting. But after I see the controversy that surrounds this appointment, when I understand that this gentleman wasn't even on the shortlist, I can see the wisdom of the proposal that was presented by my colleague from Edmonton-Meadowlark. If the minister had taken her advice at the time, well, there wouldn't be this controversy now swirling about over this one particular appointment. Everyone would have, in what is considered the labour relations community, not only more faith in the Labour Relations Board but a considerable amount for the minister as well, because the minister is responsible for that department.

He's also responsible, I'm sorry, for the Workers' Compensation Board. I think it's a little better than 17 percent of his total budget that comes from a \$6 million transfer from the Workers' Compensation Board. With the adage that when the piper is paid, the piper plays the tune, I would like the minister to clarify for us all exactly what he does with that \$6 million. Is it just exclusively for OH and S and OH and S directives? There is some controversy surrounding that money. If he could answer that question: exactly the breakdown of the spending of that money. I'm not saying it's a good or a bad thing, but if it's used to encourage workplace safety and the policing of the workplace for OH and S regulations violations, then let's see how the minister has administered that money.

We also have some questions. There is an allowance or benefit, I understand, of a couple of hundred dollars for each employee of the department, and I understand it's for computer skills. If the minister could tell us in due time if that has been doubled this year to be \$400. I know there are cautions put out by the Auditor General and his department officials regarding just how Y2K compliant the Department of Labour is. The Auditor General flagged this last fall. If the minister could update us as to his Y2K preparations, I would be very grateful.

Now, the Department of Labour is always going on with one type of review or the next. In fact, they have so many reviews, it's hard to keep up, but one that has been going on for some time is the minimum wage review. We think it's all over, but it's not. We've only concluded one portion of that, and that's that the minimum wage is going to go up. It's going to be increased to \$5.90. But there's also the question of the regulations. I would be very interested to know from the minister when we can expect that part of the review to be concluded, because in a lot of situations that is a licence to eliminate the 40-hour workweek.

We have the power engineers regulation under the Safety Codes Act. We can't overlook the importance of power engineers. Power engineers have operated boilers around the world since the industrial

revolution created the stationary engineer. The chief engineer of a power plant used to have sole discretion in charge of the plant. Plants were regularly shut down for maintenance, and boiler inspectors had the power to shut down companies that refused to do maintenance on their boilers. Power engineers and boiler inspectors enjoyed a close working relationship, and public safety was a prime consideration. Now, I would like to know: what is the purpose of this discussion regarding the power engineers regulation under the Safety Codes Act? If he could update us on just exactly where his department is going with this, I again would be very grateful.

9:32

Now, we're also having a review of the Safety Codes Act. We look at the Department of Labour and the vast laboratory that it's become. On some days, Mr. Chairman, I often think that the minister is going to come in here with a white lab coat on, because it is an experiment. It is a live experiment. The failures often have been evident.

We look at small towns in Alberta who use volunteer firemen. In the small town or the municipality the firemen are volunteers, yet they have to do so much more. That is only one example. I see that the fire commissioner has had a bit of an increase. The fire commissioner is going to see an increase of \$90,000, or 26.5 percent, but since 1993-94 this element of the Department of Labour has decreased 71 percent. In real dollars the department is now estimating to spend almost a million dollars less on the fire commissioner than in 1993-94.

I look around and see my hon. colleague from Lethbridge-East, and I wonder about the grass fires that occurred last year in southern Alberta and the destruction that occurred as a result of these vast areas of farmland being scorched. If the fire commissioner's office were funded in a different way, perhaps it would have made a difference. I have to look at the fires that destroyed so much of our wood fibre in last year's summer fire season. Would that have made a difference? We think of this downsizing and we think of a little department like Labour, but it is significant.

This idea that everything with the Safety Codes Act could be literally divided up into this delegated administrative organization and that one - they were supposed to work much better than a government department would work. They were going to be much more dynamic. They were going to be much quicker.

We look at the Building Technical Council, which is under the umbrella of the Safety Codes Act. The Building Technical Council is responsible for the Alberta Building Code. For whatever reason - I'm perplexed and puzzled, whatever - there was too much time spent between the time the Department of Labour claims they initially knew about the problem with this untreated pine shake and the time they actually did something. This is where we're finding that the problem is significantly greater than even I imagined. Between June, Mr. Chairman, of 1997, when the department admits that they knew there was a problem with this untreated pine shake, and June 1998, when they changed the Alberta Building Code - they revised it, or they say amended it - there were over 9,000 homes constructed in Calgary alone. We have no idea how many of those homeowners put this untreated product on their new homes. The Building Technical Council failed, in my view, to change the code quickly. This is going to cost some Alberta homeowners a great deal of money and a great deal of anxiety, and it could have been prevented.

I would like to know from the minister what steps his department is taking to ensure that this sort of product endorsement does not occur again? This has been a very, very expensive lesson for all Albertans, regardless of whether you're living in Calgary, in

Edmonton, or out in Sherwood Park, Fort Saskatchewan, Leduc, St. Albert, Stony Plain even. But I don't think there are any problems in Stony Plain, because Stony Plain has more than 500 millimetres of annual precipitation. Therefore, there cannot be any pine shakes installed in that community. So the hon. Member for Stony Plain can consider himself very, very lucky in this situation, because he's exempt from this.

However, we have to ensure, Mr. Chairman, that this doesn't happen again. I would like the minister to outline in his response to us exactly what steps he's taking with his Building Technical Council to ensure that all products that are going to be authorized and promoted in the Alberta Building Code are up to a suitable standard.

Now, I heard last night from another cabinet minister that his department had no responsibility for this; it's not his problem. I realize it's provincial jurisdiction, the building codes, but this is an issue that transcends provincial politics. We have the National Building Code, we have the Canadian Standards Association, and we also have international organizations like the international congress of building officials, who want a harmonized code. None of this was done, and Alberta homeowners or consumers, as a consequence of this, are paying the price.

I would like to know from the minister if he's going to change the membership of the Building Technical Council and put some consumers on the board, someone who has an interest other than the interest of, say, a manufacturer. This is very, very important, because the delegated administrative organizations have not worked to the purpose that they initially were designed for.

I would also like to ask the minister about the Alberta Boilers Safety Association. There's a number of issues regarding the Alberta Boilers Safety Association, and that's the number of overdue inspections. How many of those overdue inspections are on facilities that produce sour water or gas? Is the minister having any luck in finding qualified inspectors? I understand that there was quite a difficulty in attracting inspectors to cure this backlog. Now, the Auditor General has spoken two years in a row about the significance of this problem. We really have to deal with this in a timely fashion, because we know the relationship between the oil companies and rural landowners is not the best. Relations between landowners and oil companies in this province used to be fine.

We hear of this incident, we hear of another incident in Peace River, and we hear of another one out in Consort, and I'm wondering if there are fugitive emissions from a few production facilities, whether it be a battery or a compressor station, that are causing this trouble, causing this increase in distrust between landowners, cattle ranchers, and oil and gas companies. This is a relationship that the Auditor General has discussed because the Alberta Boilers Safety Association has not been able to meet its inspection deadlines.

Thank you, Mr. Chairman.

9:42

THE CHAIRMAN: The hon. Minister of Labour, followed by the hon. Member for Lethbridge-East.

MR. SMITH: Okay. Thank you very much, Mr. Chairman. A tremendous number of questions, a tremendous amount of interest raised by members who've spent a great deal of time going through in detail, and I'm very pleased to hear the detail that they've gone through to examine the Alberta Labour three-year business plans, those short but meaningful seven pages, followed by the key performance measures, eight core measurements of the business that we do.

Mr. Chairman, I am going to move as quickly as I can because

there is so much that good examination, good investigation has brought out, and I am going to move quickly through items not directly related to the estimates that members talked about.

Let me talk to the dialogue and the conversation. I'm going to start with the Member for Edmonton-Gold Bar and his comments, and then I'll move quickly through some of the others, although I have seen some good comments from the former critic, who says that she may be in new duties, but she's not left where her heart truly lies. Although she did comment about the workplace health and safety budget being down 33 percent, it's actually up to \$6.7 million, Mr. Chairman, from \$6.67 million. Employment standards is also up, and we are continuing to work on those issues.

Then we heard from the Member for Edmonton-Strathcona. Unfortunately there isn't enough money for everything, but there is productivity to improve everything. Employment standards compliance - and some of these, Mr. Chairman, will move towards some of the questions from the other members as well. We are working very hard on getting employees focused on what they are due. In fact, you see much of that happening, and in fact some of the work from members opposite in putting these particular employers that have had more than one violation out in the forefront is important, and I think perhaps some public attention has helped focus the issue on compliance. Certainly we're focusing on the monitoring and auditing of repeat offenders. We're also working with associations and groups to ensure that compliance increases. The third stage, of course, is possible prosecution.

The process is very clear, the laws are very clear, and the first, second, and third stages are also very clear. The food and beverage association is working closely with them. We've met with them as well on other topics, on the minimum wage, for example.

We know that there's a majority of the noncompliance happening, as the Member for Edmonton-Strathcona said, in the lower paid hospitality industries. There is great evidence, Mr. Chairman, to indicate that where jobs are being created, they are not low-paying jobs. In fact they're jobs that are full-time, they're jobs that pay good money, and they're jobs that reflect the educational levels Albertans have. In fact, average weekly earnings in Alberta continue to ride higher than the Canadian average consistently, and I believe they're in the number three spot now, moving to number two.

The Member for Edmonton-Strathcona asked what the term "partnerships" was. We would just refer him to page 19 of the business plan.

Now, Mr. Chairman, as I go to the first round of questions from the Member for Edmonton-Gold Bar, there's so much that I would like to be able to talk to him about, setting him straight on how things are working so effectively in Alberta. He knows that, because he's been out there often. But, you know, when you're trying to oppose something that by definition he must oppose - and we thank him for the constructive comments when they come, and of course we would chastise him for ones that he's opposing just for the position of being opposed.

Mr. Chairman, the Dynamic Furniture issue started originally with 360 employees. It's estimated that about 15 remain on the picket line. The remainder returned to work or are employed elsewhere. There's no question that strikes and lockouts are divisive, and negotiated settlements are what the Ministry of Labour believes in and strives hard to effect. The organization is really clearly structured through mediation, the Labour Relations Board facilitators, and those are the individuals that can get in and apply their expertise. It is not the policy of the minister to intervene.

Work stoppages for 1998, first three-quarters. Mr. Chairman, back in Alberta's traditionally low base of 1.83 days lost per 10,000 days worked, there was a Safeway strike in '97. It occurred, and

Safeway is still there, and their workers are still working.

Mr. Chairman, employment standards, an industrial target. Again, we work through the Restaurant and Foodservices Association. I've outlined the process, as I did for the Member for Edmonton-Strathcona.

I'm glad the member mentioned Bubbles. We'll be on that 8 a.m. tomorrow, and as he continues to name employers, we'll certainly investigate them. Certainly it would be in the best interests of the workplace and of people who feel that they have adequate grounds to lodge complaints. If the member has that information, I encourage him to deliver it to me as quickly as possible, and we will move on it, reflecting the importance of every comment that he makes that we take into consideration.

Employment standards officers and organizational structures continue to be effective. Actually, one of the things, technology and increased employee performance - that's how you deal with increased jobs, increased economic activity, and managing your dollars. It's all about productivity, Mr. Chairman. It's one thing that we are very proud of in the employment standards area. As a matter of fact, you know I just happen to have a press release from the federal Liberal Party and the federal Minister of Labour that talks highly about the joint initiative in the Department of Labour that we've recently concluded with the federal government and the amount of work that we've done with them. I think that demonstrates good, good progress.

The member talked about delegated administrative organizations. He knows very clearly that they're nonprofit, private entities. Financial statements are audited and issued, and their annual reports are then tabled in the Legislature. I would encourage him to make good use of his Legislature Library card.

Labour Relations Board performance, which all four members talked about. This is the very first time in the history of the province of Alberta and the history of the Labour Relations Board that they have been so good in their business structure that they were able to table a business plan, and I applaud them for that. Not only are they just tabling a business plan and looking at initial performance measurements, Mr. Chairman, but they are also moving very hard to do new things and do changing things. They're already doing something that I think is very important. They post all their decisions on a web site. I think that's important. Rather than taking up valuable time in the House when I know there are other matters pressing, members or any individuals can simply refer to the Internet web site. So I encourage them to use that facility offered by the Labour Relations Board.

9:52

Secondly, Mr. Chairman, they're also moving forward on a customer relations survey, the first of its kind in Labour Relations Board history, something that has been done from time to time in other jurisdictions but very rarely. So I would encourage the members interested to continue to read the business plan, follow progress, and certainly look at what occurs from there.

The fire commissioner's office was another question that was brought up, a good question. Actually, Tom Makey has been fire commissioner since they first put two pieces of stone together to get a spark which created a fire. Right after that, Mr. Makey was hired. That's put him a man of great experience and great expertise, and as a matter of fact he serves expertly across the dominion. Of course there comes a time when the fire burns a little lower, and Mr. Makey will be attending to his embers outside the department. We wish him well and thank him for all the expertise he's provided this department. That will be replaced. Part of good management is good succession planning. So that good succession planning, Mr.

Chairman, is being taken up with an additional budget increase to the fire commissioner's office.

We also thank the municipalities for doing their fire prevention and safety programs. There's a very, very good record of progress in the Alberta workplace and in Alberta municipalities, and again we have to thank the good work of AAMDC and AUMA for that.

The member also brought up ABSA, the Alberta Boilers Safety Association, which I thought was great, because he then alluded to - and they seem to have great fun challenging the work of the Auditor General. Why they continue to do that I don't know, because they were on the all-party committee that selected him, Mr. Chairman. But while that occurred, the Auditor General did state very clearly that there's been great progress made: "I am pleased to report that the department has made progress in achieving this objective," Auditor General's report 1998 regarding ABSA's improved performance reducing the inspection backlog on a risk priority basis.

To date Alberta Labour and ABSA have focused a catch-up effort in the highest risk exposure equipment, which the member points out correctly is where you want to go, continues to improve their record, 10 reported incidents in '97-98 with no injuries. There have been no fatalities due to pressure equipment failure since 1994. Excellent, excellent progress. I've seen great progress in this group. I know that it challenges the member. I know that he does realize the Alberta boilers safety inspection association has eliminated roughly 45 percent of the backlog they inherited from the government in operation in 1995, and I think that is, indeed, good progress.

Mr. Chairman, other comments came in that I think are important to note. We've covered ABSA. We're covering so much in such a short period of time, knowing how important the time is to the House. So let me just go to a great set of questions from the Member from Edmonton-Manning and how we were certainly able to work with him, as we'd work with any member, to find solutions and to issue progress reports from the Ministry of Labour.

The budget, he says, has only gone up 1.4 percent. Actually, it is up 2 percent. It's up to 2 percent primarily for wage adjustment costs. We are increasing our productivity. He asked the question about how were we providing the services to manage a growing province. We're doing it with a smaller department, but we are also doing it with increased productivity. We know that's working because we've seen compliance and progress towards the business plan.

In Treasury, Mr. Chairman, they have now got all the personnel and payroll benefits, and we're able to share corporate services with Treasury. That's been able to assist us greatly.

Operating systems, of course, has been subcontracted out to an Alberta firm. They're doing excellent work. In fact, they're moving faster than what we can move in our own department. So from that, I would refer the member to page 12 of the business plan where it talks about new initiatives.

Information Services is moving quickly. Again, salaries, materials, library, the web site - over 50,000 hits on the web site, Mr. Chairman. We are looking at increased activity in the spending forecast in workplace health and safety services. We are looking at annual costs of legislation policy and technical support that works with the other departments. No group works independent of themselves. They actually have a synergistic model, where the spending of a mere \$28 million will result in probably productivity and service levels more in the \$50 million to \$60 million range.

We are looking at small reductions from forecast, occupational health and safety. Some of them are above spending forecasts in workplace health and safety. We are looking at program manage-

ment in safety services actually increasing \$5,000 from forecast. We're looking at changing some of the increase in technical services to reflect a standards review.

I would point to the hon. Member for Calgary-Fort, who has done an excellent job in shepherding the minimum wage review through, who as well has done an excellent job of continuing to review safety standards. I would also point to the Member for Leduc for the great work he's done with the Safety Codes Council review. There will be more coming on that, and you'll see more work going on that.

I've talked about the fire commissioner, employment standards changes, the good work that's being done in employment standards as backed up by the press release from the Minister of Labour from the federal government. You know that employment pensions have a compliance review program with the feds, and there's a change in legislation coming with that. We're dealing with that. We're watching budgets up from forecasts, 1.8 percent in workplace health and safety. The 1998 number is back in line with history with respect to days lost to work stoppages.

Mr. Chairman, we are seeing a tremendous amount of work done by the freedom of information and protection of privacy group headed by Sue Kessler. Ms Kessler's group is looking at roughly an 8 to 9 percent increase in funding. From that, they are training over 1,400 individuals in the MASH sector, and that has been well received. I think kudos go out to them for the work they've done, and they've been able to do it within that budget line.

Mr. Chairman, again we look forward to spending more time, more hours on this very important department. It works not only with a mere \$28 million in the workplace, but it also works very hard at being able to influence the workplace, at being able to talk about a workforce of 1.542 million workers. These workers are making more money than ever before. They're seeing higher employment rates than ever before. They're seeing better jobs created than ever before. Alberta is the only province that has not lost productivity rates with the United States over the last seven years. The change in productivity in the province of Ontario is compared to the state of Mississippi. In fact, Alberta is right up there with the big western growing U.S. states.

What you're going to see, Mr. Chairman, is continued performance not only from the workforce in Alberta - it doesn't matter whether they're unionized or non-unionized. What you're going to see from them is a fabulous amount of construction. There are over \$46 billion worth of projects designed and on the drawing boards, on the computer-assisted drafting system programs for Alberta. I talked to the president of Amoco yesterday, Mr. Joe Bryant. He's got a \$360 million plant for the Joffre site to be built on top of the billion dollar E-3 cracker.

Mr. Chairman, since the change in the M and E tax that put up walls to capital, these walls have come down of course, and capital has moved in at an astonishing rate. Certainly with the rates that the Minister of Economic Development has put forward in investment climate in Alberta it's no wonder that the minister has the luxury to listen to his critics talk about the tremendous amount of activity that's going on in the Alberta workplace. There are more people working than ever before in the best province in Canada.

Mr. Chairman, with those glowing comments on this wonderful province and this wonderful privilege to serve this province, I would move now that the committee rise and report progress.

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

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

The subcommittee is recessed for a moment till we are joined by our colleagues from the other place, the upper room.

[The subcommittee adjourned at 10:02 p.m.]